Schedule 13
Funding Request for the 2013-14 Budget Cycle

Department: Public Health and Environment
Request Title: Financial Risk Management
Priority Number: R-1

Dept. Approval by: [signature] 10/19/12 Date

OSPB Approval by: [signature] 10/19/12 Date

- [x] Decision Item FY 2013-14
- [ ] Base Reduction Item FY 2013-14
- [ ] Supplemental FY 2012-13
- [ ] Budget Amendment FY 2013-14

Line Item Information	Fund	FY 2012-13 1 Appropriation FY 2012-13	FY 2012-13 2 Supplemental Request FY 2012-13	FY 2013-14 3 Base Request FY 2013-14	FY 2013-14 4 Funding Change Request FY 2013-14	FY 2014-15 6 Continuation Amount FY 2014-15
Total of All Line Items	Total	57,575,158	-	65,523,202	-	-
	FTE	196.1	-	196.1	(0.0)	(0.0)
	GF	8,984,400	-	9,181,732	-	-
	GFE	441,600	-	441,600	-	-
	CF	5,994,834	-	6,475,459	-	-
	RF	7,294,274	-	7,341,668	(154,453)	155,513
	FF	34,860,110	-	42,083,243	(154,453)	(155,513)
(1) Administration and Support, (A) Administration, Personal Services	Total	4,722,496	-	4,722,496	131,363	131,363
	FTE	58.0	-	58.0	2.0	2.0
	GF	-	-	-	-	-
	GFE	-	-	-	-	-
	CF	-	-	-	-	-
	RF	4,703,664	-	4,703,664	131,363	131,363
	FF	18,832	-	18,832	-	-
(1) Administration and Support, (A) Administration, Operating Expenses	Total	1,262,707	-	1,262,707	9,961	9,961
	FTE	-	-	-	-	-
	GF	-	-	-	-	-
	GFE	-	-	-	-	-
	CF	-	-	-	-	-
	RF	1,262,707	-	1,262,707	9,961	9,961
	FF	-	-	-	-	-
(1) Administration and Support, (A) Administration, Health, Life, and Dental	Total	4,245,505	-	8,798,345	-	-
	FTE	-	-	-	-	-
	GF	595,660	-	693,051	-	-
	GFE	-	-	-	-	-
	CF	2,859,482	-	3,014,251	-	-
	RF	790,363	-	790,472	4,857	4,857
	FF	-	-	4,300,571	(4,857)	(4,857)
(1) Administration and Support, (A) Administration, Short-Term Disability	Total	70,682	-	158,497	-	-
	FTE	-	-	-	-	-
	GF	10,603	-	12,200	-	-
	GFE	-	-	-	-	-
	CF	45,611	-	53,812	-	-
	RF	14,468	-	15,413	209	209
	FF	-	-	77,072	(209)	(209)

Department of Public Health and Environment — Schedule 13

Request Title: Financial Risk Management — Funding Request for the 2013 Budget Cycle

Line Item Information		FY 2012-13		FY 2013-14		FY 2014-15
		1	2	3	4	6
	Fund	Appropriation FY 2012-13	Supplemental Request FY 2012-13	Base Request FY 2013-14	Funding Change Request FY 2013-14	Continuation Amount FY 2014-15
(1) Administration and Support, (A) Administration, S.B. 04-257 Amortization Equalization Disbursement	Total	1,368,509	-	3,075,072	-	-
	FTE	-	-	-	-	-
	GF	189,702	-	236,649	-	-
	GFE	-	-	-	-	-
	CF	897,523	-	1,043,993	-	-
	RF	281,284	-	298,990	4,237	4,708
	FF	-	-	1,495,440	(4,237)	(4,708)
(1) Administration and Support, (A) Administration, S.B. 06-235 Supplemental Amortization Equalization Disbursement	Total	1,175,282	-	2,776,108	-	-
	FTE	-	-	-	-	-
	GF	162,245	-	213,642	-	-
	GFE	-	-	-	-	-
	CF	771,309	-	942,494	-	-
	RF	241,728	-	269,922	3,826	4,415
	FF	-	-	1,350,050	(3,826)	(4,415)
(8) Disease Control and Environmental Epidemiology Division, (A) Administration, General Disease Control and Surveillance, Immunization Personal Services	Total	2,659,441	-	2,659,441	(16,420)	(16,420)
	FTE	27.9	-	27.9	(0.2)	(0.2)
	GF	816,838	-	816,838	-	-
	GFE	-	-	-	-	-
	CF	-	-	-	-	-
	RF	-	-	-	-	-
	FF	1,842,603	-	1,842,603	(16,420)	(16,420)
(8) Disease Control and Environmental Epidemiology Division, (A) Administration, General Disease Control and Surveillance, Immunization Operating Expenses	Total	4,932,548	-	4,932,548	(1,245)	(1,245)
	FTE	-	-	-	-	-
	GF	684,272	-	684,272	-	-
	GFE	441,600	-	441,600	-	-
	CF	914,955	-	914,955	-	-
	RF	-	-	-	-	-
	FF	2,891,721	-	2,891,721	(1,245)	(1,245)
(8) Disease Control and Environmental Epidemiology Division, (B) Special Purpose Disease Control Programs, Tuberculosis Control and Treatment Personal Services	Total	1,459,475	-	1,459,475	(16,420)	(16,420)
	FTE	16.2	-	16.2	(0.3)	(0.3)
	GF	120,792	-	120,792	-	-
	GFE	-	-	-	-	-
	CF	-	-	-	-	-
	RF	-	-	-	-	-
	FF	1,338,683	-	1,338,683	(16,420)	(16,420)

Line Item Information		FY 2012-13		FY 2013-14		FY 2014-15
		1	2	3	4	6
	Fund	Appropriation FY 2012-13	Supplemental Request FY 2012-13	Base Request FY 2013-14	Funding Change Request FY 2013-14	Continuation Amount FY 2014-15
(8) Disease Control and Environmental Epidemiology Division, (B) Special Purpose Disease Control Programs, Tuberculosis Control and Treatment Operating Expenses	Total	3,462,752	-	3,462,752	(1,245)	(1,245)
	FTE	-	-	-	-	-
	GF	1,186,408	-	1,186,408	-	-
	GFE	-	-	-	-	-
	CF	-	-	-	-	-
	RF	-	-	-	-	-
	FF	2,276,344	-	2,276,344	(1,245)	(1,245)
(9) Prevention Services Division, (B) Chronic Disease Prevention Programs, Chronic Disease and Cancer Prevention Grants	Total	4,240,247	-	4,240,247	(21,503)	(21,503)
	FTE	24.5	-	24.5	(0.3)	(0.3)
	GF	-	-	-	-	-
	GFE	-	-	-	-	-
	CF	305,656	-	305,656	-	-
	RF	-	-	-	-	-
	FF	3,934,591	-	3,934,591	(21,503)	(21,503)
(9) Prevention Services Division, (B) Chronic Disease Prevention Programs, Oral Health Programs	Total	4,576,588	-	4,576,588	(7,506)	(7,506)
	FTE	6.5	-	6.5	(0.1)	(0.1)
	GF	3,202,743	-	3,202,743	-	-
	GFE	-	-	-	-	-
	CF	200,298	-	200,298	-	-
	RF	-	-	-	-	-
	FF	1,173,547	-	1,173,547	(7,506)	(7,506)
(9) Prevention Services Division, (D) Family and Community Health, (1) Women's Health, Family Planning Program Administration	Total	1,063,664	-	1,063,664	(21,395)	(21,395)
	FTE	12.6	-	12.6	(0.3)	(0.3)
	GF	395,998	-	395,998	-	-
	GFE	-	-	-	-	-
	CF	-	-	-	-	-
	RF	-	-	-	-	-
	FF	667,666	-	667,666	(21,395)	(21,395)
(9) Prevention Services Division, (D) Family and Community Health, (1) Women's Health, Maternal and Child Health	Total	3,706,749	-	3,706,749	(20,258)	(20,258)
	FTE	14.3	-	14.3	(0.3)	(0.3)
	GF	-	-	-	-	-
	GFE	-	-	-	-	-
	CF	-	-	-	-	-
	RF	-	-	-	-	-
	FF	3,706,749	-	3,706,749	(20,258)	(20,258)
(11) Emergency Preparedness and Response Division, Emergency Preparedness and Response Program	Total	18,628,513	-	18,628,513	(35,332)	(35,332)
	FTE	36.1	-	36.1	(0.5)	(0.5)
	GF	1,619,139	-	1,619,139	-	-
	GFE	-	-	-	-	-
	CF	-	-	-	-	-
	RF	-	-	-	-	-
	FF	17,009,374	-	17,009,374	(35,332)	(35,332)

Department of Public Health and Environment
Request Title: Financial Risk Management

Schedule 13
Funding Request for the 2013 Budget Cycle

Line Item Information		FY 2012-13		FY 2013-14		FY 2014-15
		1	2	3	4	6
	Fund	Appropriation FY 2012-13	Supplemental Request FY 2012-13	Base Request FY 2013-14	Funding Change Request FY 2013-14	Continuation Amount FY 2014-15
Letternote Text Revision Required?	Yes: ☑	No: ☐	If yes, describe the Letternote Text Revision:			
The departmental indirect cost recoveries will need to increase in letternote a) by $154,453						
Cash or Federal Fund Name and COFRS Fund Number:						
Reappropriated Funds Source, by Department and Line Item Name:			Fund 100, indirect cost recoveries.			
Approval by OIT?	Yes: ☐	No: ☐	Not Require ☑			
Schedule 13s from Affected Departments:			Not applicable			
Other Information:						

DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

John W. Hickenlooper
Governor

Christopher E. Urbina MD, MPH
Executive Director & Chief Medical Officer

FY 2013-14 Funding Request
November 1, 2012

Signature

11/19/12
Date

Department Priority: R-1
Request Title: Financial Risk Management

Summary of Incremental Funding Change for FY 2013-14	Total Funds	Reappropriated funds	Federal funds	FTE
Financial Risk Management request total	0	$154,453	($154,453)	0
(1) Administration and Support, (a) Administration, Personal Services	$144,492	$144,492	$0	2.0
(1) Administration, Operating Expenses	$9,961	$9,961	$0	0.0
(8) Disease Control and Environmental Epidemiology, Personal Services total reduction	($36,123)	$0	($36,123)	(0.5)
(8) Disease Control and Environmental Epidemiology,Operating Expenses total reduction	($2,490)	$0	($2,490)	0.0
(9) Prevention Services Division, Personal Services total reduction	($72,246)	$0	($72,246)	(1.0)
(9) Prevention Services Division, Operating Expenses total reduction	($4,980)	$0	($4,980)	0.0
(11) Emergency Preparedness and Response Division, Emergency Preparedness and Response Program	($38,613)	$0	($38,613)	(0.5)

Request Summary:
This request is for $154,453 and 2.0 FTE supported through indirect cost recoveries spending authority. The requested indirect cost recoveries increase is offset by a decrease in federal funds in three of the department's divisions. If authorized, this request would ensure that CDPHE's new Financial Risk Management (FRM) process has sustainable funding and adequate resources. Since FRM activities impact multiple programs, divisions and funding sources, the department is requesting indirect cost recoveries as the most appropriate funding source.

Problem or Opportunity:
FRM is a new process that provides a framework to ensure consistent fiscal practices within the department, and ensures adequate fiscal practices with entities receiving department funds such as Local Public Health Agencies, non-profit grantees and corporations. The process has two phases, initial risk assessment and on-going monitoring. Entities determined to be high risk

through the initial assessment receive technical assistance and more intensive monitoring until they come into compliance with best financial practices.

Best financial practices include such things as:

- Appropriate checks and balances for cash handling and payment processing;
- Sufficient cross training and backup to avoid a "single point of failure";
- Appropriate records retention processes;
- Policies for ensuring adequate backup documentation for invoices such as receipts for reimbursements;
- Cost accounting processes that ensure indirect costs are allocated appropriately and that costs are allowable under the terms of the contract;
- Policies for verification of time and effort as allocated to activities;

The FRM process utilizes risk based monitoring. This means that entities are evaluated and, based on their risk profile, receive technical assistance (high risk entities) or receive less oversight (low risk entities.) Monitoring keeps the department informed of any changes that could affect practices and risk ratings are adjusted as needed. For example, if there is turnover in key staff, monitoring might be escalated to ensure that the staff changes haven't negatively impacted fiscal practices. This risk based approach is a more effective and accountable way of overseeing contracts and purchase orders.

See appendix A for a flow chart that depicts the actual FRM process.

Brief Background:

The FRM process was created through a LEAN-like activity the department initiated in 2010 as part of the implementation of the Public Health Improvement Plan which was a result of the Public Health Act of 2008. CDPHE convened a taskforce to identify and improve fiscal processes utilized by the department with Local Public Health Agencies (LPHAs.) One significant issue that arose during the discussion was the inconsistent processes and requirements surrounding contracting within the various CDPHE programs. Many of the programs utilized different processes, forms, requirements and monitoring practices. Since LPHAs might receive funding from multiple programs within CDPHE, in the form of grants, per capita and/or federal pass through dollars, the multiplicity of processes was burdensome and inefficient for both the LPHAs and the department.

Prior to implementation of the FRM process, entities were subject to differing requirements from the various CDPHE programs. For example, CDPHE Program A might not require any documentation be submitted with the invoice requesting reimbursement for contracted services, while CDPHE Program B might require receipts, payroll advices and a cost ledger in order to issue payment. These inconsistent requirements were challenging for the LPHAs and resulted in extra time and resources to prepare invoices.

In another example, CDPHE practices around fiscal site visits varied significantly and often lead to duplication for contractors. CDPHE Program A might conduct a site visit review of a LPHAs financial management practices and then CDPHE Program B might conduct another site visit the same week and request the same information. The FRM process standardizes the fiscal assessment process and eliminates duplicative site visits to evaluate fiscal practices.

Consistent with its origins in the Public Health Improvement Plan, the first phase of the FRM concept has been implemented with the 54 Local Public Health Agencies. Implementation has occurred using resources across multiple divisions within the department. The department has permanently allocated 40% of an existing staff member in the Administration and Support Division to manage FRM staff and oversee FRM activities. The department also permanently reallocated an existing vacant FTE in the Administration and Support Division to the FRM process. These 1.4 permanent FTE are already in

the Administration and Support Division and are currently funded through indirect cost recoveries.

An additional 2.0 FTE are also working on the FRM project. These FTE report to the FRM manager and are funded on a temporary basis from the three divisions which are most directly impacted by the initial FRM activities. The three divisions are funding the 2.0 positions for FY 2012-13. Once the FY 2012-13 pilot year is finished, the three divisions supporting the pilot will utilize the funding for other appropriate programmatic activities.

Without the requested authorization to fund the 2.0 FTE funded via temporary funding sources as permanent funding through indirect cost allocations, FRM will either have insufficient resources to maintain and expand current activities, or activities will have to continue to be supported by divisions directly. The current, direct funding approach is not consistent with best accounting practices. This request seeks permanent indirect cost funding to ensure sustainability of the FRM process and the ability for limited expansion to the more numerous and higher risk non-profit and corporate entities. The request is budget neutral as the increased reappropriated costs and FTE are offset within the department's other divisions.

Alternatives:
Maintaining the status quo of having divisions directly fund FRM activities puts the department at risk for audit findings related to inappropriate cost allocation methodologies. As FRM activities expand beyond the scope of LPHAS to non-profits and other contracting entities, all the department's divisions will benefit and thus should share in the cost. According to best accounting practices, costs should be allocated according to a consistent standardized model, such as the department's indirect cost allocation model. The best way to ensure consistent cost allocation is to ensure that all FRM activities are funded through indirect cost recoveries.

Not providing permanent and stable funding for the 2.0 FTE that are currently funded through temporary sources would prevent the benefits of FRM from being expanded to non-profit and corporate entities. In addition, the department would continue to be at risk for inappropriate expenditures by contractors as well as audit findings and potential loss of federal funds.

Anticipated Outcomes:
The FRM process has significant benefits for CDPHE and its external customers. The FRM process will:

- Increase efficiency and effectiveness
- Improve consistency and standardization of department processes around payment invoicing and fiscal monitoring
- Enhance customer satisfaction
- Reduce documentation requirements which translates to reduced workload for LPHAs
- Enhance knowledge and fiscal practices for medium and high risk contractors
- Improve knowledge and fiscal monitoring practices for department staff
- Reduce the risk of inappropriate expenditures
- Reduce the risk of audit findings due to inconsistent monitoring practices

Thus far, the assumption that the FRM process saves Local Public Health Agencies time and is significantly more efficient has proven to be true. To date, FRM has initiated the initial risk assessment process with all LPHAs. As a result, all LPHAs have been released from providing routine fiscal supporting documentation such as receipts, payroll advices and cost ledgers when submitting invoices for reimbursement. In lieu of submitting backup documentation with each invoice, each LPHA is audited periodically, and they must keep the backup documentation on site for audits. LPHAs have expressed praise for the implementation of this process. Benefits noted include greater efficiency and increased consistency and elimination of the requirement to provide routine supporting documentation with invoices.

For CDPHE, the benefits of the FRM model are primarily in the areas of efficiency and increased accountability. The FRM process allows the department to identify risk using consistent methodology and monitor accordingly. The benefits of this are twofold. First, monitoring the high risk entities more frequently increases the likelihood that problematic practices will be identified and addressed before they result in wasteful or inappropriate expenditures. Working with the contractor to resolve problematic practices also reduces the likelihood of noncompliance with state and federal fiscal requirements. Second, dedicating less resources to monitoring low risk entities eliminates the inefficiencies inherent in excessive oversight for entities that are unlikely to make inappropriate expenditures.

If authorized, this request would allow sufficient resources to begin to expand the FRM process to contracts with non-profit and corporate entities. The same benefits seen by the initial implementation with the LPHAs will also occur with the non-profit and corporate organizations, but with even greater effectiveness due to the nature of these entities and the large number of contracts issued to them. Since non-profit organizations, especially, are often small, and may not receive an annual financial audit, the likelihood of the FRM process identifying non-compliant business practices and being able to provide useful technical assistance is extremely likely. Identifying and addressing non-compliant business practices, such as improper allocations, and allowability issues will ensure that state funds are being spent as they were intended. Furthermore, identifying low risk entities and the subsequent less stringent oversight allows the low risk non-profit or corporation to focus more of its resources on serving its clients and fulfilling its mission while allowing CDPHE to focus its efforts on assisting higher risk entities to develop compliant practices that will minimize risk of waste and inappropriate expenditures.

Assumptions for Calculations:

Appendices B and C include a summary of FTE needs and a breakdown of activities and associated hours for the FRM process. According to the workload detail in those appendices, the unit needs 4.2 FTE to continue on-going monitoring activities associated with the 54 local public health agencies and to begin to expand to include initial risk assessments and on-going monitoring for non-profit entities. 1.4 of the needed FTE have already been permanently reallocated within the Administrative and Financial Services Division to support the FRM process. This request seeks 2.0 FTE and $144,492 of indirect cost spending authority to convert funding for two positions from direct division funding to indirect cost recoveries within the Administration and Financial services Division.

The request is cost and FTE neutral as it offsets the requested increases in indirect cost recoveries from elsewhere in the department. See the Schedule 13 for a detailed breakdown of these offsets. The proposed offsets were based on actual FTE expenses in FY 2012-13 (the pilot year) as well as on the anticipated distribution of workload and funding sources as FRM expands in FY 2013-14 and future years. The three divisions funding the pilot: Prevention Services, Disease Control and Environmental Epidemiology and Emergency Preparedness and Response contain the largest number of contracts, with Prevention Services Division holding by far the most. Therefore, although FRM will ultimately benefit all divisions in the department, these three divisions have already and will likely continue to receive the largest benefit, thus the offsets were made from these divisions.

Based on workload assumptions detailed in Appendix C and summarized in Appendix B, the department believes that 3.4 FTE is the minimum needed to maintain the process with the LPHAs and make limited expansions to non-profit and corporate entities. As shown in Appendix B and C, if authorized, the FTE will allow the FRM program to conduct initial assessments for 45

non-profit and corporate organizations as well as on-going monitoring for 54 Local Public Health Agencies and 13 non-profit or private corporations in FY 2013-14. In FY 2014-15 the FRM program would be able to conduct initial assessments for an additional 18 non-profit or private corporations and perform on-going monitoring for the 54 Local Public Health Agencies and the 68 non-profit or corporate entities initially assessed in FY 2012-13 and 2013-14. Because of the cyclical and variable nature of the on-going monitoring with some being reassessed in 12 months, others being reassessed in 18 months and others in 24 months based on their risk rating, calculating the workload is based on the department's best assumptions about on-going monitoring needs and associated workload.

If authorized, this request would not fully meet the projected FTE need of 4.2. However, since the FRM process is still in a preliminary phase and the workload associated with limited expansion to non-profit and corporate entities are estimates; the department took a conservative approach to this request. As the department gains more experience with the process, more data will be available to confirm on-going resource needs.

This request also includes $9,961 for basic operating expenses such as telephone. The request also includes travel costs associated with site visits around the state. More detailed information about the operating portion of the request is included on the FTE calculation template.

Consequences if not Funded:
Without authorization to permanently fund 2.0 FTE through indirect cost allocations, the FRM program will either have insufficient resources to maintain and expand current activities, or activities will continue to be supported by divisions and programs on a discretionary basis. Funds would only be allocated to support FRM activities if programs had available funding and if they chose to prioritize FRM funding over other activities.

Given recent audit findings and the department's initiative to standardize fiscal practices, ensuring that FRM activities continue and are appropriately allocated is critical. As the FRM model is expanded beyond Local Public Health Agencies, more programs and divisions will be involved with and benefiting from the FRM approach. Therefore expanding who pays for FRM is necessary from an audit and cost allocation perspective. To ask the three divisions to continue to bear the on-going cost of the FRM approach, once that approach is expanded beyond the scope of those three divisions, is not equitable or appropriate. Additionally, 1.4 FTE and associated costs are currently funded through indirect cost allocations while 2.0 FRM positions are funded directly from three divisions. Continuing with this inconsistent approach to funding FRM activities on an on-going basis is not ideal and has the potential to lead to additional audit findings around allocation of personnel costs. Funding the 2.0 FRM positions currently being funded directly by divisions through indirect cost allocations is the best way to ensure stability for FRM activities and that costs are allocated appropriately.

If this request is not funded, the department will not be able to expand this risk based monitoring approach to non-profit and corporate entities. Since many of these entities have significant risk factors for non-compliant fiscal practices, failure to identify and correct these practices will likely result in wasteful or inappropriate expenditures not being identified and prevented.

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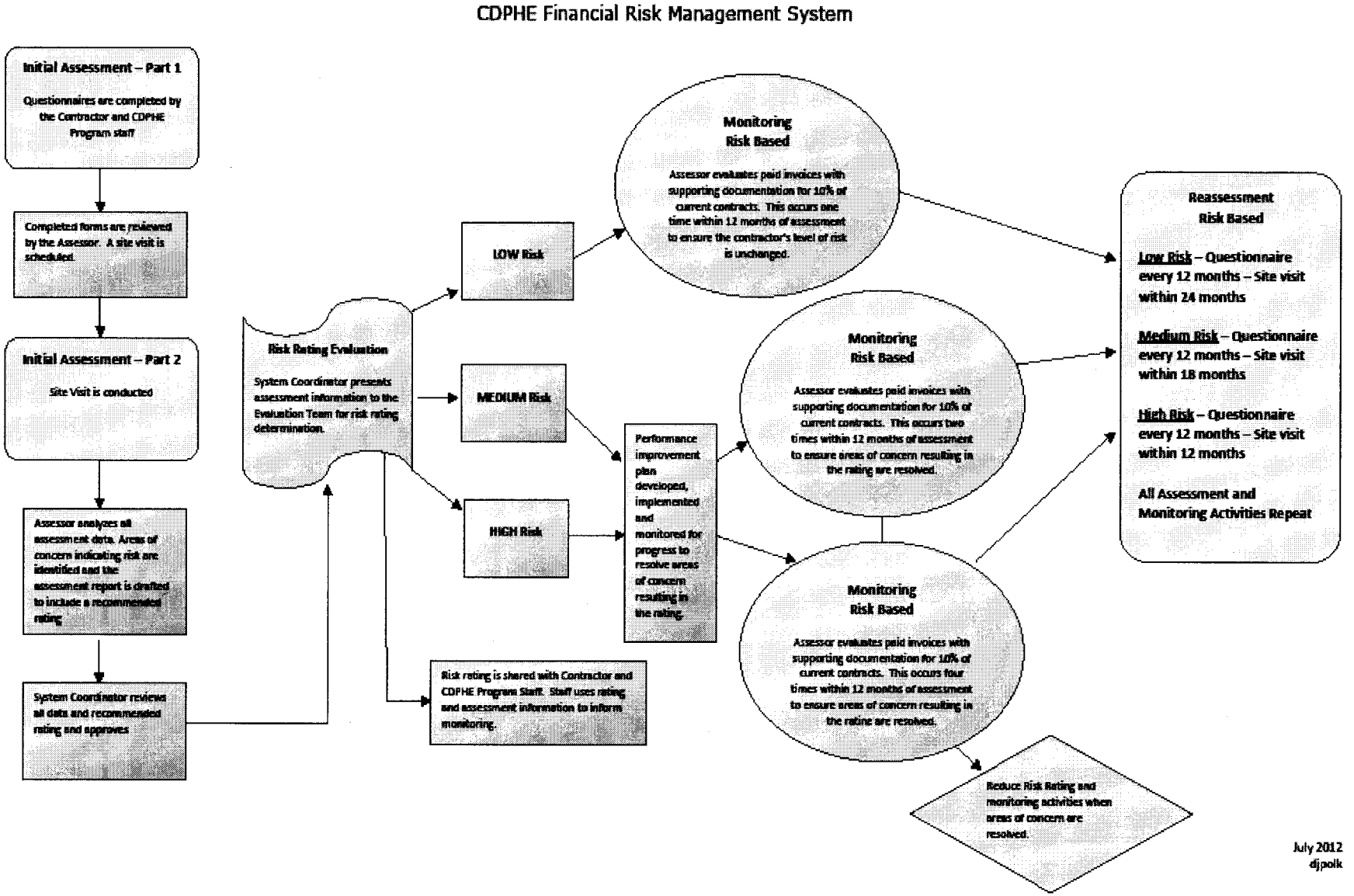
Appendix A: FRM process flowchart



Appendix B: FRM FTE and Hours Summary

	2012-13			2013-14			2014-15		
	# of entities	Hours needed	FTE needed	# of entities	Hours needed	FTE needed	# of entities	hours needed	FTE needed
FRMS coordinator									
team lead, Training, technical support and coordination		**2,064**	0.99		2,080	1.00		2,080	1.00
FRMS Assessor									
Local Public health Agencies Initial assessment	43	2,746	1.31	0	0	0.00	0	0	0.00
Non-profit organizations initial assessment	13	830	0.39	45	2,975	1.40	18	1,341	0.64
On-going Monitoring	8	645	0.30	68	2,721	1.30	112	4,393	2.10
Administrative		32	0.01		192	0.04		156	0.08
FRMS Assessor subtotal		**4,253**	**2.01**		**5,888**	**2.74**		**5,890**	**2.82**
Director, Contract Performance Monitoring Unit (35% time dedicated to FRM)									
Administrative oversight, supervision and technical support		920	0.44		912	0.44		852	0.41
FRM Total		**7,237**	**3.44**		**8,880**	**4.18**		**8,822**	**4.23**

Appendix C: Tasks and FTE Detail

FRM Coordinator		July 1, 2012 - June 30, 2013 initial assessments of 43 Local Public Health Agencies and 13 Corporations, on-going monitoring for 4 Local public health agencies				July 1, 2013 - June 30, 2014 initial assessments of 45 corporations, on-going monitoring for 54 Local Public health agencies and 13 corporations.				July 1, 2014 - June 30, 2015 initial assessments of 18 Corporations and on-going monitoring for 54 Local Public Health agencies and 68 corporations			
Categories of Tasks	**Description of Tasks**	**Hours per Task**	**Units per Year**	**TOTAL Annual Hours**	**FTE**	**Hours per Task**	**Units per Year**	**TOTAL Annual Hours**	**FTE**	**Hours per Task**	**Units per Year**	**TOTAL Annual Hours**	**FTE**
Administrative	Work leader for Assessors	54	12	648	0.31	54	12	648	**0.31**	54	12	648	**0.31**
	Continuous Quality Improvement Activities - review processes, identify issues, solutions, implementation & evaluation	10	12	120	0.06	10	12	120	**0.06**	10	12	120	**0.06**
	Develop, update and maintain all system documents and templates (emails, forms, reported)	4	12	48	0.02	3	12	36	**0.02**	3	12	36	**0.02**
	Update and maintain FRMS internal tracking logs	4	12	48	0.02	3	12	36	**0.02**	3	12	36	**0.02**
	Maintain electronic & hard copy filing system	2	12	24	0.01	2	12	24	**0.01**	2	12	24	**0.01**
Communication	Update and maintain FRMS web page	4	12	48	0.02	3	12	36	**0.02**	3	12	36	**0.02**
	Communicates FRMS activity to internal staff weekly through blast email & maintains email distribution list	4	12	48	0.02	2	12	24	**0.01**	2	12	24	**0.01**
	Participates in the CDPHE Contract Monitoring Work Group, Colorado Contract Improvement Team and the Contract Management System Users Groups to share information concerning the system and ensure FRMS is current with monitoring practices	4	12	48	0.02	2	12	24	**0.01**	2	12	24	**0.01**
System Oversight	Develop and maintain policies and procedures to ensure standard work	3	12	36	0.02	3	12	36	**0.02**	3	12	36	**0.02**
	Review and approve processes used by Assessor to conduct assessment to ensure fidelity to the system	10	12	120	0.06	12	12	144	**0.07**	12	12	144	**0.07**
	Review and approve Assessor's analysis of assessment data and recommended rating	10	12	120	0.06	10	12	120	**0.06**	10	12	120	**0.06**
	Review and approve Assessor's analysis of paid invoice with source documentation (Monitoring) effective Nov 1, 2012	6	12	72	0.03	6	12	72	**0.03**	6	12	72	**0.03**
	Request and analyze paid invoices with all source documentation (Monitoring) through Oct 31, 2012	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
	Attend Assessor site visits to ensure fidelity to system	10	4	40	0.02	10	4	40	**0.02**	10	4	40	**0.02**
	Schedule, coordinate and prepare assessment data for evaluation team	3	12	36	0.02	3	12	36	**0.02**	3	12	36	**0.02**
	Present assessment data and facilitate evaluation team monthly meeting	3	12	36	0.02	3	12	36	**0.02**	3	12	36	**0.02**
Technical Assistance/Training	Provide technical assistance to Assessors to analyze assessment and monitoring data (4 hours per week per assessor)	4	72	288	0.14	8	52	416	**0.20**	8	52	416	**0.20**
	Provide technical assistance to Contractors re: best practices	6	12	72	0.03	6	12	72	**0.03**	6	12	72	**0.03**
	Provide fiscal monitoring training to CDPHE fiscal staff	2	8	16	0.01	2	8	16	**0.01**	2	8	16	**0.01**
	Assist Assessors in the development and implementation of performance improvement plans	6	12	72	0.03	6	12	72	**0.03**	6	12	72	**0.03**
	Provide technical assistance to CDPHE fiscal staff re: fiscal monitoring practices	6	12	72	0.03	6	12	72	**0.03**	6	12	72	**0.03**
System Expansion	Develop assessment process for Nonprofits Corporations	12	4	48	0.02	0	0	0	0.00	0	0	0	0.00
	Schedule and coordinate Nonprofit Corporation pilot	4	1	4	0.00	0	0	0	0.00	0	0	0	0.00
	TOTAL			2064	**0.99**			2080	**1.00**			2080	**1.00**

Appendix C: Tasks and FTE Detail Cont.

FRMS Assessor		July 1, 2012 - June 30, 2013 initial assessments of 43 Local Public Health Agencies and 13 Corporations, on-going monitoring for 4 Local public health agencies				July 1, 2013 - June 30, 2014 initial assessments of 45 corporations, on-going monitoring for 64 Local Public health agencies and 13 corporations.				July 1, 2014 - June 30, 2015 initial assessments of 18 Corporations and on-going monitoring for 64 Local Public Health agencies and 68 corporations			
Categories of Tasks	**Description of Tasks**	**Hours per Task**	**Units per Year**	**TOTAL Annual Hours**	**FTE**	**Hours per Task**	**Units per Year**	**TOTAL Annual Hours**	**FTE**	**Hours per Task**	**Units per Year**	**TOTAL Annual Hours**	**FTE**
Initial Assessment	Set up and run Contract Management System Report to identify CDPHE programs contracting	1	56	56	0.01	1	45	45	**0.02**	1	18	18	**0.01**
	Prepare, distribute, collect, analyze and follow up questionnaires to contractors and CDPHE programs average 4 CDPHE programs per contractor	1.50	224	336	0.08	1.50	225	338	**0.16**	3.00	90	270	**0.13**
	Calculate preliminary risk	2	56	112	0.01	2	45	90	**0.04**	2	18	36	**0.02**
	Prepare documentation request and send to contractor	1.50	56	84	0.02	1.50	45	68	**0.03**	1.50	18	27	**0.01**
	Review contract(s) to be sampled prior to site visit	2	56	112	0.03	2	45	90	**0.04**	2	18	36	**0.02**
	Schedule site visit with contractor - 3 communications	2	56	112	0.03	2	45	90	**0.04**	2	18	36	**0.02**
	Prepare documents for site visit assessment	2	56	112	0.03	2	45	90	**0.04**	2	18	36	**0.02**
	Travel (average time per site visit)	4	56	196	0.05	4	45	158	**0.08**	4	18	63	**0.03**
	Analyze site visit data	20	56	1120	0.30	20	45	900	**0.43**	21	18	378	**0.18**
	Formulate potential risk and justification for area(s) of concern	3	56	168	0.04	3	45	135	**0.06**	3	18	54	**0.03**
	Assessment report development & distribution	20	56	1120	0.27	20	45	900	**0.43**	20	18	360	**0.17**
	Performance Improvement Plan development & implementation	3	16	48	0.01	3	24	72	**0.03**	3	9	27	**0.01**
Initial assessment subtotal				3576	**1.70**		45	2975	**1.40**		18	1341	0.6
Monitoring	Determine contract invoice(s) to be sampled	0.75	56	42	**0.02**	0.75	137	103	**0.05**	0.75	137	103	**0.05**
	Request invoice(s) with supporting documentation from contractor	0.25	56	14	**0.01**	0.25	137	34	**0.02**	0.25	137	34	**0.02**
	Review Contract prior to invoice sample review	1.00	56	56	**0.03**	1	56	56	**0.03**	1	119	119	**0.06**
	Review invoice with supporting documentation	4	56	224	**0.11**	4	100	400	**0.19**	4	200	800	**0.38**
	Notify contractor of results of monitoring	0.25	56	14	**0.01**	0.25	137	34	**0.02**	0.25	200	50	**0.02**
	Oversight of progress made on Performance Improvement Plan	4	16	64	**0.03**	4	35	140	**0.07**	4	56	224	**0.11**
Reassessment	Set up and run Contract Management System Report to identify CDPHE programs contracting with local agency or nonprofit	1	4	4	**0.00**	1	34	34	**0.02**	1	56	56	**0.03**
	Prepare, distribute, collect, analyze and review reassessment questionnaires to contractors and CDPHE programs	3	4	12	**0.01**	3	34	102	**0.05**	3	56	18	**0.01**
	Calculate preliminary risk	2	4	8	**0.00**	2	34	68	**0.03**	2	56	112	**0.06**
	Prepare documentation request	1	4	4	**0.00**	1	34	34	**0.02**	1	56	20	**0.01**
	Review contract(s) to be sampled prior to site visit	2	4	8	**0.00**	2	34	68	**0.03**	2	56	112	**0.06**
	Schedule reassessment site visit with contractor - 3 communications	2	4	8	**0.00**	2	34	68	**0.03**	2	56	112	**0.06**
	Prepare documents for site visit assessment	2	4	8	**0.00**	2	34	68	**0.03**	2	56	112	**0.06**
	Travel (average time per site visit)	4	4	16	**0.01**	4	34	119	**0.06**	4	56	224	**0.11**
	Analyze site visit data	21	4	84	**0.04**	21	34	714	**0.34**	21	56	1176	**0.57**
	Formulate potential risk and justification for area(s) of concern	3	4	12	**0.01**	3	34	102	**0.05**	3	56	168	**0.08**
	Assessment report development and distribution	16	4	64	**0.03**	16	34	544	**0.26**	16	56	896	**0.43**
	Performance Improvement Plan development & implementation	3	1	3	**0.00**	3	11	33	**0.02**	3	19	57	**0.03**
Monitoring and reassessment subtotal			8	645	**0.30**		68	2721	**1.30**		112	4393	**2.10**
Administrative	Continuous Quality Improvement Activities - review processes, identify issues, solutions, implementation & evaluation	3	24	60	0.01	6	12	72	**0.03**	4	12	48	**0.02**
	Assist FRM Coordinator in the development of assessment process for Nonprofit Corporations	6	8	48	0.01	0	0	0	0.00	0	0	0	0.00
Technical Assistance	Provide technical assistance to Contractors and CDPHE staff	1	84	84	0.02	1	84	84	**0.04**	1	150	150	**0.07**
	Assessor admin subtotal		116	192	0.04		96	156	0.1				
	TOTAL			4413	**2.10**			5768	**2.80**			5782	**2.80**

Appendix C: Tasks and FTE Detail Cont.

Director, Contract Performance Monitoring Unit (35% FRMS)		July 1, 2012 - June 30, 2013 initial assessments of 43 Local Public Health Agencies and 13 Corporations, on-going monitoring for 4 Local public health agencies				July 1, 2013 - June 30, 2014 initial assessments of 45 corporations, on-going monitoring for 54 Local Public health agencies and 13 corporations.				July 1, 2014 - June 30, 2015 initial assessments of 18 Corporations and on-going monitoring for 54 Local Public Health agencies and 68 corporations			
Categories of Tasks	Description of Tasks	Hours per Task	Units per Year	TOTAL Annual Hours	FTE	Hours per Task	Units per Year	TOTAL Annual Hours	FTE	Hours per Task	Units per Year	TOTAL Annual Hours	FTE
Administrative	Organize, direct and manage implementation of FRMS	40	12	480	0.23	40	12	480	0.23	40	12	480	0.23
	Supervisor for 3 staff	8	12	96	0.05	8	12	96	0.05	8	12	96	0.05
	Direct and manage system improvement activities using LEAN methodologies	18	12	216	0.10	20	12	240	0.12	20	12	240	0.12
	Plan and direct expansion of the system to include Nonprofit Corporations	14	4	56	0.03	10	6	60	0.03	0	0	0	0.00
Technical Assistance/Training	Train FRM Coordinator to system operations	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
	Provide ongoing technical assistance to FRM Coordinator	6	12	72	0.03	3	12	36	0.02	3	12	36	0.02
	Director TOTAL			920	**0.44**			912	**0.44**			852	**0.41**

Calculation Assumptions:

Personal Services -- Based on the current salary of the two employees that are in these positions. .

Operating Expenses -- 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.

Standard Capital Purchases -- There will be no capital purchases associated with this request.

General Fund FTE -- New full-time General Fund positions are reflected in FY 2012-13 as 0.9166 FTE to account for the pay-date shift.

Expenditure Detail		FY 2013-14		FY 2014-15	
Personal Services:		FTE	$	FTE	
	Monthly Salary				
FRM Coordinator	$ 5,250	1.0	63,000	1.0	63,000
PERA			6,395		6,395
AED			2,268		2,520
SAED			2,048		2,363
Medicare			914		914
STD			112		112
Health-Life-Dental			4,857		4,857
Subtotal FRM Coordinator 1.0 FTE		1.0	**$ 79,594**	1.0	**$ 80,161**
	Monthly Salary				
FRM Assessor	$ 4,559	1.0	54,708	1.0	54,708
PERA			5,553		5,553
AED			1,969		2,188
SAED			1,778		2,052
Medicare			793		793
STD			97		97
Health-Life-Dental			-		-
Subtotal FRM Assessor 1.0 FTE		1.0	**$ 64,898**	1.0	**$ 65,391**
Subtotal Personal Services		2.0	**$ 144,492**	2.0	**$ 145,552**

Operating Expenses					
Regular FTE Operating	500	2.0	1,000	2.0	1,000
Telephone Expenses	450	2.0	900	2.0	900
airfare for 2 trips to the south	500	2.0	1,000	2.0	1,000
Car rental for 2 trips times 5 days per trip	70	10	700	10	700
Gas 2 trips averaging 200 miles per trip (8 gallons per trip)	3.8	16	61	16	61
Per Diem for 2 trips of five days and 10 trips for 2 days	50	30	1,500	30	1,500
lodging for 2 trips of 4 nights and 10 trips for 2 nights	100	28	2,800	28	2,800
milage reembersement for 20 day trips at 100 miles and 10 2	0.5	4,000	2,000	4,000	2,000
Subtotal Operating Expenses			**$ 9,961**		**$ 9,961**
TOTAL REQUEST		**$ -**	**$ -**	**$ -**	**$ -**
General Fund:		-	*$* -	-	-
Cash funds:		-	*$* -	-	-
Reappropriated Funds:		*2.0*	*$154,453*	*2.0*	*$155,513*
Federal Funds:		*(2.0)*	*$ (154,453)*	*(2.0)*	*(155,513)*