

Agenda Item 1.4.2

BOARD OF COUNTY COMMISSIONERS BRIEFING PAPER

Topic: Federal Funding Taskforce Update

Presented by: Dan Conway, CFO; Carey Markel, Deputy County Attorney; Mary Berg Human, Services Director, Human Services Department; Gena Sagen, Business & Finance Director, Human Services Department

Date: 1/27/2026

For Information

For Discussion/Board Direction

Consent to
Place on Business/
Hearing Agenda

Issue: Recent federal actions, guidance changes, and legislative requirements are creating confirmed and potential fiscal, operational, and administrative impacts to Jefferson County programs. These impacts affect transportation, human services, public health, public safety, libraries, and countywide operations, with particular pressure on federally funded programs that support vulnerable populations.

Background: On January 6, the Governor received notice from the federal government of a temporary restricted drawdown or freeze on certain federal funds to Colorado. In parallel, federal agencies have issued new compliance guidance, terminated or reprioritized programs, and enacted statutory changes under H.R.1 (signed July 4, 2025) that shift costs, increase administrative requirements, or reduce funding certainty. Collectively, these actions have resulted in both immediate and longer-term risks to County services and finances.

Discussion:

Human Services:

Recent federal actions, including a temporary drawdown on certain federal funds and changes in program requirements, have the potential to significantly affect multiple Human Services programs administered by the County. The following summarizes the scope of impact and associated operational considerations by program area.

Temporary Assistance for Needy Families (TANF)

- \$8.45 million is affected by the federal drawdown.
- Approximately 60% (\$5.3 million) supports direct client assistance, including cash assistance and essential supports.
- The remaining funds support eligibility determination, case management, supportive services, and administrative functions, averaging \$450,000 per month.
- These funds support approximately 16 full-time equivalent (FTE) positions.
- Potential impacts: Any prolonged disruption could affect benefit delivery, staffing stability, and the County's ability to meet federal and state program requirements.

Social Services Block Grant (SSBG) – Child Welfare and Adult Protective Services

- Approximately \$1.8 million is affected.
- Costs are not charged directly to SSBG but are allocated using Random Moment Sampling (RMS) methodology.
- Potential impacts: While services continue, sustained funding uncertainty could affect reimbursement timing and indirect cost recovery across Child Welfare and Adult Protective Services.

Child Care Assistance Program (CCAP)

- Approximately \$9 million may be impacted due to the federal drawdown affecting Child Care and Development Fund (CCDF) resources.
- Potential impacts: Risk of delayed payments to providers, enrollment constraints, or prioritization decisions if federal access issues persist.

Supplemental Nutrition Assistance Program (SNAP) Redetermination Pilot

- The U.S. Department of Agriculture (USDA) has directed Jefferson County and four other counties to complete full SNAP recertifications within 30 days.

- Requirements include:
 - In-person interviews
 - Enhanced verification and documentation retention
 - Disenrollment of households deemed ineligible
- Potential impacts:
 - Significant administrative burden and staffing strain
 - Increased risk of eligible households losing benefits due to procedural barriers
 - Noncompliance may jeopardize SNAP participation and funding, posing both fiscal and client-access risk

County Wide:

The Administration for Children and Families (ACF) requested the removal of all EDI-related language from the Cost Allocation Plan in connection with an application submitted by Human Services through the Head Start Enterprise System (HSES).

Although the request was directed to Human Services, the Cost Allocation Plan (CAP) is a countywide document used across departments. It establishes the framework for systematically and equitably allocating shared or indirect costs across programs, grants, and departments by defining cost categories, allocation methodologies, and supporting rationale. This ensures costs are assigned in proportion to the benefit received and supports transparency, consistency, and compliance with financial and audit requirements.

In coordination with key staff, the CAP was revised to align with the request. No substantive programmatic or operational changes were made to the CAP.

Attachments:

Attachment A – Infographic that summarizes the impact of the federal funding freeze.

Attachment B - This attachment summarizes programs by department, categorized as having confirmed impact, under monitoring, or with impact yet to be determined. Gray tables indicate previously briefed items with no fiscal changes; white tables reflect new items or updated impacts.

Fiscal Impact: yes no

This briefing itself does not have any direct fiscal impact. However, the fiscal impacts of the Executive Orders, federal legislation, and state budget issues are detailed in the narrative and attachments.

Budget & Strategy Review: SPA supports, no concerns, Sherry Wilger, 1/20/2026

County Attorney Review: Carey Markel, 1/20/26

Facilities Review: No impact, Mark Danner, 1/20/2026

BIT Review: No Impact, Andy Corbett, 1/20/2026

Fleet Review: No fiscal impact. Janice Mayer, January 20, 2026.

Recommendations: Continue close monitoring of federal actions, guidance, that may alter funding availability or compliance requirements.

Prepare contingency plans for high-risk programs with confirmed or significant potential fiscal impacts, particularly TANF, SNAP, and SSBG-supported services.

Assess administrative capacity and cost impacts related to new federal requirements (e.g., SNAP recertifications, Medicaid and SNAP match changes).

Engage state partners early to clarify implementation expectations and advocate for mitigation strategies where county-administered impacts are substantial.

Provide regular updates to leadership and policymakers to support timely decision-making and budget planning.

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