

COLORADO GENERAL ASSEMBLY JOINT BUDGET COMMITTEE



SUPPLEMENTAL REQUESTS FOR FY 2013-14

DEPARTMENT OF HUMAN SERVICES

(Divisions Child Welfare, County Administration; Office of Early Childhood)

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

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DEPARTMENT OF HUMAN SERVICES

(Divisions of Child Welfare, County Administration; Office of Early Childhood)

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. The Division of Child Welfare provides funding for programs that protect children from harm and assist families in caring for and protecting their children. County Administration provides the 64 county departments of human services with resources to administer the Supplemental Nutrition Assistance Program and provides funding through County Tax Base Relief to assist counties with the highest costs and lowest property tax values in meeting the obligation of the local match required by the state for certain public assistance programs. The Office of Early Childhood is responsible for licensing and monitoring child care facilities; administering programs that are designed to improve the quality and availability of child care in the state; supervises the Colorado Child Care Assistance Program; and works with multiple stakeholders in the areas of Early Intervention, childhood mental health, and healthcare, to mitigate challenges that affect school readiness and academic success.

Summary: FY 2013-14 Appropriation and Recommendation

Department of Human Services: Recommended Changes for FY 2013-14						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2013-14 Appropriation						
SB 13-230 (Long Bill)	\$2,165,096,457	\$696,785,662	\$338,613,036	\$519,719,266	\$609,978,493	4,861.3
Other legislation	<u>49,281,916</u>	<u>28,058,856</u>	<u>20,287,572</u>	<u>80,522</u>	<u>854,966</u>	<u>13.6</u>
Current FY 2013-14 Appropriation	\$2,214,378,373	\$724,844,518	\$358,900,608	\$519,799,788	\$610,833,459	4,874.9
Recommended Changes						
Current FY 2013-14 Appropriation	\$2,214,378,373	\$724,844,518	\$358,900,608	\$519,799,788	\$610,833,459	4,874.9
S1 Hotline for Child Abuse and Neglect	982,093	977,853	0	0	4,240	0.6
Staff-initiated 1 Technical correction to Long Bill footnote	0	0	0	0	0	0.0
S2 Public Awareness Campaign for Child Welfare	15,210	15,210	0	0	0	0.2
NPI S3 Mail, postage, and envelope request	16,926	4,547	2,401	0	9,978	0.0
S3 Old Age Pension Cost of Living Adjustment	670,200	0	670,200	0	0	0.0
S4 Amendment to Regional Center Capital Outlay	0	0	0	0	0	0.0

JBC Staff Supplemental Recommendations: FY 2013-14
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S5 Mental health institutes medical services	1,329,390	1,329,390	0	0	0	0.0
S6 Child Care Automated Tracking System	0	0	0	0	0	0.0
S7 Mental health institutes revenue adjustment	0	1,868,032	(2,091,431)	223,399	0	0.0
S8 Random Moment Time Study	248,577	248,577	0	0	0	0.0
S9 Adult Assistance Programs Administration	0	377,964	0	0	(377,964)	0.0
S10 Administrative Review Division Funding	0	0	0	0	0	0.0
S11 Juvenile Parole Board Allocation	31,033	0	0	31,033	0	0.2
S12 Behavioral health crisis response system delay	(10,131,955)	(10,131,955)	0	0	0	0.0
NP S1 Fleet	19,653	6,326	740	9,844	2,743	0.0
NP S2 IDD caseload and per capita adjustment	(23,564,580)	0	0	(23,564,580)	0	0.0
NP S4 CBMS Technology Improvement Work	2,217,629	487,728	93,671	796,397	839,833	0.0
Interim Supplemental - Child Welfare adjustments	7,796,708	7,796,708	0	0	0	0.0
Recommended FY 2013-14 Appropriation	\$2,194,009,257	\$727,824,898	\$357,576,189	\$497,295,881	\$611,312,289	4,875.9
Recommended Increase/(Decrease)	(\$20,369,116)	\$2,980,380	(\$1,324,419)	(\$22,503,907)	\$478,830	1.0
Percentage Change	(0.9%)	0.4%	(0.4%)	(4.3%)	0.1%	0.0%
FY 2013-14 Executive Request	\$2,195,405,927	\$728,140,584	\$357,576,189	\$497,295,881	\$612,393,273	4,875.9
Request Above/(Below) Recommendation	\$1,396,670	\$315,686	\$0	\$0	\$1,080,984	0.0

Request/Recommendation Descriptions

S1 Hotline for Child Abuse and Neglect: The request is for \$993,775 total funds (\$988,551 General Fund) and 0.6 FTE in FY 2013-14 for the development of the child abuse and neglect reporting hotline system pursuant to H.B. 13-1271. Staff recommends approval of \$982,093 total funds (\$977,853 General Fund).

S2 Public Awareness Campaign for Child Welfare: The request is for \$20,198 General Fund and 0.2 FTE for FY 2013-14 for a public awareness campaign related to child abuse and neglect. Staff recommends approval of \$15,210 General Fund.

S10 Administrative Review Division Funding: The request includes an increase of \$300,000 General Fund and a corresponding decrease of \$300,000 in federal spending authority for the Administrative Review Division. Staff does not recommend approval of this request.

Interim Supplemental – Child Welfare adjustments: The Committee approved this supplemental in September 2013 when the Department requested \$7,796,708 General Fund to cover prior fiscal year accounting errors in the Division of Child Welfare. Staff will include this supplemental in the Department's supplemental bill.

Prioritized Supplemental Requests

SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #1 HOTLINE FOR CHILD ABUSE AND NEGLECT

	Request	Recommendation
Total	<u>\$993,775</u>	<u>\$982,093</u>
FTE	0.6	0.6
General Fund	988,511	977,853
Federal Funds	5,224	4,240

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 \$993,775 total funds (\$988,551 General Fund, \$5,224 Federal Funds) and 0.6 FTE in FY 2013-14 to develop and implement a Child Abuse and Neglect Hotline pursuant to H.B. 13-1271. The Department also requests roll forward authority for these funds.

Staff Recommendation: Staff's recommendation is specific to the supplemental request for FY 2013-14. Funding requests for FY 2014-15 will be addressed at figure setting on February 27, 2014. Staff recommends the approval of the portion of the request that seeks FTE and funding for the new line entitled Hotline for Child Abuse and Neglect in the Division of Child Welfare. Pursuant to Joint Budget Committee policy, staff recommends denial of the portion of the request that includes centrally appropriated line items because the requested FTE count is below 20.0. Staff recommends the denial of the Department's request for roll forward authority.

Staff Analysis:

Background Information

This FY 2013-14 supplemental budget request will fund the initial infrastructure development of the statewide child abuse and neglect reporting hotline. Pursuant to H.B. 13-1271, the hotline system will be available 24 hours a day, 7 days a week and serve as a direct, immediate, and efficient route of notification to the entity responsible for accepting a report of abuse and neglect and responding to an inquiry about services. The hotline is intended to enhance the current child welfare system and to provide an additional option for the public to make an initial report of suspected or known child abuse or neglect or to make an inquiry. The bill further requires the Department to establish a steering committee that includes state, local, and stakeholder

representatives who will develop an implementation plan for the hotline. Specific elements of the bill include the following:

- The hotline is to be developed based on the recommendations of the steering committee.
- Rule-making is the responsibility of the state board to ensure consistent screening, assessment, and decision-making in response to reports of known or suspected child abuse and neglect and inquiries made to a county department or the hotline system.
- Screening of referred cases will remain the responsibility of the county.
- The steering committee is expected to develop an implementation plan which will include:
 - Advertising to the public and to mandatory reporters;
 - Recommendations for rules relating to the operation of the hotline system and relating to consistent practices for responding to reports and inquiries.
- The steering committee will submit a report to the executive director of the Department and the State Board of Human Services by July 1, 2014.
- The hotline is required to be operational and publicized statewide no later than January 1, 2015.

While the formal committee recommendation has not been finalized, the Department provided information on the hotline reporting system in the form of written responses to questions, fact sheets, and consultant reports. The steering committee identified six components that will ensure the successful development, implementation, and operation of the hotline, including: a routing system that quickly routes calls to counties; data collection on all calls received through the system; training and certification for hotline workers and their supervisors; adequate staffing for counties and the state; continuous quality improvement; and a public awareness campaign. Though this system utilizes a statewide number for reporting, counties will maintain their current procedures for accepting reports of child abuse and neglect. The system requires each county to maintain a dedicated phone line for taking reports, thus providing an opportunity for the state to capture data on calls received.

The Department requests \$993,775 total funds (\$988,551 General Fund) for FY 2013-14 to begin the development of the statewide hotline system; and roll forward authority for those funds. This value does not include the existing FY 2013-14 appropriation of \$529,800 for the TRAILS modification. Though the recommendation provided in this document applies to only FY 2013-14, information on the FY 2014-15 budget amendment request and FY 2015-16 continuation costs have been outlined below.

Department of Human Services S1 - Hotline for Child Abuse and Neglect Cost Projections			
	FY 13-14 Suppl Request	FY 14-15 Budget Amendment	FY 15-16 Continuation
TOTAL FUNDS	\$993,775	\$8,102,027	\$11,948,977
Executive Director's Office - Centrally Appropriated Line Items			
General Fund	10,698	140,915	170,284
Federal Funds	984	8,891	9,798
Division of Child Welfare, Child Welfare Services			
General Fund	0	2,208,894	4,417,787
Cash Funds	0	552,223	1,104,447
Federal Funds	0	0	0
Division of Child Welfare, Hotline for Child Abuse and Neglect			
General Fund	977,853	5,126,494	6,180,795
Cash Funds	0	0	0
Federal Funds	4,240	64,610	65,866
FTE	0.6	7.0	7.0

Staff Concerns

The timeline for the implementation of H.B. 13-1271 includes the following:

- H.B. 13-1271 was signed into law by the Governor on May 14, 2013.
- The Department reports that:
 - The Hotline Steering Committee began meeting twice monthly beginning in June 2013.
 - In collaboration with Hornby Zeller Associates and the National Resource Center for Child Protective Services, extensive research was conducted on call handling in Colorado counties, hotline systems in other states, and telephone systems.
 - The committee's progress was documented in consultation reports. The Department provided one such report entitled *Child Welfare Abuse and Neglect Reporting Hotline Consultation*, dated November 8, 2013.
- The steering committee will submit a report to the executive director of the Department and the State Board of Human Services by July 1, 2014.
- The hotline is required to be operational and publicized statewide no later than January 1, 2015.

In order to meet the deadlines found in H.B. 13-1271, the Department indicates that a Request for Proposal (RFP) will be issued for the technology and programming needs upon funding appropriation. The Department believes it is necessary to complete the RFP process and begin work no later than March 1, 2014. The Department plans to perform a soft roll-out of the hotline on October 1, 2014 to ensure a successful full implementation on January 1, 2015.

Given the above timeline staff believes the Department's request meets the Committee's supplemental criteria. Staff is concerned, however, that the projected long-term costs of the system far exceed the high-end cost estimate provided in the bill's fiscal note. Upon the drafting of the fiscal note, two cost scenarios were provided that outlined the potential low- and high-end costs of operation. It was noted that the actual costs were dependent upon numerous implementation decisions that would be made by the hotline steering committee, the state board, and counties. As indicated in the table below, the fiscal note projected the high-end cost of the hotline system to be \$704,800 in FY 2013-14; and \$2,620,995 in FY 2014-15. (This estimate does not include those items in the table above entitled *Executive Director's Office* and *Division of Child Welfare, Child Welfare Services*.)

Expenditures Under HB 13-1271 (High-End Cost Estimate - Full Staffing)			
Cost Components	FY 2013-14	FY 2014-15	FY 2015-16
Personal Services	\$0	\$1,850,129	\$2,467,046
FTE	0.0	32.8	40.3
Operating Expenses and Capital Outlay	0	240,691	58,285
Consultant a/	175,000	0	0
IT Contractor (OIT) – TRAILS modification	454,800	0	0
IT Hardware (OIT) – TRAILS modification	75,000	0	0
IT Software and Licensing (OIT)	0	135,000	135,000
Public Relations	0	300,000	300,000
Call Management System	0	60,000	15,000
Legal Services	0	23,175	0
Travel	0	12,000	6,000
TOTAL	\$704,800	\$2,620,995	\$2,981,331

a/ H.B. 13-1271 appropriated \$200,000 in FY 2012-13 with roll-over authority to FY 2013-14. The fiscal note estimated the roll-over at \$175,000.

For the purposes of comparison, the Department's request and ongoing cost projection for the hotline system is provided in the table below. For a detailed breakdown of the Information Technology and Programming costs, please see Appendix B.

JBC Staff Supplemental Recommendations: FY 2013-14
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Department of Human Services Hotline Requests and Projections (Does not include Child Welfare Services line item)			
Cost Components	FY 2013-14	FY 2014-15	FY 2015-16
FY 2013-14 Appropriation a/ Consultant b/ TRAILS modification	\$175,000 529,800	\$0 0	\$0 0
Personal Services FTE	66,985 0.6	518,171 7.0	531,227 7.0
Help Desk	0	746,731	855,323
Information Technology and Programming	919,890	2,445,083	2,411,444
Technical Training	<u>6,900</u>	<u>165,360</u>	<u>75,280</u>
Subtotal	\$1,698,575	\$3,875,345	\$3,873,274
Hotline Implementation Fund (42.0 county FTE)	0	1,465,565	2,553,469
TOTAL HOTLINE COST	\$1,698,575	\$5,340,908	\$6,426,743

a/ the FY 2013-14 appropriation is not reflected in the Department's request of \$993,775.

b/ H.B. 13-1271 appropriated \$200,000 in FY 2012-13 with roll-over authority to FY 2013-14. The fiscal note estimated the roll-over at \$175,000.

The Department has not done a formal cost benefit analysis of developing, implementing, and/or operating the hotline through a contract service.

Based on the expectations of H.B. 13-1271 and information provided by the Department, staff determined the following options for this request:

- Deny the request based on the fact that the implementation plan will not be available until July 1, 2014; and allow the Department to submit an interim supplemental consistent with the parameters defined in the plan. This will likely require a bill adjusting the deadline for roll-out.
- Fund the initiative only to the amount indicated in the fiscal note. This will require a denial of the FY 2013-14 supplemental request; and the potential need to sponsor a bill adjusting the roll-out deadline.
- Fund the FY 2013-14 supplemental request without roll forward authority to ensure that the RFP is issued and work can begin early enough to meet the roll-out deadline of January 1, 2014; and fund the subsequent years only to the amount indicated in the fiscal note.
- Request a cost-benefit analysis of alternative development, implementation, and operation options including utilizing a contract organization to provide the same service. This will likely require a bill adjusting the deadlines for both the implementation plan and the roll-out.

Based on the above options, staff recommends the approval of the portion of the FY 2013-14 supplemental request that seeks FTE and funding for the new line entitled Hotline for Child

Abuse and Neglect in the Division of Child Welfare. Pursuant to Joint Budget Committee policy, staff recommends denial of the portion of the request that includes centrally appropriated line items because the requested FTE count is below 20.0. Staff recommends the denial of the Department's request for roll forward authority for FY 2013-14.

SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #2 PUBLIC AWARENESS CAMPAIGN FOR CHILD WELFARE

	Request	Recommendation
Total	<u>\$20,198</u>	<u>\$15,210</u>
FTE	0.2	0.2
General Fund	20,198	15,210

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 \$20,198 General Fund and 0.2 FTE for FY 2013-14 to begin the creation, production, and implementation of a public awareness campaign for Child Welfare.

Staff Recommendation: Staff's recommendation is specific to the supplemental request for FY 2013-14. Funding requests for FY 2014-15 will be addressed at figure setting on February 27, 2014. Staff recommends that the approval of the portion of the request that seeks FTE and funding for the new line entitled Public Awareness Campaign for Child Welfare be contingent upon the Committee's approval of the Department's FY 2013-14 supplemental request for the Hotline for Child Abuse and Neglect (S1). If the FY 2013-14 supplemental request for the hotline is denied, staff recommends denial of this request as well.

Staff Analysis:

Background Information

This FY 2013-14 supplemental budget request for \$20,198 will fund 0.2 FTE from April through June 2014; and is tied to a FY 2014-15 budget amendment totaling \$1.8 million and 1.0 FTE. These funds are requested in order to fund the creation, production, and implementation of a child abuse and neglect public awareness campaign to be launched concurrently with the Child Abuse and Neglect Hotline. In addition to raising awareness of the issues of child abuse and neglect, this campaign will provide an opportunity for the Department to publicize the hotline reporting system by the January 1, 2015 deadline as required by H.B. 13-1271. Though the recommendation in this document is specific to the FY 2013-14 supplemental budget request, a breakdown of the estimated long-term costs of the public awareness campaign is provided for decision-making purposes.

Public Awareness Campaign for Child Welfare Requests and Projections					
Cost Components	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Personal Services	\$20,198	\$60,382	\$60,382	\$60,382	\$60,382
FTE	0.2	1.0	1.0	1.0	1.0
Owned/Earned Media	0	286,000	265,500	205,000	190,000
Paid Media	0	1,463,325	1,279,025	1,133,525	756,800
Staff Travel	0	2,430	2,430	2,430	2,430
TOTAL	\$20,198	\$1,812,137	\$1,607,337	\$1,401,337	\$1,009,612

The Department proposes the creation of a Public Awareness/Hotline Communications position that will be responsible for:

- Serving as the liaison to counties and assisting with county level child abuse and neglect public awareness campaigns;
- Ensuring county level campaigns align with state level campaigns;
- Identifying gaps in public awareness and collaborating with department staff, county partners, and community stakeholders to identify strategies that will close gaps;
- Managing the campaign's media initiatives;
- Developing promotional materials for targeted audiences; and
- Utilizing ongoing research and data collection to monitor the effectiveness of state and local public awareness campaign tactics.

The types of media to be utilized in the campaign include:

- Owned media – design of messages, toolkit for counties and community partners;
- Earned media – campaign launch, media relations, social media;
- Paid media – purchased time, print, billboards, web-based advertising, and event sponsorship.

Marketing will include television, radio, print ads, and social media and will be presented in both English and Spanish. The campaign will begin in January 2015 upon the launch of the hotline reporting system; and will be expanded during Child Abuse Prevention Month in April.

Comments

The public awareness campaign and the statewide child abuse and neglect hotline reporting system are designed to increase the safety of children. While this public awareness campaign is not specifically required by H.B. 13-1271, the bill does state that the hotline steering committee is expected to develop an implementation plan which will include advertising to the public and to mandatory reporters. The bill further requires that the hotline will be publicized by January 1, 2015. Funding for the advertisement and publicity associated with the child abuse and neglect hotline were not addressed in the bill; however an estimated cost of \$300,000 per year in public relations costs for the campaign were indicated in the fiscal note.

Staff recommends that the approval of the portion of the request that seeks FTE and funding for the new line entitled Public Awareness Campaign for Child Welfare be contingent upon the Committee's approval of the Department's FY 2013-14 supplemental request for the Hotline for Child Abuse and Neglect (S1). If the FY 2013-14 supplemental request for the hotline is denied, staff recommends denial of this request as well. Pursuant to Joint Budget Committee policy, staff recommends denial of the portion of the request that includes centrally appropriated line items because the requested FTE count is below 20.0.

SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #10 ADMINISTRATIVE REVIEW DIVISION FUNDING

	Request	Recommendation
Total	<u>\$0</u>	<u>\$0</u>
FTE	0	0
General Fund	300,000	0
Federal Funds	(300,000)	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.]	NO
The Department indicates it is making this request in response to new data in the areas of changes in funding needs, changing workload, and a re-examination of Title IV-E earnings and appropriations. Staff does not agree that the information provided by the Department in the supplemental request is new data; nor does staff agree that it was unavailable at the time of the original appropriation.	

Department Request: The Department requests a FY 2013-14 supplemental increase of \$300,000 General Fund and a \$300,000 decrease in federal fund spending authority to more accurately reflect the available funding for the Administrative Review Division.

Staff Recommendation: Staff's recommendation is specific to the supplemental request for FY 2013-14. Funding request for FY 2014-15 will be addressed at figure setting on February 27, 2014. Staff recommends that the Committee decline this request as it does not meet the Joint Budget Committee's supplemental criteria.

Staff Analysis:

Background Information

The Administration Review Division (ARD) is a neutral, third party that is responsible for the Case Reviews and Quality Assurance Systems for the Divisions of Child Welfare and Youth Corrections. The review process is a federal requirement and includes monthly on-site case reviews and face-to-face meetings for all children who are in out-of-home placement for at least six months. The reviews are intended to ensure that: the child or youth is safe and receiving services identified in the case plan; the placement of the child or youth is necessary, the setting is appropriate, and progress is being made to either return the child or youth home safely or achieve permanency through another means; and the county has appropriately determined the child or youth's eligibility for federal Title IV-E funds. In addition, the division is responsible for conducting federally required quality assurance reviews concerning all children and families receiving child welfare services; to facilitate maximization of federal Title IV-E revenue; and to assist counties in identifying other available revenue.

The FY 2013-14 appropriation for the ARD is approximately \$1.4 million General Fund and \$750,000 federal funds from Title IV-E of the Social Security Act. Title IV-E entitles state to

claim a partial reimbursement for the cost of providing foster care, adoption assistance, and kinship guardianship assistance to children who meet federal eligibility criteria. While Colorado was awarded a Title IV-E waiver for fiscal years 2013-14 through 2017-18, the responsibilities of the ARD do not fall within the qualifying activities of the waiver (foster care maintenance and administrative costs for case planning, management, and eligibility-determination). The ARD earns Title IV-E funds based on a portion of its operating expenses due to out-of-home reviews; however the Department reports a decline in out-of-home placements over the past ten years, resulting in a decrease in the amount of earned federal Title IV-E funds. Section 26-1-111 (2)(d)(II)(A) and (B), C.R.S. require that expenses associated with fully funding the state foster care review system be made whole prior to the distribution of excess federal Title IV-E revenues to the Excess Federal Title IV-E Reimbursements Cash Fund. For the past three fiscal years, the amount of Title IV-E funds reallocated to the ARD include: \$230,512 in FY 2010-11; \$229,883 in FY 2011-12; and \$278,631 in FY 2012-13.

The Department requests a FY 2013-14 supplemental and FY 2014-15 budget amendment increase of \$300,000 General Fund and \$300,000 decrease in federal funds spending authority. The Department indicates that this will more accurately reflect the available funding sources for the Administrative Review Division. The Department indicates that the supplemental request “is made in response to new data resulting in substantive changes in funding needs” and the prompting of the ARD to re-examine its Title IV-E earnings and appropriations as a result of the Title IV-E waiver. While staff agrees that there has been a history of declining out-of-home placements and associated Title IV-E earnings; staff does not agree that the data provided is new and as a result recommends declining the request for the FY 2013-14 supplemental. The associated FY 2014-15 budget amendment will be addressed at figure setting on February 27, 2014.

Non-prioritized Supplemental Requests

PREVIOUSLY APPROVED SUPPLEMENTAL REQUEST, 1331 – RESTORATION OF PRIOR YEAR ADJUSTMENTS IN CHILD WELFARE

	Request	Recommendation
Total	<u>\$7,796,708</u>	<u>\$7,796,708</u>
FTE	0.0	0.0
General Fund	7,796,708	7,796,708

Summary: The Committee approved this supplemental in September 2013 when the Department requested \$7,796,708 General Fund to cover prior fiscal year accounting errors in the Division of Child Welfare. FY 2011-12 payments made to counties for child welfare services were not recorded properly in the accounting system, resulting in an understatement of expenditures by \$6.8 million. These funds were reverted to the General Fund at the end of FY 2011-12. In addition, the Department earned federal Title IV-E moneys at a higher rate than was allowable in FY 2009-10, FY 2010-11, and FY 2011-12, resulting in an over-earned amount of \$1.0 million.

Department of Human Services FY 2013-14 Request Summary	
Error	Amount
Expenditure Recording (FY 2011-12)	\$6,825,508
Title IV-E Earnings (FY 2009-10, FY 2010-11, and FY 2011-12)	971,200
Total	<u>\$7,796,708</u>

The rules governing interim supplementals in Section 24-75-111 (5), C.R.S., require the Committee to introduce all interim supplementals that it approves. Staff will include this supplemental in the Department's supplemental bill.

JBC Staff Supplemental Recommendations - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Number Pages

	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2013-14 Requested Change	FY 2013-14 Rec'd Change	FY 2013-14 Total W/ Rec'd Change
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DEPARTMENT OF HUMAN SERVICES
Reggie Bicha, Executive Director

S1 Hotline for Child Abuse and Neglect

(1) EXECUTIVE DIRECTOR'S OFFICE

(A) General Administration

Health, Life, and Dental	<u>26,007,194</u>	<u>29,147,559</u>	<u>8,842</u>	<u>0</u>	<u>29,147,559</u>
General Fund	15,637,178	17,669,591	8,068	0	17,669,591
Cash Funds	502,985	609,233	0	0	609,233
Reappropriated Funds	6,594,805	6,940,436	0	0	6,940,436
Federal Funds	3,272,226	3,928,299	774	0	3,928,299
Short-term Disability	<u>356,844</u>	<u>417,329</u>	<u>71</u>	<u>0</u>	<u>417,329</u>
General Fund	220,492	259,563	66	0	259,563
Cash Funds	6,928	9,412	0	0	9,412
Reappropriated Funds	76,025	85,167	0	0	85,167
Federal Funds	53,399	63,187	5	0	63,187
S.B. 04-257 Amortization Equalization Disbursement	<u>6,524,620</u>	<u>7,726,678</u>	<u>1,455</u>	<u>0</u>	<u>7,726,678</u>
General Fund	3,747,523	4,724,604	1,347	0	4,724,604
Cash Funds	247,144	179,431	0	0	179,431
Reappropriated Funds	1,560,540	1,622,310	0	0	1,622,310
Federal Funds	969,413	1,200,333	108	0	1,200,333

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	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2013-14 Requested Change	FY 2013-14 Rec'd Change	FY 2013-14 Total W/ Rec'd Change
S.B. 06-235 Supplemental Amortization Equalization					
Disbursement	<u>5,566,477</u>	<u>6,960,305</u>	<u>1,314</u>	<u>0</u>	<u>6,960,305</u>
General Fund	3,265,085	4,250,101	1,217	0	4,250,101
Cash Funds	181,935	161,986	0	0	161,986
Reappropriated Funds	1,286,772	1,464,585	0	0	1,464,585
Federal Funds	832,685	1,083,633	97	0	1,083,633

(5) DIVISION OF CHILD WELFARE

Hotline for Child Abuse and Neglect	<u>982,093</u>	<u>982,093</u>	<u>982,093</u>		
FTE	0.6	0.6	0.6		
General Fund	977,853	977,853	977,853		
Federal Funds	4,240	4,240	4,240		

Total for S1 Hotline for Child Abuse and Neglect	38,455,135	44,251,871	993,775	982,093	45,233,964
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.6</u>	<u>0.6</u>	<u>0.6</u>
General Fund	22,870,278	26,903,859	988,551	977,853	27,881,712
Cash Funds	938,992	960,062	0	0	960,062
Reappropriated Funds	9,518,142	10,112,498	0	0	10,112,498
Federal Funds	5,127,723	6,275,452	5,224	4,240	6,279,692

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	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2013-14 Requested Change	FY 2013-14 Rec'd Change	FY 2013-14 Total W/ Rec'd Change
S2 Public Awareness Campaign for Child Welfare					
(1) EXECUTIVE DIRECTOR'S OFFICE					
(A) General Administration					
Health, Life, and Dental	26,007,194	29,147,559	4,421	0	29,147,559
General Fund	15,637,178	17,669,591	4,421	0	17,669,591
Cash Funds	502,985	609,233	0	0	609,233
Reappropriated Funds	6,594,805	6,940,436	0	0	6,940,436
Federal Funds	3,272,226	3,928,299	0	0	3,928,299
Short-term Disability	356,844	417,329	20	0	417,329
General Fund	220,492	259,563	20	0	259,563
Cash Funds	6,928	9,412	0	0	9,412
Reappropriated Funds	76,025	85,167	0	0	85,167
Federal Funds	53,399	63,187	0	0	63,187
S.B. 04-257 Amortization Equalization Disbursement	6,524,620	7,726,678	294	0	7,726,678
General Fund	3,747,523	4,724,604	294	0	4,724,604
Cash Funds	247,144	179,431	0	0	179,431
Reappropriated Funds	1,560,540	1,622,310	0	0	1,622,310
Federal Funds	969,413	1,200,333	0	0	1,200,333
S.B. 06-235 Supplemental Amortization Equalization Disbursement	5,566,477	6,960,305	253	0	6,960,305
General Fund	3,265,085	4,250,101	253	0	4,250,101
Cash Funds	181,935	161,986	0	0	161,986
Reappropriated Funds	1,286,772	1,464,585	0	0	1,464,585
Federal Funds	832,685	1,083,633	0	0	1,083,633

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	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2013-14 Requested Change	FY 2013-14 Rec'd Change	FY 2013-14 Total W/ Rec'd Change
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(5) DIVISION OF CHILD WELFARE

Public Awareness Campaign for Child Welfare	<u>15,210</u>	<u>15,210</u>	<u>15,210</u>		
FTE	0.2	0.2	0.2		
General Fund	15,210	15,210	15,210		

Total for S2 Public Awareness Campaign for Child Welfare	38,455,135	44,251,871	20,198	15,210	44,267,081
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.2</u>	<u>0.2</u>	<u>0.2</u>
General Fund	22,870,278	26,903,859	20,198	15,210	26,919,069
Cash Funds	938,992	960,062	0	0	960,062
Reappropriated Funds	9,518,142	10,112,498	0	0	10,112,498
Federal Funds	5,127,723	6,275,452	0	0	6,275,452

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	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2013-14 Requested Change	FY 2013-14 Rec'd Change	FY 2013-14 Total W/ Rec'd Change
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S10 Administrative Review Division Funding

(1) EXECUTIVE DIRECTOR'S OFFICE

(B) Special Purpose

Administrative Review Unit	<u>2,085,377</u>	<u>2,256,581</u>	<u>0</u>	<u>0</u>	<u>2,256,581</u>
FTE	22.1	26.1	0.0	0.0	26.1
General Fund	1,381,249	1,502,133	300,000	0	1,502,133
Federal Funds	704,128	754,448	(300,000)	0	754,448

Total for S10 Administrative Review Division Funding	2,085,377	2,256,581	0	0	2,256,581
<i>FTE</i>	<u>22.1</u>	<u>26.1</u>	<u>0.0</u>	<u>0.0</u>	<u>26.1</u>
General Fund	1,381,249	1,502,133	300,000	0	1,502,133
Federal Funds	704,128	754,448	(300,000)	0	754,448

JBC Staff Supplemental Recommendations - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2013-14 Requested Change	FY 2013-14 Rec'd Change	FY 2013-14 Total W/ Rec'd Change
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Restoration of prior year adjustments

(5) DIVISION OF CHILD WELFARE

Child Welfare Services	<u>326,528,095</u>	<u>338,029,998</u>	<u>7,796,708</u>	<u>7,796,708</u>	<u>345,826,706</u>
General Fund	167,853,109	172,690,086	7,796,708	7,796,708	180,486,794
Cash Funds	60,730,814	62,068,186	0	0	62,068,186
Reappropriated Funds	8,427,164	14,579,137	0	0	14,579,137
Federal Funds	89,517,008	88,692,589	0	0	88,692,589

Total for Restoration of prior year adjustments	326,528,095	338,029,998	7,796,708	7,796,708	345,826,706
<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	167,853,109	172,690,086	7,796,708	7,796,708	180,486,794
Cash Funds	60,730,814	62,068,186	0	0	62,068,186
Reappropriated Funds	8,427,164	14,579,137	0	0	14,579,137
Federal Funds	89,517,008	88,692,589	0	0	88,692,589

Totals Excluding Pending Items					
HUMAN SERVICES					
TOTALS for ALL Departmental line items	1,973,827,981	2,214,378,373	8,810,681	8,794,011	2,223,172,384
<i>FTE</i>	<u>4,193.5</u>	<u>4,874.9</u>	<u>0.8</u>	<u>0.8</u>	<u>4,875.7</u>
General Fund	642,920,871	724,844,518	9,105,457	8,789,771	733,634,289
Cash Funds	341,644,206	358,900,608	0	0	358,900,608
Reappropriated Funds	441,136,150	519,799,788	0	0	519,799,788
Federal Funds	548,126,754	610,833,459	(294,776)	4,240	610,837,699

Appendix B: Child Welfare Hotline Information Technology Service and Programming Costs

The Department has provided the following cost break down for technology service and programming.

Attachment A

Child Welfare Hotline Information Technology Services and Programming Costs

Element	Unit Cost	Units	Total Cost	Initial Start-up Costs	Ongoing Monthly Costs	FY 2013-14	FY 2014-15	FY 2015-16
Technology and Programming								
Phone System	\$400,000	1	\$400,000	\$400,000	\$0	\$400,000	\$0	\$0
Phone System Programming/Start-up costs (Ongoing costs in FY 2015-16)	\$500,000	1	\$500,000	\$500,000	\$25,000	\$500,000	\$0	\$300,000
Phone System Maintenance (included in Phone System Programming line)		-	\$0	\$0	\$0	\$0	\$0	\$0
Statewide phone number 1-800 (Included in Programming line)		-	\$0	\$0	\$0	\$0	\$0	\$0
Project Manager - hours per year	\$117	1,000	\$117,000	\$117,000	\$0	\$19,890	\$117,000	\$0
Independent Verification and Validation Specialist - hours per year	\$75	1,000	\$75,000	\$75,000	\$0	\$0	\$75,000	\$0
Business Analytics/Business Intelligence Capacity	\$450,000	1	\$450,000	\$450,000	\$0	\$0	\$450,000	\$0
Talk time on 1-800 number (170,400 calls x 45 min/call= 7,668,000 minutes /1500 = 5,112) Cost is \$50/1500 minutes	\$50	5,112	\$255,600	\$0	\$21,300	\$0	\$191,700	\$255,600
Call Recording	\$0.06	7,668,000	\$460,080	\$0	\$38,340	\$0	\$345,060	\$460,080
Call Storage - in Cloud environment (estimated at \$0.03 per minute)	\$0.03	7,668,000	\$230,040	\$0	\$19,170	\$0	\$172,530	\$230,040
Dedicated phone lines (for counties without one) for 42 counties x 12 mos of service = 504	\$50	504	\$25,200	\$0	\$2,100	\$0	\$21,000	\$25,200
Annual Licenses for phone system (using HCPF costs for routing, cloud and data services) for 64 counties + 13 Help Desk staff = 77 units	\$1,200	77	\$92,400		\$7,700	\$0	\$69,300	\$92,400
Increased bandwidth/ minute consumption	\$360,000	1	\$360,000	\$0	\$30,000	\$0	\$270,000	\$360,000
Translation Line (170,400 calls x 45 min/call*6.4%= minutes/year)	\$0.83	490,752	\$407,324	\$0	\$33,944	\$0	\$305,493	\$407,324
TDD/TTY for 64 counties + 4 for Help Desk	\$500	68	\$34,000	\$34,000	\$0	\$0	\$34,000	\$0
TTY dedicated phone lines for 64 counties and 4 for Help Desk (68 x 12 mos of service = 816)	\$50	816	\$40,800	\$0	\$3,400	\$0	\$34,000	\$40,800
Trails Modifications (Start-up + Ongoing costs)	\$360,000	1	\$360,000	\$360,000	\$20,000		\$360,000	\$240,000
Totals - Technology			\$3,807,444	\$1,936,000	\$200,954	\$919,890	\$2,445,083	\$2,411,444
Technical Training for Hotline Staff								
Technical Training - Curricula Development (\$600/day+15% Overhead)	\$690	10	\$6,900			\$6,900		
Technical Training - Delivery of 2-day training for County Hotline Staff and Supervisors (1 trainer \$690/day) and travel (1 hotel night + 2 days per diem = \$200) for 32 sessions	\$1,580	32	\$50,560				\$50,560	
Technical Training - Ongoing (1 trainer x \$690/day) + travel (1 hotel night + 2 days per diem= \$200) per training for 16 sessions	\$1,580	16	\$25,280					\$25,280
Facilities Costs (\$600/day x 2 days) - 20 sessions in Denver + 8 Ongoing trainings	\$1,200	28	\$33,600				\$24,000	\$9,600
Travel for participants -hotel and per diem for participants (1 hotel night + 2 days per diem) = \$200	\$200	350	\$70,000				\$50,000	\$20,000
Travel - Mileage reimbursement for participants - (average of 200 miles at \$0.51/mile = \$102/pp)	\$102	600	\$61,200				\$40,800	\$20,400
Totals - Technical Training			\$247,540			\$6,900	\$165,360	\$75,280
Totals - Technology and Technical Training						\$926,790	\$2,610,443	\$2,486,724
Notes on Phase-In Costs:					General Fund	926,790	2,610,443	2,486,724
FY 2013-14:					Cash Funds	0	0	0
Project Manager starts May 1, 2014					Federal Funds	0	0	0
FY 2014-15:								
Hotline live for testing 10/1/14; Talk time costs for 9 months								
Dedicated lines 10 months								
Bandwidth/Consumption for 9 months								
Help Desk for 10 months								
Funding Pool for 6 months								