

**Oklahoma State Department of Health
Board of Health Finance Committee Brief
May 2015**

**OKLAHOMA STATE DEPARTMENT OF HEALTH
SFY 2015 BUDGET AND EXPENDITURE FORECAST: AS OF 4/24/2015**

SUMMARY

<u>Division</u>	<u>Current Budget</u>	<u>Expenditures</u>	<u>Encumbrances</u>	<u>Forecasted Expenditures</u>	<u>Surplus/(Deficit)</u>	<u>Performance Rate</u>
Public Health Infrastructure	\$24,678,550	\$12,637,042	\$3,950,486	\$6,249,532	\$1,841,490	92.54%
Protective Health Services	\$59,231,255	\$41,465,888	\$5,116,564	\$12,515,850	\$132,953	99.78%
Prevention & Preparedness Services	\$61,495,216	\$32,399,546	\$19,815,841	\$7,678,849	\$1,600,979	97.40%
Information Technology	\$7,292,390	\$2,620,655	\$4,520,261	\$0	\$151,474	97.92%
Health Improvement Services	\$21,257,654	\$11,605,431	\$3,194,294	\$4,451,321	\$2,006,607	90.56%
Community & Family Health Services	\$249,655,772	\$151,710,607	\$20,949,112	\$73,215,904	\$3,780,149	98.49%
Totals:	\$423,610,837	\$252,439,170	\$57,546,559	\$104,111,456	\$9,513,652	97.75%

< 90%	90% - 95%	95% - 102.5%	102.5% - 105%	>105%
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Expenditure Forecast Assumptions

- Payroll forecasted through June 30, 2015
- Encumbrances shown as actual as of the report date
- Expenditure forecasts limited to realistic amounts expected to spend out during the current budget period
- Surplus/(Deficit) is projected as of June 30, 2015

Explanation of Change

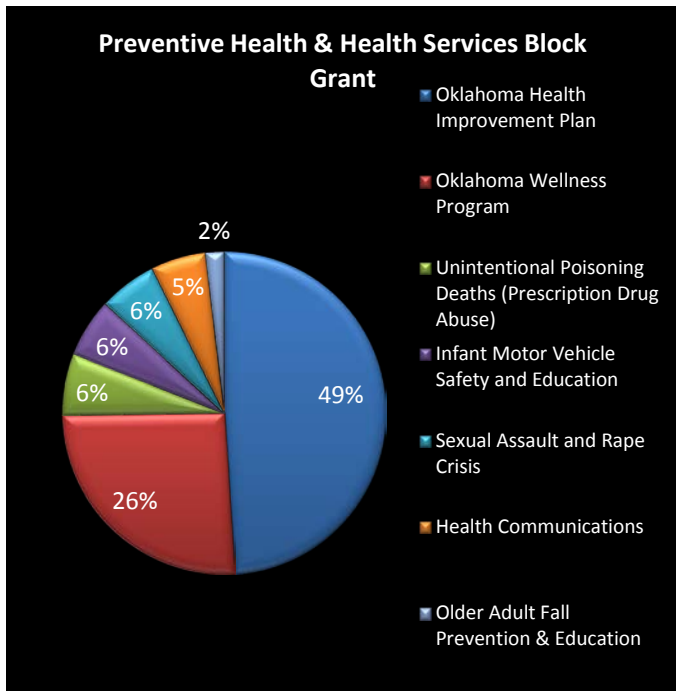
- The prior month's report showed all divisions in a "green light" status.
- This month, Public Health Infrastructure and Health Improvement Services are in a "yellow light" status.
- All other divisions are in a "green light" status.
- The change in status for Public Health Infrastructure and Health Improvement Services is due to the adjustment of forecasted expenditures.
- This report is a tool used for the iterative budget management process. As the end of year approaches, anticipated expenditures become more definitive. So, changes such as those seen this month are typical towards the end of the year.
- Overall the Department is forecasted to spend 97.75% of its budget, which is a reduction of .31% from the previous month.
- Projected unexpended balances are federal or revolving and will be budgeted in SFY '16 to complete the federal grant period or support projects implemented next fiscal year.
- All expenditures will be monitored closely and adjustments in spending will be made as needed to ensure optimal budget performance for the Department.

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PREVENTIVE BLOCK GRANT: LEVERAGING FINANCIAL RESOURCES FOR HEALTH OUTCOME IMPROVEMENT

Most of the funding received by the Oklahoma State Department of Health (OSDH) is restricted in nature. This means allowable uses of the funds are limited, which can result in operational silos. With this financial structure, finding resources for agency-wide planning and strategic initiatives with limited funding can be difficult. To address this need, the OSDH utilizes the Centers for Disease Control’s Preventive Health and Health Services Block Grant (PBG). As a block grant, the PBG is generally less restrictive, with the major provision governing the use of funds being limited to Healthy People 2020 goals and a specific set aside for sexual assault and rape prevention. Currently, the OSDH primarily utilizes the PBG to fund agency-wide (and Public Health system-wide) planning initiatives to coordinate and leverage its diverse funding sources towards infrastructure and strategic goals.

During SFY ’15 the OSDH used the PBG for seven activities that span planning and programmatic initiatives. About half of the funds have been used to support the development of OHIP, strategic planning and agency-wide quality improvement initiatives in Partnerships for Health Promotion, Office of Performance Management. PBG has been important source of revenue to support performance management infrastructure after the loss of federal National Public Health Improvement Initiative cooperative agreement.



Now that agency OHIP planning is complete, the OSDH has developed a new competitive process for awarding PBG funds. Public health programs are encouraged to submit proposals for consideration for the upcoming award. The proposals are scored using criteria that has been established and weighted toward OHIP and agency strategic priorities.

OSDH has received 21 requests for the upcoming funding cycle. The PBG congressionally mandated advisory committee that will score the proposals and make notifications of funding prior to July 01, 2015.

The PBG also mandates funding for activities related to the prevention of Sexual Assault and Rape Crisis interventions. Funds support contracts to provide education and training for youth 10-18 years of age. OSDH leverages these funds with the Rape Prevention and Education Grant for a more robust statewide program.

Annually, the PBG is recommended for elimination on the President’s budget but has continued to be funded by Congress and received a recent restoration of funds. The restored amount is expected to be reduced in 2015.

PBG Historical Award Amounts

- FY 2013: \$682,133
- FY 2014: \$1,444,677
- FY 2015: \$1,420,453 (Anticipated)

<i>FY15 Awarded Activities</i>	<i>Amount</i>
Oklahoma Health Improvement Plan	\$707,497
Oklahoma Wellness	\$372,587
Unintentional Poisoning Deaths (Prescription Drug Abuse)	\$89,654
Infant Motor Vehicle Safety and Education	\$84,810
Sexual Assault and Rape Crisis (Required for PBG Recipients)	\$83,877
Health Communications	\$79,565
Older Adult Fall Prevention and Education	\$26,687
Total	\$1,444,677