

What's The Issue?

Significant year-to-year expense fluctuations, driven by changes in directly reimbursable and indirectly funded expenses, complicate the budgeting process. This complexity challenges program managers to effectively manage actual expenses. Maximizing reimbursable expenses up to an award limit and minimizing indirectly funded expenses is ideal. Managers need to be conscious of grant deliverable rules and limits for reimbursable programs, and minimize expenditures that are funded indirectly (Levy Funded)

Why It's Important

- 72% of reimbursable expenses are personnel related and rely on accurate assignment of staff to work activity and accurate time accountability
- Excess expensed indirectly funded (Levy Funded) can result in deficit spending, which threatens the sustainability of the Health Department.
- Failure to fully utilize reimbursable expenses can result in reduced funding for future grant cycles and a decrease in overall funding.
- Reimbursable funding can increase financial resources to provide more services to improve community health..

What We Did

- Developed a logic model to identify inputs and outputs to ascertain where and how we would mine the relevant data and perform a series of run charts.
- Identified projects which were funded by reimbursable expenses (performance grants, contracts).
- Isolated the major portion of expenses controllable by the program managers for these projects (primarily wages and fringe benefits).
- Monitored the time and effort applied towards these projects through a series of run charts that were reimbursable funds.
- Measured time and effort applied against the budget (plan).

Lessons Learned

- Timeliness is critical. Accumulating time and effort metrics as soon as possible to ensure alignment with the plan is key.
- Informing management of staff allocation to grants at the start of the fiscal year assists in ensuring accountability for assignment and tracking.
- Proactive measures are needed to accommodate vacancies or realignment of existing staff to meet grant deliverables.
- Grant "awards" can change during the application process, which involves last-minute changes in the plan(budget)
- New awards take longer than planned to install staff, train for the program deliverables, and obtain approvals or changes from the State/Federal contract personnel. All barriers to fully utilizing the awarded funding.

Results

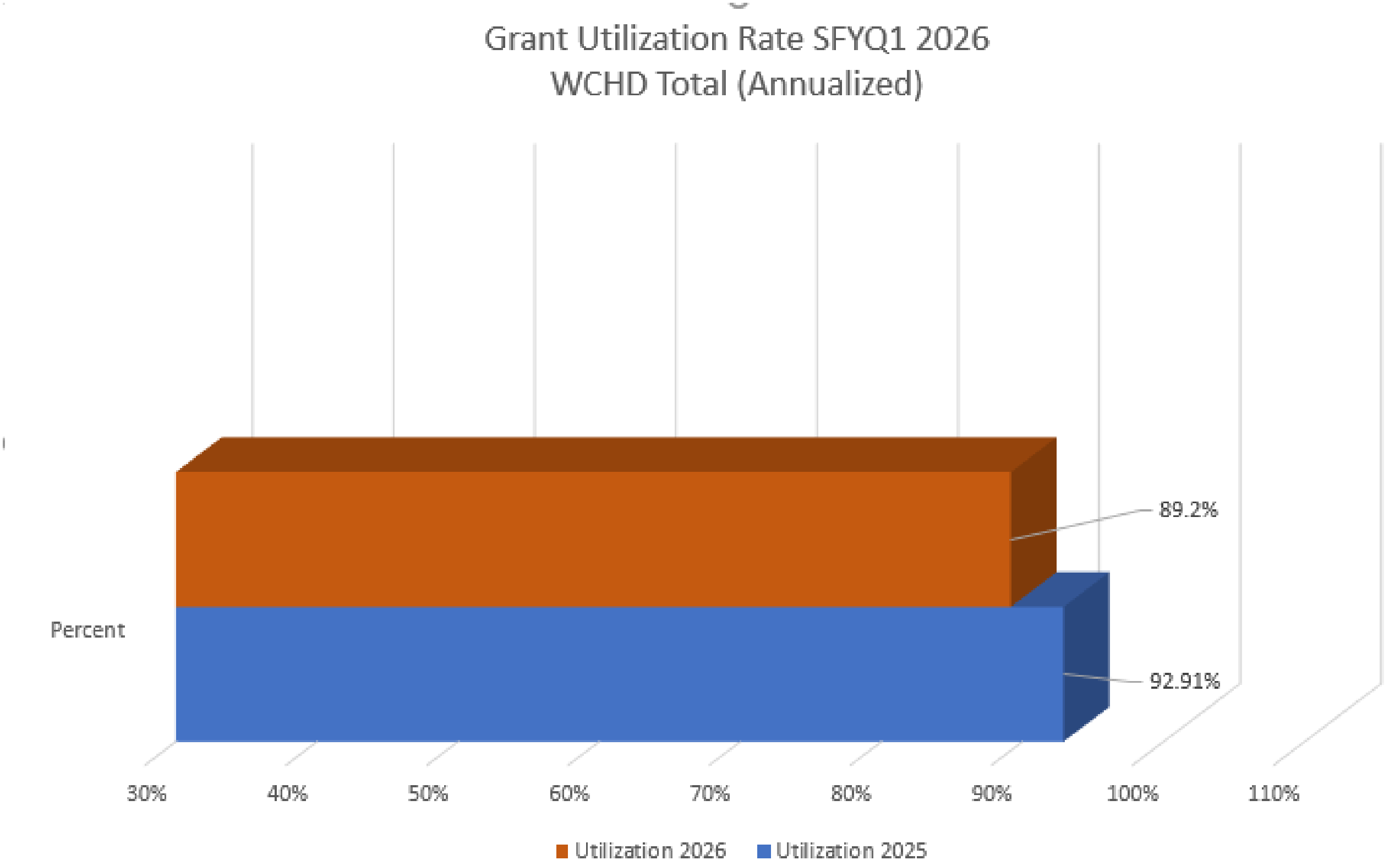
- Bi-monthly and monthly Zoom sessions among center supervisory staff and finance promoted meaningful dialogue to identify and address opportunities to better utilize awarded grant funds.
- Managers have increased awareness of staff time & effort evidenced by responding with alternatives when shown underperforming areas.
- Staffing is strategically aligned with program budgets.
- Alternate spending plans are proposed, amended, and executed before the contract expiration date.

Next Steps

- Development of post meeting minutes to address areas of concern and specific action items such as increasing or reducing staff, updating travel plans, purchasing supply items or proposal of line item transfers or grant amendment

Team Members

James Keeler, Julia Blum, Laura Mora



Caption: Wages & Fringes for SFY2025 and Q1 SFY2026 as a percentage of budget (Utilization)