

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



SUPPLEMENTAL REQUESTS FOR FY 2015-16

DEPARTMENT OF HUMAN SERVICES

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

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

**Prepared By:
Kevin Neimond, JBC Staff
January 20, 2016**

For Further Information Contact:

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

TABLE OF CONTENTS

	Narrative Page	Numbers Page
Department Overview	1	N.A.
Summary: FY 2015-16 Appropriation and Recommendation	1	N.A.
Prioritized Supplementals in Department-assigned Order		
S2 Childrens Savings Accounts	4	14
S4 Increasing Spending Authority in Senior Services	5	15
S6 NYC Title IV-E Technical Correction	7	16
S8 S.B. 15-012 Child Support Pass Through Roll Forward	8	17
S14 NYC Caseload Adjustment	9	18
Non-prioritized Supplementals		
NP2 CBMS	12	N.A.
Previously Approved Supplemental Request	12	N.A.
Totals for All Supplementals	N.A.	18
Appendices		
Numbers Pages	14	N.A.

DEPARTMENT OF HUMAN SERVICES

Department Overview

The Department of Human Services is responsible for the administration and supervision of all non-medical public assistance and welfare programs in the State, such as assistance payments, child welfare services, mental health and alcohol and drug treatment programs, services for people with disabilities, and programs for the aging. It supervises programs that are administered at the local level by counties and other agencies and directly operates two mental health institutes, three regional centers for people with developmental disabilities, and ten institutions for juvenile delinquents. The recommendations contained in this document focus on five of the Department’s divisions: the Office of Information Technology Services, County Administration, Office of Self Sufficiency, Adult Assistance Programs, and Division of Youth Corrections.

Summary: FY 2015-16 Appropriation and Recommendation

Department of Human Services: Recommended Changes for FY 2015-16						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2015-16 Appropriation						
SB 15-234 (Long Bill)	\$714,866,371	\$221,158,924	\$155,091,230	\$4,544,887	\$334,071,330	1,284.6
Other Legislation	<u>899,899</u>	<u>346,513</u>	<u>0</u>	<u>0</u>	<u>553,386</u>	<u>0.3</u>
Current FY 2015-16 Appropriation	\$715,766,270	\$221,505,437	\$155,091,230	\$4,544,887	\$334,624,716	1,284.9
Recommended Changes						
Current FY 2015-16 Appropriation	\$715,766,270	221,505,437	\$155,091,230	\$4,544,887	\$334,624,716	1,284.9
S2 Childrens Savings Accounts	(100,000)	(100,000)	0	0	0	0.0
S4 Increasing Spending Authority in Senior Services	0	0	0	0	0	0.0
S6 DYC Title IV-E Technical Correction	0	0	0	0	0	0.0
S8 S.B. 15-012 Child Support Pass Through Roll Forward	0	0	0	0	0	0.0
S14 DYC Caseload Adjustment	(709,586)	(519,143)	0	(88,224)	(102,219)	0.0
NP2 CBMS	(1,154,556)	(686,334)	285,305	0	(753,527)	0.0
1331 Correcting Disallowed SNAP Costs	<u>963,227</u>	<u>963,227</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
Recommended FY 2015-16 Appropriation	\$714,765,355	\$221,163,187	\$155,376,535	\$4,456,663	\$333,768,970	1,284.9
Recommended Increase/(Decrease)	(\$1,000,915)	(\$342,250)	\$285,305	(\$88,224)	(\$855,746)	0.0
Percentage Change	(0.1%)	(0.2%)	0.2%	(1.9%)	(0.3%)	0.0%
FY 2015-16 Executive Request	\$716,284,837	\$221,163,187	\$156,896,017	\$4,456,663	\$333,768,970	1,284.9

Department of Human Services: Recommended Changes for FY 2015-16

	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Request Above/(Below) Recommendation	\$1,519,482	\$0	\$1,519,482	\$0	\$0	0.0

Request/Recommendation Descriptions

S2 Childrens Savings Accounts: The Department requests a transfer of \$100,000 General Fund from the Automated Child Support Enforcement System line item to a new line item in the Executive Director’s Office to fund initial deposits to college savings accounts for children. Staff recommends decreasing the Automated Child Support Enforcement System line item by \$100,000 General Fund and rejecting the Department’s request to provide State funding for college savings accounts for children.

S4 Increasing Spending Authority in Senior Services: The Department requests an increase of \$1,519,482 cash funds spending authority for FY 2015-16 as a result of the statutory transfer of unused moneys from the Senior Citizen and Disabled Veteran Property Tax Exemption to the Older Coloradans Cash Fund. Staff recommends rejecting this request due to a lack of data-driven evidence of service shortfalls due to the current appropriation level. Additionally, staff recommends that legislation be sponsored to transfer \$1,519,482 from the Older Coloradans Cash Fund to the General Fund in FY 2015-16.

S6 DYC Title IV-E Technical Correction: The Department requests, and staff recommends, a technical correction to transfer General Fund appropriations between three line items in the Community Programs section of the Division of Youth Corrections. The transfers, which sum to zero, move federal funds between the Personal Services, Purchase of Contract Placements, and Parole Program Services line items to align appropriations with historical expenditure patterns.

S8 S.B. 15-012 Child Support Pass Through Roll Forward: The Department requests, and staff recommends, roll-forward authority be provided for \$552,921 total funds, including \$187,933 General Fund, from FY 2015-16 through FY 2016-17 from moneys appropriated in S.B. 15-012 (Colorado Works Pass-through Child Support Payment).

S14 DYC Caseload Adjustment: The Department’s Division of Youth Corrections (DYC) requests, and staff recommends, a decrease of \$709,586 total funds, including a decrease of \$562,558 net General Fund, for FY 2015-16 based on a decrease in the forecasted caseload for committed youth.

NP2 CBMS: Consistent with Committee action during the supplemental request review process for the Office of the Governor, staff recommends including the Committee’s decision to amend appropriations for FY 2015-16 for the Colorado Benefits Management System (CBMS) to:

- Reduce appropriations to the Department of Human Services by \$1,154,556, including a decrease of \$686,334 General Fund, to refinance appropriations for CBMS based on up-to-date system usage statistics of the system; and
- Allow the Departments of Health Care Policy and Financing and Human Services to transfer up to 5.0 percent of the total CBMS appropriation between line items and between agencies, as needed.

1331 Correcting Disallowed SNAP Costs: During the June 2015 Joint Budget Committee quarterly meeting, the Committee approved an appropriation of \$963,227 General Fund for FY 2015-16 to repay the U.S. Food and Nutrition Service for the federal moneys used in error by the Department for CBMS modifications (funding amount includes \$9,439 General Fund for interest on the payment). The Committee also reduced the appropriation for the Department's Executive Director's Office by \$9,439 General Fund.

Prioritized Supplemental Requests

SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #2 CHILDRENS SAVINGS ACCOUNTS

	Request	Recommendation
Total	<u>\$0</u>	<u>(\$100,000)</u>
General Fund	0	(100,000)

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [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.]	YES and NO
JBC staff and the Department agree that the first component of this request (Automated Child Support Enforcement System appropriation reduction) meets supplemental criteria due to data that was not available when the original appropriation was made. JBC staff does not agree with the Department that the second component of the request (Childrens Savings Account deposits) meets supplemental criteria.	

Department Request: The Department requests a transfer of \$100,000 General Fund from the Automated Child Support Enforcement System line item to a new line item in the Executive Director’s Office to fund deposits into college savings accounts for children in the Head Start program.

Staff Recommendation: Staff recommends that the Committee reduce the Automated Child Support Enforcement System line item by \$100,000 and reject the request to fund deposits of State moneys into college savings accounts for children.

Staff Analysis: This supplemental budget request contains two components. First, the current appropriation supporting the Automated Child Support Enforcement System, known as ACSES, includes funding to migrate the system from the State’s mainframe to a new platform. This project is mostly completed. The new contract supporting the ASCES modernization project requires \$100,000 less than the previous system requirements. Staff recommends that Committee approve the Department’s request to reduce this line item by \$100,000 General Fund for FY 2015-16 due to the cost savings associated with the new support contract for ASCES.

Second, the supplemental budget request seeks an appropriation of \$100,000 General Fund for FY 2015-16 to deposit \$50 into college savings accounts for individuals in Head Start settings who opt to participate in the three-year Colorado Children’s Savings Account Pilot Program. After the Department's initial \$50 investment, families who add money to the accounts would be able to get matching funds from private dollars up to \$100, and \$60 bonuses if they can save continuously for six months. This State and private (non-profit) Program aims to:

- Increase the number of young adults from low-income families that graduate college by their mid-20s;
- Increase the financial capability of children and their parents;

- Decrease gaps in financial aid for low-income students attending post-secondary education that may cause them to drop out before completing a degree; and
- Fostering greater college aspirations for children and their parents.

Staff recommends rejecting this component of the request for three reasons:

- First, the request does not meet supplemental criteria. Documentation from the Department indicates that it believes it meets supplemental criteria because “the Department has one partner in this project and State support is needed to bring other partners into the project.” It is staff’s opinion that gaining a partner for an initiative is not an emergency, a technical error, new data, or an unforeseen contingency.
- Second, staff questions whether the Department should devote resources to participating in a new program to assist low-income individuals when it has yet to overcome challenges in its existing programs assisting low-income individuals. Specifically, the Department’s challenges have recently manifested in corrective actions levied against the State for performance issues in the Supplemental Nutrition Assistance Program (SNAP) and the Temporary Assistance for Needy Families (TANF) program.
- Third, staff questions whether depositing General Fund monies in private savings accounts is a role of State government or if it is better suited for non-profit organizations that seek to incent low-income families to invest moneys in certain activities.

**SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #4
 INCREASING SPENDING AUTHORITY IN SENIOR SERVICES**

	Request	Recommendation
Total	<u>\$1,519,482</u>	<u>\$0</u>
Cash Funds	1,519,482	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [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.]	YES
JBC staff and the Department agree that this request is the result of data that was not available when the original appropriation was made.	

Department Request: The Department requests an increase of \$1,519,482 cash funds spending authority for FY 2015-16 as a result of the statutory transfer of unused moneys from the Senior Citizen and Disabled Veteran Property Tax Exemption to the Older Coloradans Cash Fund. Additionally, the Department requests spending authority for FY 2016-17 due to the timing of the supplemental process and the recipients’ ability to spend the moneys prior to the close of the fiscal year.

Staff Recommendation: Staff recommends that the Committee reject the request, and instead sponsor legislation to transfer \$1,519,482 from the Older Coloradans Cash Fund to the General Fund.

Staff Analysis: Prior to H.B. 12-1326 (Concerning Assistance To The Elderly), moneys appropriated for the Senior Citizen and Disabled Veteran Property Tax Exemption program in the Department of Treasury in excess of the amount local governments submitted as claims for reimbursement were reverted to the General Fund. House Bill 12-1326 amended statute such that this difference shall be transferred to the Older Coloradans Cash Fund. This transfer takes place on June 30 of every fiscal year, if a difference occurs between the appropriation and the expenditures. For example:

Fictional Example of H.B. 12-1326 In Action	
Amount Appropriated to Property Tax Exemption	\$100
Amount of County Reimbursements Submitted	-\$90
Transfer to Older Coloradans Cash Fund	\$10

For the first time since statute was amended, in FY 2014-15 a gap existed between appropriations and reimbursement requests. This amount, \$1,519,482, was subsequently deposited in the Older Coloradans Cash Fund. The Older Coloradans Cash Fund is subject to annual appropriation, requiring the Department to seek legislative authorization to distribute these moneys to the Area Agencies on Aging for the provision of services to seniors. Additionally, given the timing of the supplemental process, the Department indicates it requires spending authority for these moneys in FY 2016-17, as well, because the Area Agencies on Aging are unable to amend contracts with direct service providers to distribute the full amount of these funds prior to July 1, 2016.

Staff identifies three options for the Committee to consider:

- **Staff Recommendation** – Staff recommends rejecting the request to provide spending authority for the moneys transferred to the Older Coloradans Cash Fund from under-expenditures for the Senior Citizen and Disabled Veteran Property Tax Exemption program. Additionally, staff recommends sponsoring legislation to transfer \$1,519,482 from the Older Coloradans Cash Fund to the General Fund.

As staff recommended last year when the Department requested (and received) an increase in funding for senior services, prior to appropriating additional funds to increase services to help seniors remain safely in their homes, the Department (and its partners) must be able to provide data-driven evidence of service shortfalls due to the current appropriation level. This request does not include such evidence. Without evidence of specific needs that this funding seeks to fulfil, staff cannot determine the merits of recommending an increase in spending authority versus recommending that the money be transferred to the General Fund for other State priorities. It is staff's opinion that it is preferable to invest available General Fund moneys in programs that have a demonstrated need for increased funding.

Note, the legislature provided the Department with an appropriation of \$150,000 General Fund for FY 2015-16 to conduct an evaluation of the current data collection practices and data collection needs for the Department and its partners to be able to track service investments. This study, which has not been completed, yet, represents the first step in quantifying the amount and type of services the Department purchases across the state for seniors with current appropriations. Additionally, the H.B. 15-1033 (Strategic Planning Group On Aging) created a group to study issues related to the increasing number of Coloradans age 50 and older. The findings of the Strategic Planning Group on Aging will be beneficial in identifying service gaps and budgetary needs to meet the increasing number of seniors in the state. Together with a data collection system, the findings of the group will provide the legislature with a more accurate picture of what senior supports the State currently invests in, what support gaps currently exist, and what level of supports are needed in the future.

- **Department Request** – The Committee may opt to provide spending authority of \$1,519,482 cash funds from the Older Coloradans Cash Fund to the Department, as requested, and provide roll-forward authority from FY 2015-16 to FY 2016-17 for a like amount. This option ensures that the provisions of current statute are upheld and that Area Agencies on Aging and direct service providers are able to expend the moneys to assist seniors in a methodical manner.

- **“Middle Ground” Option** – The Committee may wish to take no action during the supplemental process to allow the Department and its partners to more clearly articulate the type and quantity of senior supports that the moneys in question would procure and what service gaps the moneys would help fill. The Department and its partners have the opportunity to work with staff leading up to the figure setting process to provide this information. If this documentation occurs, staff would provide the information to the Committee during figure setting for the Department, along with a recommendation, and the Committee could use an “Add-On” to the FY 2016-17 Long Bill to provide FY 2015-16 spending authority (and roll-forward authority through FY 2016-17) for the moneys sought. Alternatively, if the Committee opts not to provide spending authority at that time the option exists to keep the money in the Older Coloradans Cash Fund (moneys in the Fund not expended at the end of a fiscal year remain in the Fund and do not revert to the General Fund) or sponsor legislation to transfer the moneys into the General Fund to be used for other State priorities.

SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #6
DYC TITLE IV-E TECHNICAL CORRECTION

	Request	Recommendation
Total	\$0	\$0

*JBC Staff Supplemental Recommendations: FY 2015-16
Staff Working Document – Does Not Represent Committee Decision*

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [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.]	YES
JBC staff and the Department agree that this request is the result of a technical error in calculating the original appropriation.	

Department Request: The Department requests a technical correction to transfer General Fund appropriations between three line items in the Community Programs section of the Division of Youth Corrections. The transfers, which sum to zero, move General Fund between the Personal Services, Purchase of Contract Placements, and Parole Program Services line items to align appropriations with expenditure patterns.

Staff Recommendation: Staff recommends that the Committee approve this technical change.

Staff Analysis: The FY 2015-16 Long Bill includes the transfer of federal Title IV-E moneys between the Personal Services, Purchase of Contract Placements, and Parole Program Services line items to align appropriations with expenditures. This request erroneously omitted a General Fund adjustment. Staff recommends that this technical change be approved as follows:

DYC Community Programs Subdivision General Fund Rebalance	
Line Item	GF Adjustment
Personal Services	(\$400,000)
Purchase of Contract Placements	(527,661)
Parole Program Services	927,661
Total	\$0

**SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #8
S.B. 15-012 CHILD SUPPORT PASS THROUGH ROLL FORWARD**

	Request	Recommendation
Total	\$0	\$0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [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.]	YES
JBC staff and the Department agree that this request is the result of an unforeseen contingency.	

Department Request: The Department requests roll-forward authority for \$552,921 total funds, including \$187,933 General Fund, appropriated in S.B. 15-012 (Colorado Works Pass-through Child Support Payment) from FY 2015-16 through FY 2016-17. The authority is sought because more planning and business rule development work is required than was originally

estimated when the fiscal note was drafted. Expending moneys for computer programming services cannot commence until the planning and business rule development work is completed.

Staff Recommendation: Staff recommends that the Committee provide the requested roll-forward authority from FY 2015-16 through FY 2016-17.

Staff Analysis: Prior to S.B. 15-012, law required child support payments made to Temporary Assistance for Needy Families (TANF) recipients to go to the Department of Human Services rather than the TANF recipient. The State would then retain all child support payment income as a reimbursement for TANF assistance paid. Effective January 1, 2017, S.B. 15-012 allows the State and counties to disregard the retention of child support income a TANF recipient receives and instead pass-through these moneys to the TANF recipient.

The appropriation contained in S.B. 15-012 included \$792,921 for FY 2015-16 to update both the Automated Child Support Enforcement System (ACSES) and the Colorado Benefits Management System (CBMS) to accommodate this policy change. These computer programming updates were not started in the timeframe assumed by the fiscal note, as the Department has encountered policy questions related to treatment and distribution of federal Internal Revenue Service (IRS) tax intercepts. This issue must be solved by the Department and its stakeholders, including counties, before business rules can be developed and subsequently programmed into ACSES and CBMS.

The delay in programming work results in an estimated expenditure of \$240,000 total funds of the \$792,921 total funds appropriated for FY 2015-16. Staff recommends granting roll-forward authority from FY 2015-16 through FY 2016-17 for the remaining \$552,921 total funds of the FY 2015-16 appropriation. It is staff’s opinion that it is beneficial to sacrifice expediency in commencing programming work for well-conceived business rules that inform the programming.

**SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #14
DYC CASELOAD ADJUSTMENT**

	Request	Recommendation
Total	<u>(\$709,586)</u>	<u>(\$709,586)</u>
General Fund	(519,143)	(519,143)
Reappropriated Funds	(88,224)	(88,224)
Federal Funds	(102,219)	(102,219)
<i>Net General Fund*</i>	(\$562,558)	(\$562,558)

**Net General Fund equals the General Fund appropriation to the Department of Human Services plus the General Fund appropriation component of moneys reappropriated to the Department of Human Services from the Department of Health Care Policy and Financing.

*JBC Staff Supplemental Recommendations: FY 2015-16
Staff Working Document – Does Not Represent Committee Decision*

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [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.]	YES
JBC staff and the Department agree that this request is the result of data that was not available when the original appropriation was made.	

Department Request: The Department’s Division of Youth Corrections (DYC) requests a decrease of \$709,586 total funds, including a decrease of \$562,558 net General Fund, for FY 2015-16 based on a decrease in the forecasted caseload for committed youth.

Staff Recommendation: Staff recommends that the Committee approve the Department’s request, as the most recent caseload projections for committed youth are lower than the projections used to establish the current appropriation.

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

For supervising, caring for, and treating youth in DYC’s commitment population, the agency received an appropriation For FY 2015-16 based on the December 2014 Legislative Council Services (LCS) forecast. This projection estimated a commitment caseload of 734.6 youth. The December 2015 LCS forecast, as well as the Division’s own internal projections and the Department of Public Safety’s Division of Criminal Justice (DCJ) most recent forecast predict a decrease in the caseload for this population. As a result, DYC requests that its appropriation for committed youth for FY 2015-16 be reduced.

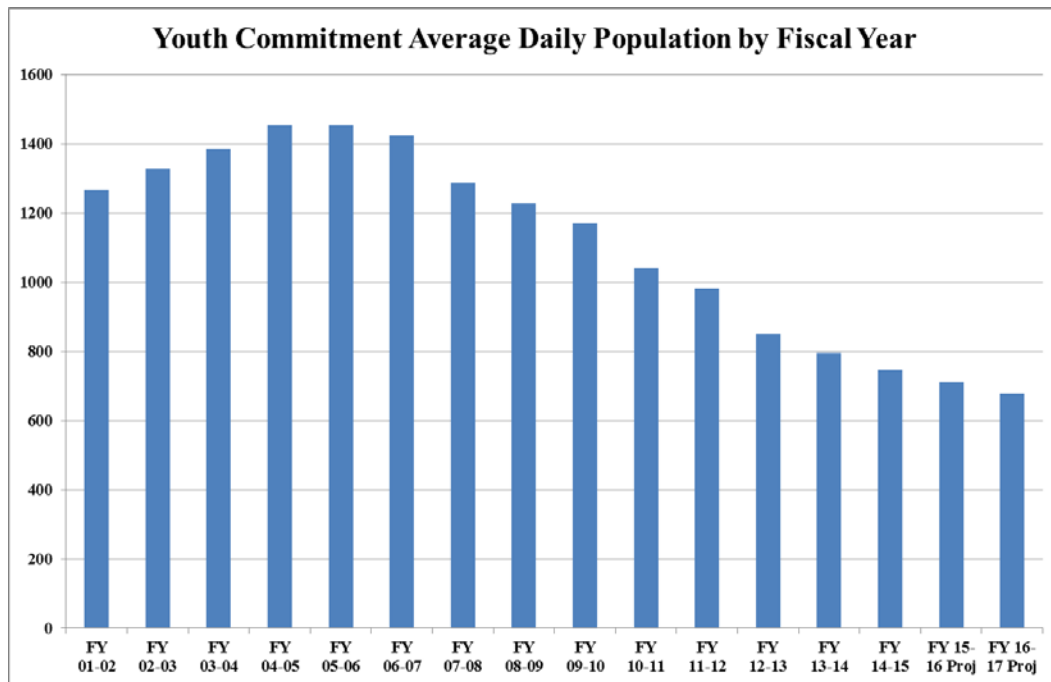
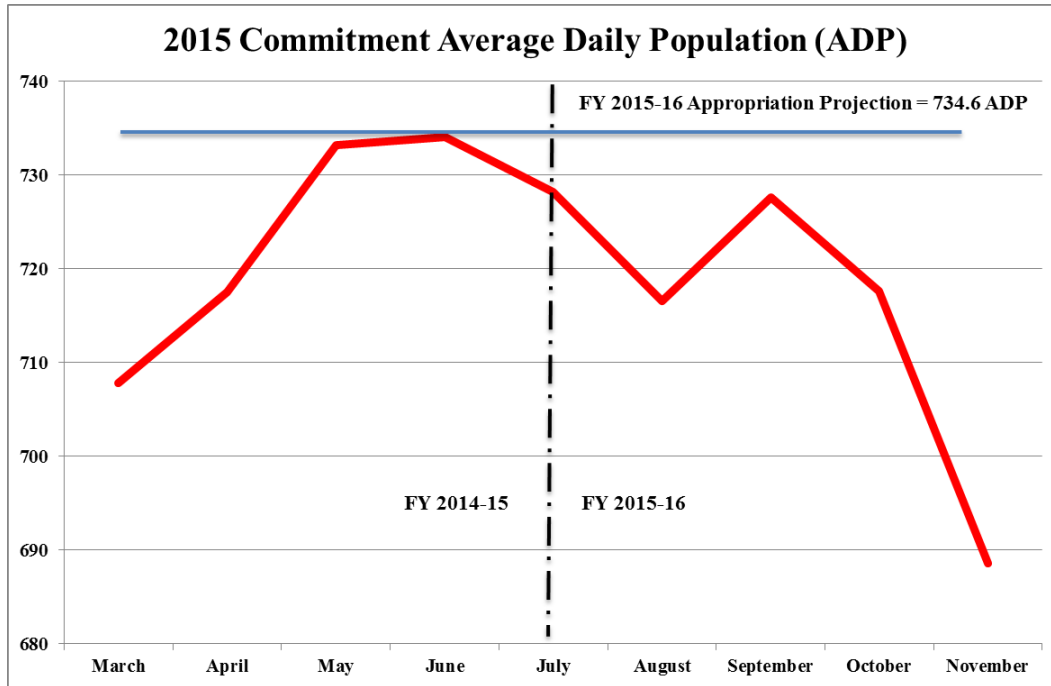
The total funds decrease of \$709,586, including a decrease of \$562,558 net General Fund, that DYC requests is based on the Division’s internal caseload forecast (note, the DCJ forecast was not available prior to DYC submitting this supplemental request). DYC’s internal projections show an average daily population of committed youth caseload of 711.9 for FY 2015-16. LCS predicts a caseload of 718.0, while DCJ’s forecast, which was recently released to Joint Budget Committee staff, estimates a committed youth caseload of 702.4 for FY 2015-16.

FY 2015-16 Most Recent Youth Commitment Caseload Projections			
DYC	LCS	DCJ	Average
711.9	718.0	702.4	710.8

Staff recommends that the Committee approve the funding decrease as submitted by DYC. Using DYC’s internal forecast to adjust the current FY 2015-16 appropriation downward

represents a middling approach that falls near the average of the lowest caseload forecast, DCJ, and the highest caseload forecast, LCS.

For reference purposes, the following tables illustrate the trends in the average daily population of committed juveniles over the past nine months and over the past 16 years.



Non-prioritized Supplemental Requests

NON-PRIORITIZED SUPPLEMENTAL #2 CBMS

	Request	Recommendation
Total	<u>(\$1,154,556)</u>	<u>(\$1,154,556)</u>
General Fund	(686,334)	(686,334)
Cash Funds	285,305	285,305
Federal Funds	(753,527)	(753,527)

Department Request: The Governor’s Office of Information Technology, in conjunction with the Departments of Health Care Policy and Financing and Human Services, requests four changes to FY 2015-16 appropriations for the Colorado Benefits Management System (CBMS). As it relates to the Department of Human Services, it is requested that the FY 2015-16 appropriation be decreased by \$1,154,556 total funds, including a decrease of \$686,334 General Fund, to refinance CBMS appropriations based on up-to-date usage statistics of the system. Additionally, the Department seeks the ability to transfer up to 5.0 percent of its CBMS appropriations between its own line items and with line items supporting CBMS in the Department of Health Care Policy and Financing, as needed.

Staff Recommendation: Staff recommends that the Committee incorporate the decision made during the supplemental approval process for the Office of the Governor on January 14th to approve the Department of Human Services’ portion of the request.

PREVIOUSLY APPROVED INTERIM SUPPLEMENTAL REQUEST CORRECTING DISALLOWED SNAP COSTS

	Request	Approved
Total	<u>\$963,227</u>	<u>\$953,788</u>
General Fund	963,227	953,788

Department Request: The Department requested an appropriation of \$963,227 General Fund for FY 2015-16 to use State moneys to finance previously implemented modifications to the Colorado Benefits Management System (CBMS). These modifications were erroneously paid for during FY 2013-14 using Supplemental Nutrition Assistance Program (SNAP) federal funds from the U.S. Department of Agriculture’s Food Nutrition Services (FNS).

Summary: FNS approval was received in November 2008 for the base value of the CBMS contract to qualify as an allowable expense for the use of SNAP moneys. The base value of the

CBMS contract was pegged at \$44,354,745 at that time. Per federal regulations, any CBMS contract amendments exceeding 20.0 percent of the base value (\$8,870,949) needed to be approved by FNS in order to use SNAP moneys to pay for the system modifications outlined in the contract amendments.

FNS reviewed the contract amendments and determined that the Department of Human Services had exceeded the 20.0 percent contract amendment threshold without gaining prior FNS approval on several amendments between FY 2008-09 and FY 2013-14. After negotiation with Department leadership, FNS agreed to a disallowed cost of \$953,788 and delivered a letter to the Department on March 19, 2015 formally seeking a payment of this amount.

Committee Action: Staff recommended, and the Committee approved, the Department's request for an appropriation of \$963,227 General Fund for FY 2015-16 to repay FNS for the federal moneys used in error by the Department for CBMS modifications (funding amount includes \$9,439 General Fund for interest on the payment). The Committee also reduced the appropriation for the Department's Executive Director's Office by \$9,439 General Fund.

JBC Staff Supplemental Recommendations - FY 2015-16
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Number Pages

	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2015-16 Requested Change	FY 2015-16 Rec'd Change	FY 2015-16 Total w/Rec'd Change
--	----------------------	-----------------------------	--------------------------------	----------------------------	------------------------------------

DEPARTMENT OF HUMAN SERVICES
Reggie Bicha, Executive Director

S2 Childrens Savings Accounts

(1) EXECUTIVE DIRECTOR'S OFFICE

(B) Special Purpose

Children's Savings Accounts	<u>0</u>	<u>0</u>	<u>100,000</u>	<u>0</u>	<u>0</u>
General Fund	0	0	100,000	0	0

(7) OFFICE OF SELF SUFFICIENCY

(D) Child Support Enforcement

Automated Child Support Enforcement System	<u>8,098,066</u>	<u>9,166,494</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>9,066,494</u>
FTE	13.8	16.9	0.0	0.0	16.9
General Fund	2,451,573	2,675,783	(100,000)	(100,000)	2,575,783
Cash Funds	411,808	722,793	0	0	722,793
Federal Funds	5,234,685	5,767,918	0	0	5,767,918

Total for S2 Childrens Savings Accounts	8,098,066	9,166,494	0	(100,000)	9,066,494
FTE	<u>13.8</u>	<u>16.9</u>	<u>0.0</u>	<u>0.0</u>	<u>16.9</u>
General Fund	2,451,573	2,675,783	0	(100,000)	2,575,783
Cash Funds	411,808	722,793	0	0	722,793
Federal Funds	5,234,685	5,767,918	0	0	5,767,918

JBC Staff Supplemental Recommendations - FY 2015-16
Staff Working Document - Does Not Represent Committee Decision

	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2015-16 Requested Change	FY 2015-16 Rec'd Change	FY 2015-16 Total w/Rec'd Change
--	----------------------	-----------------------------	--------------------------------	----------------------------	------------------------------------

S4 Increasing Spending Authority in Senior Services

(10) ADULT ASSISTANCE PROGRAMS

(D) Community Services for the Elderly

State Funding for Senior Services	<u>17,301,038</u>	<u>21,161,622</u>	<u>1,519,482</u>	0	<u>21,161,622</u>
General Fund	7,293,288	11,153,870	0	0	11,153,870
Cash Funds	10,007,750	10,007,752	1,519,482	0	10,007,752

Total for S4 Increasing Spending Authority in Senior Services	17,301,038	21,161,622	1,519,482	0	21,161,622
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	7,293,288	11,153,870	0	0	11,153,870
Cash Funds	10,007,750	10,007,752	1,519,482	0	10,007,752

JBC Staff Supplemental Recommendations - FY 2015-16
Staff Working Document - Does Not Represent Committee Decision

	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2015-16 Requested Change	FY 2015-16 Rec'd Change	FY 2015-16 Total w/Rec'd Change
S6 DYC Title IV-E Technical Correction					
(11) DIVISION OF YOUTH CORRECTIONS					
(C) Community Programs					
Personal Services	<u>7,649,929</u>	<u>8,087,706</u>	<u>(400,000)</u>	<u>(400,000)</u>	<u>7,687,706</u>
FTE	94.1	101.7	0.0	0.0	101.7
General Fund	6,622,171	7,070,331	(400,000)	(400,000)	6,670,331
Cash Funds	50,833	50,833	0	0	50,833
Reappropriated Funds	105,627	305,768	0	0	305,768
Federal Funds	871,298	660,774	0	0	660,774
Purchase of Contract Placements	<u>25,888,159</u>	<u>26,881,648</u>	<u>(527,661)</u>	<u>(527,661)</u>	<u>26,353,987</u>
General Fund	25,324,198	24,497,341	(527,661)	(527,661)	23,969,680
Reappropriated Funds	0	1,317,979	0	0	1,317,979
Federal Funds	563,961	1,066,328	0	0	1,066,328
Parole Program Services	<u>4,708,771</u>	<u>3,960,681</u>	<u>927,661</u>	<u>927,661</u>	<u>4,888,342</u>
General Fund	4,241,545	3,960,681	927,661	927,661	4,888,342
Federal Funds	467,226	0	0	0	0
Total for S6 DYC Title IV-E Technical Correction	<u>38,246,859</u>	<u>38,930,035</u>	<u>0</u>	<u>0</u>	<u>38,930,035</u>
FTE	<u>94.1</u>	<u>101.7</u>	<u>0.0</u>	<u>0.0</u>	<u>101.7</u>
General Fund	36,187,914	35,528,353	0	0	35,528,353
Cash Funds	50,833	50,833	0	0	50,833
Reappropriated Funds	105,627	1,623,747	0	0	1,623,747
Federal Funds	1,902,485	1,727,102	0	0	1,727,102

JBC Staff Supplemental Recommendations - FY 2015-16
Staff Working Document - Does Not Represent Committee Decision

	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2015-16 Requested Change	FY 2015-16 Rec'd Change	FY 2015-16 Total w/Rec'd Change
--	----------------------	-----------------------------	--------------------------------	----------------------------	------------------------------------

S8 S.B. 15-012 Child Support Pass Through Roll Forward

(7) OFFICE OF SELF SUFFICIENCY

(D) Child Support Enforcement

Child Support Enforcement	<u>1,903,844</u>	<u>3,084,259</u>	<u>0</u>	<u>0</u>	<u>3,084,259</u>
FTE	21.5	24.5	0.0	0.0	24.5
General Fund	661,235	993,362	0	0	993,362
Cash Funds	60,909	75,999	0	0	75,999
Federal Funds	1,181,700	2,014,898	0	0	2,014,898

Total for S8 S.B. 15-012 Child Support Pass Through Roll Forward	1,903,844	3,084,259	0	0	3,084,259
<i>FTE</i>	<u>21.5</u>	<u>24.5</u>	<u>0.0</u>	<u>0.0</u>	<u>24.5</u>
General Fund	661,235	993,362	0	0	993,362
Cash Funds	60,909	75,999	0	0	75,999
Federal Funds	1,181,700	2,014,898	0	0	2,014,898

JBC Staff Supplemental Recommendations - FY 2015-16
Staff Working Document - Does Not Represent Committee Decision

	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2015-16 Requested Change	FY 2015-16 Rec'd Change	FY 2015-16 Total w/Rec'd Change
--	----------------------	-----------------------------	--------------------------------	----------------------------	------------------------------------

S14 DYC Caseload Adjustment

(11) DIVISION OF YOUTH CORRECTIONS

(C) Community Programs

Purchase of Contract Placements	25,888,159	26,881,648	(709,586)	(709,586)	26,172,062
General Fund	25,324,198	24,497,341	(519,143)	(519,143)	23,978,198
Reappropriated Funds	0	1,317,979	(88,224)	(88,224)	1,229,755
Federal Funds	563,961	1,066,328	(102,219)	(102,219)	964,109

Total for S14 DYC Caseload Adjustment	25,888,159	26,881,648	(709,586)	(709,586)	26,172,062
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	25,324,198	24,497,341	(519,143)	(519,143)	23,978,198
Reappropriated Funds	0	1,317,979	(88,224)	(88,224)	1,229,755
Federal Funds	563,961	1,066,328	(102,219)	(102,219)	964,109

Totals Excluding Pending Items					
HUMAN SERVICES					
TOTALS for ALL Departmental line items	1,715,886,776	1,918,159,158	809,896	(809,586)	1,917,349,572
<i>FTE</i>	<u>4,920.4</u>	<u>4,970.9</u>	<u>0.0</u>	<u>0.0</u>	<u>4,970.9</u>
General Fund	776,229,541	814,405,208	(519,143)	(619,143)	813,786,065
Cash Funds	270,363,455	348,624,954	1,519,482	0	348,624,954
Reappropriated Funds	98,792,704	132,723,226	(88,224)	(88,224)	132,635,002
Federal Funds	570,501,076	622,405,770	(102,219)	(102,219)	622,303,551