

**Schedule 13**

**Funding Request for the FY 2018-19 Budget Cycle**

Department of Human Services

Request Title

**R-15 Enhancing County Colorado Works Case Management Performance**

Dept. Approval By:

*Melissa Wood*

Supplemental FY 2017-18

Change Request FY 2018-19

OSPB Approval By:

*[Signature]*

Budget Amendment FY 2018-19

Summary Information	Fund	FY 2017-18		FY 2018-19	FY 2019-20	
		Initial	Supplemental	Base Request	Change	
		Appropriation	Request	Request	Continuation	
Total		\$60,172,117	\$0	\$60,305,589	\$3,164,163	\$3,165,736
FTE		18.0	0.0	18.0	1.8	2.0
Total of All Line Items Impacted by Change Request	GF	\$40,958,351	\$0	\$41,021,383	\$0	\$0
	CF	\$964,053	\$0	\$1,000,716	\$0	\$0
	RF	\$11,339,804	\$0	\$11,339,804	\$0	\$0
	FF	\$6,909,909	\$0	\$6,943,686	\$3,164,163	\$3,165,736

Line Item Information	Fund	FY 2017-18		FY 2018-19	FY 2019-20	
		Initial	Supplemental	Base Request	Change Request	
		Appropriation	Request	Request	Continuation	
Total		\$35,626,745	\$0	\$35,690,162	\$15,854	\$15,854
FTE		0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General Administration -- Health, Life, And Dental	GF	\$25,469,588	\$0	\$25,509,224	\$0	\$0
	CF	\$204,384	\$0	\$228,165	\$0	\$0
	RF	\$7,148,083	\$0	\$7,148,083	\$0	\$0
	FF	\$2,804,690	\$0	\$2,804,690	\$15,854	\$15,854

Total		\$415,157	\$0	\$415,833	\$172	\$188
FTE		0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General Administration -- Short-Term Disability	GF	\$280,491	\$0	\$280,927	\$0	\$0
	CF	\$13,979	\$0	\$14,219	\$0	\$0
	RF	\$74,685	\$0	\$74,685	\$0	\$0
	FF	\$46,002	\$0	\$46,002	\$172	\$188

	<b>Total</b>	<b>\$11,255,675</b>	<b>\$0</b>	<b>\$11,273,476</b>	<b>\$4,528</b>	<b>\$4,940</b>
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General Administration -- Amortization Equalization Disbursement	GF	\$7,604,136	\$0	\$7,615,616	\$0	\$0
	CF	\$372,845	\$0	\$379,166	\$0	\$0
	RF	\$2,058,518	\$0	\$2,058,518	\$0	\$0
	FF	\$1,220,176	\$0	\$1,220,176	\$4,528	\$4,940

	<b>Total</b>	<b>\$11,255,675</b>	<b>\$0</b>	<b>\$11,273,476</b>	<b>\$4,528</b>	<b>\$4,940</b>
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General Administration -- S.B. 06-235 Supplemental Equalization Disbursement	GF	\$7,604,136	\$0	\$7,615,616	\$0	\$0
	CF	\$372,845	\$0	\$379,166	\$0	\$0
	RF	\$2,058,518	\$0	\$2,058,518	\$0	\$0
	FF	\$1,220,176	\$0	\$1,220,176	\$4,528	\$4,940

	<b>Total</b>	<b>\$1,618,865</b>	<b>\$0</b>	<b>\$1,652,642</b>	<b>\$3,139,081</b>	<b>\$3,139,814</b>
	FTE	18.0	0.0	18.0	1.8	2.0
07. Office of Self Sufficiency, (B) Colorado Works Program -- Administration	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$1,618,865	\$0	\$1,652,642	\$3,139,081	\$3,139,814

CF Letternote Text Revision Required?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	If Yes, see schedule 4 fund source detail.
RF Letternote Text Revision Required?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	
FF Letternote Text Revision Required?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	
Requires Legislation?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	
Type of Request?	Department of Human Services Prioritized Request				
Interagency Approval or Related Schedule 13s:	Office of Information Technology				



***Cost and FTE***

- The Department requests 1.8 FTE and \$3,164,163 total funds/federal funds (Temporary Assistance for Needy Families, TANF) in FY 2018-19 and 2.0 FTE and \$3,165,736 total funds/federal funds (TANF) in FY 2019-20 and \$2,340,236 total funds/federal funds (TANF) ongoing to enhance county Colorado Works case management performance.
- This is a new appropriation of federal funds for FY 2018-19; as such, it is a 100% increase over the FY 2017-18 appropriation.

***Current Program***

- The Colorado Works/Temporary Assistance for Needy Families (TANF) program provides cash assistance, education and training to low income families to help them become self-sufficient.
- Program components are provided by county departments of human and social services. Performance is measured by participant engagement in work activities and employment entry.

***Problem or Opportunity***

- Colorado has struggled to meet the federal Work Participation Rate (WPR) requirement.
- Colorado Works participants face delays and other barriers in developing employment and family stability goals and a plan to move towards those goals – for instance, it takes an average of 30 days from eligibility determination to develop an individualized case plan with the participant.
- This request seeks funds to improve counties' Colorado Works case management processes to improve efficiency, increase employment entry, and increase the State's WPR performance.
- The Department has worked to make changes to systems, data collection, and reporting, as well as work with counties to improve program efficiency and data entry, yet ongoing performance success will require additional interventions.

***Consequences of Problem***

- Limited resources and high caseworker caseloads (in many counties, the ratio is 1:75-150 families) make it challenging to support families adequately as they work to achieve their goals.
- While the State is projected to successfully achieve the Work Participation Rate in FFY 2017-18, the State's failure to meet the Work Participation Rate in several previous years may result in a penalty up to \$42,773,455 if performance is not sustained.

***Proposed Solution***

- The Department requests 1.8 FTE \$3,164,163 total funds/federal TANF funds in FY 2018-19 to improve work participation rate, increase employment entry, and increase county efficiency.
- The requested funding would be used to continue successful data quality oversight, contract for business process reengineering/LEAN support for counties similar to the successful interventions used for timely eligibility determinations, and implement an automated data entry tool statewide to offer a modernized approach to case management.

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**COLORADO**  
Department of Human Services

*John W. Hickenlooper*  
Governor

*Reggie Bicha*  
Executive Director

FY 2018-19 Funding Request | November 1, 2017

**Department Priority: R-15**  
**Request Detail: Enhancing County Colorado Works Case Management Performance**

<b>Summary of Incremental Funding Change for FY 2018-19</b>	<b>Total Funds</b>	<b>FTE</b>	<b>Federal Funds</b>
Enhancing County Performance	\$3,164,163	1.8	\$3,164,163
<b>Summary of Incremental Funding Change for FY 2019-20</b>	<b>Total Funds</b>	<b>FTE</b>	<b>Federal Fund</b>
Enhancing County Performance	\$3,165,736	2.0	\$3,165,736

**Problem or Opportunity:**

The Department requests 1.8 FTE and \$3,164,163 total funds/federal funds in FY 2018-19 and 2.0 FTE and \$3,165,736 total funds/federal funds in FY 2019-20 and 2.0 FTE and \$2,340,236 total funds/federal funds ongoing in order to enhance county Colorado Works case management performance to improve practices in order to connect participants with gainful employment.

In recent years, counties have achieved great efficiency and performance gains in making eligibility determination and processing benefits. System (CBMS) improvements, business process reengineering, and policy changes have combined to improve counties' speed in application determinations. Yet, few measurable gains have been made in the area of case management. This request seeks funds to apply similar strategies to counties' Colorado Works case management processes to improve efficiency, increase employment entry, and improve and maintain the State's Work Participation Rate (WPR) performance.

*Administrative Burden for Case Managers*

Administrative tasks, such as collecting forms from participants and entering required data, can take 20-60% of a caseworker's time, leaving too little time to deliver high-quality case management services to participants. Case management is a vital link to helping participants set and attain employment and life goals. Furthermore, manual processes required to complete these administrative tasks contribute to errors and delays. Reducing this burden through state data quality efforts, LEAN-style process improvements, and automated data entry would allow for more time to provide more and better services to participants. Improving processes will help counties capture efficiency using available TANF resources.

### *Employment Outcomes*

Since 2014, the Department has monitored “Employment Entry” among Colorado Works participants: the number of individuals who enter employment divided by the total number of work-eligible (i.e. required to participate in work activities by federal definition) individuals on the caseload. In any given month, about 8.2% of Colorado Works participants gain employment while enrolled in the program. Cumulatively, 30.85% of Colorado Works participants gained employment while enrolled in the program during FY 2015-16. Survey results concur, indicating about 35% of people left Colorado Works due to increased income. While these results are consistent with similar programs nationwide, they fall short of the Department’s targets.

### *Work Participation Rate*

The Colorado Works program has been notified by the federal government that it is out of compliance with the federal WPR requirement for FY 2011-12, FY 2012-13, FY 2013-14, FY 2014-15, and FY 2015-16, risking a financial penalty to Colorado. WPR measures how well programs engage families in certain requirements, including some activities that lead to employment, by tracking the number of hours individuals spend in specific activities.

Compliance with the federal work participation rate requires fifty percent of all cases and ninety percent of two-parent cases to meet a minimum number of monthly work hours. States can meet the requirement through a combination of 1) reported participant activity hours, and 2) credit for reducing caseload or increasing state maintenance of effort. Table 1 shows the number of states not meeting the required federal measures.

<b>Table 1: Number of States not Meeting Federal Measures</b>		
	FFY 2015	FFY 2016
States/Territories Not Meeting the All Families Rate	6	5*
States/Territories Not Meeting the Two-Parent Rate	15	11*

\*Twenty-seven states do not serve two-parent families, so they do not have a two-parent rate.

Other states have met the WPR requirement through strict sanctioning policies, shortened eligibility terms for benefits, work requirements before services are provided, and other actions that are not moving participants from welfare to work, but simply off welfare. Colorado is striving not only to move participants from welfare to work, but to ensure that the work contributes to their long-term economic stability.

States cite a combination of reasons that make it difficult to meet the WPR requirement, including, but not limited to:

- 1) Recipients who are working more than about 20-25 hours per week become ineligible for cash assistance as a result of too much income, so the state gets no credit for their participation hours.
- 2) The TANF population is very disadvantaged; many require services prior to being “work ready” that are unlikely to qualify for WPR.
- 3) Some activities (e.g. Vocational Education) are time-limited or are only allowed for a sub-set of the

whole population. Once the time limit or the number of allowable participants has been exceeded, those participation hours do not count.

Colorado's internal analyses indicate that complete data entry, effective program design and implementation, and individualized case planning and follow up are three concrete ways the State will meet the WPR. Unfortunately, time-crunched county staff, serving caseloads as high as 150 individuals, struggle to design individualized plans that engage participants swiftly or record employment-centered participation when it does occur. Only 83%<sup>1</sup> of Colorado Works participants have a plan in place within 30 days of application and only 50% of assigned activities have at least one verified participation hour recorded in a month.

Continued non-compliance with the WPR may result in a financial penalty: for the first year of non-compliance, federal law defines the base penalty as five percent of the adjusted state family assistance (TANF) grant. This amount is then reduced by the degree of noncompliance. To calculate the second year's penalty, the first year's amount is added to two percent of the adjusted state family assistance grant. Colorado faces potential penalty amounts as presented in Table 2.

<b>Fiscal Year</b>	<b>Potential Sanction</b>
2012	\$4,761,984
2013	\$6,043,904
2014	\$8,751,062
2015	\$10,655,856
2016	\$12,560,649
<b>Total</b>	<b>\$42,773,455</b>

However, any year the State meets the WPR erases all prior sanctions. Colorado can avoid payment of a penalty by meeting WPR going forward.

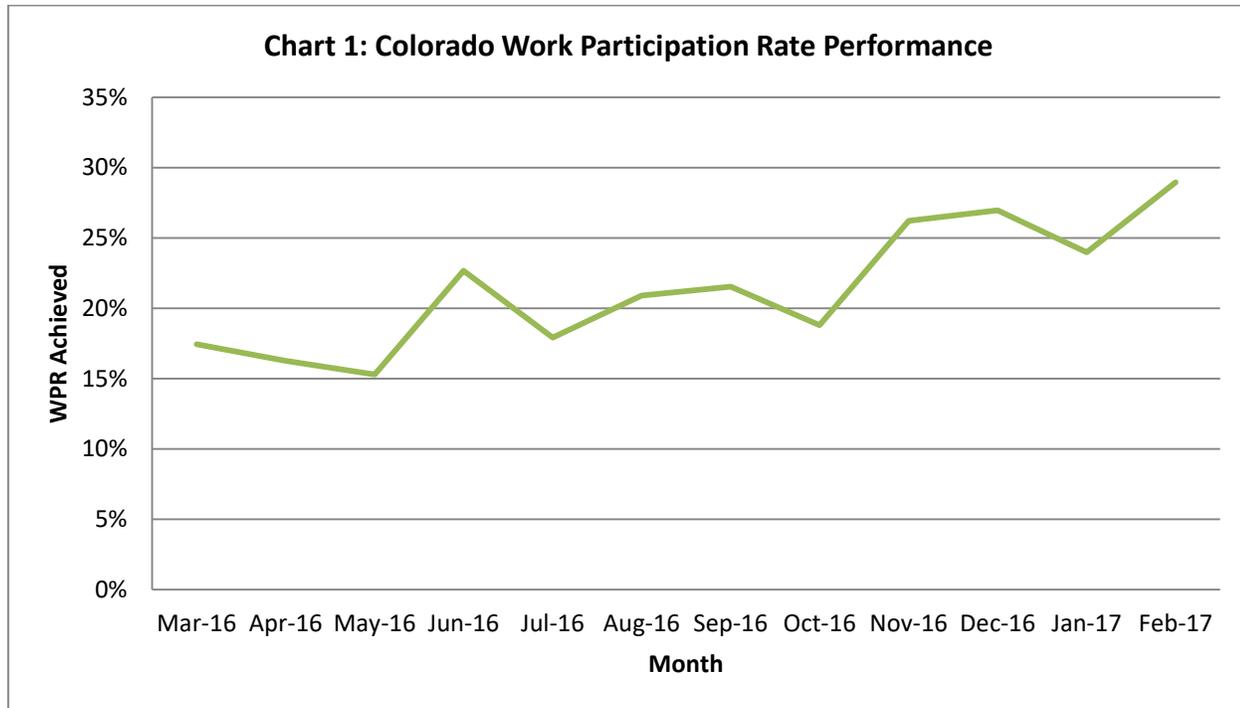
Working closely with both county and federal partners, the Department has made significant progress to comply with WPR by training county workers, making changes in the automated system (CBMS), issuing new guidance, increasing performance management data, and centralizing specific state-level functions. The Department has provided a clearer message on WPR expectations and outcomes, which has resulted in achieving performance milestones quickly. Additional adjustments and resources are needed to sustain practices in order to advance and sustain progress and ultimately avoid penalty.

Chart 1 illustrates Colorado's improved WPR, per the federal sample, achieved as a result of interventions made since the Department was first notified on May 29, 2015 that Colorado had missed the WPR for FY 2012. These changes were accomplished within existing resources. Improvements are evident among cases included in the federal sample used to measure Colorado's compliance in the most recent 12 month period

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<sup>1</sup> April 2017

data are available.



\*Data reflects performance among federally sampled cases

This request supports the Department’s strategic policy initiative to “Improve the lives of Colorado families in need by helping them to achieve economic security.”

***Proposed Solution:***

The Department requests 1.8 FTE and \$3,164,163 total funds/federal TANF funds in FY 2018-19 and 2.0 FTE and \$3,165,736 total funds/federal TANF funds in FY 2019-20 and \$2,340,236 total funds/federal funds ongoing in order to address the federal work participation requirement by improving data quality, contracting for LEAN support for counties, and adopting a statewide data entry tool.

The request provides the tools necessary to improve the efficiency among existing county operations and implement an automated data entry tool statewide for participants to enter their own data and verification documents. Together, these strategies would lead to improved customer service, allowing caseworkers to focus more on assisting clients to become self-sufficient and less on administrative tasks. As Table 3 describes, implementing these solutions will address several problems, ultimately improving performance.

<b>Table 3: Problems and Solutions Matrix</b>			
	<b><u>Solutions</u></b>		
<b><u>Problem</u></b>	Improve Data Quality	Automated Data Entry Tool	BPR/LEAN
Employment Outcomes		X	X
Work Participation Rate	X	X	X
Administrative Burden		X	X

*Improve Data Quality*

Manually monitoring and reviewing the federally-sampled cases every month at the statewide level has increased WPR. Continuing to conduct this work at the Department standardizes the analysis and results, applies a state-level perspective as all the data is rolled up for the federal reporting, and reduces a burden on counties that is better managed at the Department. The State can capitalize on various gains that can only be applied when considering statewide application of federal rules versus county-specific application.

Borrowing from other states’ successful efforts, the Department began pilot-testing an intensive data quality review of all cases included in the federal sample used to calculate WPR in November 2016. Using existing funds, the Department hired two full-time contractors to conduct manual reviews of every sampled case to ensure complete, accurate data entry necessary to gain WPR credit. This investment resulted in immediate improvement in the WPR; that improvement has continued throughout the pilot period (currently in its fifth month), increasing WPR from 18.4% to 29.0%.

Due to the highly specialized nature of the work, the Department seeks to hire 2.0 FTE thoroughly review every case in the sample and contact counties regarding specific cases, as needed, for additional information or data entry. As other states have found, there is much value in having a state-level perspective on WPR because it is ultimately a statewide measure; county sampling makes it difficult for any individual county to consistently conduct this work. Moreover, the WPR formula contains many moving parts that can be hard to see from the perspective of any individual sampled case or from any individual county.

This manual review process is time-intensive, requiring two full-time state-level staff. While current permanent Department staff produce the data and serve as policy guides for various issues, the two contractors have worked full-time on the detailed work required to complete the manual review and follow-up throughout the pilot. This strategy has been successful in increasing WPR, but it is not sustainable without additional funding for contractors or permanent staff to conduct this manual review and statewide management on an ongoing basis. This intensive work remains important to Colorado’s success.

*Automated Data Entry Tool*

Easier, faster methods for county workers to collect work participation information will increase WPR and lead to improved employment outcomes for participants. The Department will procure a vendor to implement an effective data entry tool in county offices. Early evidence from a similar pilot in Larimer County using a data entry tool (developed via collaboration among six counties, with input from national

behavioral economics and welfare program implementation experts) shows two main benefits:

- Participants are 76% more likely to submit their work participation information on time versus by traditional paper reports. Increased reporting of activities more accurately captures the hours participants were engaged in work activities, which will likely improve the reported WPR.
- The tool saves each case manager 8-9 hours per week – this time can be devoted to working with participants on career planning and other goals rather than administrative work.

Without an automated tool, WPR data must be collected from participants, verified, and manually entered into the State's eligibility system (CBMS). Counties report this process takes 40-60% of their case managers' time. The process is also burdensome on participants: not only are they required to collect various documentation of their participation throughout a month, they are often required to physically bring the documents to their case manager to ensure timely submission.

This manual, burdensome process can result in missing data that contributes to Colorado's WPR compliance problem. In order to automate and streamline data collection, the Department proposes procuring a web-based data entry tool. Given the evidence from the Larimer County pilot, the Department is aware of at least one potential tool that could meet the need. This particular tool could provide a web-based application for statewide Colorado Works participants to enter their own participation data and upload verification documents for case manager approval, seamlessly capturing the necessary information with minimal manual work required by county staff. It can also allow caseworkers to view and manage their cases more effectively via an easy-to-read format displaying cases that have and have not entered data and cases that require action. Similarly, it can allow supervisors and managers to monitor caseworkers' and participants' activity in a new way. Other tools that may provide similar (or enhanced) attributes may be available and will be fully explored through a competitive procurement process to secure a tool to automate and ease data entry and case management.

Freeing up case manager time for more meaningful interactions, and supporting improved performance monitoring, will equip counties to help participants achieve economic security through meaningful work, a CDHS strategic policy initiative and Wildly Important Priority (WIP).

#### *Business Process Reengineering/LEAN*

The Department and the counties have participated in Business Process Reengineering (BPR) to analyze workflows and design efficient processes. To date, these efforts have only focused on eligibility determination processes, resulting in increased timeliness and accuracy. This proposal will extend those BPR efforts to case management processes.

Business Process Reengineering for case management will enable the Department and counties to re-think workflows and processes in order to improve customer service and increase efficiency, ultimately leading to improved outcomes. For example, considering and revamping the time elapsed between an eligibility decision and case management appointment may result in timely engagement. Participants engaged timely are more likely to contribute positively toward WPR and ultimately attach to employment.)

Case management processes and workflows are antiquated in most counties, requiring manual (and sometimes duplicate) data entry, research within multiple systems, and overall inefficient workflows. BPR will entail a thorough review of existing policies and guidance that may eliminate unintended barriers. Building more intentional workflow designs will improve case management processes, thereby encouraging timely data entry and avoiding lost WPR and employment entry-related paperwork.

The Department will procure a vendor with both BPR and case management expertise in order to successfully implement Business Process Reengineering at the State and county levels. The vendor will tailor Business Process Reengineering to streamline case management processes while addressing the varying needs of each county.

BPR would be completed in a phased approach in the ten largest counties:

1. Assess office operations and strategize with leadership – resulting in operational descriptions of service delivery models and processes.
2. Engage county and State staff in determining how case management should be done and redesigning the way those activities are completed.
3. Work with pilot counties to implement the redesigned processes.
4. Develop implementation roll-out plan for remaining counties.
5. Roll out BPR processes in remaining counties.
6. Evaluate efforts and final reporting.

Table 4 details the implementation plan over the next two years.

<b>Table 4: Implementation Plan for Improved County Performance</b>								
	FY 2018-19				FY 2019-20			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Assess office operations and strategize with leadership	X							
Develop evaluation criteria	X	X						
Develop redesign of case management processes		X	X					
Work with pilot counties to implement redesigns			X	X	X			
Develop implementation plan to roll-out for remaining counties				X	X			
Work with remaining counties to implement redesigns					X	X	X	
Evaluate implementation plan and develop reporting						X	X	X

## Anticipated Outcomes:

The Department's primary outcomes from this investment are increasing employment entry and meeting the federal WPR requirement. In addition, the Department anticipates that the combination of reengineering case management processes and automating data entry will result in effective time invested in assisting clients achieve goals. Collectively, these efforts are expected to produce the following outcomes:

### Participant Impacts:

- Reduce elapsed time between application and activity initiation. 95% of participants have a plan in place within 30 days of application, increased from 83% currently.
- Participant hours submitted timely. Early pilot results in one large county show that participants who use an electronic submission form are 76% more likely complete their participation hours on time.
- Reduce likelihood for being sanctioned for not submitting their time sheet. Participants are less likely to lose their time sheet and more likely to complete their entries throughout the month. This will reduce administrative monitoring time and increase the likelihood of continued case management leading to employment outcomes.
- Eliminates submission barriers. Use of the tool eliminates the need for participants to mail or bring the documentation into the office since it can be uploaded via the automated tool. By saving time and eliminating a submission barrier, the program emphasizes its support of participants' employment activities.

### Case Manager/County Impacts:

- Time savings by faster data entry and review. Handwritten logs can take as long as 60 minutes to enter data; confirming back-up documentation is a laborious process; handwriting is often illegible; errors such as recording a 29<sup>th</sup> day in February require follow-up; hours are often added incorrectly, causing problems with matching documentation is provided. Counties currently testing an electronic data entry method report case manager time savings of 8-12 hours *per week*, or 20-30% of a caseworkers' time. This is the equivalent of one full time equivalent county staff for every 3-5 existing staff.
- Focus on employment entry. Reduced time required to explain how to fill out a manual form results in a potential 33% increase in time spent with the participant in setting and working towards goals. Employment outcomes, such as employment entry, should improve.
- Improve WPR. Collecting more countable WPR hours and employment entry will increase the State's Work Participation Rate and Employment Entry measure without increasing workload or changing programming dramatically.
- Improve employment outcomes and goal attainment as emphasis shifts from paperwork toward progress.
- Reduce administrative monitoring workload. Quicker engagement and stronger employment outcomes will reduce monitoring burden, further increasing the time spent coaching participants versus administrative work.

### Statewide Impacts:

- Increase employment entry from 8.2% in a month to 10%, increase from 35% to 40% survey respondents who credit getting a job or an increased earned income as reasons for leaving the program.
- Increase WPR from 26% to 31% (exceeding the projected target WPR).

The Department will monitor outcomes through C-Stat, and federal reports and compliance. Work Participation Rate achieved will be tracked by the Department using the internal monthly estimate and the annual federal calculation. The Department will also track the number of activities with hours entered monthly and will continue to monitor Employment Entry rates. Together, the Department expects all three strategies outlined to improve employment outcomes among participants.

***Assumptions and Calculations:***

This request will be funded with existing federal TANF funds available in the State’s Long Term Colorado Works Reserve (LTR). Sufficient funds exist in reserve given Colorado’s receipt of federal TANF Contingency Funds each year since 2009; since Federal Fiscal Year 2012-13, Contingency Funds received have averaged \$13.4 million. Contingency Funds are based on eligibility criteria the state will continue to meet. States apply for the funds annually.

<b>Table 5: TANF Long-term Reserve Projections</b>			
	FY 2017-18 Long Bill	FY 2018-19 Requested	FY 2019-20 Projected
Beginning Long-term Reserve Balance	\$53,318,649	\$52,297,162	\$48,560,499
State Family Assistance Grant	\$135,607,703	\$135,607,703	\$136,056,690
Contingency Fund*	\$12,000,000	\$12,000,000	\$12,000,000
<b>Total TANF Funds Available to Appropriate</b>	<b>\$200,926,352</b>	<b>\$200,353,852</b>	<b>\$196,617,189</b>
Appropriations	\$148,629,190	\$151,793,353	\$151,793,353
Ending Long-term Reserve Balance	\$52,297,162	\$48,560,499	\$44,823,836

\* Contingency funds are awarded annually and amounts received vary; Colorado has been successful in applying for and receiving Contingency Funds, but there is no guarantee funds will be awarded.

*Data Quality*

2.0 FTE – Social Services Specialist III = \$136,519 in FY 2018-19, \$138,092 in FY 2019-20 and ongoing

Salary cost to pay two Social Service Specialist III positions to analyze federally-sampled cases every month at the state-level perspective. The Department initially funded the pilot work starting mid-year in FY 2016-17 with vacancy savings. The Department does not anticipate the same level of vacancies in the

future, so existing administrative funds will not be available.

The Department would initiate the human resource process in once the Long Bill is adopted to onboard the staff on July 1, 2018.

<b>Table 6: FTE Calculation</b>						
<b>Expenditure Detail</b>	<b>FY 2018-19</b>			<b>FY 2019-20</b>		
<b><i>Personal Services:</i></b>						
Classification Title	Monthly	FTE		FTE		
Social Services Specialist III	\$4,117	1.8	\$90,567	2.0	\$98,808	
PERA			\$9,193		\$10,029	
AED			\$4,528		\$4,940	
SAED			\$4,528		\$4,940	
Medicare			\$1,313		\$1,433	
STD			\$172		\$188	
Health-Life-Dental			\$15,854		\$15,854	
<b><i>Subtotal Personal Services</i></b>		-	<b>\$126,155</b>	-	<b>\$136,192</b>	
<b><i>Operating Expenses:</i></b>						
		FTE		FTE		
Regular FTE Operating	\$500	1.8	\$917	2.0	\$1,000	
Telephone Expenses	\$450	1.8	\$825	2.0	\$900	
PC, One-Time	\$1,230	1.8	\$2,255	-		
Office Furniture, One-Time	\$3,473	1.8	\$6,367	-		
<b><i>Subtotal Operating Expenses</i></b>			<b>\$10,364</b>		<b>\$1,900</b>	
<b><u>TOTAL REQUEST</u></b>		-	<b><u>\$136,519</u></b>	-	<b><u>\$138,092</u></b>	
	<i>Federal Funds:</i>		<i>\$136,519</i>		<i>\$138,092</i>	

*Automated Data Entry Tool*

13,108 average monthly cases

\$14/case/month

\$2,202,144 annual license fee

Costs from the similar pilot in Larimer County have been used to project the annual license fee that the State would pay to implement an Automated Data Entry Tool statewide. Through conversations with Larimer County’s vendor and the Department’s internal technology experts, the Department believes the costs presented in this budget request are reasonable to procure a statewide license. Given the Department’s confidence in these cost projections, they will be used in the procurement process to solicit a vendor to provide an automated data entry tool. The Request for Proposals will solicit bids within cost parameters of \$2,202,144 for county licenses and one-time, up-front costs to initialize the system in Colorado and train

county staff.

The Department would initiate the procurement process in the Spring of 2018, as soon as the funds have been approved by the General Assembly, for an intended start-date in July 2018. Set-up, training, and implementation would be complete by October 1, 2018.

*Business Process Reengineering*

The Department estimates that the Business Process Reengineering initiative will cost \$1,651,000. The funds will be used to pay for county office assessments, statewide and county-wide planning, a base model of real-time data tracking, specific training for leadership and staff, and to prepare a core group of individuals to carry the model forward in Colorado.

Table 7 presents preliminary cost estimates from a private vendor to implement Business Process Reengineering in county offices within the ten largest Colorado counties.

<b>Table 7: Business Process Reengineering Cost Estimates</b>		
	FY 2018-19	FY 2019-20
18 local county office assessments @ \$15,000/each local office	\$135,000	\$135,000
Planning, preparation, implementation, roll out, training, support	\$690,500	\$690,500
<b>Total</b>	<b>\$825,500</b>	<b>\$825,500</b>

Tables 7 and 8 illustrate the total costs required to implement the three components required to fully implement this proposal and the total appropriation required.

<b>Table 8: Cost Summary to Enhance County Performance</b>			
	FY 2018-19	FY 2019-20	FY 2020-21 and ongoing
Improve Data Quality	\$136,519	\$138,092	\$138,092
Business Process Reengineering	\$825,500	\$825,500	\$0
Automated Data Entry Tool	\$2,202,144	\$2,202,144	\$2,202,144
<b>Total</b>	<b>\$3,164,163</b>	<b>\$3,165,736</b>	<b>\$2,340,236</b>

Table 9 illustrates the Long Bill appropriation and requested funding for FY 2018-19 and beyond

<b>Table 9: Long Bill Appropriation and Requested Funding for FY 2018-19 Through FY 2020-21</b>			
<b>Line Item: (1) Executive Director's Office, Health, Life and Dental</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Federal Funds</b>
FY 2017-18 Appropriation (SB 17-254)	\$0	\$0	\$0
Requested Funding (or Spending Authority)	\$15,854	\$0	\$15,854
<b>FY 2018-19 Total Requested Appropriation</b>	<b>\$15,854</b>	<b>\$0</b>	<b>\$15,854</b>
FY 2019-20 Annualization of Prior Year Funding	\$0	\$0	\$0
<b>FY 2019-2020 Total Requested Appropriation</b>	<b>\$15,854</b>	<b>\$0</b>	<b>\$15,854</b>
<b>FY 2020-2021 Total Requested Appropriation</b>	<b>\$15,854</b>	<b>\$0</b>	<b>\$15,854</b>
<b>Line Item: (1) Executive Director's Office, Short-term Disability</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Federal Funds</b>
FY 2017-18 Appropriation (SB 17-254)	\$0	\$0	\$0
Requested Funding (or Spending Authority)	\$172	\$0	\$172
<b>FY 2018-19 Total Requested Appropriation</b>	<b>\$172</b>	<b>\$0</b>	<b>\$172</b>
FY 2019-20 Annualization of Prior Year Funding	\$16	\$0	\$16
<b>FY 2019-2020 Total Requested Appropriation</b>	<b>\$188</b>	<b>\$0</b>	<b>\$188</b>
<b>FY 2020-2021 Total Requested Appropriation</b>	<b>\$188</b>	<b>\$0</b>	<b>\$188</b>
<b>Line Item: (1) Executive Director's Office, Amortization Equalization Disbursement</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Federal Funds</b>
FY 2017-18 Appropriation (SB 17-254)	\$0	\$0	\$0
Requested Funding (or Spending Authority)	\$4,528	\$0	\$4,528
<b>FY 2018-19 Total Requested Appropriation</b>	<b>\$4,528</b>	<b>\$0</b>	<b>\$4,528</b>
FY 2019-20 Annualization of Prior Year Funding	\$412	\$0	\$412
<b>FY 2019-2020 Total Requested Appropriation</b>	<b>\$4,940</b>	<b>\$0</b>	<b>\$4,940</b>
<b>FY 2020-2021 Total Requested Appropriation</b>	<b>\$4,940</b>	<b>\$0</b>	<b>\$4,940</b>

<b>Line Item: (1) Executive Director's Office, Supplemental Amortization Equalization Disbursement</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Federal Funds</b>
FY 2017-18 Appropriation (SB 17-254)	\$0	\$0	\$0
Requested Funding (or Spending Authority)	\$4,528	\$0	\$4,528
<b>FY 2018-19 Total Requested Appropriation</b>	<b>\$4,528</b>	<b>\$0</b>	<b>\$4,528</b>
FY 2019-20 Annualization of Prior Year Funding	\$412	\$0	\$412
<b>FY 2019-2020 Total Requested Appropriation</b>	<b>\$4,940</b>	<b>\$0</b>	<b>\$4,940</b>
<b>FY 2020-2021 Total Requested Appropriation</b>	<b>\$4,940</b>	<b>\$0</b>	<b>\$4,940</b>
<b>Line Item: (7) Office of Self Sufficiency (B) Colorado Works Programs</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Federal Funds</b>
FY 2017-18 Appropriation (SB 17-254)	\$0	\$0	\$0
Requested Funding (or Spending Authority)	\$3,139,081	\$0	\$3,139,081
<b>FY 2018-19 Total Requested Appropriation</b>	<b>\$3,139,081</b>	<b>\$0</b>	<b>\$3,139,081</b>
FY 2019-20 Annualization of Prior Year Funding	\$733	\$0	\$733
<b>FY 2019-2020 Total Requested Appropriation</b>	<b>\$3,139,814</b>	<b>\$0</b>	<b>\$3,139,814</b>
<b>FY 2020-2021 Total Requested Appropriation</b>	<b>\$2,314,314</b>	<b>\$0</b>	<b>\$2,314,314</b>