

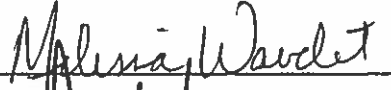
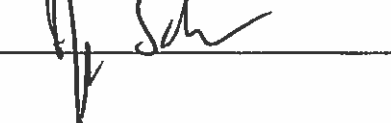
Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-06 Child Support Employment

Dept. Approval By: 
 OSPB Approval By: 

Supplemental FY 2018-19

Budget Amendment FY 2019-20

X

Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$75,705,715	\$0	\$74,550,197	\$966,977	\$1,834,274
	FTE	0.0	0.0	0.0	1.0	1.0
Total of All Line Items Impacted by Change Request	GF	\$53,657,500	\$0	\$48,529,910	\$0	\$0
	CF	\$665,192	\$0	\$4,587,266	\$0	\$0
	RF	\$16,219,375	\$0	\$12,026,605	\$0	\$0
	FF	\$5,163,648	\$0	\$9,406,416	\$966,977	\$1,834,274

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$46,696,345	\$0	\$45,681,295	\$7,927	\$7,927
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General Administration, (1)	GF	\$33,413,551	\$0	\$29,357,601	\$0	\$0
General Administration - Health, Life, And Dental	CF	\$144,915	\$0	\$2,930,144	\$0	\$0
	RF	\$10,356,168	\$0	\$7,685,079	\$0	\$0
	FF	\$2,781,711	\$0	\$5,708,471	\$7,927	\$7,927

	Total	\$472,856	\$0	\$469,396	\$119	\$119
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General Administration, (1)	GF	\$330,992	\$0	\$312,663	\$0	\$0
General Administration - Short-Term Disability	CF	\$8,592	\$0	\$27,320	\$0	\$0
	RF	\$93,723	\$0	\$69,252	\$0	\$0
	FF	\$39,549	\$0	\$60,161	\$119	\$119

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$14,268,257	\$0	\$14,199,753	\$3,131	\$3,131
01. Executive Director's	FTE	0.0	0.0	0.0	0.0	0.0
Office, (A) General	GF	\$9,956,150	\$0	\$9,429,823	\$0	\$0
Administration, (1)	CF	\$255,862	\$0	\$814,901	\$0	\$0
General Administration -	RF	\$2,884,962	\$0	\$2,136,137	\$0	\$0
Amortization	FF	\$1,171,283	\$0	\$1,818,892	\$3,131	\$3,131
Equalization						
Disbursement						
	Total	\$14,268,257	\$0	\$14,199,753	\$3,131	\$3,131
01. Executive Director's	FTE	0.0	0.0	0.0	0.0	0.0
Office, (A) General	GF	\$9,956,807	\$0	\$9,429,823	\$0	\$0
Administration, (1)	CF	\$255,823	\$0	\$814,901	\$0	\$0
General Administration -	RF	\$2,884,522	\$0	\$2,136,137	\$0	\$0
S.B. 06-235	FF	\$1,171,105	\$0	\$1,818,892	\$3,131	\$3,131
Supplemental						
Equalization						
Disbursement						
	Total	\$0	\$0	\$0	\$952,669	\$1,819,966
07. Office of Self	FTE	0.0	0.0	0.0	1.0	1.0
Sufficiency, (B)	GF	\$0	\$0	\$0	\$0	\$0
Colorado Works	CF	\$0	\$0	\$0	\$0	\$0
Program, (1) Colorado	RF	\$0	\$0	\$0	\$0	\$0
Works Program - Child	FF	\$0	\$0	\$0	\$952,669	\$1,819,966
Support Services						
Employment						

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Human Services Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact



Cost and FTE

- The Department requests \$966,977 total funds/federal Temporary Assistance for Needy Families (TANF) funds and 1.0 FTE in FY 2019-20 and \$1,834,274 total/federal TANF funds and 1.0 FTE in FY 2020-21 through FY 2022-23 to provide employment services to low-income non-custodial parents.
- This is a new request over the FY 2018-19 appropriation.

Current Program

- The Child Support Services (CSS) program ensures that children receive financial and medical support from both parents. Services include paternity establishment, location of non-custodial parent, establishment of a child support order, and enforcement of an order.
- The program is administered by county human and social services offices across Colorado.

Problem or Opportunity

- On average about 30,000 families receive none of the monthly child support owed each month. Families lacking this income source are more likely to live in poverty.
- A disproportionate percentage of parents not paying child support have very low incomes and face employment barriers that hamper their ability to contribute. Meanwhile, traditional child support enforcement measures compound barriers to employment.
- Federal rules restrict using any of the federal funds for employment services, leaving counties with few resources to meet this need.
- In Arapahoe County, providing employment services and support to low-income non-custodial parents struggling to pay child support has resulted in an average wage of \$14.69/hour.
- If an estimated 20% of parents facing barriers to paying their child support (e.g. economic, mental health, substance abuse) received more comprehensive services to become employed and reduce barriers, it would yield roughly \$15 million in child support going to more than 5,200 families.

Consequences of Problem

- Without addressing barriers preventing parents from paying child support, families will continue to lack the financial support they should be receiving, resulting in economic hardship.
- Children lacking two parents engaged in their lives are more likely to be involved in the juvenile justice system, drop out of school, and raise their own children in poverty.

Proposed Solution

- The Department requests \$966,977 total/federal TANF funds and 1.0 FTE in FY 2019-20 and \$1,834,274 and 1.0 FTE in FY 2020-21 through FY 2022-23 to provide employment services to low-income non-custodial parents struggling to pay child support.
- The Department will provide funds to county offices to serve up to 5,200 parents at an average cost of \$300/participant.
- Removing employment barriers will result in increased child support payments among participants.

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COLORADO

Department of Human Services

John W. Hickenlooper
Governor

Reggie Bicha
Executive Director

FY 2019-20 Funding Request | November 1, 2018

Department Priority: R-06
Request Detail: Child Support Employment

Summary of Incremental Funding Change for FY 2019-20	Total Funds	FTE	Federal Funds
Child Support Employment	\$966,977	1.0	\$966,977
Summary of Incremental Funding Change for FY 2020-21	Total Funds	FTE	Federal Funds
Child Support Employment	\$1,834,274	1.0	\$1,834,274

Problem or Opportunity:

The Department requests \$966,977 total funds/federal Temporary Assistance for Needy Families (TANF) funds and 1.0 FTE in FY 2019-20 and \$1,834,274 total/federal TANF funds and 1.0 FTE in FY 2020-21 through FY 2022-23 to provide employment services to low-income non-custodial parents as a pilot program through FY 2022-23. Every month, nearly 30,000 families on Colorado's Title IV-D child support caseload receive \$0 of monthly child support owed. This scenario creates financial hardships for these families. According to the federal Office of Child Support Enforcement, child support represents an average of 41% of family income for custodial families who receive it. When families do not receive child support payments, they are likely to apply for public assistance, typically through the Temporary Assistance for Needy Families (TANF) program. The Department has a full array of enforcement remedies to motivate non-custodial parents (NCPs) to pay their child support obligations, if they have the means to do so. These remedies are applied diligently by county and State child support professionals resulting in more than \$21 million in child support payments collected monthly on behalf of families. Yet, \$11.9 million owed in child support each month goes unpaid, negatively affecting children.

Compounding the non-payment issue, research shows that every dollar of child support income has a greater effect on how well a child does in school than any other source of family income, exacerbating the negative effect of a child not receiving child support. Yet, a disproportionate percentage of the NCPs owing child support have very low-incomes themselves and face an array of employment barriers that limit their ability to contribute to their children. Survey data collected through the national Child Support Parent

Employment Demonstration (CSPED) grant indicates that nearly 70% of parents failing to pay child support obligations have some kind of criminal conviction. Among those with any reported income, monthly earnings average only \$683, less than 70% of the federal poverty level (FPL) for a family of one. According to the Congressional Research Service, punitive measures addressing nonpayment of child support disproportionately affect low-income NCPs who are likely to be just as poor, or poorer, than the mother and child(ren) owed child support.

Findings from the 2017 Colorado Consistent Payor Project, conducted by Gray's Peak Strategies, revealed that lack of employment was the most common reason for nonpayment of child support obligations. Additionally, findings from the validation study of Colorado's Family Resource Assessment (FRA) supported the findings from the Colorado Consistent Payor Project, demonstrating that for every barrier to employment a parent reported, the odds of payment decreased by 34-38%. More specific barriers to making payments included having a criminal record as well as access to transportation. The study demonstrated that having a criminal record or history decreased the probability of payment by 86%, while not having reliable transportation decreased the probability of payment by 68%. Despite the documented need, few opportunities currently exist to engage NCPs in employment-focused activities, given current funding constraints which restrict using any of the 66% federal reimbursement to the child support services program to fund employment programs. Few counties have the resources to provide these types of services internally.

Historically, the child support system has wholly relied on punitive measures to encourage compliance. Counter-intuitively, many of the consequences (e.g. suspension of professional or driver's licenses) make it even harder for NCPs to work and pay child support. Child Support Services' (CSS) primary mission is to ensure that children receive medical and financial support from both parents, making CSS a natural, key partner in supporting the whole family to thrive instead of creating barriers (e.g., consequences that impede employment) to family/children's success. According to Dan Meyer, a professor at the University of Wisconsin's School of Social Work with extensive research on child support policy, "Many observers have long thought unwillingness is the main problem for nonpayment of child support, but the problem is actually, to a larger degree, not unwillingness at all, but simply due to those owing child support not having an ability to pay the amount expected, leaving the system only about punishment as unlikely to be effective."

Clearly, if different results are expected, new approaches to the problem of non-payment of child support must be considered. Statewide replication of promising practices gleaned through programs such as Arapahoe County's Parents to Work Program provides an excellent opportunity to implement new approaches to facilitating the collection of owed child support, ultimately allowing both parents to live more economically secure lives while supporting their children. As a bonus, increased income from child support may allow the custodial parent to eliminate and/or reduce their use of public assistance. Increased family income, facilitated by receipt of child support, during early childhood can have a lasting impact on children's lives. More specifically, a 2010 Princeton Study found that a \$3,000 difference in parents' income when a child is young correlates to a 20% increase in that child's future earnings.

Furthermore, research shows that child support is a mechanism to engage parents in their children's lives, which, when it is safe to do so, leads to better outcomes for children. According to a 2006 study "*Father's Influence in the Lives of Children with Adolescent Mothers*" published in the Journal of Family Psychology, active father involvement increases high school graduation rates and decreases teen pregnancies and delinquent criminal behavior. Value-added services, such as employment services, that promote NCPs' long-term ability to pay child support improve child support collection outcomes, and promote family economic security and well-being.

Proposed Solution:

The Department requests \$966,977 total/federal TANF funds and 1.0 FTE in FY 2019-20 and \$1,834,274 total/federal TANF funds and 1.0 FTE in FY 2020-21 through FY 2022-23 for a pilot program to improve economic security and strengthen parent-child relationships among families interacting with Child Support Services (CSS) by implementing a statewide employment services model. This investment will supplement the federal Title IV-D of the Social Security Act funds in order to provide a mechanism to expand evidence-informed employment services to non-custodial parents (NCPs) involved in the child support program. Currently, federal guidelines prohibit the use of employment services as allowable expenditures with federal IV-D funds. This leaves counties with few options to provide employment services to needy NCPs.

Program funds would be distributed to local partnerships through a Request for Proposal (RFP) process. These partnerships would include, but are not limited to, county departments of human/social services, child support services, Workforce Centers, community-based organizations and early childhood partners. Strong partnerships will include evidence of existing relationships with employers, community providers, and industry and subject matter expertise. This initiative will draw on existing relationships, expanding service delivery menus to NCPs. NCPs with children on a Colorado Works cash assistance case will be prioritized. Arapahoe County's successful Parents to Work program will serve as the foundation for the RFP.

Nearly all NCPs participating in employment programs face barriers to employment. For example, evidence from the Tennessee Child Support Employment and Parenting Program (CSEPP) demonstrates that, among program participants, 67% had trouble meeting their basic needs, 56% reported depression, 59% faced transportation problems, 45% had legal problems, and 29% self-reported problems with anger management (Tennessee Department of Human Services, Child Support Division, 2005). Similarly, the Texas NCP Choices project (Schroeder & Doughty, 2009) noted that participants were typically poorly educated with uneven work histories, few job skills, criminal records, and mental illness.

Therefore, requested funding will be used to provide an array of services to NCPs in the areas of employment, supportive services related to employment, and workshops tailored to strengthening family stability and relationships. Funds will be awarded to applicant organizations who demonstrate a solid approach to delivering services to achieve outcomes. Table 1 presents a menu of the types of services that will be delivered, varying by organizations' capacity and community needs.

Table 1: Types of Services Available

Employment Services	Supportive Services	Classes/Workshops
<ul style="list-style-type: none"> • Resume Writing • GED Classes • Interview Prep • On-the-Job Training • Job Search Assistance • Soft-Skills Training 	<ul style="list-style-type: none"> • Transportation Assistance • Rental Assistance • Driver's License Reinstatement Fees • Work/Interview Clothing • Car Repairs • Work Tools 	<ul style="list-style-type: none"> • Motherhood • Fatherhood • Parenting • Relationship Education • Grandparents Support • Legal Clinic • Early Childhood • Substance Abuse • Domestic Violence • Mediation • Financial Planning

This array of services will be provided to 5,200 NCPs owing child support annually via contracts awarded to county and non-profit service providers across Colorado. Based on evidence from the national Child Support Employment Demonstration Project (CSPED), the Department projects that more than 70% of participants (3,640 NCPs), previously out of compliance with child support orders, will become gainfully employed in the first six months and begin paying child support. The Department anticipates that the payments from these 3,640 NCPs will equate to an additional \$15 million in child support to families annually, translating into a return of more than \$13 million on the investment of federal TANF funds. These 3,640 gainfully employed individuals across Colorado are also expected to contribute to community and economic development outcomes, in both their communities of residence and their children's communities. Overall, these 3,640 NCPs equate to about 12% of the monthly non-paying caseload (i.e., zero payers) in Colorado. Supporting these parents to become regular payers of child support will significantly reduce the non-paying caseload.

Arapahoe County's Parents to Work Program

Arapahoe County's Parents to Work program provides a Colorado context to the national evidence that targeting employment services to NCPs yields positive outcomes. This particular program is designed to secure jobs for under- and unemployed NCPs with open child support cases involved in the Arapahoe County Division of Child Support Services, Arapahoe/Douglas Workforce Center (A/D Works), and the Arapahoe District Court/18th Judicial District. The program provides specialized, co-located child support and workforce personnel; identifies nonpaying NCPs by child support workers, court records, and staff outreach using an automated listing of potentially eligible cases; refers identified NCPs for on-the-spot screening and assessment by workforce personnel; provides a customized menu of employment-focused services and access to supportive services (similar to Table 1); and facilitates communication among project personnel and the magistrate who hears child support matters for Arapahoe county.

Key findings from a 2011 randomized-controlled evaluation of Parents to Work (<http://centerforpolicyresearch.org/publications/parents-to-work-program-outcomes-and-economic-impact/>), conducted by the Center for Policy Research, included the following:

- Participants faced serious barriers to employment. Participants were educated to the high school level, and racially and ethnically diverse. Nearly half the participants reported having a criminal background and 25% were on parole or probation. Many lacked reliable transportation.
- Participants engaged in workforce services at high rates. More than two-thirds of parents (69%) engaged in the Parents to Work program participated in workforce services.
- Participation varied with court action and reliable transportation. Participation was higher among parents who reported access to reliable transportation and those who experienced some form of court action. They also tended to be older, African American, educated to the high school level or higher, divorced rather than never married, and have relatively low prior earnings.
- Participants had higher rates of earnings post enrollment. Parents in the Parents to Work program were significantly more likely (70%) than parents in the control group (47%) to have earnings documented via unemployment insurance (UI) earnings in the year following their enrollment. Among those parents with no earnings in the year prior to their involvement in the evaluation, 50% of the parents in the Parents to Work program showed post-program earnings compared to 30% of the parents in the control group. This evidence suggests that outcomes were not due to pre-enrollment earnings.
- A majority of participants found jobs and two-thirds retained or replaced them for the 12 month follow-up period. Program records show that 65% of parents in the Parents to Work program found full-time jobs, 22% were employed part-time, and 12% obtained subsidized jobs. The average and median hourly wage for these jobs, during this evaluation period, was \$11.05 and \$10.00, respectively. Although 55% of participants left their positions after becoming employed, 41% subsequently found a second job, which translates into a job retention rate of 67.7%.
- Participants paid more child support. In the year following program enrollment, the average percentage of owed child support that was paid rose significantly, from 36.6% to 41.3% for parents participating in the Parents to Work program, yet remained unchanged among parents in the control group (28.2% versus 27.5%). Parents to Work participants who made no payments in the three months prior to program enrollment went from paying 16% of the amount of child support owed to 33%, compared with 15% to 23% for parents in the comparison group.
- Participants paid child support more regularly. Improvement in payment regularity was also statistically significant for Parents to Work participants, rising from an average of 5.3 to 5.7 payments in a 12-month period of time versus 3.9 to 4.0 payments for parents in the control group.
- The Parents to Work Program creates jobs. Parents participating in the Parents to Work program outpaced parents in the control group in job creation by 135 jobs and in aggregate earnings by \$1,247,183 over 12 months. In all, Parents to Work contributed 149 additional jobs to the regional economy than parents in the comparison group.

- The Parents to Work Program generates regional earnings and sales/revenue growth. The parents in the Parents to Work program contributed \$6,493,021 in earnings growth and \$11,492,647 in regional sales/revenue growth, exceeding the earnings and sales growth that could be attributed to parents in the control group by \$2,232,458 and \$3,951,450, respectively.
- The Parents to Work Program produces extra child support payments. Program participants paid an additional \$311,163 in child support in the first 12 months after enrollment than the parents in the control group over a comparable time period.
- The Parents to Work Program is cost-effective. The cost-effectiveness ratio for the Parents to Work program, which considers actual program expenditures and child support collections, were \$1.70 for the first post-enrollment year and \$5.09 after three-years, assuming the first year collection patterns are sustained.
- The Parents to Work Program has substantial impacts on the regional economy. The return on public investment for the Parents to Work program was \$12.72 in regional earnings growth and \$22.51 in sales/revenue growth in the region. When adjusted for differences between the Parents to Work program and the control group, the returns on public investment are \$4.37 in earnings growth and \$7.74 in sales revenue growth.

The Department anticipates the average cost per participant will be approximately \$300. The current cost of the Parents to Work program is approximately \$155/participant. However, Arapahoe County's program has operated for more than a decade, providing economies of scale that will not translate to the Department's program. The Department's program will face a learning curve during its initial years of operation, accounting for the increased cost, initially. However, as the program grows, the Department anticipates the cost/participant will decrease allowing additional NCPs to be served.

Currently, the Parents to Work program is realizing a post-program average wage of \$14.69/participant. If a similar outcome is achieved, the State's entire \$300 investment on a participant would be repaid after the participant worked 21 hours in just *one week*. Ultimately, providing funds to enable counties to create similar Parents to Work programs across the State provides significant, multiple returns on investment to Colorado families, parents, children, communities, and employers.

Reframing child support services via financial resources dedicated to employment through local partnerships (comprised of counties and their various partners) will require one full-time Employment Coordinator at the Department. This position will facilitate statewide change management, coordinate and manage the statewide program and evaluation, and maintain communication with local partnerships. Additionally, this position will be deployed to support changes across the State, in both urban and rural communities. No rule or statutory changes are needed to implement this initiative in Colorado.

The pilot program would run through FY 2022-23 with an evaluation reporting on anticipated outcomes.

Anticipated Outcomes:

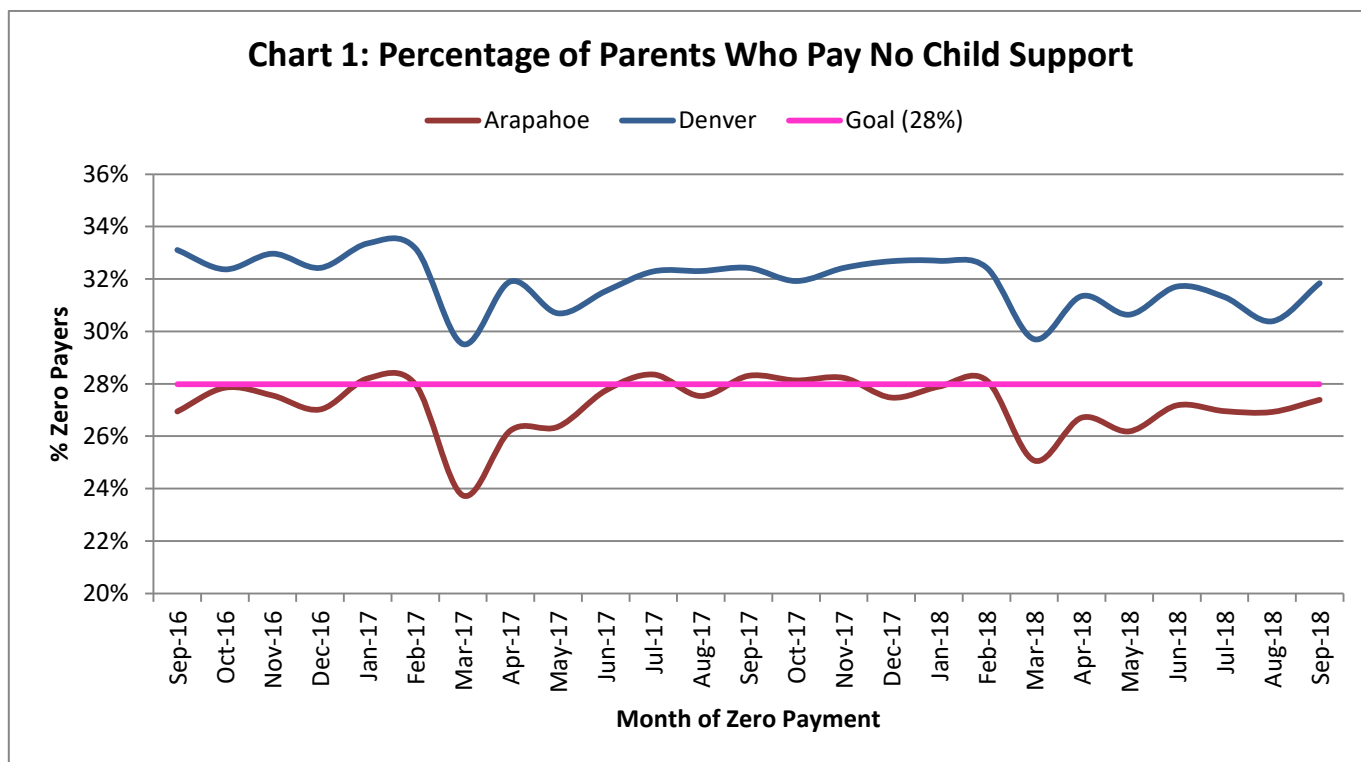
The proposed initiative would connect vulnerable, low-skilled NCPs with employment services along with supportive services and classes/workshops to enable NCPs to gain employment and pay their child support obligations. In this way, the proposed initiative is not simply an employment program. It is a custom-designed program to provide individualized services to the unique needs among NCPs owing child support, aiming to reduce barriers to employment (i.e. transportation, legal), while also assisting them in obtaining and retaining employment once barriers have been addressed.

The dedicated focus on eradicating the unique barriers to payment of child support among NCPs is what is unique about this proposed initiative, compared to existing employment programs. As the Parents to Work program evaluation had revealed, the most significant barriers to NCPs were unemployment, criminal background, and lack of transportation.

Implementing this new approach to child support service delivery by eradicating barriers to paying support owed, statewide, is anticipated to improve Colorado's collection of monthly child support. Currently, Colorado ranks 28th in the nation in the collection of monthly support. This new approach is projected to increase collection to 68% of all monthly child support owed. Achieving a 68% collection rate would likely result in Colorado's national rank rising to 12th, potentially resulting in increased federal incentive funds.

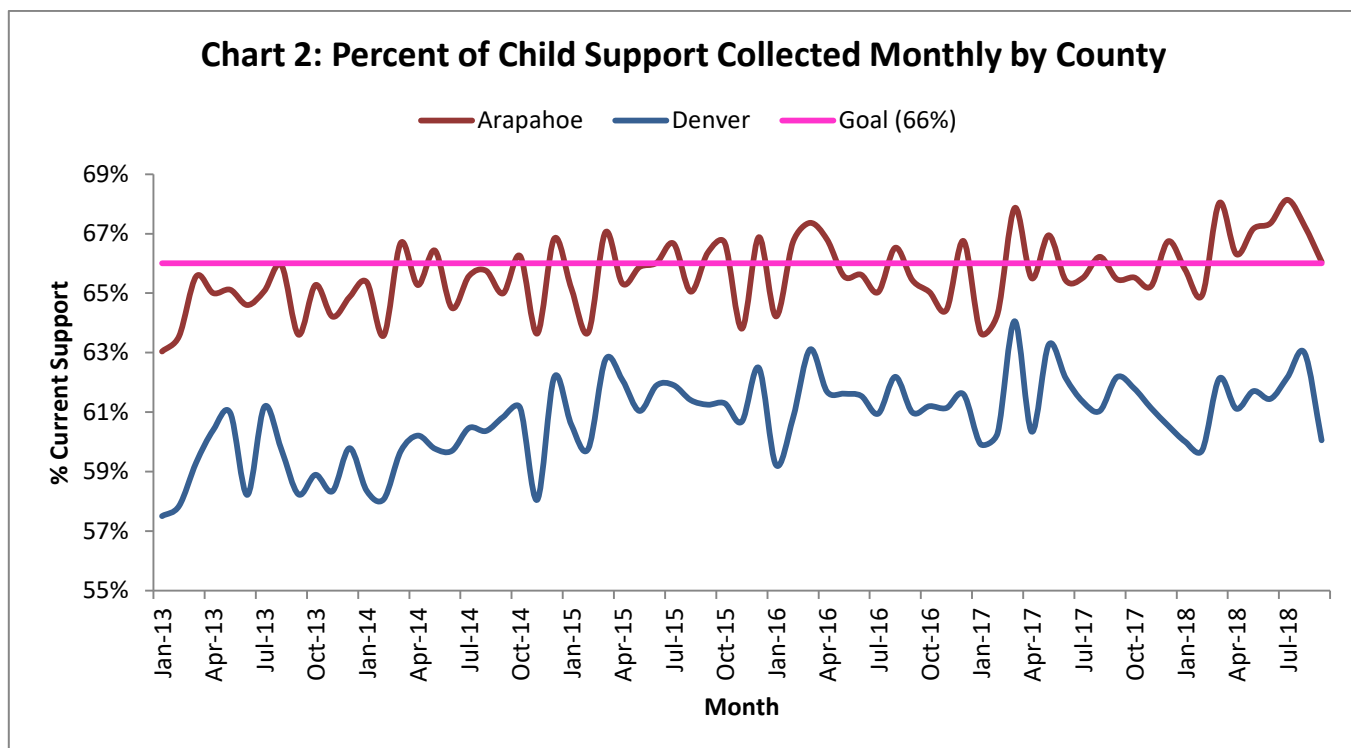
Colorado counties that are currently using a more comprehensive service delivery model for child support (e.g. Arapahoe) outperform most other counties in the collection of child support. Yet, services provided through this approach are not eligible to be paid with federal child support dollars. Counties choosing to provide specialized services do so by contributing their own county funds, participating in a grant, or using other means available in that county. The proposed initiative would provide a clear way for counties without the financial means required to offer more comprehensive services to parents owing child support.

Arapahoe County's implementation of the Parents to Work model has greatly reduced the population of parents who pay no child support. Chart 1 illustrates how that county's comprehensive services result in fewer non-paying parents compared to Denver County, which offers fewer specialized services.



Source: ACSES data

Chart 2 compares the percentage of child support collected in Arapahoe County with that collected in Denver County. It illustrates the disparity in child support collections between Denver, which has only recently begun to offer child support services beyond enforcement, and a county that offers a significant amount of additional services. As this chart illustrates, the county that has developed a more innovative and integrated service delivery system has consistently outperformed the county with limited offerings. The proposed initiative (akin to the Arapahoe County Parents to Work model) would enable Denver and other counties to continue to expand services to parents and increase collections.



Source: ACSES data

The Department will contract with a vendor, selected through a competitive process, to evaluate the proposed initiative by measuring and assessing the impact of this progressive service delivery model on the payment of child support. The Department will rely on its expert evaluation vendor to design and execute the program evaluation. Given previous child support evaluations, the Department anticipates the evaluation will rely heavily on quantitative data collected to measure progress in at least two primary anticipated outcomes:

1. Child support paid;
2. Parent employment outcomes, including attainment, retention, and wage outcomes;

Colorado outcome data will be compared against collection data from other states that are not using any specialized interventions as well as pre- and post-findings by county, using a 12-month follow-up period. Finding comparable states will be important research to inform policy on the national level. High-level evaluation questions will include information regarding:

1. Progress participants make toward employment attainment
2. Employment stability
3. Educational attainment that leads to a higher skilled and paying position
4. Utilization of work supports
5. Children's educational attainment
6. Impact of financial literacy services on payment of child support
7. Impact of co-parenting services on payment of child support

This initiative directly supports the Department’s mission to collaborate with partners to design and deliver services that improve the well-being of Coloradans. It directly addresses the Department’s goals of achieving economic security through meaningful work and preparing for educational success through their lives by offering services that support both parents and their children to strengthen their economic security and parent-child relationship.

Research and Evidence-Based Policy Team (REP) Review

As mentioned in the request, the proposed pilot will draw upon a few different programs that have rigorous evaluations demonstrating their impact on employment and earnings. In order to build evidence for this particular model and understand the program's impact on desired outcomes, including successful child support payments, the program will need to undergo preliminary steps to move it along the evidence continuum. Because this program can actually be different sets of activities, and it is not following set parameters, the program will need to start at "Step 1" and will go through a logic model development phase. The rapid cycle evaluation process should identify which activities are linked to desired metrics.

Assumptions and Calculations:

Table 2 presents the scope of program expenditures required to implement the proposed child support employment program.

Table 2: Funding for Child Support Employment Initiative		
	FY 2019-20	FY 2020-21 through FY 2022-23
Administrative Costs		
Personal services & operating expenses	\$89,997	\$85,294
Printing, communication, outreach	4,980	4,980
Program Delivery Costs		
Employment Services and Administration \$300/participant x 5,200 participants (2,600 in start-up year)	780,000	1,560,000
Program Evaluation	92,000	184,000
	\$966,977	\$1,834,274

Costs for printing/communication/outreach are consistent with the costs required by similar employment-focused programs (e.g. ReHire Colorado) managed by the Department. Evaluation costs are consistent with the average cost of two similar evaluations the Department conducted for its Child Support 2Gen Transformation projects. Following the 2Gen evaluation model, the Department will procure a third-party evaluator to design the intervention and evaluation. This approach reduces the time needed to develop a detailed evaluation plan, utilizes internal staff expertise, and allows for rapid cycle evaluation, all of which reduce the cost. The evaluation will be ongoing throughout the pilot period. An interim final report will be available in August 2022, documenting the results from the program’s first three years of implementation. Personal services and operating costs are detailed in Table 3. Program delivery costs are explained in the

narrative, calculated at an average cost of \$300/participant to serve 5,200 non-custodial parents owing child support. In the first, start-up year, the Department assumes that approximately half the number of participants will be served.

Table 3: FTE Calculation					
FTE Calculation Assumptions:					
<u>Operating Expenses</u> -- Base operating expenses are included per FTE for \$500 per year. In addition, for regular FTE, annual telephone costs assume base charges of \$450 per year.					
<u>Standard Capital Purchases</u> -- Each additional employee necessitates the purchase of a Personal Computer (\$900), Office Suite Software (\$330), and office furniture (\$3,473).					
<u>General Fund FTE</u> -- New full-time General Fund positions are reflected in Year 1 as 0.9166 FTE to account for the pay-date shift. This applies to personal services costs only; operating costs are not subject to the pay-date shift.					
Expenditure Detail		FY 2019-20		FY 2020-21	
<i>Personal Services:</i>					
Classification Title	Monthly	FTE		FTE	
SOC SVCS SPECIALST IV	\$5,218	1.0	\$62,616	1.0	\$62,616
PERA			\$6,512		\$6,512
AED			\$3,131		\$3,131
SAED			\$3,131		\$3,131
Medicare			\$908		\$908
STD			\$119		\$119
Health-Life-Dental			\$7,927		\$7,927
Subtotal Position 1:		1.0	\$84,344	1.0	\$84,344
<i>Subtotal Personal Services</i>		1.0	\$84,344	1.0	\$84,344
<i>Operating Expenses:</i>					
		FTE		FTE	
Regular FTE Operating	\$500	1.0	\$500	1.0	\$500
Telephone Expenses	\$450	1.0	\$450	1.0	\$450
PC, One-Time	\$1,230	1.0	\$1,230	-	
Office Furniture, One-Time	\$3,473	1.0	\$3,473	-	
<i>Subtotal Operating Expenses</i>			\$5,653		\$950
<u>TOTAL REQUEST</u>		1.0	<u>\$89,997</u>	1.0	<u>\$85,294</u>
<i>General Fund:</i>					
<i>Federal Funds:</i>			\$89,997		\$85,294

Table 4 presents the projected timeline required to implement the proposed initiative.

Table 4: Timeline to Transform Child Support Services																
DESCRIPTION	FY 2019-20				FY 2020-21				FY 2021-22				FY 2022-23			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Convene stakeholders; define program elements and framework	X															
Draft and release RFP	X	X														
Select program vendors and negotiate contracts		X														
Develop evaluation criteria	X	X														
Hire Employment Coordinator	X															
Develop and finalize training certification curriculum	X															
Draft and release Evaluation RFP	X	X														
Select evaluator and negotiate contracts		X														
Convene and train vendors		X														
Enroll and serve participants			X	X	X	X	X	X	X	X	X	X	X	X	X	X
Outcome tracking			X	X	X	X	X	X	X	X	X	X	X	X	X	X
Monitor vendors' performance				X	X	X	X	X	X	X	X	X	X	X	X	X
Closeout – Financial Info for End of Fiscal Year				X				X				X				X
Work with vendors to identify and implement best practices			X	X	X	X	X	X	X	X	X	X	X	X	X	X
Fiscal Oversight	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Technical Assistance			X	X	X	X	X	X	X	X	X	X	X	X	X	X

Table 5 illustrates the Long Bill appropriation and requested funding for FY 2019-20 and beyond. This request includes creating a new appropriation line for Child Support Services Employment.

Table 5: Long Bill Appropriation and Requested Funding for FY 2019-20 Through FY 2021-22							
New Child Support Services Employment	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE	Notes
FY 2018-19 Appropriation (HB 18-1322)	\$0	\$0	\$0	\$0	\$0	0.0	Enter FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	\$952,669	\$0	\$0	\$0	\$952,669	1.00	100% TANF
FY 2019-20 Total Requested Appropriation	\$952,669	\$0	\$0	\$0	\$952,669	1.0	
FY 2020-21 Annualization of Prior Year Funding	\$867,297	\$0	\$0	\$0	\$867,297	0.00	100% TANF
FY 2020-21 Total Requested Appropriation	\$1,819,966	\$0	\$0	\$0	\$1,819,966	1.0	
FY 2021-2022 Total Requested Appropriation	\$1,819,966	\$0	\$0	\$0	\$1,819,966	1.0	
AED	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE	Notes
FY 2018-19 Appropriation (HB 18-1322)	\$0	\$0	\$0	\$0	\$0	0.0	Enter FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	\$3,131	\$0	\$0	\$0	\$3,131	0.0	Enter Amount Requested for FY 2019-20
FY 2019-20 Total Requested Appropriation	\$3,131	\$0	\$0	\$0	\$3,131	0.0	
FY 2020-21 Annualization of Prior Year Funding	\$0	\$0	\$0	\$0	\$0	0.0	Enter Annualization (FY 2020-21 Request Minus FY 2019-20 Request Amount)
FY 2020-21 Total Requested Appropriation	\$3,131	\$0	\$0	\$0	\$3,131	0.0	
FY 2021-2022 Total Requested Appropriation	\$3,131	\$0	\$0	\$0	\$3,131	0.0	
SAED	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE	Notes
FY 2018-19 Appropriation (HB 18-1322)	\$0	\$0	\$0	\$0	\$0	0.0	Enter FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	\$3,131	\$0	\$0	\$0	\$3,131	0.0	Enter Amount Requested for FY 2019-20
FY 2019-20 Total Requested Appropriation	\$3,131	\$0	\$0	\$0	\$3,131	0.0	
FY 2020-21 Annualization of Prior Year Funding	\$0	\$0	\$0	\$0	\$0	0.0	Enter Annualization (FY 2020-21 Request Minus FY 2019-20 Request Amount)
FY 2020-21 Total Requested Appropriation	\$3,131	\$0	\$0	\$0	\$3,131	0.0	
FY 2021-2022 Total Requested Appropriation	\$3,131	\$0	\$0	\$0	\$3,131	0.0	
STD	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE	Notes
FY 2018-19 Appropriation (HB 18-1322)	\$0	\$0	\$0	\$0	\$0	0.0	Enter FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	\$119	\$0	\$0	\$0	\$119	0.0	Enter Amount Requested for FY 2019-20
FY 2019-20 Total Requested Appropriation	\$119	\$0	\$0	\$0	\$119	0.0	
FY 2020-21 Annualization of Prior Year Funding	\$0	\$0	\$0	\$0	\$0	0.0	Enter Annualization (FY 2020-21 Request Minus FY 2019-20 Request Amount)
FY 2020-21 Total Requested Appropriation	\$119	\$0	\$0	\$0	\$119	0.0	
FY 2021-2022 Total Requested Appropriation	\$119	\$0	\$0	\$0	\$119	0.0	
HLD	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE	Notes
FY 2018-19 Appropriation (HB 18-1322)	\$0	\$0	\$0	\$0	\$0	0.0	Enter FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	\$7,927	\$0	\$0	\$0	\$7,927	0.0	Enter Amount Requested for FY 2019-20
FY 2019-20 Total Requested Appropriation	\$7,927	\$0	\$0	\$0	\$7,927	0.0	
FY 2020-21 Annualization of Prior Year Funding	\$0	\$0	\$0	\$0	\$0	0.0	Enter Annualization (FY 2020-21 Request Minus FY 2019-20 Request Amount)
FY 2020-21 Total Requested Appropriation	\$7,927	\$0	\$0	\$0	\$7,927	0.0	
FY 2021-2022 Total Requested Appropriation	\$7,927	\$0	\$0	\$0	\$7,927	0.0	