

June 28, 2018 Webinar

Proposition 56 - Invoicing Guidance for Budget Year 2017/2018

## Q&As

Q: Will you please share the (progress report) template from March again?

A: Progress report templates will be sent along with this document to participants.

Q: Does this mean that the funding time period of availability for these SFY 17/18 Prop 56 funds runs from 07-01-2018 through 12-31-2019?

A: Yes

Q: If we have something budgeted in FY 18/19 that is not in FY 17/18 budget, how will we invoice for it if we have to expend all of FY 17/18 funds first?

A: Following feedback from this webinar, Local Health Jurisdictions (LHJs) may invoice for both FY17/18 and 18/19 concurrently. Invoices need to clearly identify which budget the request is for and must have the appropriate budget included.

Q: If we expend Year 1 in one category, but still have funds in another category, are we not allowed to begin spending Year 2 in the expended Year 1 category? Example: Salaries and Benefits are not expended but we used all our Operating Expenses. Do we need to deplete all S&B's before we can move forward with Year 2 Operating Expense purchases?

A: As stated above and after hearing the concerns, Oral Health (OH) will allow invoicing for both SFY 17/18 and 18/19 budgets concurrently.

Q: We are to spend year one until funds are exhausted. Is the deadline to spend year one funds extended? If so, until when?

A: Grantees and contractors can continue to spend SFY 17/18 budget through December 31, 2019.

Q: Regarding spending down FY17/18 funds; as of 7/1/18, I am funded to be the OH coordinator, but I was not on the 1718 budget (but other staff was). How will that work when we are spending down funds and reporting which FY they belong to?

A: Please provide additional information via [dentaldirector@cdph.ca.gov](mailto:dentaldirector@cdph.ca.gov) and we will address your particular situation.

Q: For the October open period, would it also be OK to ask for adjustments to the FY 18-19 budget (I do understand that FY 17-18 is your priority)?

A: Yes, we will also accept proposed changes to FY 18/19 budget at this time.

Q: Will the invoice cycle follow other state grants? Net 45 after end of quarter? Also, is there an invoice template/format?

A: Yes, and templates were provided previously. A copy is included.

Q: You stated that we would invoice for FY 2017-2018 until all funds have been expended before we would start invoicing using the FY 2018-2019 budget. What if we expend all the S&B funds in Year one but still have funds in other costs? Do we submit two invoices? one for other costs in FY 2017-2018 and one for S&B in FY 2018-2019?

A: Yes, you will submit two invoices.

Q: What if we have already received a budget revision approval for FY 17/18?

A: Additional changes will be considered if appropriate justification is provided.

Q: If we have items we want to purchase that require budget revisions for 17/18, do we have to wait to purchase those items until we do budget revisions in October or can we get permission to purchase those items sooner?

A: Likely you will not have to wait until the revision period. For special circumstances, please submit the specific request to the [dentaldirector@cdph.ca.gov](mailto:dentaldirector@cdph.ca.gov) email for consideration.

Q: Will we be able to do a line item shift for spending? I.E. move moneys from operating to personnel?

A: Yes.

Q: Angela approved staff salaries that are not included in the Year 1 budget, can it continue beyond July 1?

A: Please send the specific example to [dentaldirector@cdph.ca.gov](mailto:dentaldirector@cdph.ca.gov) email for consideration.

Q: What are the allowable items?

A: Items that are not allowable are direct services, otherwise we will consider any other request.

Q: Can I hire staff after July 2 and pay with unspent salaries from 17-18?

A: Yes. During the open period submit a revised budget with the changes shown. All changes must be in strike-out and bold underline and require state/OH approval.

Q: Would it be simpler if we took our unexpended funds and submit a new budget plan on how we're going to spend those funds?

A: No, it is preferable to submit the 17/18 budget with the changes shown.

Q: What if our County Opted out of 17/18 and are beginning our OHP plan for 18/19, will we have the option to use 17/18 funds or do we go ahead and start with our 18/19 funds?

A: If year 1 (SFY17/18) is included in your budget, you will be able to spend those funds until December 31, 2019.

Q: Clarification: 17/18 - we can spend until 12/2018?

A: SFY 2017/2018 (Year 1 for LOHP) can spend until December 31, 2019.

Q: Currently reimbursements are requested on a quarterly basis. So, if we have still funds left for 17/18, how should we request the reimbursement? Q1 supplemental, and so forth? Those left over funds reimbursement requests should be submitted on quarterly basis?

A: Yes, please identify as Year 1 supplemental.

Q: Year 1 invoices are accepted through 12/2019?

A: Yes, spending can continue and be invoiced through December 31, 2019.

Q: Local Health Departments (LHD) were told to spend prior to the agreements being executed and now are being told they cannot receive reimbursement for items prior to the contract execution date. Are there any remedies for ensuring LHDs receive reimbursement? Also will the same issue arise if we spend before approved budget revisions?

A: Correct, we were instructed that the start date of the grants is once both parties has signed the CDPH 1229. No, budget revisions will not affect the term or start date.

Q: Will these Q and s be posted for us?

A: Yes.

Q: Could you please confirm the correct spelling of your name and email address? Thank you!

A: Kimberly Steele, Admin Unit Chief, [Kimberly.steele@cdph.ca.gov](mailto:Kimberly.steele@cdph.ca.gov).

Q: It would be helpful to clarify that oral screenings are NOT considered "direct services".

A: Correct, oral screenings are not considered direct services.

Q: I think you said that there are no limitations on line item shifts. Can this be done multiple times or just during the October revision period?

A: Due to workload, we will allow changes once a year and this is subject to change.

Q: Can you describe "services" that are not allowed - in regards to Prop 56 funds?

A: Direct services such as applying varnish or other dental services are not allowed.

Q: I would like clarification on this too: It would be helpful to clarify that oral screenings are NOT considered "direct services".

A: Screenings are not considered direct services and are allowable.

Q: Our County will not allow us to pay/add staff unless they are specifically shown in an approved budget. Will we be able to get an email approval of personnel changes between now and October, if needed?

A: Please provide changes requested and a justification for requesting outside of the set period.

Q: I am sorry if this question was asked already. At this time, unexpended the fund is not "roll over" to the 18-19 year, but rather the FY 1 is continued until we expensed it all? Please then provide guidance how we can pay staff salary on year 2? The staff joined us on Year one but at different times. So there are some \$ left over but not enough to cover all the staff S&B.

A: Please send the specific example to [dentaldirector@cdph.ca.gov](mailto:dentaldirector@cdph.ca.gov) email for consideration. We will contact you directly.

Q: For the FY 17/18 budget revision, will the budget term dates change to 6/30/18-12/31/19, if so the FY 17/18 budget terms extends from 6 months to 12 months budget?

A: No. The 17/18 funds were encumbered (obligated) and will continue to spend down based on one-time authority to utilize State Administrative Manual (SAM) section 8340.

Q: Just to clarify, we can use funds between line items now and submit the budget adjustment reflecting these changes in Oct?

A: Yes. Budget changes for FY 17/18 may include shifting funds between line items or requesting more substantial changes. All changes must be in strike-out and bold underline and require state/OH approval.

Q: When will FY 18/19 budget revisions be accepted?

A: We will accept all revisions in October, but 17/18 will be our priority.

Q: So, based on some info shared since I asked my question about me being the OH coordinator as of 7/1/18: Can we simply move some funds from another line into personnel and then I can be added to help expend the funds? I think the question is really whether or not a staff person/position has to be already named in the budget to be a part of FY1718, or if we can do a budget adjustment and add the coordinator position during that October budget adjustment time. I'm asking from the state's perspective, not what our County needs.

A: Yes, you can revise the 17/18 budget to reflect actual or anticipated expenditures.

Q: Can you please clarify Document D in terms of reference to "Encumber" funds by June 30, 2018. I understand we have until 12/31/2019 to invoice, but what if we are able to commit (encumber) the funds until after June 30?

A: Encumber is an internal process CDPH uses to obligate funds for future use.

Contractors/Grantees can continue to spend down their 17/18 budget and invoice by December 31, 2019.

Q: If we have to expend all FY 17/18 funds and we can use this funds past October, will we be able to do another revision after October? It will be hard to expend and zero our all line items exactly.

A: We will provide an opportunity to revise at least annually and possibly more if necessary for close out.

Q: In reference to the previous question, what if the contract is not executed until AFTER June 30<sup>th</sup>

A: Please send the specific example to [dentaldirector@cdph.ca.gov](mailto:dentaldirector@cdph.ca.gov) email for response.

Q: I think you explained this before, but I still need some clarification. We have a specified budget for 17/18 for Personnel, Operating, Equipment, Subcontractors, etc. If we have funds left for subcontractors only, can we reclassify those funds and use them for other type of expense? Let's say Personnel?

A: Yes, with justification to explain why the change was needed.

Q: Our organization has a contract with CDPH for Prop 56 funds as opposed to a grant. Are we able to make revisions to our contract or does that only apply to grants?

A: Contracts would require an amendment to shift funds unless there is a provision included that allows for it.

Q: If we have a subcontractor whose contract is ending on 6/30/18 can we extend and add money and scope?

A: Yes, if you have available funds.

Q: If the State has not made this agreement for future years, aren't we just kicking the can down the road. We will now have funds left over from FY 18/19 and so on. Do you foresee any more permanent solution?

A: Prop 56 recently received continuous appropriation approval. Beginning with 18/19 LHJs will carry their Prop 56 budget allocation forward from one fiscal year to the next. Guidance is currently being developed and will be shared once approved.

Q: Clarification. Staff come and go. Will it as easy as an emailing to request a person to be added and/or removed within the lines. But use the October budget adjustment period to request movement between the budget lines?

A: You do not need to revise the budget unless you are using a different classification than what was listed in the budget. Please send the specific example to [dentaldirector@cdph.ca.gov](mailto:dentaldirector@cdph.ca.gov) email for consideration.

Q: My understanding from this call is that the definition of year 1 is now a potential 18 month term from whenever our contract was fully executed (in our case January 2018) through 12/31/19.

Please confirm, as a prior question asked about a 6 or 12 month term, and by my calculation, the year 1 period becomes 18 months for at least some counties.

A: Contractors/Grantees can continue to spend down their 17/18 budget and invoice by December 31, 2019. This will not affect the term or start date.

Q: So, we can't use any of our 18-19 funds if we have 17-18 funds left?

A: After hearing the concerns we will allow concurrent spending of budget year 17/18 and 18/19.

Q: Do you know the status of the Prop 56 Trailer Bill Rollover?

A: Guidance is being developed and will be sent out soon.

Q: Can the roll over funds be used for COLA?

A: Budgets can and should provide for planned salary increases.

Q: Is there a plan for project officers to be assigned to counties, for monitoring and technical assistance?

A: Yes, once we have the capacity we'll make assignments and share that information.

Q: Do you know when official guidance will be released? LHDs will need to have this confirmed in writing before moving forward.

A: The letter dated June 6, 2018 is the official guidance.

Q: Will you release a FAQ doc?

A: Yes.