

Joint Budget Committee



Supplemental Budget Requests FY 2024-25

Department of Human Services

(Office of Economic Security and Office of Adults, Aging, and
Disability Services)

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

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Overview of Department

The Department of Human Services is responsible for the administration and supervision of most non-medical public assistance and welfare activities of the State, including assistance payments, the Supplemental Nutrition Assistance Program (food stamps), child welfare services, rehabilitation programs, alcohol and drug treatment programs, and programs for the aging. The Department is also responsible for the care and treatment of the State's dependent citizens who are mentally ill, developmentally disabled, or juvenile offenders.

This supplemental document covers only the Office Economic Security and the Office of Adults, Aging, and Disability Services.

Summary of Staff Recommendations

Department of Human Services: Recommended Changes for FY 2024-25

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$807,454,749	\$137,918,880	\$218,017,600	\$85,046,757	\$366,471,512	1,773.3
Other legislation	5,000,000	3,000,000	2,000,000	0	0	1.3
Current FY 2024-25 Appropriation	\$812,454,749	\$140,918,880	\$220,017,600	\$85,046,757	\$366,471,512	1,774.6
Recommended Changes						
Current FY 2024-25 Appropriation	\$812,454,749	140,918,880	\$220,017,600	\$85,046,757	\$366,471,512	1,774.6
S3 NSLP fund source technical correction	300,000	0	300,000	0	0	0.0
SI letternote technical correction	0	0	0	0	0	0.0
SNP HCPF CMBS technical	412,271	193,024	17,686	0	201,561	0.0
Statewide common policy supplemental requests	-270,667	133,000	-46,993	-243,772	-112,902	0.0
Recommended FY 2024-25 Appropriation	\$812,896,353	\$141,244,904	\$220,288,293	\$84,802,985	\$366,560,171	1,774.6
Recommended Increase/-Decrease from 2024-25	\$441,604	\$326,024	\$270,693	-\$243,772	\$88,659	0.0
Percentage Change	0.1%	0.2%	0.1%	-0.3%	0.0%	0.0%
FY 2024-25 Executive Request	\$812,896,353	\$141,244,904	\$220,288,293	\$84,802,985	\$366,560,171	1,774.6
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

FY 2024-25 Description of Incremental Changes

S3 National School Lunch Program (NSLP) fund source technical correction: The request includes an increase of \$300,000 cash funds from the Food Distribution Program Service Fund, which is continuously appropriated, to rent delivery trucks for the administration of the National School Lunch Program. The NSLP provides a stable, reliable, and less costly source of USDA foods for participating schools and child care providers in the state. The Department is responsible for receiving, storing, and distributing commodities to entities that participate in the NSLP. The request is associated with a budget amendment for FY 2025-26. The

recommendation is approval and to accurately reflect the appropriation as originating from a continuously appropriated cash fund.

Staff-initiated (SI) letternote technical correction: The recommendation is to fix a technical drafting error to a letternote in the Office of Adults, Aging, and Disability Services to correctly identify an appropriation as originating from a continuously appropriated cash fund.

SNP HCPF CBMS technical: The non-prioritized request includes an increase of \$0.4 million total funds, including \$0.2 million General Fund, for the Colorado Benefits Management System (CBMS). The recommendation is pending Committee action on the associated prioritized request in the Department of Health Care Policy and Financing.

Statewide common policy supplemental requests: The request includes a decrease of \$0.3 million total funds, including an increase of \$0.1 million General Fund, for non-prioritized requests associated with statewide common policy requests. The decrease is associated with adjustments to the Department’s payments for vehicle leases, state property risk management, and to the Office of Information technology (OIT), which are determined through common policies. The prioritized versions of these requests will be presented during the supplemental presentations for the Department of Personnel (vehicle and state property) and Office of the Governor (OIT). The recommendation is pending Committee action on common policy supplementals.

Prioritized Supplemental Requests

S3 NSLP fund source technical correction

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Request	\$300,000	\$0	\$300,000	\$0	\$0	0.0
Recommendation	300,000	0	300,000	0	0	0.0
Staff Recommendation Higher/-Lower than Request	\$0	\$0	\$0	\$0	\$0	0.0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? **YES**
 [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of a technical error in the identification of cash fund appropriations in the FY 2024-25 Long Bill (H.B. 24-1430) and data that was not available when the original appropriation was made.

Request

The Department requests an increase of \$300,000 cash funds from the Food Distribution Program Service Fund to rent delivery trucks for the administration of the National School Lunch Program.

Recommendation

Staff recommends increasing the cash fund appropriations from the Food Distribution Program Service Fund in the FY 2024-25 Long Bill (H.B. 24-1430). Further, staff recommends a technical correction to the letternote associated with the Food Distribution Program Service Fund to show the appropriation for informational purposes only and that the Fund is continuously appropriated pursuant to Section 26-1-121 (4)(b), C.R.S.

Analysis

The Department acknowledges that the Food Distribution Program Service Fund is continuously appropriated pursuant to Section 26-1-121 (4)(b), C.R.S., and that this request was submitted to ensure transparency in the budgeting process. Federal law requires states to provide safe, consistent food resources for school districts and child care providers. The Department is responsible for receiving, storing, and distributing \$20.0 million of commodities to about 230 public and private K-12 schools and child care centers, throughout the State, that participates in the NSLP. The commodities are purchased using federal funds from Colorado's federal entitlement. Nutrition directors from participating institutions select frozen and shelf-stable foods from a U.S. Department of Agriculture (USDA) catalog of foods. These commodities equate to about \$0.20 per meal of food value, which represents significant saving to institutions feeding Colorado children.

This supplemental request is related to a FY 2021-22 request (R5) in which the Department anticipated purchasing trucks to deliver USDA foods statewide using available federal funds reallocated from other states. Specifically, the Department proposed using \$425,000 federal funds to purchase two food delivery trucks before June 30, 2022 to accommodate both long- and short-haul deliveries throughout Colorado. However, amid the pandemic and ensuing supply chain issues, the Department has not been able to acquire the delivery trucks. The proposed solution is to enter into a long-term contract for delivery trucks, while awaiting receipt of the delivery trucks that are being built to program specifications. The contracted trucks enable the program to deliver the USDA commodities to school districts across Colorado, including many rural school districts that rely on these deliveries for 20.0 percent of their school food budget.

Staff-initiated Supplemental Requests

Staff-initiated letternote technical correction

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Request	\$0	\$0	\$0	\$0	\$0	0.0
Recommendation	0	0	0	0	0	0.0
Staff Recommendation Higher/-Lower than Request	\$0	\$0	\$0	\$0	\$0	0.0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? **YES**
 [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff omitted a necessary (I) Note moniker to an informational cash fund appropriation from the Central Fund for Veterans Community Living Centers.

Recommendation

Staff recommends that the Committee approve a technical letternote correction to correctly identify a cash fund appropriation from the Central Fund for Veterans Community Living Centers as informational. The money in the Central Fund for Veterans Community Living Centers is continuously appropriated for the direct costs of operations and administration, pursuant to Section 26-12-108 (1)(b)(I.5)(A), C.R.S.

Analysis

In the Long Bill, informational appropriations are shown with an (I) Note, which are defined in the Long Bill Headnotes as an amount that “is not an appropriation, nor does it limit the expenditure of such money.” An (I) Note is applied to cash fund figures that originate from a continuously appropriated cash fund. In the FY 2024-25 Long Bill (H.B. 24-1430), letternote “a” in the (7) Office of Adults, Aging, and Disability Services, (A) Administration subdivision identifies an amount from the Central Fund, but omits the (I) Note.

Non-Prioritized Supplemental Requests

SNP HCPF CBMS technical

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Request	\$412,271	\$193,024	\$17,686	\$0	\$201,561	0.0
Recommendation	412,271	193,024	17,686	0	201,561	0.0
Staff Recommendation Higher/-Lower than Request	\$0	\$0	\$0	\$0	\$0	0.0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? **N/A**
 [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff does not have an assessment on criteria for this non-prioritized request. That assessment will be made through the prioritized request in the Department of Health Care Policy and Financing.

Request

The non-prioritized request includes an increase of \$0.4 million total funds, including \$0.2 million General Fund, for the Colorado Benefits Management System (CBMS).

Recommendation

The recommendation is pending Committee action on the associated prioritized request in the Department of Health Care Policy and Financing.

Statewide Common Policy Supplementals

These requests are not prioritized and are not analyzed in this packet. The JBC will act on these items later when it makes decisions regarding common policies.

Department's Portion of Statewide Supplemental Requests						
Supplemental	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
SNP Risk management	\$43,501	\$0	\$4,537	\$19,074	\$19,890	0.0
SNP OIT Real time billing	35,827	133,000	50,660	259,188	128,979	0.0
SNP Annual fleet supplemental	-8,341	0	-870	-3,658	-3,813	0.0
Total	-\$270,667	\$133,000	-\$46,993	-\$243,772	-\$112,902	0.0

The staff recommendation for these requests is pending Committee action on common policy supplementals. Staff asks permission to include the corresponding appropriations in the Department's supplemental bill when the Committee acts on common policy supplementals. If staff believes there is reason to deviate from the common policy, staff will appear before the Committee at a later date to present the relevant analysis.

Appendix A: Numbers Pages

JBC Staff Supplemental Recommendations - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Numbers Pages

	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2024-25 Requested Change	FY 2024-25 Rec'd Change	FY 2024-25 Total w/Rec'd Change
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Department of Human Services
Michelle Barnes, Executive Director

S3 NSLP warehouse

(4) Office of Economic Security

(D) Food and Energy Assistance

Food Distribution Program	1,515,819	1,198,546	300,000	300,000	1,498,546
FTE	7.5	10.9	0.0	0.0	10.9
General Fund	521,045	161,012	0	0	161,012
Cash Funds	163,999	544,282	300,000	300,000	844,282
Reappropriated Funds	0	0	0	0	0
Federal Funds	830,775	493,252	0	0	493,252

Total for S3 NSLP warehouse	1,515,819	1,198,546	300,000	300,000	1,498,546
FTE	7.5	10.9	0.0	0.0	10.9
General Fund	521,045	161,012	0	0	161,012
Cash Funds	163,999	544,282	300,000	300,000	844,282
Reappropriated Funds	0	0	0	0	0
Federal Funds	830,775	493,252	0	0	493,252

Totals Excluding Pending Items					
HUMAN SERVICES					
TOTALS for ALL Departmental line items	2,337,753,860	2,604,787,014	300,000	300,000	2,605,087,014
FTE	4,596.7	5,434.3	0.0	0.0	5,434.3
General Fund	857,084,187	1,249,542,319	0	0	1,249,542,319
Cash Funds	437,340,579	511,926,640	300,000	300,000	512,226,640
Reappropriated Funds	179,890,758	227,127,067	0	0	227,127,067
Federal Funds	863,438,336	616,190,988	0	0	616,190,988