



# Joint Allocation Committee

Why are we here?

Minna Castillo, Deputy Executive Director of Community Partnerships, CDHS



# Joint Allocation Committee (J.A.C)

## Funding Streams 101





# Agenda

- High level program overview
  - 20 min - Child Welfare Allocation Committee (CWAC)
  - 20 min - Temporary Assistance for Needy Families (TANF)/Works Allocation Committee (WAC)
  - 20 minutes - CO Child Care Assistance Program (CCCAP)
- 10 min - County Perspective
- 20 min - Q&A

Office of Children,  
Youth & Families

# Division of Child Welfare



# Child Welfare Beliefs

## Our Beliefs

- We believe that every child in Colorado deserves to live free from abuse and neglect.
- We believe every child deserves to grow up in their homes with their families and loved ones.
- We believe Coloradans deserve help and support when they're going through a crisis or difficult situation.



# Child Welfare Services

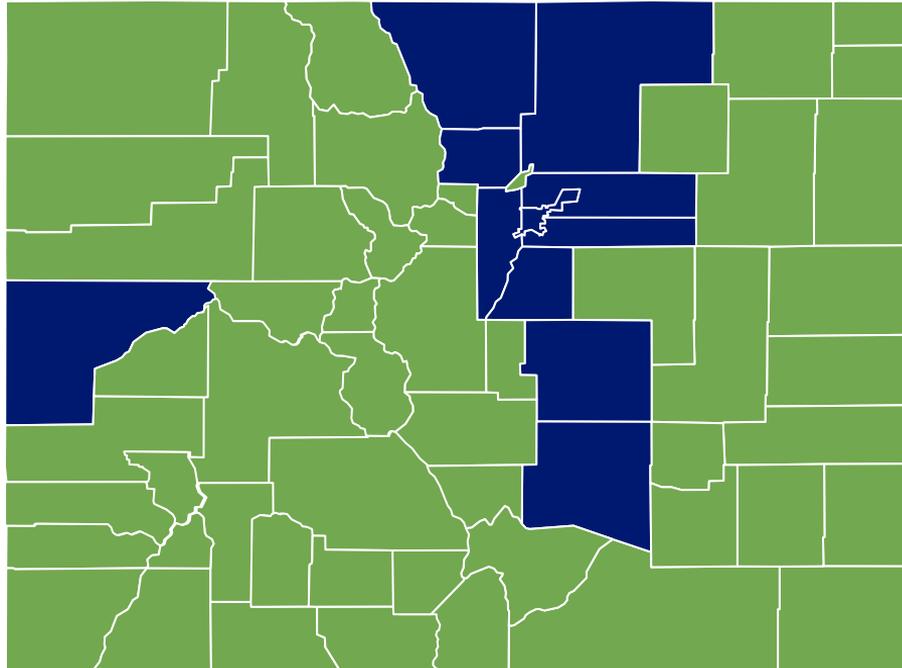
## What are Child Welfare Services?

Child welfare services include:

- Assessment
- Prevention/Rehabilitation
- Out-of-home placement
- Case management and housing support resources
- Adoption services
- Personnel costs
- Operational costs



# 64 Colorado Counties



**B11**

**80%**

**BOS**

**20%**



# Child Welfare Allocation Committee

## Purpose

The Child Welfare Allocation Committee (CWAC) was created by the General Assembly of the State of Colorado to provide input to the Executive Director of Human Services relative to the development of an equitable model for allocation of the Child Welfare Service Block Allocation to the counties.

In addition, the CWAC is **obligated** to annually review and revise the allocation formula as necessary to reflect the changes in cost of delivery of services, caseload and population, and any other county or state dynamics and make recommendations to the Executive Director.



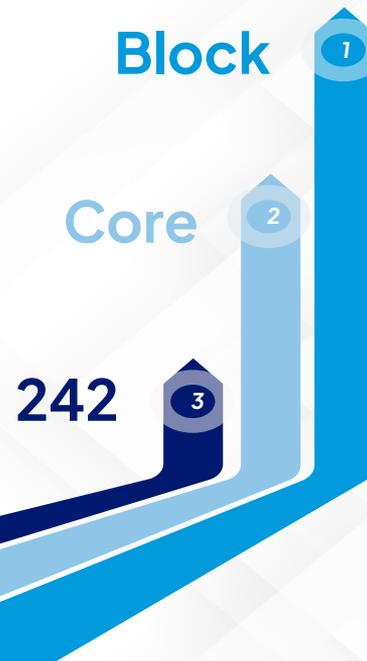
# Child Welfare Allocation Committee

## Statutory Requirements for the CWAC

One must be appointed by the commissioners of each of the following regions.

- a) The eastern region;
- b) The front range region;
- c) The mountain region;
- d) The southern region; and
- e) The western region; and
- f) Three must be at-large appointments (elected).

# How Child Welfare Services are Resourced.





# How Child Welfare Services are Resourced.

## 01 Child Welfare Services (Block)



# Child Welfare Services (Block) Allocated to Counties

## What does CWS Block Fund?

- Child protection
- Risk assessment
- Permanency planning
- Treatment planning
- Adoption and subsidized adoption
- Out-of-home placement, including foster care
- Early intervention and prevention
- Youth-in-conflict functions
- Transitioning to Adulthood



# Child Welfare Services (Block) Allocated to Counties

There are 3 reimbursement allocations  
within the Child Welfare Block:

- 80/20 Allocation - CW Services  
(80% State & Federal/20% County Share)
- 90/10 Allocation - Kinship  
(90% State & Federal/10% County Share)
- 100 - County Administration Allocation  
(100% State & Federal)



# Child Welfare Services (Block) Allocated to Counties

There are three factors in C.R.S. 26-5-101 for the annual allocation:

1. Capped allocation
2. Caseloads
3. Other factors



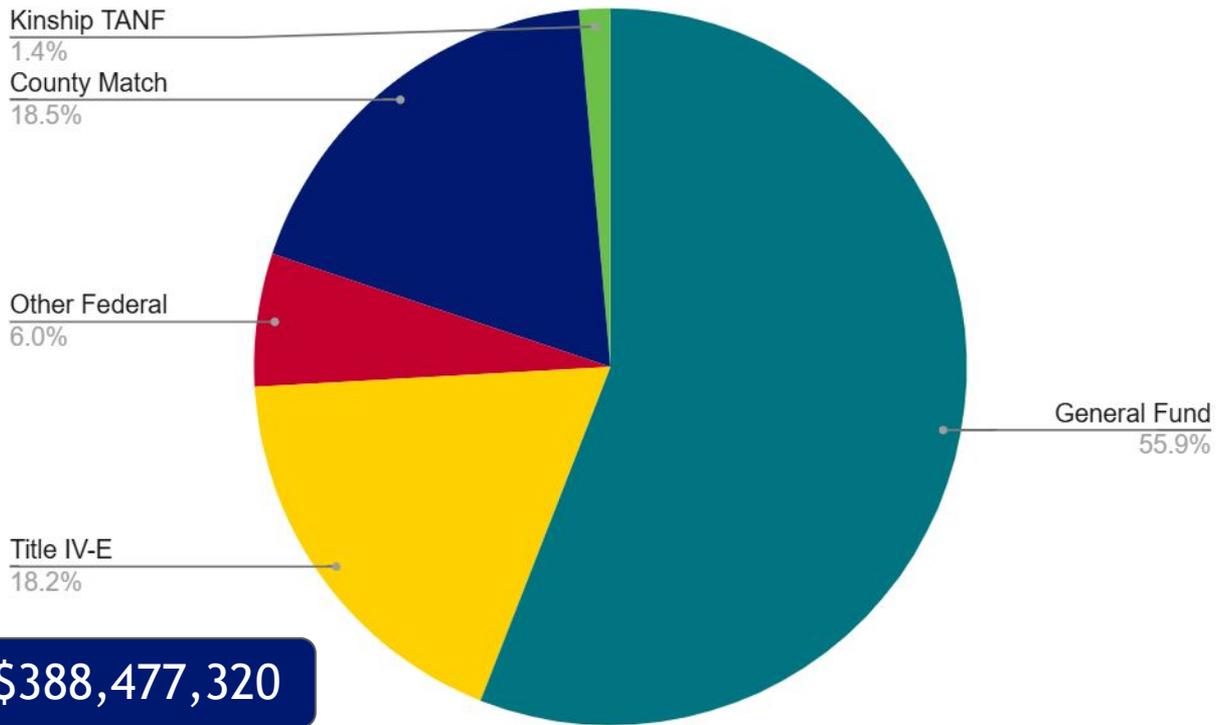
# Child Welfare Services (Block) Allocated to Counties

## Other factors

- Cost of Living (COL)
- Children in Poverty
- Spending:
  - All cases
  - All staffing
- All program needs
- Reduction Limiter:
  - Hold harmless model year 1
  - Limits reductions to 1% year 2 & 3
  - Limits growth to 1% reductions year 2 & 3



# Child Welfare Services (Block) Allocated to Counties



# How Child Welfare Services are Resourced.

01

Child Welfare Services (Block)

02

Family and Children's Programs (Core)



# Family and Children's Programs (Core)

## What does Core Services Fund?

- Aftercare Services
- Day Treatment
- Intensive Family Therapy
- Mental Health Services
- Special Economic Assistance
- Sexual Abuse Treatment
- Substance Abuse Treatment



# Family and Children's Programs (Core)

There are three outcome-based reimbursement allocations within Core Services:

- 80/20 Allocation (80% State & Federal/20% County Share)
- Base 100% (100% State & Federal) Allocation
- Special Economic Assistance (SEA) -(100% State & Federal) Allocation.



# Family and Children's Programs (Core)

## Special Economic Assistance

Emergency financial assistance of not more than \$2,000 per family per year in the form of cash and/or vendor payments to purchase hard services.



# Family and Children's Programs (Core)



### Housing

- Rent
- Repairs
- Utilities
- Rent Deposits

### Appliances or Furniture

### Emergency Shelter

### Employment Related Expenses like tools or dues

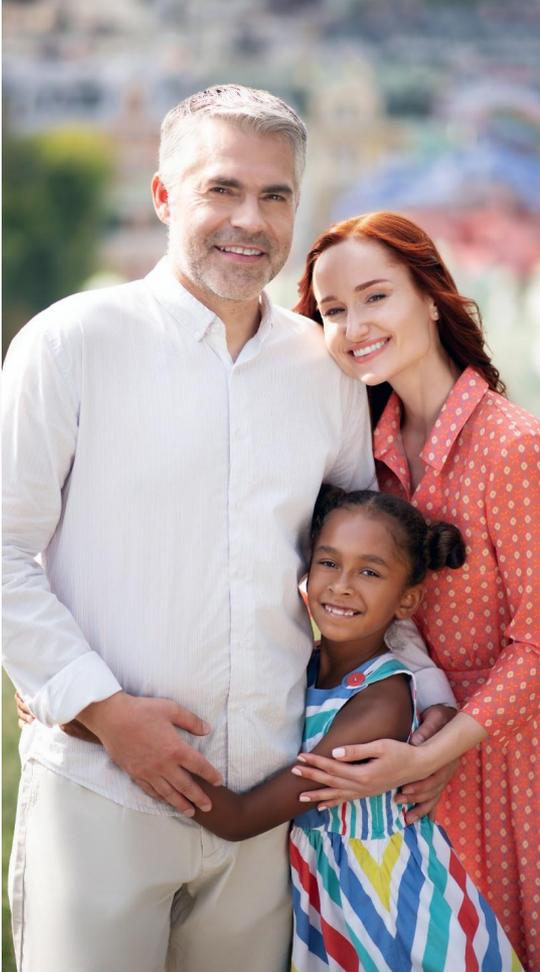
### Food or Money for Food

### Clothing

### Uncovered Medical or Dental Expenses

### Transportation

- Fares
- Auto Repair
- Auto Fuel
- Auto Insurance
- Bus Pass



# Family and Children's Programs (Core)

There are two additional reimbursement allocations within Core Services:

1. Evidence-based funds for county-designed programs - 80/20 allocation - This is a stable allocation within the model and receives a set amount of funding.



# Family and Children's Programs (Core)

## 2. Mental Health and Substance Abuse Treatment Funds - 100% allocation

**Mental Health Services:** Diagnostic and/or therapeutic services to assist in the development of the family services plan and to assess and/or improve family communication, functioning, and relationships.

**Substance Abuse Treatment Services:** Diagnostic and/or therapeutic services to assist in the development of the family service plan, to assess and/or improve family communication, functioning and relationships, and to prevent further abuse of drugs or alcohol.



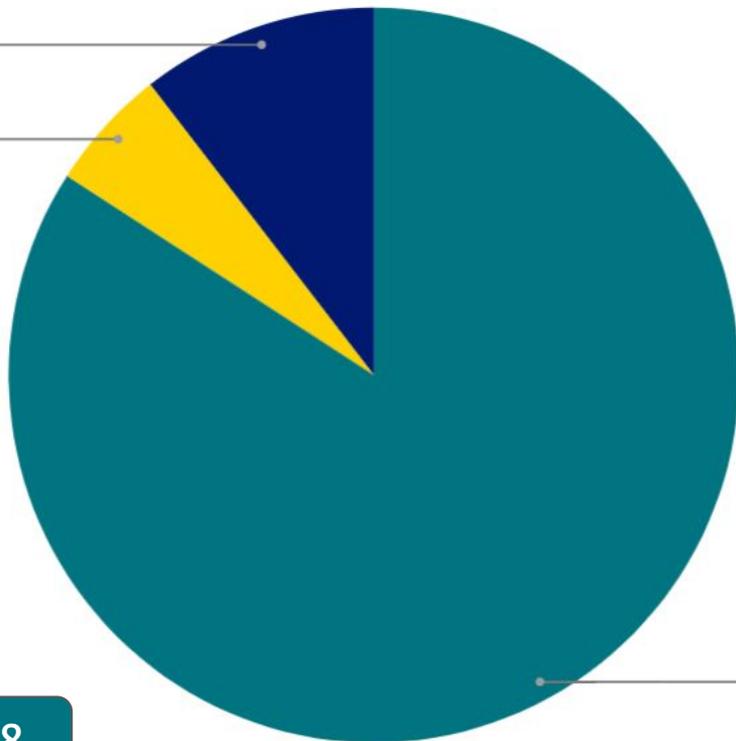
# Family and Children's Programs (Core)

County Match

10.5%

Title IV-E

5.4%



\$60,539,978

General Fund

84.1%



Joint Allocation Committee  
CWAC, WAC, CCCAP Funding Streams

# How Child Welfare Services are Resourced.

01  
Child Welfare Services (Block)

02  
Family and Children's Programs (Core)

03  
Child Welfare Staffing (SB15 242)



# Child Welfare Staffing (SB15 242)

- SB 15-242 directed additional funding to counties, in addition to the Child Welfare Block, for the specific purpose of hiring new child welfare staff.
- The funding is for new county child welfare staff (salaries, benefits, and operating expenses) hired after January 1, 2015.



# Child Welfare Staffing (SB15 242)

- There is a 10% county match to all counties except for those in Tiers 1 and 2 of the county tax base relief designation. Tier 1 and 2 counties have no county match.
- This legislation was in response to a workload study performed by the Office of the State Auditor.



# Child Welfare Staffing (SB15 242)

## The Workload Study

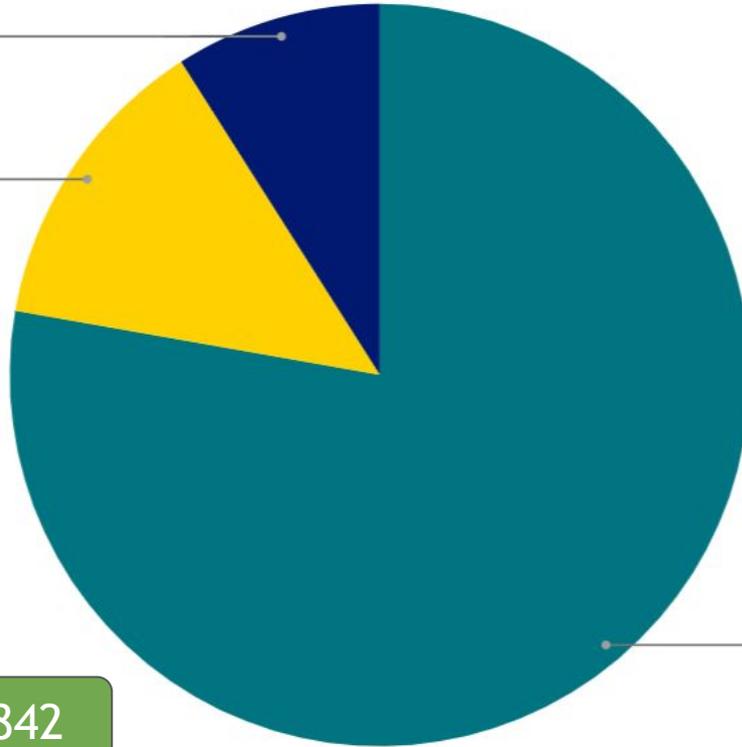
- The workload study is based on the most recent annual staffing survey we have at CDHS.
- It compares current workload to your current FTE.
- If a county has less FTE than the workload required, they received additional recommended FTE.
- The workload study identified the need for an additional 343 staff throughout the state. In FY 2024-25, 114.5 FTE were funded.



# Child Welfare Staffing (SB15 242)

County Match  
9.0%

Title IV-E  
13.2%



\$37,702,842

General Fund  
77.8%



# How Child Welfare Services are Resourced.

01  
Child Welfare Services (Block)

02  
Family and Children's Programs (Core)

03  
Child Welfare Staffing (SB15 242)

04 Other Sources:  
Adoption/RGAP  
Federal non-appropriated funds



# How Child Welfare Services are Resourced.

01  
Child Welfare Services (Block)

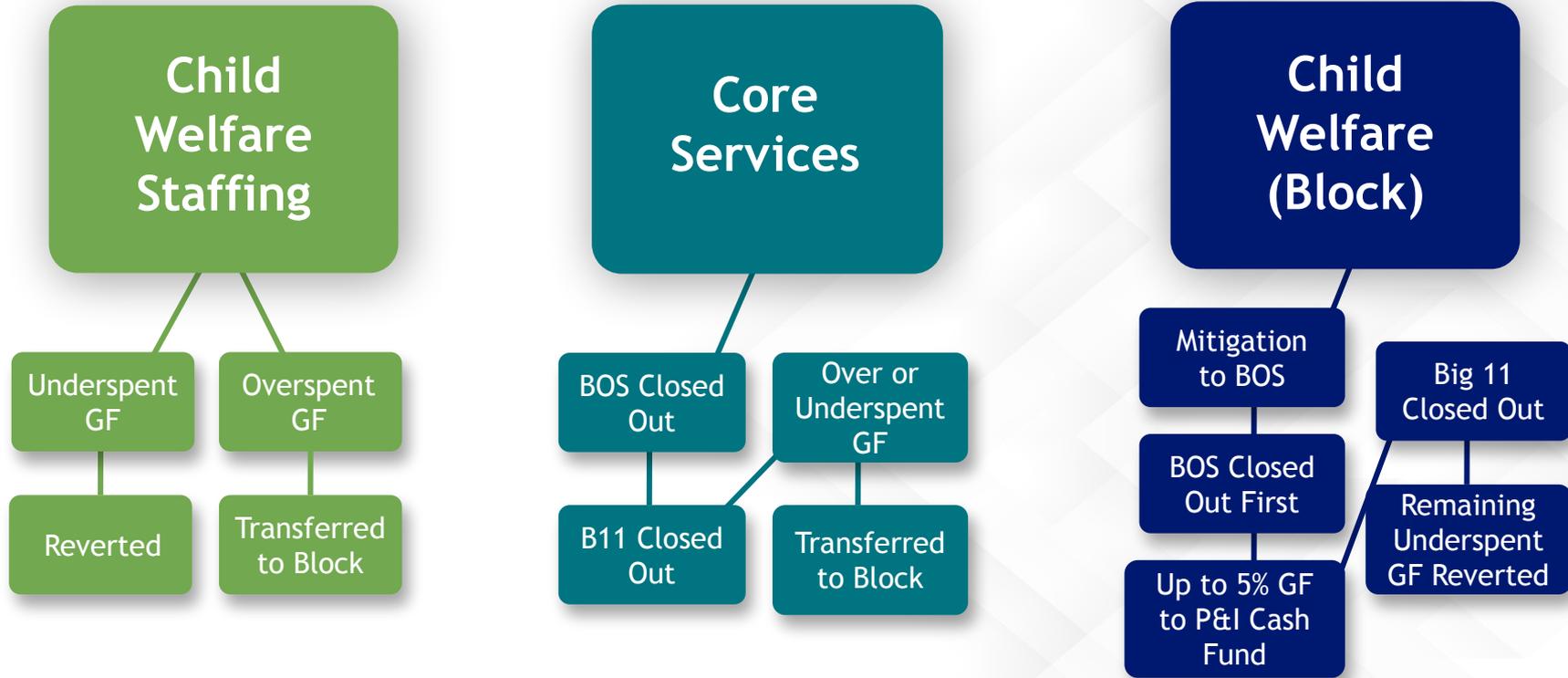
02  
Family and Children's Programs (Core)

03  
Child Welfare Staffing (SB15 242)

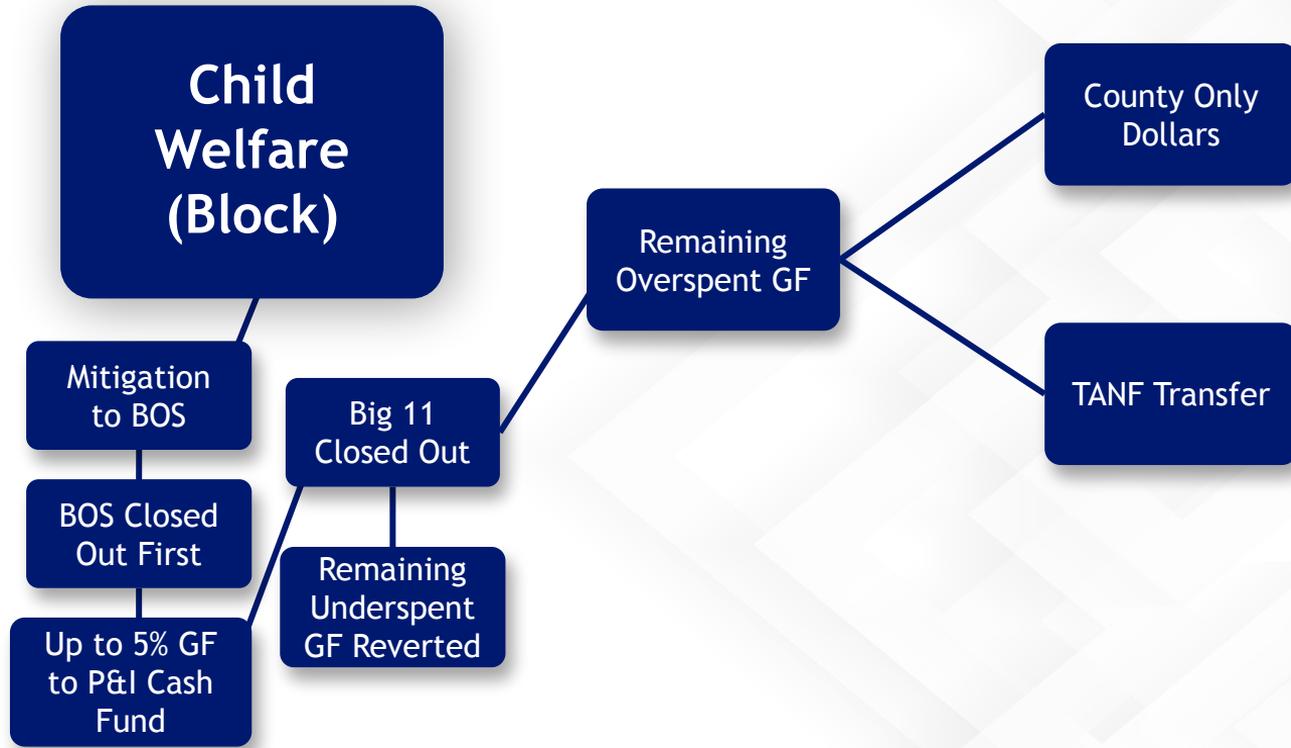
Distribution of funds under this program is an entitlement program; counties are not limited in their allocations so long as expenditures meet all requirements and the counties contribute 10% of the total.



# County Closeout Process



# County Overspent Options



# Federal Regulations

## CW Regulations and Statutes

- [Colorado Revised Statutes 2024. TITLE 26](#)
- [Colorado Revised Statutes 2023. TITLE 19](#)
- [Core Services Rules and Statutes](#)
- [SB 15-242 \(Staffing\)](#)
- [County Closeout Flowchart](#)

TANF



# TANF

## TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

# TANF Funding Problem: Twice as Much Need with Half the Money

## Same Funding Since 1996

- Annual block grant has not changed
- Cost of living/caseload growth not considered

## 2X Population Growth in Colorado Since 1996

- Increase in applications
- Increase in caseload

## 101% Inflation Since 1996

- Cost of living has increased, increasing the overall need for services

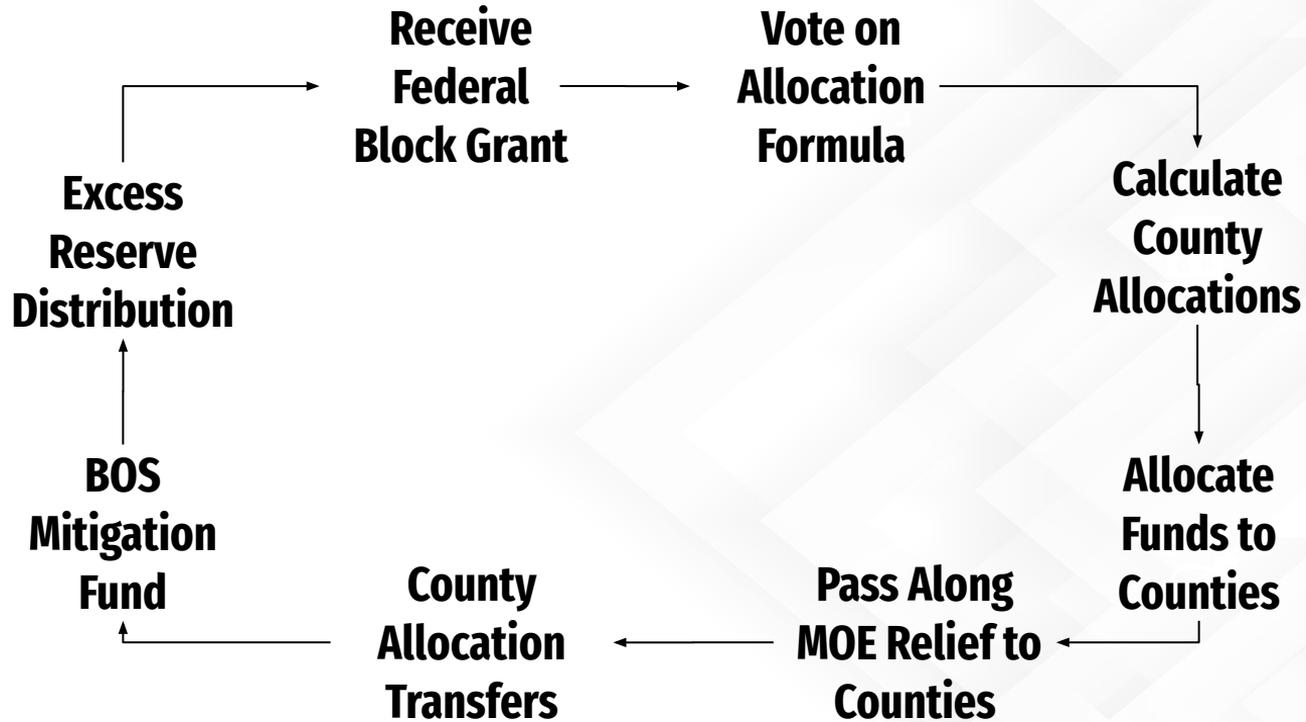
## Direct Impact to Administrative Expenses

- Increase in FTE to process cases
- Increase in FTE for case management
- Increase in salaries and fringe benefits

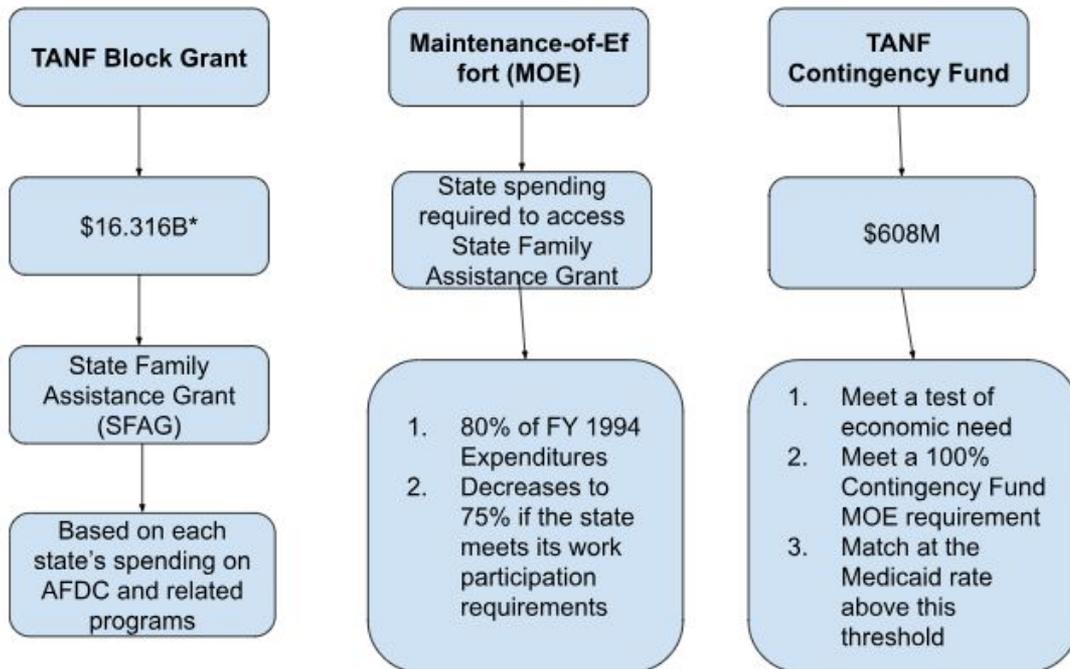
## Direct Impact to BCA/Supportive Services/Contracts

- BCA ~ 33% FPL
- Supportive Services and Contracts are more expensive to administer

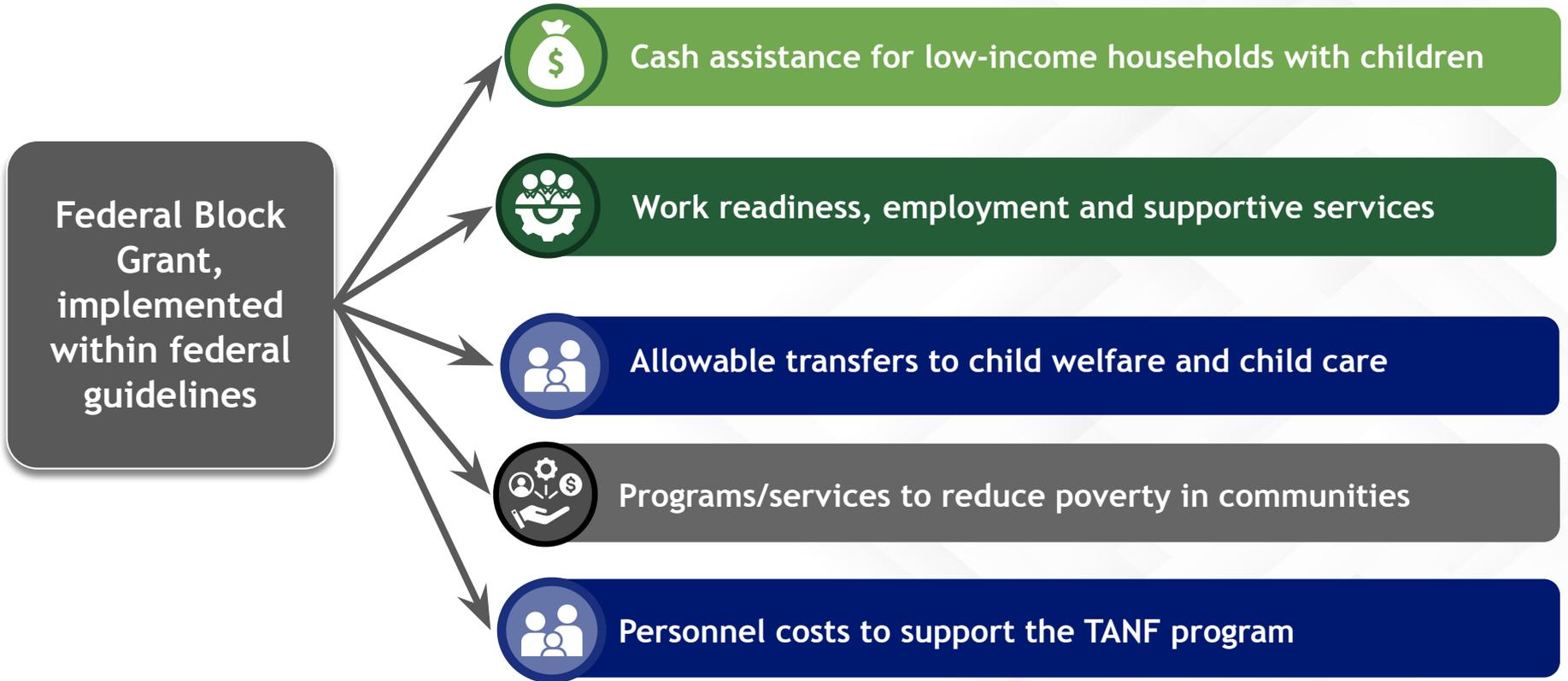
# TANF Funding Cycle



# Federal TANF Program Funding



# Temporary Assistance for Needy Families (TANF)



# Colorado Works Broad Eligibility Requirements

1. Dependent child(ren) or pregnant
2. U.S. citizen or lawful presence
3. Income under \$75,000
4. Participate in work activities
5. 60-month lifetime limit\*

COLORADO WORKS STANDARDS OF ASSISTANCE CHART

	Number of Children	0	1	2	3	4	5	6	7	8	9	10	Each Additional Child
No Caretaker	Need Standard	0	117	245	368	490	587	678	755	830	904	977	67
	Grant Standard	0	465 173	345 362	548 543	694 724	829 869	957 1003	4066 1117	4470 1226	4276 1337	4393 1460	86 90
One Caretaker	Need Standard	253	331	421	510	605	697	770	844	920	992	1065	67
	Grant Standard	357 374	466 488	592 620	749 754	853 894	984 1031	4086 1138	4494 1248	4297 1359	4400 1467	4592 1574	86 90
Two Caretakers	Need Standard	357	439	533	628	716	787	861	937	1009	1082	1155	67
	Grant Standard	503 527	649 649	752 788	885 927	4009 1057	4440 1163	4245 1273	4323 1387	4424 1492	4525 1598	4629 1707	86 90

# TANF Programmatic Transfers

- County Allocation Transfers
  - Counties may also transfer allocation and MOE
  - Over-expenditures in CCCAP and Child Welfare may be covered at the end of the fiscal year. Up to thirty (30) percent of the Federal TANF Block Grant may be transferred in a given year (capped at 10% to Child Welfare)
  - **Deadline for transfer requests is June 6, 2025**

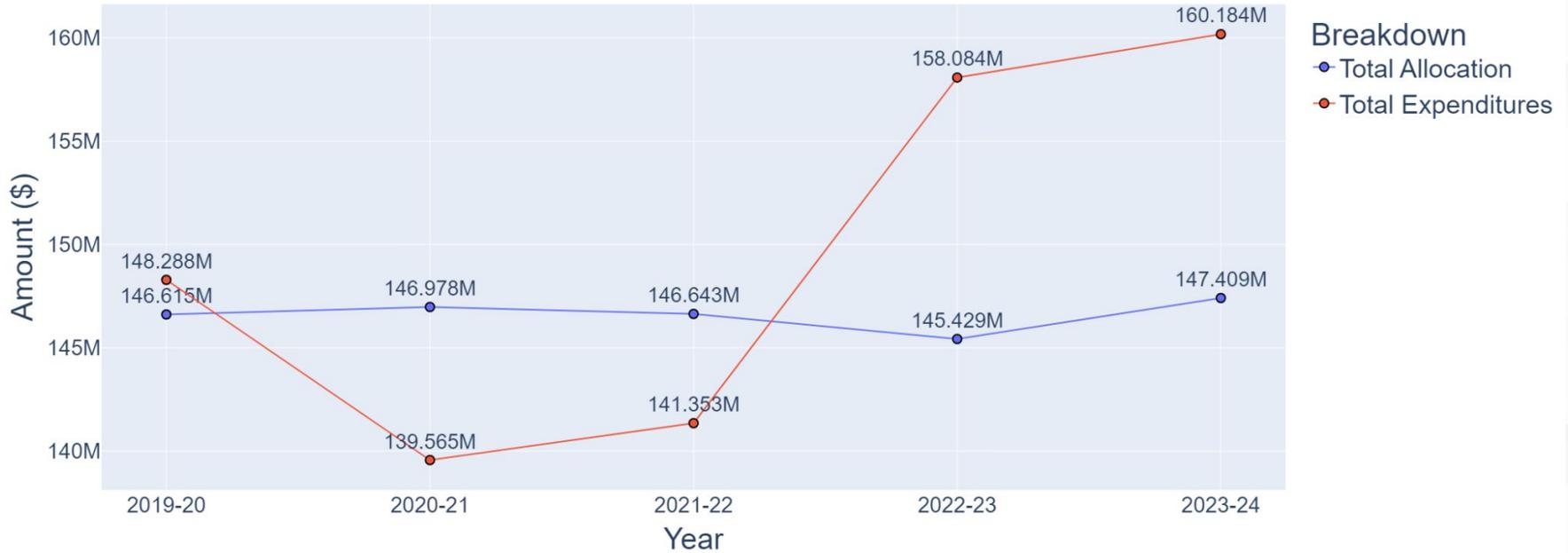
Program	Example A	Example B	Example C
Child Care	30%	23%	20%
Child Welfare	0%	7%	10%

# Allocation Formula

Factor	% of Total Factor	Allocation Driver	Allocation Data
Demographic Data 50%	25.0%	Child Poverty	Adjusted total number of children living in poverty by county
	25.0%	SNAP child enrollment	Total number of children on SNAP by county
	25.0%	SNAP child enrollment @ 50% FPL	Total number of children on SNAP at 50% FPL by county
	25.0%	Medicaid/CHP+ enrollment	Total number of Medicaid/CHP+ enrollment by county
Expenditure Data 50%	60.0%	Prior Year BCA/State Div Expenditures	BCA/State Diversion/Reserves expenditures by county
	40.0%	Prior Year All Other Expenditures	All Other Expenditures by county, including expenditures from transfers

- SAIPE data adjusts for BOS counties who are one standard deviation above mean.
- Year to year total allocation may not increase more than 25% or decrease more than 5%, unless specifically approved by the WAC.
- Counties with BCA expenditures greater than 70.9% of their total allocation have those expenditures weighted by 140%.
- Counties with allocation totals of less than \$100,000 are held harmless.

# Allocation vs. Expenditures



**\* Does not include HB 22-1259 Costs**

# Colorado Works Stakeholdering - Concurrent Opportunities for Collaboration

Q3 SFY25			Q4 SFY25			Q1 SFY26			Q2 SFY26		
JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
CW COLA rule											
WAC Allocation Methodology											
Joint Allocation Committee (combination of Colorado Works WAC, CCCAP WAC, Child Welfare WAC)											
Future vision setting											

▲ LOREM

# Federal Regulations

## TANF Laws & Regulations

- TANF Statute - [Social Security Act, Title IV, Part A](#)
- TANF Regulations - 45 CFR Parts 260-265
  - [Part 260 - General Temporary Assistance for Needy Families \(TANF\) Provisions](#)
  - [Part 261 - Ensuring the Recipients Work](#)
  - [Part 262 - Accountability Provisions - General](#)
  - [Part 263 - Expenditures of State and Federal TANF Funds](#)
  - [Part 264 - Other Accountability Provisions](#)
  - [Part 265 - Data Collection and Reporting Requirements](#)
- Fiscal Regulations - [45 CFR Part 75 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards](#)



# Potential Federal Changes

- Executive Orders and Federal Budget
  - 10% reduction to TANF block grant
  - Cut contingency fund
    - Colorado receives approximately \$12-16M annually

# Colorado Child Care Assistance Program (CCCAP)

CHILD CARE





# CCCAP Overview

## Purpose

The purpose of CCCAP is to provide eligible households with access to high quality, affordable child care that supports healthy child development and school readiness while promoting household self-sufficiency and informed child care choices.

## Scope

CCCAP annually serves an average of

- 28,730 children through
- 2,462 licensed providers and is
- administered by 500 county workers



# Low-Income CCCAP

Serves low-income families that are in an eligible activity



# Colorado Works CCCAP

Serves families that are participating in Colorado Works



# Child Welfare CCCAP

Serves families that are involved in Child Welfare where less than 24 hour child care assistance is needed to maintain children in their own homes or in the least restrictive out-of-home care (funded by Child Welfare block, not CCCAP)



# Protective Services CCCAP

An optional county policy to serve children that have been placed by the county in foster home care, kinship foster home care or non-certified kinship care



# New CCDF Rules:

On March 1, 2024, ACF published new rules for all states to improve:

- child care access
- affordability and
- stability of the child care sector

*The implications of these coming changes are complex*

More robust program that aims to

- lower families' child care costs,
- improve child care provider payment rates and practices,
- lead to higher wages for the early childhood workforce, and
- simplify subsidy eligibility enrollment.

However, Colorado will be required to

- spend more per child in the program
- serve fewer families overall and
- counties will be in a difficult financial position as the average time a child is on CCCAP is three years, so they have few levers to control their spending.

# CCCAP

## The CCCAP fiscal shortfall is fueled by four major factors:

- Reduced funding available due to stimulus rolloff (\$11.3 million one time reduction)
- Required increase in provider rates due to a federal compliance finding (at least \$20.4 million ongoing beginning FY 26-27 for the full cost. Beginning 10/1/2024, the rates are increasing over 3 federal fiscal years for a phased implementation)
- Unfunded new federal rules with an implementation date of August 2026. These policy changes are positive for the quality of the program but costly to implement (estimated costs between \$55 million and \$65 million ongoing beginning FY 26-27)
  - We estimate a jump from \$6,000 per child per year to \$18,000
- Continuous eligibility of CCCAP families which limits the ability to control costs
  - A family is only disenrolled from CCCAP when they are no longer participating in an eligible activity (working, job searching, or education) or their income has risen above 85% of the State Median Income (SMI). Historical data shows a child's average time receiving CCCAP is 35 months.

# CCCAP Fiscal Issue Affects:

- Colorado Children and Families

- We anticipate at least a 22% reduction in families we can afford to serve based solely on the increase in provider rate and the loss of stimulus, and that figure does not include the cost of the implementation of the new rules. With all of the costs combined, we could look at needing a total reduction of 66% of the current caseload to afford the program.

- Child Care Providers

- Financial planning will be difficult as freezes limit the number of new CCCAP families served - especially infants and toddlers
- As counties and state pull cost saving levers (reduced absences & stacking UPK and CCCAP funds) providers will lose out on revenue

- Counties

- Counties will have a difficult time managing the budget due to the unfunded increased costs and continuous eligibility for CCCAP families
- Counties have to make hard choices on cost saving options that negatively impact the families and providers in their area



# CCCAP Historical Funding & Caseload

CCCAP Total Appropriation Amounts & Caseload

State Fiscal Year	CCDF	GF	County MOE	County Percent Share	Stimulus	Total Funds	Total Children	Total Families
FY 2018-19	\$72,031,366	\$29,039,745	\$11,498,315	10%	-	\$112,569,426	32,382	20,060
FY 2019-20	\$83,481,534	\$29,410,508	\$11,645,071	9%	\$11,452,965	\$135,990,078	31,571	19,668
FY 2020-21	\$88,639,738	\$28,190,496	\$13,332,375	10%	\$9,650,000	\$139,812,609	28,890	18,024
FY 2021-22	\$90,556,590	\$29,998,226	\$14,768,652	9%	\$23,545,252	\$158,868,720	28,186	17,862
FY 2022-23	\$94,175,452	\$28,790,460	\$15,064,026	8%	\$45,856,853	\$183,886,791	29,613	19,115
FY 2023-24	\$97,262,618	\$29,734,240	\$15,557,840	9%	\$39,849,644	\$182,404,342	32,889	21,722
FY 2024-25	\$116,344,354	\$32,058,921	\$17,375,025	10%	\$11,377,702	\$177,156,002	25,385	16,730

# CCCAP Allocation Committee

- [Per CRS 26.5-4-110\(1\)](#), The committee will be comprised “of eleven members, eight of whom are appointed by a statewide association of counties and three of whom are appointed by the department.

Name	Agency / County
Cohen, Mary Alice	CDEC
Stefanik, Jeanni	CDEC
Stout-Oswald, Stephanie	CDEC
Bottoroff, Lennie	Weld
Woodruff, Clint	Denver
Hofsheier, Tori	Douglas
Woods, Rita	Eagle
Salazar, Catherine	San Luis Valley
Sherwood, Jennifer	Montrose
Snelling, Brandi M	Elbert
Beston, Nick	Adams

# Annual Cycle for CCCAP Allocation Committee

- **June - July:** no meetings
- **August:** Provide training on the model's design and operation; provide onboarding/orientation to new members
- **Sept - October:** Review information on the CCCAP environment; discuss the past year's formula and what did/didn't work
- **November - April:** Develop and review scenarios/options and iterate toward the recommendation (values, modeling, etc)
- **April:** Vote to confirm the recommendation; share the recommendation with the Rules Advisory Committee
- **May - June:** Track the progress of the recommendation through CDEC channels; celebrate!!!!!!

# What Factors are considered in each part of the model?

## LITERAL MODEL AKA BASE FORMULA

- Entry-level eligibility of a county (% FPL)
- Age-eligible estimate (census)
- Income-eligible estimate (census)
- Setting distribution of licensed care
- Ages served by licensed care
- Quality level of licensed care
- Reimbursement rates

## UTILIZATION

- Utilization of services in previous year
- Cost Differential Factor
- Quality of Care Factor
- Price Adjustment Factor

## PARENT FEE ADJUSTMENT

- Assumed attendance rate (260 days)
- Average parent fee by county
- Income brackets
- Family type (A,B)
- Apportioned population
- Annual cost of care
- Annual family contributions

## FLOORS & CEILINGS

- Previous year's apportionment.

# SFY24-25 CCCAP Allocation

- [Updated projection](#) with January expenditure data that includes weekly and monthly
- Based on this projection, the Statewide CCCAP expenditures are estimated to be:
  - \$192,257,650.87 or 108.52% based on monthly expenditures
  - \$188,123,077.73 or 106.19% based on weekly expenditures
- Previous projection was \$194.1M
- The projection does not capture the potential impact of freezes/waitlists that have been more recently implemented
- [Cost saving options and levers](#)



# CCCAP Fiscal Mitigation Strategies and Options

- Federal advocacy for funding for the new rules
  - Working with our federal partners on any strategies to save money
- [Stacking Universal Preschool Funds and CCCAP](#)
  - Estimated \$5.9 million annually to CCCAP
- Adjusting policies that go above what federal partners require
  - [TANF Referrals](#)
- [County Optional Policies](#)
  - Recognizing the effect those decisions have on providers and families
- TANF Reserves
  - Including Quality TANF transfers

# Inter-Related Allocations at the County Level



# Inter-Related Allocations at the County Level

## County Scenario - Larimer County



**-\$500K**

### TANF:

- Eliminated all contracts for services 5+ years ago
- Eliminated emergency resources/payments to BCA recipients 15 months ago
- Remaining - BCA and small team of case managers



**-\$1.3M**

### CCCAP:

- Freeze enacted 13 months ago
- Reduced caseload by 25%
- Eliminated all county flexible policies
- Moved staff to other programs where feasible



**-\$3.2M**

### Child Welfare:

- Staffing reductions
- Service reductions in Core and Block
- Reduced prevention services



**\$1.9M**

### TANF Reserves:

- Will deplete TANF Reserves in SFY 2024-25
- Local emergencies/disasters
- Will not be sufficient to cover all of overspending

## County Scenario - San Juan and La Plata Counties



**\$27,000 SJ**  
**-\$102K LP**

### TANF:

- Shifted contracts from TANF to Child Welfare in both counties
- Avg 2 cases in SJ
- 35% increase in BCA cases in LP over 4 years



**\$1,100 SJ**  
**\$550K LP**

### CCCAP:

- Waitlist as of 12/1/2024 SJ
- Not yet paying on enrollment; 1 child SJ
- Lack of providers LP



**\$10,500 SJ**  
**-\$13,500 LP**

### Child Welfare:

- No Assessments or Cases in SFY2025 SJ; 1 group hm LP
- Contracts with partners for prevention services; reducing SFY2026
- Cost pool impacts



**\$100,000 SJ**  
**\$443K LP**

### TANF Reserves:

- Will use \$27,000 for child care quality SJ
- Will use \$102K in LP.

# Thank you! Questions?



**COLORADO**  
Department of Human Services