

**Colorado State Plan**  
**Temporary Assistance for Needy Families (TANF)**  
**Effective January 1, 2003**

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## **Introduction and Summary**

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), requires that the following plan be submitted by the Colorado Department of Human Services (CDHS) to the U.S. Secretary of Health and Human Services. The plan outlines how the State of Colorado implements the provisions of the Temporary Assistance for Needy Families (TANF) program, and provides some specific detail regarding work provisions, eligibility criteria and benefit levels, administrative policies and procedures, fiscal information and certifications and assurances.

Colorado's TANF Program is known as Colorado Works and is designed to assist participants to terminate their dependence on government benefits by promoting job preparation, work and marriage, and to develop strategies and policies that focus on ensuring that participants are in work activities as soon as possible so that the State is able to meet or exceed work participation rates specified in the federal law. The Colorado Works Program operates in all counties in Colorado and is administered locally by the county departments of human/social services. Each county enters into a performance contract with CDHS and has written county policies describing its program plans. CDHS is responsible for assuring that all counties are complying with the terms of their county policies and that they are in compliance with all federal and state statutes and regulations. County departments of human/social services have flexibility in determining the approaches needed to achieve these goals, including the authority to contract all or part of the program operation to private and/or public providers. Counties develop their program plans to deliver the most appropriate benefits and services to the eligible participants in their communities. These program plans must meet federal and state statutory and regulatory requirements.

## **Eligibility Criteria, Benefit Levels and Services**

Colorado Works statutes state that no individual is entitled to benefits or services under the Colorado Works Program. Colorado Works provides fair and equitable treatment to all applicants and participants and does not discriminate based on age, disability, race, color or national origin.

*Basic Cash Assistance:* Colorado Revised Statutes set uniform statewide basic eligibility and minimum benefit levels for basic cash assistance based on AFDC rules that were in effect on July 16, 1996, with the following exceptions:

- (1) families do not have to include half siblings be in the same assistance unit if at least one of the half siblings is receiving child support;
- (2) two-thirds of a participant's income gets disregarded for the first twelve cumulative months of assistance;
- (3) two parents are treated the same as single parent families;

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- (4) one car is exempted from resources; and
- (5) a family may have resources up to \$2000.

Eligibility criteria for cash assistance also include the following:

- (1) Colorado does not impose different eligibility criteria or benefit levels on families moving into Colorado from other States;
- (2) Colorado does not impose a family cap;
- (3) Colorado does require the assignment of child support rights as a condition of eligibility for Colorado Works;
- (4) Expectant parents in at least the sixth month of pregnancy are eligible; and
- (5) the family must sign an Individual Responsibility Contract.

The following persons shall be ineligible for all Colorado Works benefits or services:

- (1) fugitive felons and parole and probation violators;
- (2) persons convicted of drug-related felonies after 7-1-97 unless the county has determined such person has taken action toward rehabilitation; and
- (3) persons who failed to provide a social security number or proof of application of social security number if a number has not been issued.

In addition to the basic cash assistance grant, county departments of human/social services may provide other assistance in the form of additional benefits, services, and incentives to participants above the basic benefit level. County plans describe the types and amounts of other assistance, which vary from county to county. Counties may provide other assistance in the form of cash assistance, lump sum payments, payments for specific items and vouchers according to their county plan.

All dependent children must live with a caretaker relative or a parent, except for children receiving family preservation services or children receiving services as outlined in Colorado's approved Title IV-A State Plan in effect as of September 30, 1995. A caretaker relative is a person related within the fifth degree to the dependent child. Children may not be absent from the home for longer than 45 days. The application for assistance must include the dependent child, all siblings of the dependent child and the parents of the dependent child who are living in the same home. A dependent child is a child under age 18 or between 18 and 19 and expected to graduate from high school prior to his/her 19<sup>th</sup> birthday.

Cases containing children living with a relative who does not have financial responsibility under the law to support that child are considered child only cases. Persons living in the household who are financially responsible for members of the assistance unit, but who are not required to

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be in the unit, will have their income above the amount required for their needs deemed available to the family unit.

Services are also provided to children in out of home placement or in juvenile justice facilities in accordance with the provisions of the approved Emergency Assistance State Plan in effect on September 30, 1995. Services may also be provided to a non-custodial parent according to program rules.

*Applications and Redeterminations of Eligibility:* Applications for Colorado Works benefits must be processed within 45 days. For persons receiving on-going basic cash benefits, a re-determination of eligibility must be completed every twelve months. Caretaker relatives are required to notify the agency within five days if a child has left the home and is expected to be gone more than 45 days. Assistance will be denied/discontinued to meet the needs of a caretaker relative who fails to meet this requirement. Exceptions to this requirement are granted for: (1) children receiving medical care or education, which requires them to live away from home; (2) children visiting an absent parent; and (3) children in temporary foster placement.

*Time Limits:* Adult members of the assistance unit are limited to 60 months of TANF assistance during their lifetime. All dependent children shall be exempt from time limits. Up to 20% of the caseload may receive an extension of federal TANF assistance beyond the 60-month lifetime limit if their cases meet hardship or domestic violence criteria. No extensions will be formally granted until the adult has received TANF benefits for 60 months. All extensions will be granted by the county department of human/social services based on hardship or domestic violence reasons defined in Colorado Works/TANF rules. Domestic violence extensions may be granted when domestic violence problems prevent the adult(s) from participating in work activities or securing employment. Hardship reasons for extensions beyond the 60-month time limitation include the following:

- (1) disability of the caretaker relative, his/her spouse, the dependent children, or immediate relative for which the caretaker is the primary caregiver;
- (2) involvement in the judicial system by a member of the assistance unit;
- (3) families experiencing current or past domestic violence issues;
- (4) family instability which may include a caretaker with proven inability to maintain stable employment or inability of the caretaker to care for the children in their own home or in the home of a relative;
- (5) inadequate or unavailable child care services, housing, transportation or employment opportunities; and
- (6) other hardship reasons specified in the county plan and policies.

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County departments may define additional hardship reasons in their county TANF plan and policies.

*Minor Parents:* A minor parent is a parent who is under age 18. All unmarried minor parents are considered children for purposes of time limits and budgeting. Unmarried minor parents must live with a parent or adult relative or guardian, or in a supervised setting, with exceptions for good cause. Minor parents who have not completed high school or its equivalent must attend high school, work on a GED or be in an alternative education training program approved by the State in order to be eligible for assistance unless receiving benefits paid with segregated state/local funds. Teen parents are considered satisfactorily attending an educational program unless they have dropped out. Colorado does not require non-custodial, non-supporting minor parents to fulfill community work obligations or attend appropriate parenting classes after school.

*Indians:* Colorado provides each member of an Indian tribe who lives in the State and is not eligible for assistance under a Tribal Family Assistance plan approved under Section 412 of the Social Security Act with equitable access to assistance. Any month of receipt by an adult while living in Indian Country or a Native Alaskan village where at least 50 percent of the adults were not employed shall not count towards the 60 cumulative months of assistance. The State will determine which Indian reservations either in the State or outside of the State qualify for the Indian disregard time limitations.

*Sanctions and Disqualifications:* Sanctions are imposed on individuals for failure to comply with child support enforcement, work activities or secure immunizations for children.

- (1) The first sanction shall be twenty-five percent (25%) of an assistance unit's cash assistance for a period of not less than one month but not more than three months. The first sanction shall remain in effect until cured and served. Sanctions not cured by the end of the sanction period shall progress to the second sanction.
- (2) The second sanction shall be fifty percent (50%) of the cash assistance for not less than one month but not more than three months, and shall remain in effect until cured and served. Second sanctions not cured within the sanction period shall progress to the third sanction.
- (3) The third sanction shall result in the termination of cash assistance to the assistance unit for a period of not less than three months but not more than six months.

The sanction period is determined by the county departments and specified in the county plan. Once a participant reaches the third sanction, all subsequent sanctions are at the third level.

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A person may be disqualified from the Colorado Works/TANF for the following.

- (1) Committing fraud results in the needs of the caretaker being removed from the grant for a 12-month period for the first offense, 24 months for the second offense and lifetime for the third offense.
- (2) Persons misrepresenting information in order to receive assistance in two states at the same time are ineligible for a period of 10 years.

*Overpayments and Recoveries:* All overpayments are promptly established as account receivables unless the household members are without fault in the creation of the overpayment, the change in income and/or resources or other circumstances were reported timely, and the recovery would deprive the household of income required for ordinary and necessary living expenses. County must deduct the recovery of overpayments from current benefits at an amount of no more than 10 percent of the benefit and not less than five percent of the benefit each month. For overpayments to non-active cases, the county shall establish a repayment plan with the family that shall include at least the minimum set above. The State will not pursue collection of overpaid benefits from individuals who are dependent children on the overpaid Colorado Works/TANF case. The county shall correct any underpayments in full by the month following the identification of such underpayments.

*Non-recurrent, Short-term Benefits:* Colorado offers non-recurrent, short-term benefits and services to its Colorado Works participants in two forms – State Diversion and County Diversion.

- (1) State Diversion is intended for those participants who qualify for basic cash assistance, but do not need ongoing cash assistance. Participation for these types of benefits is voluntary, and participants must have a demonstrable need for a specific item or type of assistance. The participant also must enter into a written IRC and agree to not apply for future assistance for a period established in accordance with the county's policies.
- (2) County Diversion is intended to provide benefits and services to a broader population than those eligible for basic cash assistance. These benefits and services must support the purposes of TANF and the receipt of any benefit or service is subject to county policy and the availability of funds. Eligibility for Colorado Works county optional benefits and services requires:

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- a. a family consisting of children living with a caretaker relative or parent(s) with unborn child(ren); and
- b. the family's gross income is within the county limit, up to \$75,000 per year.

Notwithstanding the above eligibility requirements, all Colorado residents are eligible to receive services intended to reduce out-of-wedlock pregnancies and/or encourage the formation and maintenance of two-parent families if paid exclusively with federal TANF funds.

*Additional Colorado Works Benefits and Services:* Other benefits and services include the following:

- (1) Colorado offers participants individual development accounts;
- (2) Colorado allows county departments to use Colorado Works funds to provide vouchers for state approved job placement agencies;
- (3) Colorado does provide family planning services not available through Medicaid;
- (4) Colorado does provide Colorado Works funds for home heating and cooling costs;
- (5) Colorado does provide employment incentives to participants or employers as determined necessary by the county plans; and
- (6) Colorado screens for domestic violence as a part of the assessment process but will not exempt domestic violence victims from time limits and other requirements for work participation unless indicated by the assessment. Colorado refers domestic violence victims for needed services. Colorado is meeting the requirements for the federally approved domestic violence waiver.

*Non-citizens:* Colorado assists qualified aliens entering the country before 8/22/96 in the same manner as citizens. Colorado assists aliens who entered qualified alien status on or after 8/22/96 and have been in the country for five or more years with TANF funds in accordance with Section 402 (b) of the Act. Colorado pays TANF assistance to excepted qualified aliens as required by Title IV of PRWORA. Victims of severe forms of trafficking are eligible for federally-funded TANF benefits to the same extent as refugees. Counties may assist 1) unexcepted qualified aliens who arrived on or after 8/22/96 and have been in this country less than five years and 2) aliens lawfully present who would be eligible for TANF but for Title IV of PRWORA with segregated state/local funds.

*Family Preservation:* The Family Preservation Program replaced the IV-A Emergency Assistance Program that was administered by the child welfare program. This program provides services to families where the children are at risk of out-of-home placement. Eligibility for Family Preservation requires:

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- (1) the family's gross income is under \$75,000 per year;
- (2) a family consisting of child(ren) living with a caretaker relative or parent(s) with unborn child(ren);
- (3) the children in foster care or juvenile justice facilities meet the criteria in effect on September 30, 1995;
- (4) the family qualifies for family preservation services as were determined under the standards in effect on 9-30-95; and
- (5) the family has signed a treatment plan.

## **Work Provisions**

*Assessments:* All applicants for Colorado Works are assessed no later than 30 days after the application date. The assessment focuses on identifying what services or assistance the family needs to achieve self-sufficiency. A contract between the individual adult member of the family and the county agency focuses on each party's responsibilities. The provision of services or other benefits will be based on the individual needs of the family as outlined in the individual responsibility contract (IRC) or treatment plan. Some families will receive one-time payments, some will receive only family preservation services, some will receive monthly cash payments, and others will receive a combination of services and monthly cash payments.

*Work Participation:* All adults who have received assistance for 24 cumulative months are required to participate in a state or county defined work activity except those with a domestic violence waiver or those single parents with a child under six for whom childcare is unavailable. Single custodial parents with a child under age 1 are not exempt unless specified in the county plan.

Failure to participate in work activities without good cause results in a sanction as noted in the section of this plan on "sanctions and disqualifications." Caretaker relatives who are the single adults in a family with a child under age six are not sanctioned if their lack of participation is due to unavailability of childcare, however the time limits still apply. Colorado considers childcare unavailable if childcare is inaccessible, unaffordable, or unsuitable as defined in each county plan. All participants will be notified in writing of the criteria for this exemption, how to apply for the exemption, and the effect of this exemption on time limits.

*Work Activities, Good Cause for Failure to Participate and Definition of Ready to Work:* County departments of human/social services determine the good cause reasons for failure to participate in work activities. County departments will determine in accordance with a family's individual assessment if the adult(s) is required to participate in work prior to the 24-month limit. The definition of "Ready to Work" and good cause reasons for failure to participate in work activities are described in each county plan.

Work activities include the following:



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- (1) *Unsubsidized employment* - Part-time or full-time work for wages which are paid in total by the employer. Employment may occur with any for-profit, non-profit, or private employer;
- (2) *Subsidized private sector employment* - Part-time or full-time work with any private sector employer for which wages are paid by the employer and for which the employer receives a subsidy;
- (3) *Subsidized public sector employment* - Part-time or full-time work with any public sector employer for which wages are paid by the employer and for which the employer receives a subsidy;
- (4) *Work experience (including work associated with the refurbishing of publicly assisted housing if sufficient private sector employment is not available)* - Unpaid work experience in any non-profit, public, or for-profit organization or such work experience in combination with a training or education plan. If combining with training or education, such training or education activities may not exceed 35% of the scheduled hours per week. Participation in this activity must enhance a participant's employability, offer exploration in a new career, or strengthen their existing work history;
- (5) *On the Job Training* - a subsidized work activity which offers the participant the opportunity to learn a new trade in a supportive environment, while transitioning into a regular, unsubsidized employee status. On-The-Job-Training may be subsidized through Workforce Investment Act (WIA), U.S. Department of Labor Welfare-to-Work Program, Colorado Works, or another training program;
- (6) *Job search and job readiness assistance* - Job search may be conducted in either a group or individual setting and may include employer contacts either in person, by telephone, or by electronic methods;
- (7) *Community service programs* - Community service is an unpaid activity in which the participant provides a service to the community at large. This includes programs such as AmeriCorps, Job Corps, and Volunteers in Service to America (VISTA). Counties may define, in their county performance plan, additional community service program activities which may include a combination of community service and education, training, or family stability or enhancement activities. If combining education, training, or family stability/enhancement activities, such activities may not exceed 35% of the scheduled hours per week;
- (8) *Vocational educational training* - A short-term educational activity intended to prepare an individual for employment. Vocational educational training shall not exceed twelve (12) months with respect to any individual. Providers of this training include, but are not limited to, community colleges, post secondary institutions, proprietary schools, and non-profit organizations;
- (9) *Job skills training directly related to employment* - Vocational, educational, or technical training designed to meet the labor market needs of the local community, including any assistance in providing soft skills to enhance overall employability, such as exposure to job-seeking skills, resume writing, improved job retention, conflict management, goal setting, and self esteem building;

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- (10) *Education directly related to employment*, in the case of a participant who has not received a high school diploma or a certificate of high school equivalency
- (11) *Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence*, in the case of a participant who has not completed secondary school or received such a certificate; and
- (12) *The provision of child care services to a participant in a community service program* - Child care provided to individuals in community service must adhere to established childcare licensing rules and statutes;.

"Work Activities" also means maintenance of satisfactory attendance at a secondary school or the equivalent or participation in education directly related to employment for at least the minimum average number of hours per week specified by the county department for a participant who is the head of a household and has not attained 20 years of age.

Participants shall be considered to be engaged in work if they are participating in other work activities including, but not limited to, substance abuse treatment, post secondary education, work study employment and volunteer activities, as defined in the county plan and specified in the individual's IRC.

## **Administrative Policies and Procedures**

*Confidentiality:* All information regarding families will remain confidential and available only for the purposes of the effective administration of the program and to other federal or state agencies as appropriate. All employees are trained in the need to maintain the confidentiality of information and notified that failure to comply will result in dismissal. All parties acting on behalf of the county department must be employees or contractual agents. County departments of human/social services contracting for program administration or services are required to include confidentiality requirements in their contracts. County departments of human/social services administering the Program are required in their county plans to include their procedures to ensure confidentiality.

*Appeals:* Applicants and participants of Colorado Works whose basic cash assistance benefits have been denied, reduced or discontinued may appeal such decisions through the appeal process established by CDHS. All disputes regarding the contents of an IRC must begin at the county level. Employee complaints regarding the filling of vacant positions with Colorado Works participants are handled by the Colorado Department of Labor and Employment.

*Fraud:* Colorado uses both pre-eligibility and regular fraud investigations to limit the amount of fraud and abuse in the program. All questionable cases will be referred to fraud investigators to certify the correctness of the information. Cases in which a person is shown to have willfully given false or misleading information which was designed to or did in fact result in that party receiving benefits for which they were not eligible are given an administrative hearing and if found to have committed an intentional program violation disqualified from the program in accordance with the section on sanctions and disqualifications. All persons found to have

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committed an intentional program violation are tracked through the automated system to assure penalties are correctly applied. Persons may also be charged in state court with criminal charges for welfare fraud.

Colorado is enforcing standards and procedures to ensure against program fraud and abuse, including standards and procedures concerning nepotism, conflicts of interest among individuals responsible for the administration and supervision of the State program, kickbacks, and the use of political patronage.

## **Fiscal**

Counties not only have primary programmatic flexibility for implementation of the TANF program, they also make fiscal and policy decisions based on the amount of funds available to them each year through their county block grants. The Colorado General Assembly annually appropriates a total county block grant of state/local and federal funds for Colorado Works program administration, which is then allocated to individual counties through a statutorily defined committee. CDHS monitors and reports expenditures through its Accounting Division, and CDHS also uses its Field Audits Division to audit county operations. CDHS segregates some of its state/local maintenance of efforts (MOE) funds from its federal TANF funds to increase program flexibility.

*Maintenance of Effort*: Colorado will continue its maintenance of effort based on FFY 1994 expenditures at the level of at least 80% unless federal work participation rates are met, in which case Colorado will reduce its MOE expenditures to 75%. In order to meet its annual MOE obligation, Colorado may count any qualifying expenditures that are allowed under federal statute and regulation. The primary sources of qualifying expenditures are:

- (1) *Colorado Works/TANF*: This includes expenditures made at the county and state level on benefits and services as well as program administration costs directly related to the provision these benefits and services.
- (2) *Emergency Assistance to Families with Children*: This includes case planning services, case management services, counseling, family support programs intensive family therapy, day treatment, home-based services, non-medical drug and alcohol treatment, and crisis intervention services.
- (3) *Colorado Child Care Assistance Program (CCCAP)*: This program serves families consisting of caretaker relatives caring for children up to 225% of the Federal Poverty Level by providing assistance for paying for child care services. Families receiving services are employed, in training, or looking for a job.
- (4) *Low-income Energy Assistance Program (LEAP)*: LEAP provides benefits and services to TANF-eligible households for help with winter heating costs.

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*Transfer of Funds:* In accordance with federal law, Colorado reserves the right to transfer up to the federal maximum levels of the State Financial Assistance Grant (SFAG) to the childcare block grant and to Title XX. These transfers are made primarily at the county level through their block grants, but may also be made at the state level as appropriate.

## **Certifications and Assurances**

Pursuant to PRWORA, Colorado's chief executive officer makes the following certifications:

Colorado operates a child support enforcement program;

Colorado operates a foster care and adoption assistance program;

The Colorado Department of Human Services administers and supervises the Colorado Works program;

Colorado provides each member of an Indian tribe who is domiciled in the State and not eligible for assistance under a tribal family assistance plan approved under section 412 with equitable access to assistance under the State program;

Colorado has established and is enforcing standards and procedures to assure against program fraud and abuse, including standards and procedures concerning nepotism, conflicts of interest among individuals responsible for the administration and supervision of the State program, kickbacks, and the use of political patronage. Colorado operates a SAVE System and an IEVS system in accordance with federal requirements; and

Colorado has established and is enforcing standards and procedures to (1) screen and identify individuals receiving assistance with a history of domestic violence while maintaining the confidentiality of such individuals; (2) refer such individuals to counseling and supportive services; and (3) waive, pursuant to a determination of good cause, other program requirements such as time limits (for so long as necessary) for individuals receiving assistance, residency requirements, child support cooperation requirements, and family cap provisions, in cases where compliance with such requirements would make it more difficult for individuals receiving assistance to escape domestic violence or unfairly penalize such individuals who are or have been victimized by such violence, or individuals who are at risk of further domestic violence.

Pursuant to PRWORA, Colorado's chief executive officer makes the following assurances:

Local law enforcement personnel, representatives of counseling services in the counties, and the education system provide training regarding statutory rape education. Efforts are made to get law enforcement personnel and judicial personnel to impose stricter enforcement of the statutory rape laws;

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Colorado has established goals and taken action to prevent and reduce the incidence of out-of-wedlock pregnancies and established numerical goals for reducing the illegitimacy ratio. Colorado works with county departments of human/social services and educational and health agencies to reduce the out of wedlock birth rate;

Local governments and private sector organizations have been consulted regarding the plan and design of welfare services in the State so that services are provided in a manner appropriate to local populations; and

Local governments and private sector organizations have had at least 45 days to submit comments on the plan and the design of such services.