

Scott Walker  
Governor



DIVISION OF PUBLIC HEALTH

1 WEST WILSON STREET  
P O BOX 2659  
MADISON WI 53701-2659

Kitty Rhoades  
Secretary

**State of Wisconsin**  
Department of Health Services

Telephone: 608-266-1251  
Fax: 608-267-2832  
TTY: 711 or 800-947-3529

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TO: Local and Tribal Health Departments and Contracting Agencies

FROM: Chuck Warzecha, Deputy Administrator  
Division of Public Health

RE: 2017 Consolidated Contracting Process

The time has come to begin arrangements for the 2017 Consolidated Contract. Please take a moment to review the [2017 Contracting Timeline](#). The timeline has changed slightly from years past due to the elimination of CARS prepayments (see the “Prepayment Elimination” section below for more details); however, the changes are positive as there is now more time available for completing negotiations and returning signed contracts.

The ensuing sections of this memo provide an overview of changes to the 2017 funding allocations and guidance related to the elimination of CARS prepayments, refusal of funds, objective negotiations, contract monitoring and expense reporting. The [2017 Consolidated Contract Overview](#) provides detailed information on a program-by-program basis. Additional information related to the contract process will be posted to the [2017 Consolidated Contract](#) webpage as they become available.

We are also working to schedule a few online “workshops” to help answer questions related to the consolidated contract objective negotiation process. These workshops will likely be hosted via Skype and will be informal in nature to give you an opportunity to ask questions and get help with the contracting process. More information regarding these workshops will be available in the near future.

### **Allocation Changes**

Please review the [2017 Consolidated Contract Overview](#) spreadsheet to see the 2017 Estimated Allocation amounts (Column G). Additionally, Column H shows the percent change in funding from 2016 to 2017. This percentage can be used to estimate how your final allocations may change for 2017.

Most program areas are expecting to maintain funding levels that are very comparable to last year; however, the SNAP-ED program is expecting a slight increase in funding while the CYSHCN program is expecting a slight decrease.

Also, 2017 is the beginning of a new grant cycle for the Women's Health-Family Planning/Reproductive Health (WH-FP/RH) program. Application information for 2017 services will be released in the near future. A primary focus of the 2017 application process will be on quality and sustainability with the delivery of services and provision of care, and strengthening the statewide system of community-based services in 2017 and beyond. Prior to the release of these materials, the WH-FP/RH Program will make available reference materials to assist with local program assessment and development of service improvement plans. Please contact Michael Vaughn ([Michael.Vaughn@Wisconsin.gov](mailto:Michael.Vaughn@Wisconsin.gov)) for any specific questions.

### **Prepayment Elimination**

As you may recall, DHS previously issued notification regarding the elimination of CARS prepayments. Since that time, prepayments have been phased out based on the end date of each Profile ID. The 2017 Consolidated Contract will be the first consolidated contract in which prepayments will not be issued for any of the Profile IDs. This change will not have any impact on the total amount of your contract, but it does underscore the importance of submitting timely expense reimbursement reports (see the "Reporting of Expenditures" section below for a refresher on submitting expense reports). As a benefit, the elimination of prepayments has allowed us to revise the [Contracting Timeline](#) and extend the amount of time available for completing negotiations and returning contract signature pages.

### **Refusal of Funds**

If you have determined at this time that you intend to refuse program funds, *please inform the DPH Program Manager by August 31, 2016, of your intent to refuse funds* (a list of Program Managers is available in Column S of the [2017 Consolidated Contract Overview](#)). Once funding levels are approved through the department's CARS Unit, the funding amounts will be entered into the Grants and Contracts (GAC) System.

### **Memorandum of Understanding (MOU) Transfer Language**

If an LHD would like to transfer funds to another LHD, a formal request (email is fine) should be submitted to the Program Manager by August 31, 2016. Once that request has been received, a contract will be established with the combined funding according to the normal procedure. A sample Memorandum of Understanding will be provided.

If an LHD chooses this option to transfer funds to another LHD, both sending and receiving LHDs *must* sign the MOU. The receiving LHD *must* then attach it to the contract when the contract is returned to the state for final signature by the appropriate official. If multiple LHDs are transferring funds to one LHD, then there must be an MOU attached to the contract for each LHD that is transferring funds.

Please ensure that signed copies of the MOU are attached to the returned contract.

### **Negotiation Process**

The negotiation process for the 2017 contracts will be the same as the previous year. To summarize, each program will have the choice of either using GAC to negotiate objectives or

continuing whatever negotiating practice was used in prior years. Each program will provide the Bureau of Operations with their program objectives, quality criteria, boundary statements, and/or scope of work attachment. This information will then be posted to the [2017 Consolidated Contract](#) website.

For programs that use GAC to negotiate their objectives, agencies may begin entering them after the program allocations have been loaded. For the tribes, this should be on or around August 29, 2016, while local health departments will be able to enter objectives on or around September 26, 2016. When entering text, please ensure that detailed information is entered whenever a template box indicates that input is “required.” Remember to highlight the name of the local contract administrator on the “General Contract Information” page of GAC for each program so that the correct person receives notice when negotiation notes are entered. Click the email button on the “Contract Programs” page when all objectives for a program are entered. For example, when *all* MCH objectives have been entered, you should then select the email button and negotiations can begin.

The GAC Manual has been updated and is available [HERE](#) to assist you with the GAC negotiation process. If you do not have GAC access, or need a different user role, follow Steps 1 and 2 under the Accessing GAC section of the [Consolidated Contract homepage](#).

For those programs that have *non-negotiated* objectives, the related funding amounts will be entered into GAC; those program items will be locked and the contracts will be prepared for posting to the DPH Contracting web site.

### **Reporting of Expenditures**

Please continue to report your expenditures on the [CARS Expense Report](#) form. Send the completed form by email to [DHS600RCars@dhs.wisconsin.gov](mailto:DHS600RCars@dhs.wisconsin.gov). The form only requires that you report monthly expenses in a lump sum for each Profile ID; however, you will need to have this lump sum broken down by the different categories (personnel, contracts, etc.) for program purposes if requested. General information on CARS reporting may be found at <https://www.dhs.wisconsin.gov/cars/index.htm>.

### **Contract Monitoring Process**

Mid-year and end-of-year reviews will be handled in the same manner for CY2017 as in CY2016. The mid-year review provides an opportunity for problem solving with local agencies to assure contracted objectives will be met by year end. The year-end review closes out this process and sets the stage for subsequent funding in the upcoming year.

For those programs that are continuing to require mid-year or end-of-year monitoring, the responsibilities will be assumed by the program staff for their respective programs/grants. See the grid tab of the [2017 Consolidated Contract Overview](#) to determine the correct mid-year and end-of-year reporting mechanism for participating programs.