



SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

Regular Meeting Agenda

Thursday, 4 May 2017, 1:30pm-4:00pm

1188 E 2nd Ave., Durango CO

- I. Introductions
- II. Consent Agenda
 - a. 6 April 2017 SWCCOG Meeting Minutes
 - b. March 2017 Financials
- III. Reports (Staff will be available for questions on the written reports)
 - a. Director's Report
 - b. Broadband Report
 - c. Legislation Report
 - d. Transportation Report
 - e. VISTA Report
- IV. Discussion Items
 - a. Retreat Review
 - b. 501c(4) Formation
- V. Decision Items
 - a. Executive Committee Meeting Minutes from March 21, 2017
 - b. RHA Contract
 - c. Rural Healthcare Grant
- VI. Other Items
- VII. Community Updates

Consent Agenda

**Southwest Colorado Council of Governments
April Board Meeting
Thursday, 6 April 2017, 3:15pm
1101 E. 2nd Ave., La Plata County Administration Bldg., Durango, CO 81301**

In Attendance:

John Egan – Town of Pagosa Springs
Dick White – City of Durango
Michael Whiting – Archuleta County
Gwen Lachelt – La Plata County
William Tookey – San Juan County
Larry Gallegos – Town of Silverton
Chis La May – Town of Bayfield
Fred Brooks – Town of Mancos
Karen Sheek – City of Cortez
Joe Kerby – La Plata County
Lana Hancock – Town of Dolores
Mark Garcia – Town of Ignacio
Greg Schulte – Town of Pagosa Springs

Staff in Attendance:

Miriam Gillow-Wiles – Southwest Colorado Council of Governments
Jessica Laitsch – Southwest Colorado Council of Governments
Dennis Wegienek – Southwest Colorado Council of Governments
Sara Trujillo – Southwest Colorado Council of Governments

Guests in Attendance:

Laura Lewis – Region 9
Ken Charles – Department of Local Affairs
Karen Thompson – Board Retreat Facilitator

I. Introductions

The meeting was called to order at 3:09pm. Introductions had already been done in the morning when the annual retreat began.

II. Consent Agenda

John requested a motion to approve the consent agenda with an amendment to move the Broadband Next Steps meeting minutes from decision items to the consent agenda.

Michael Whiting motioned to accept the consent agenda as amended, William Tookey seconded, unanimously approved.

III. Reports

Director's Report

Miriam reported that the All Hazards is a Homeland Security block grant to the State, which is then a competitive grant process for funding in the various regions. The state has told the All Hazards group that there may not be any funding for the regions this grant cycle. While the majority of the funding has been going to the Front Range, the SW is the least connected in terms of communications. The AH group have asked the SWCCOG to work with the Federal and State delegations to ensure the receipt of appropriate funding. In addition, Miriam reported that the auditors will be at the COG next week for the annual audit.

Broadband Report

Miriam said there are several upcoming sessions regarding broadband funding, one specifically with the NTIA on broadband infrastructure funding.

Legislation Report

This report was read only; there were no questions.

Transportation Report

Jessica reported that the TPR held a meeting earlier in the morning. A large topic of discussion entailed a sales tax increase for transportation funding. Greg said the TPR board passed a motion directing staff to compose a letter to state legislators and committee members of the senate Transportation Committee supporting HB 1242 with a couple nuances including 1) to consider broadband improvements as multimodal since it can help get people off the road, and 2) consideration for how the legislation is written in regards to FASTER funds. FASTER funds currently in place would dissolve although there are specific projects that FASTER funds are slated for. If legislation is passed dissolving these funds, the projects could also dissolve. The TPR is recommending that FASTER funding should taper off over time. 3) Transit is looking to have funding for operations and maintenance versus just capital improvement in an effort to maintain what we have versus expanding routes. Greg said the TPR is generally supportive but with these suggestions to consider.

VISTA Report

Dennis reported that since spring break is over, he is receiving more communication from teachers to help develop the curriculum for the recycling education project.

IV. Discussion Items

None

V. Decision Items

a. Executive Committee Meeting Minutes

There were no questions or comments regarding the Executive Committee meeting minutes.

Chris La May motioned to approve the 16 February 2017 Executive Committee meeting minutes, Gwen Lachelt seconded, unanimously approved.

b. Resolution 2017-01 Enterprise Zone

Dick White motioned to accept Resolution 2017-01, William Tookey seconded, unanimously approved.

VI. Executive Session

Miriam said a board update for the in-process RHA contract is necessary and will put this item under an executive session on the agenda unless the board thinks this is not necessary to be held in executive session. The board agreed to not enter into executive session. Miriam reported that the RHA-COG contract for services has gone through the RHA board and will be presented to the COG board in May for approval. However, Miriam said she has some concerns: 1) the contract has not been reviewed by legal because the RHA and COG share the same legal counsel, but it will be reviewed prior to the May contract presentation, 2) the RHA wants to pay the annual \$10,000 to the COG on a bi-annual basis; Miriam would prefer one payment be complete at the beginning of each fiscal year, and 3) there is a termination clause stating that the RHA can terminate the contract at any time, which does not give the COG funding stability or established expectations. Dick asked what the RHA's fiscal year is currently.

Miriam said a calendar year. Dick asked what the term of the contract will be. Miriam said 4 years and will confirm that the contract end date of June 30, 2021 is stated in the contract. Chris said with the RHA maintaining its own board and control over the organization there need not be much concern regarding these aspects of the contract. As a member of the RHA board, Chris said the COG would get the agreed upon compensation whether the payment is annual or biannual. Miriam said the RHA would be paying for legal and audit costs outside of the \$10,000 management fee. If the legal cost does not involve the COG the RHA will use David Liberman, same as the COG. If legal involves the COG, the RHA will seek out a different attorney. Dick said the RHA is constituted as a La Plata County entity and asked if there has been conversation about the RHA evolving into a more regional organization. Chris said the La Plata Homes Fund (LPHF) is growing into a regional organization. Greg confirmed the LPHF has begun classes in Archuleta County. Miriam added they are also working in Montezuma County.

John asked for a motion to adjourn.

Mark Garcia motioned to adjourn the April regular COG board meeting, Gwen Lachelt seconded, unanimously approved.

End 3:35 pm

March 2017 Financials

To: SWCCOG Board of Directors
From: Sara Trujillo
Date: 4 May 2017

Comments: The following attachments include:

- March 2017 Balance Sheet
- January – March 2017 Profit & Loss Budget vs. Actual

Items to Note:

Balance Sheet: \$50,770 of the outstanding Accounts Receivable pertains to DoLA payments that typically take a few months to receive.

Profit and Loss Budget vs. Actual: As a follow-up to the February financials, 2017 dues have been received from all members allowing dues accounts to agree with the approved budget. In addition, I was able to complete the Fiber Fund move to its own fund. The board voted to make the Fiber Fund dues collectable for 2 years; therefore, Fiber Fund dues will not be seen on annual dues invoices moving forward.

Fiscal Impact: High, Budget changes throughout the year

Staff Recommendation: Approve the March 2017 Financials allowing staff to move forward with the 2017 budget.

Legal Review: Not Applicable

Southwest Colorado Council of Governments

Balance Sheet

As of March 31, 2017

	Mar 31, 17
ASSETS	
Current Assets	
Checking/Savings	
Alpine Bank	
Alpine Bank Account (UR)	98,219.12
Total Alpine Bank	98,219.12
Petty Cash	
AmeriCorps VISTA	348.58
Jessica Laitsch	306.13
Petty Cash - Other	29.07
Total Petty Cash	683.78
Total Checking/Savings	98,902.90
Accounts Receivable	
Accounts Receivable	58,911.26
Total Accounts Receivable	58,911.26
Total Current Assets	157,814.16
TOTAL ASSETS	157,814.16
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Credit Cards	
Credit Cards	
Sara	80.40
Total Credit Cards	80.40
Total Credit Cards	80.40
Total Current Liabilities	80.40
Total Liabilities	80.40
Equity	
Retained Earnings	85,788.99
Net Income	71,944.77
Total Equity	157,733.76
TOTAL LIABILITIES & EQUITY	157,814.16

Southwest Colorado Council of Governments
Profit & Loss Budget vs. Actual
 January through March 2017

	Jan - Mar 17	Budget	% of Budget
Ordinary Income/Expense			
Income			
All Hazards			
2015 SHSP	29,370.83	75,000.00	39.2%
2016 SHSP	65,309.16	134,283.00	48.6%
2017 SHSP	0.00	100,000.00	0.0%
Total All Hazards	94,679.99	309,283.00	30.6%
Broadband Infrastructure Grant	0.00	1,100,000.00	0.0%
CDOT Grants			
SWTPR Grant	2,576.64	22,100.00	11.7%
Transit Coord Grant	0.00	24,239.00	0.0%
Transit LCC Grant	0.00	0.00	0.0%
Total CDOT Grants	2,576.64	46,339.00	5.6%
DoLA Grants			
DoLA 8010	6,200.00		
DoLA 8011	6,406.85	100,000.00	6.4%
DoLA 8330	0.00	50,000.00	0.0%
DoLA 9038	34,151.35	25,000.00	136.6%
Total DoLA Grants	46,758.20	175,000.00	26.7%
Dues Revenue			
Admin Position	12,200.00	12,200.00	100.0%
COG Dues	114,000.00	114,000.00	100.0%
SWTPR Contributions	7,607.00	7,679.00	99.1%
Total Dues Revenue	133,807.00	133,879.00	99.9%
EPA Grant - 2017	0.00	50,000.00	0.0%
Grant Match			
COG Member Match	15,000.00	10,000.00	150.0%
Total Grant Match	15,000.00	10,000.00	150.0%
Misc. Income	2,500.00		
RREO Grant			
RREO 2016-2017	-176.81	17,459.00	-1.0%
Total RREO Grant	-176.81	17,459.00	-1.0%

Southwest Colorado Council of Governments
Profit & Loss Budget vs. Actual
 January through March 2017

	Jan - Mar 17	Budget	% of Budget
SCAN Services			
Dark Fiber Leasing	9,969.00	36,276.00	27.5%
e-TICS	0.00	8,400.00	0.0%
Fiber Equipment Repair Fund	0.00		
Internet & Transport	0.00	10,000.00	0.0%
Total SCAN Services	9,969.00	54,676.00	18.2%
Total Income	305,114.02	1,896,636.00	16.1%
Gross Profit	305,114.02	1,896,636.00	16.1%
Expense			
Advertising and Promotion	78.72	600.00	13.1%
All Hazards Projects			
All Hazards 2015 SHSP			
Grant 2015 Project 1	691.82		
Grant 2015 Project 3	26,867.88		
All Hazards 2015 SHSP - Other	0.00	75,000.00	0.0%
Total All Hazards 2015 SHSP	27,559.70	75,000.00	36.7%
All Hazards 2016 SHSP			
Grant 2016 Project 2	19,942.50		
Grant 2016 Project 3	4,639.62		
Grant 2016 Project 4	23,661.83		
Grant 2016 Project 5	2,828.28		
Grant 2016 Project 6	23,879.11		
All Hazards 2016 SHSP - Other	0.00	127,569.00	0.0%
Total All Hazards 2016 SHSP	74,951.34	127,569.00	58.8%
All Hazards 2017 SHSP	0.00	92,320.00	0.0%
Total All Hazards Projects	102,511.04	294,889.00	34.8%
AmeriCorp VISTA	0.00	8,000.00	0.0%
Bank Service Charge	0.00	225.00	0.0%
Broadband Expenses			
SCAN Dark Fiber Lease	0.00	9,069.00	0.0%
Total Broadband Expenses	0.00	9,069.00	0.0%
Consulting	51,965.63	1,248,035.00	4.2%
Employee/Board Appreciation	24.92	200.00	12.5%
Information Technology (IT)			
Internal IT Consulting	50.00		
Software	15.00	2,300.00	0.7%
Total Information Technology (IT)	65.00	2,300.00	2.8%

Southwest Colorado Council of Governments
Profit & Loss Budget vs. Actual
 January through March 2017

	Jan - Mar 17	Budget	% of Budget
Insurance Expense			
General Liability	2,203.75	2,274.00	96.9%
Health	6,553.50	35,649.00	18.4%
HSA	0.00	6,000.00	0.0%
Worker's Compensation	1,668.00	1,808.00	92.3%
Total Insurance Expense	10,425.25	45,731.00	22.8%
Internet Connectivity			
Fast Track	2,700.00	10,000.00	27.0%
Internet Connection (AT&T)	97.13		
Total Internet Connectivity	2,797.13	10,000.00	28.0%
Meetings	125.43	7,000.00	1.8%
Memberships	5,673.00	3,200.00	177.3%
Office Equipment	14.02	4,050.00	0.3%
Office Supplies	175.34	1,500.00	11.7%
Postage and Delivery	47.55	100.00	47.6%
Professional Development	0.00	4,000.00	0.0%
Professional Fees			
Accounting Software	0.00	14,000.00	0.0%
Audit	500.00	15,000.00	3.3%
Legal	619.20	3,000.00	20.6%
Misc.	331.41	1,000.00	33.1%
Total Professional Fees	1,450.61	33,000.00	4.4%
Rent	0.00	81.00	0.0%
Salary and Wages			
457 Retirement	1,671.49	8,161.00	20.5%
Car Allowance	900.00	3,600.00	25.0%
Cell Phone Allowance	1,040.00	3,120.00	33.3%
Housing Allowance	0.00	3,250.00	0.0%
Payroll Processing Fee	523.57	1,600.00	32.7%
Payroll Tax	3,100.19	13,955.00	22.2%
Salary and Wages - Other	32,861.70	163,219.00	20.1%
Total Salary and Wages	40,096.95	196,905.00	20.4%
Software Maintenance e-TICS	15,162.00	8,400.00	180.5%
Team Building	0.00	800.00	0.0%
Travel	2,589.08	16,620.00	15.6%
Total Expense	233,201.67	1,894,705.00	12.3%
Net Ordinary Income	71,912.35	1,931.00	3,724.1%

Southwest Colorado Council of Governments
Profit & Loss Budget vs. Actual
January through March 2017

	<u>Jan - Mar 17</u>	<u>Budget</u>	<u>% of Budget</u>
Other Income/Expense			
Other Income			
Interest Earned	0.00		
Total Other Income	0.00		
Net Other Income	0.00	0.00	0.0%
Net Income	<u>71,912.35</u>	<u>1,931.00</u>	<u>3,724.1%</u>

Reports

Director's Report

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 6 April 2017

Comments: I have spent A LOT of time traveling in April. It was good and educational, but exhausting. In order I attended a panel for the Western Lands and Communities Scenario Planning at the Lincoln Institute in Phoenix, testimony on HB17-1242 (transportation funding legislation), Next Century Cities - Digital Southwest in Phoenix, and additional testimony/work on HB17-1242. Additionally, I visited the following members: Dolores County, Town of Dolores, Town of Ignacio, and Archuleta County. Just writing this makes me tired again.

Legislation

Much of what I have been working on is related to legislative or broadband. This year, the state legislature has been crazy busy. There are 100s of bills left to work through the process, with 8 days (as of this writing) left to go. The Legislature has been mostly deadlocked on party lines with each party having control over one Chamber. We have supported and opposed a variety of bills this year, with HB17-1242 requiring the most work. This legislation would allow the state to go to a vote to increase sales tax for transportation funding. The revenue from the sales tax would allow the state to issue bonds and roughly double the incoming the tax revenue. This legislation earmarked money for multimodal transportation (bike, pedestrian, and transit) and increased the HUTF allocation for both counties and municipalities. This legislation had bipartisan support, until it hit the Senate Finance Committee, where it died on party line votes. We should expect ballot language from citizen initiatives around transportation funding.

Durango Herald Article on HB17-1242: <https://durangoherald.com/articles/153546-transportation-bill-dies-as-colorado-democrats-gop-disagree-on-tax-increase>

San Juan Basin Public Health

The SWCCOG is working on federal funding for middle mile broadband development. As a result we are working on creating a coalition outside of the COG members and the ISPs. I have met with the SJBPH Board and Executive Director regarding their needs for connectivity and how the organizations can work together. SJBPH will have a special meeting in May to make decisions regarding their role in the grant.

Additional Travel/Conferences

I have been working with CDOT Headquarters for match for the previously mentioned federal grant. The initial conversation last week went quite well, and we are meeting again next week for more discussions and hopefully the next steps for decision on May 11.

Director's Report

Mountain Connect is May 22-24th in Keystone, this conference is focused on broadband and typically is great at making connections with others in the State working on broadband.

Additionally the annual NARC (National Association of Regional Councils) is June 4-7th in Monterey CA. We have been asked to help set some of the agenda, especially what would be beneficial to other rural COGs.

Broadband Report

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 4 May 2017

Comments: This month has been VERY heavy on Broadband in a number of forms. We are working on:

- Federal funding for middle mile development (see info in packet)
 - o All the details regarding multimillion dollar federal grants
- Match for above grant
- Creating a collation for federal grant
- Working with CDOT on fiber build from top of Wolf Creek to w. side chain up station
- Helping the small communities engage with the ISPs to bring more providers to the different jurisdictions
- Local Technology Planning Team
- Broadband legislation (see Legislation Report)
- Enterprise Zone Development
- Broadband Non-Profit (see info in packet)
- And more!

Digital Southwest

I attended the Next Century Cities – Digital Southwest in Phoenix in April. This conference was great, meeting additional people who are working on similar broadband development, Tribal entities who have created broadband networks, people at the NTIA (National Telecommunications Information Administration) who can help with our broadband development, and generally sharing best practices and knowledge with other small/rural organizations regarding broadband development.

CDOT Fiber On Wolf Creek

CDOT has installed conduit and fiber from South Fork to the top of Wolf Creek Pass along US160. They are applying for a federal grant to help with the safety of the west side of the pass, this will install fiber from the top to the chain up station on the west side; roughly 10.5 miles. This close to half the distance between Pagosa and Wolf Creek. The SWCCOG would work on funding (from Federal grant) between Pagosa to the chain up station, roughly 11.5 miles. As this comes together, this will vital to the connectivity and redundancy for the SWCCOG region and CDOT. This grant is due mid June, and we will find out if CDOT HQ has selected this project to move forward on Friday May 5th.

Community Broadband Development

After the Board Retreat in April, I was asked by some of the smaller jurisdictions needed some help with engaging the ISPs in their communities. We have started

Broadband Report

with Dolores and Ignacio to help them engage with the ISPs, and come up with solutions that benefit the Town, the residents/businesses, and the ISPs. This may be a fiber to the premise (FTTP) or a wireless solution or a mix of both, as each community is unique and will need different solutions to different problems.

Local Technology Planning Team (LPTP)

The LPTP is a consortium of ISPs, governments, IT professionals, and others interested in broadband development. The SWCCOG begun to manage the meetings as it is very important to our broadband planning and development effort. Our next LPTP meeting will be June 1, at 10am (prior to the SWCCOG Meeting).

Enterprise Zone Designation

As discussed previously, the SWCCOG in partnership with Region 9 is creating an enterprise zone (EZ) to help with the development of broadband. This EZ will allow land owners and private companies to donate easements/rights-of-way/labor/equipment to the EZ for a state tax credit. The application was approved by the Region 9 Board on April 27th. Laura has been phenomenal in helping me through the process. The SWCCOG has finished up the application this week and it should be approved at the State level by the end of June.

Legislative Update

To: SWCCOG Board of Directors
From: Jessica Laitsch
Date: 27 April 2017

Comments: Attached is a summary of bills that have been introduced in the Colorado General Assembly and the US Congress.

SWCCOG 2017 Legislative Summary - State

Bill No	Short Title	Subject	Summary	Sponsors	Recent Action	Action Date	Position	Staff Comments
HB 17-1031	Hearings On Transportation Commission Districts	Transportation	Requirement that the transportation legislation review committee conduct hearings throughout the state	Carver, Bush, Todd, Cooke	Scheduled Legislative Council	28-Apr-2017	Monitor	RE: study required by HB 16-1031, CCI supports
HB 17-1237	State Employee Group Benefit Plans For Local Government	Government Administration	Concerning the state personnel director's authority to allow a local government to provide health benefits to its employees through the state employee group benefit plans	Hamner, Coram, Crowder	House floor work	28-Apr-2017	Monitor	
SB 17-027	Increase Penalty Texting While Driving	Transportation	Increase in the penalty for text messaging while operating a motor vehicle	Court, Melton	Passed House	24-Apr-2017	Monitor	
SB 17-040	Public Access to Gov't Files	Government	Concerning public access to files maintained by governmental bodies	Kefalas, Pabon	Referred amended to Appropriations	24-Apr-2017	Oppose	Sent letter of opposition, CCI and Club 20 oppose

SWCCOG 2017 Legislative Summary - State

SB 17-267	Sustainability Of Rural Colorado	Government	Concerning the sustainability of rural Colorado.	Guzman, Sonnenberg, Becker, Becker	Scheduled Senate Appropriations	27-Apr-2017	Monitor	Positions statements pending
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SWCCOG 2017 Legislative Summary - Federal

Bill No	Short Title	Summary	Sponsors	Recent Action	Action Date	Position	Staff Comments
HR 622	Terminate law enforcement functions of FS and BLM	To terminate the law enforcement functions of the Forest Service and the Bureau of Land Management and to provide block grants to States for the enforcement of Federal law on Federal land under the jurisdiction of these agencies	Chaffetz, Stewart, Love, LaMalfa, Amodei, McClintock, Gosar	Referred to Subcommittees, Referred to the Committee on Natural Resources and the Committee on Agriculture	13-Feb-2017	Oppose	Sent letter of opposition
HR 861	Eliminate the EPA	To terminate the Environmental Protection Agency	Massie, Palazzo, Loudermilk	Referred to the Committee on Energy and Commerce, and in addition to the Committees on Agriculture, Transportation and Infrastructure, and Science, Space, and Technology	3-Feb-2017	Monitor	
HR 1265	Rebuilding America's Airport Infrastructure	Make modifications to the passenger facility charge program administered by the Federal Aviation Administration	DeFazio, Massie	Referred to the House Committee on Transportation and Infrastructure	1-Mar-2017	Support	Sent letter of support

SWCCOG 2017 Legislative Summary - Federal

HR 1664	Investing in America: A Penny for Progress Act	To amend the Internal Revenue Code of 1986 to index the gas and diesel tax and rebuild our roads, bridges, and transit systems.	DeFazio, Barletta, Capuano, DeSaulnier, Huffman, Johnson, Johnson, Larsen, Napolitano, Nadler, Nolan, Norton, Payne, Sires, Wilson, Cohen, Carson, Lowenthal	Referred to the Committee on Ways and Means, and in addition to the Committee on Transportation and Infrastructure	22-Mar-2017	Monitor	
HJ Res 46	Congressional disapproval of National Park Service rule relating to Non-Federal Oil and Gas Rights	Providing for congressional disapproval under chapter 8 of title 5, United States Code, of the final rule of the National Park Service relating to "General Provisions and Non-Federal Oil and Gas Rights".	Gosar, Biggs, Black, Radewagen, Newhouse, Gohmert, Cramer	Referred to the House Committee on Natural Resources	30-Jan-2017	Oppose	Sent letter of opposition

SWCCOG 2017 Legislative Summary - Federal

HR 825	Public Land Renewable Energy Development Act	To promote the development of renewable energy on public land	Gosar, Polis, Franks, Thompson, Amodei, Biggs, Cartwright, Comstock, Cook, Costa, DeFazio, DelBene, Grijalva, Huffman, Labrador, LaMalfa, Lowenthal, Perlmutter, Schrader, Schweikert, Sinema, Tipton, Pearce, Cardenas, Lujan, Hice	Referred to House Committee on Natural Resources, Referred to House Committee on Agriculture	24-Feb-2017	Support	Sent letter of support, Letter of support written on similar bill in 2015
S. 282	Public Land Renewable Energy Development Act	To promote the development of renewable energy on public land	Heller, Heinrich, Gardner, Tester, Risch, Daines, Bennet, Udall	Referred to the Committee on Energy and Natural Resources	24-Feb-2017	Support	Sent letter of support, Letter of support written on similar bill in 2015

Transportation Report

To: SWCCOG Board of Directors
From: Jessica Laitsch
Date: 27 April, 2017

Comments: Transportation:

The SWTPR met on Thursday, 6 April, 2017. The topics included:

- A decision was made to send a letter regarding HB 1242, expressing general support for increased transportation funding and highlighting some specific concerns relative to the bill.
- A presentation on the history of avalanche mitigation efforts in Colorado.
- Updates on the ADA ramps replacement plan, regional surface treatment plan, and the distribution policy for FTA 5311 funding.

The next SWTPR meeting will be held at 9:00 a.m. Thursday, 1 June, 2017 at the Carnegie Building, 1188 E 2nd Ave., Durango.

Transit:

Staff is working with the marketing consultant to assist local transit agencies in developing marketing strategies and materials. Marketing work is nearly completed for all participating agencies.

Staff is working with CDOT and other partner organizations on the Four Corners Coordinated Transit Plan funded through FTA section 5304 funds.

VISTA's Report

To: SWCCOG Board of Directors
From: VISTA
Date: 27 April 2017

Comments: **Recycling**

Our marketing consultant has completed the brochures, and I have sent them out to their respective communities for input and comment. Once I have received all input, we will make edits to the brochures and then publish them on swcorecycles.org. Between writing this report and our board meeting, I have met with two teachers in Cortez and we have ironed out some of the details for the education curriculum. Feel free to ask me more about this during the board meeting.

Discussion Items

Retreat Review

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 4 May 2017

Comments: Attached are the draft documents from the Board Retreat in April. The retreat went quite well. The day was focused on outcomes and creating tangible goals for staff and Board to work on. The overview gives a brief review of the discussion and has the charts from the clicker exercise. The Critical Success Factors are the goals the Board came up in small group settings. These have been edited slightly to make more sense, but Staff still needs to enter dates and responsibilities for some of the goals (some may never have completion, such as legislative action). Please review for the discussion.

Legal Review: N/A

Fiscal Impact: N/A

Staff Recommendation: N/A



SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

**Report of the
SWCCOG Board Retreat**

April 6, 2017

Prepared by:

Karen Thompson

970/259-7738



SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

SWCCOG Board Planning Retreat

April 6, 2016; 9:00am – 4:00pm

La Plata County Training Room, 1101 E 2nd Ave, Durango, CO 81301

- | | |
|---------|---|
| 9:00am | Welcome and Introductions – Miriam |
| 9:15am | State of the Organization – Miriam |
| 9:45am | Innovator Practice Questions – Karen |
| 10:00am | What would an IDEAL SWCCOG look like in 5 years? – Board members |
| 10:30am | Identifying the Critical Success Factors (CSFs) – Karen |
| 11:15am | Prioritize the CSF's |
| 12:00pm | Lunch |
| 12:30pm | Identify Goals under each prioritized CSF |
| 1:30pm | Working in small groups...identify the appropriate action steps required to reach to each Goal. |
| 2:30pm | Present Goals and action steps to the larger group...refine them with group input |
| 3:15pm | Board meeting – Miriam |
| 3:45pm | Evaluation of the day – Karen |
| 4:00pm | Adjourn |

SWCCOG Board Retreat Report

The Board of the Southwest Colorado Council of Governments (SWCCOG) met on April 6, 2017 for their annual Board retreat and planning session. The retreat was held in the training room, of the La Plata County building and was facilitated by Karen Thompson.

Those Board members participating in the planning session were: John Egan, Dick White, Michael Whiting, Gwen Lachelt, Willie Tookey, Larry Gallegos, Chris LaMay, Fred Brooks, Karen Sheek, Joe Kerby, Lana Hancock, Mark Garcia and Greg Schulte

With staff members: Mirima Gillow-Wiles, Jessica Laitsch, Dennis Wegienek and Sara Trujillo

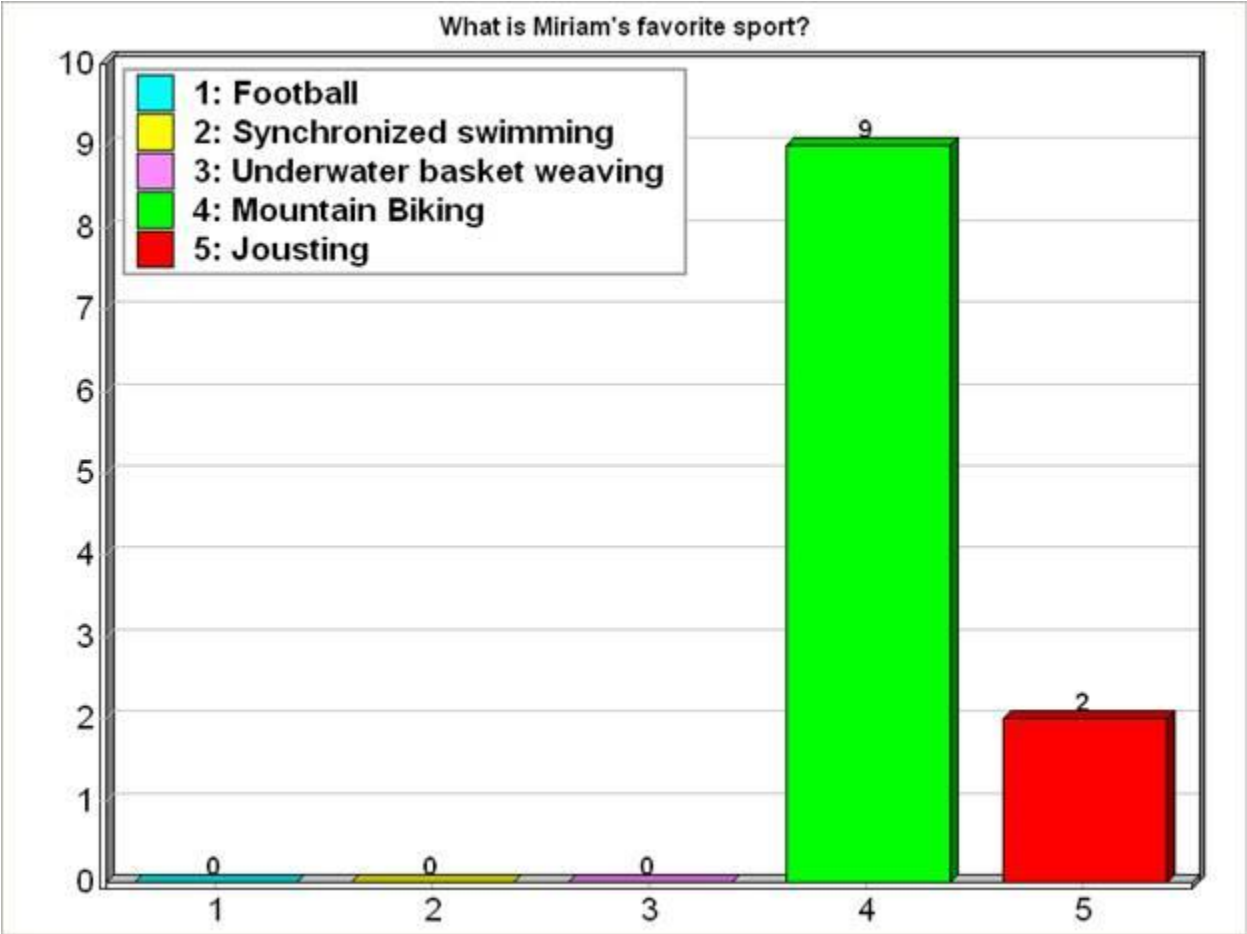
And guests: Karen Thompson, facilitator; Laura Lewis, Region 9 and Ken Charles, Department of Local Affairs.

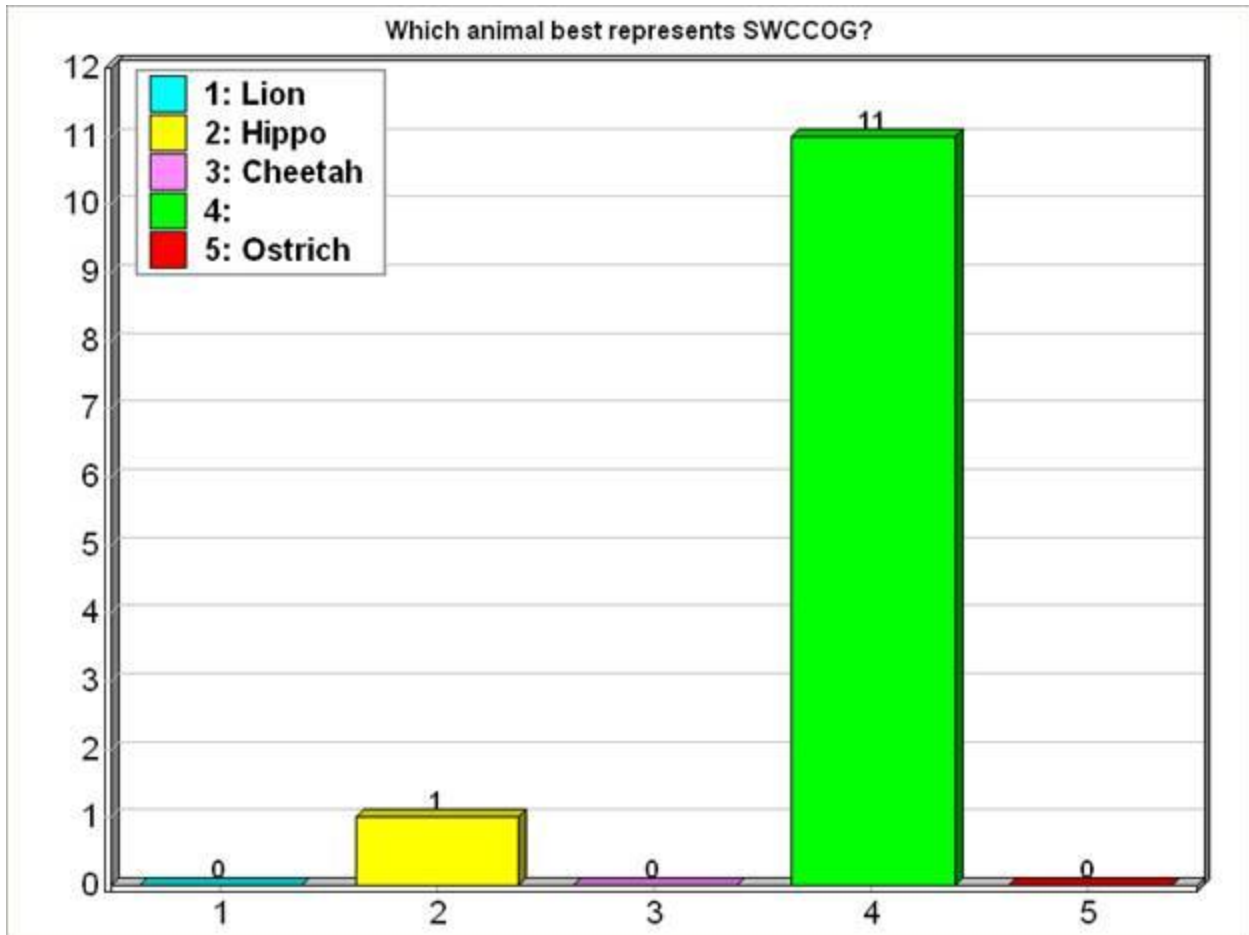
Prior to starting the planning portion of the retreat, Miriam Willow-Giles, the Executive Director provided an overview of COGs in general, Colorado COGs and the SWCCOG as well as the role of COGS in different parts of the state and country.

The following report provides the outcomes of the planning activities of the day and the resulting goals and action plans for the coming year.

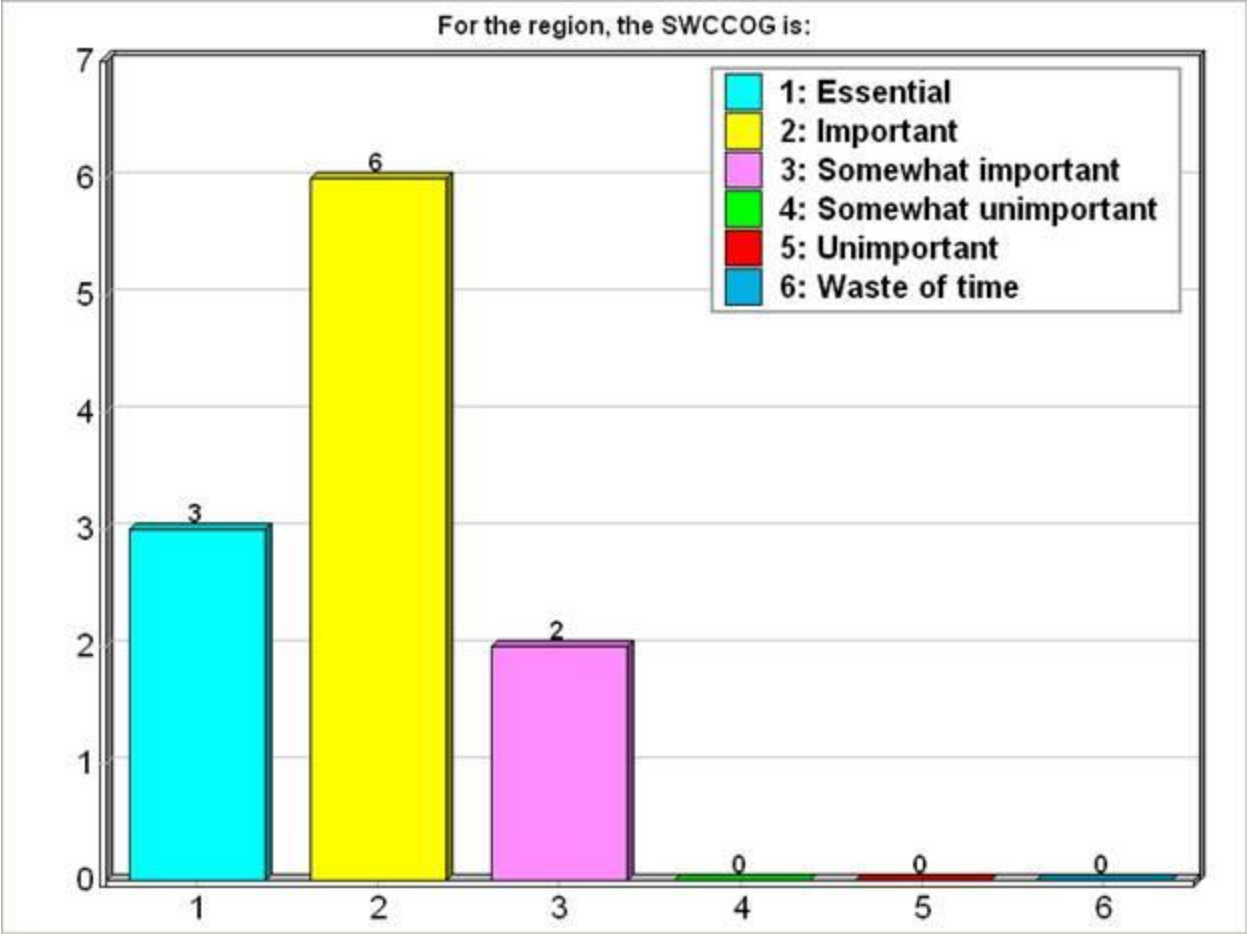
The facilitator used a keypad system called ***The Innovator*** to facilitate the prioritization and decision process. All input using the Innovator was anonymous providing an opportunity for the participants to provide honest feedback regarding sensitive data or opinions.

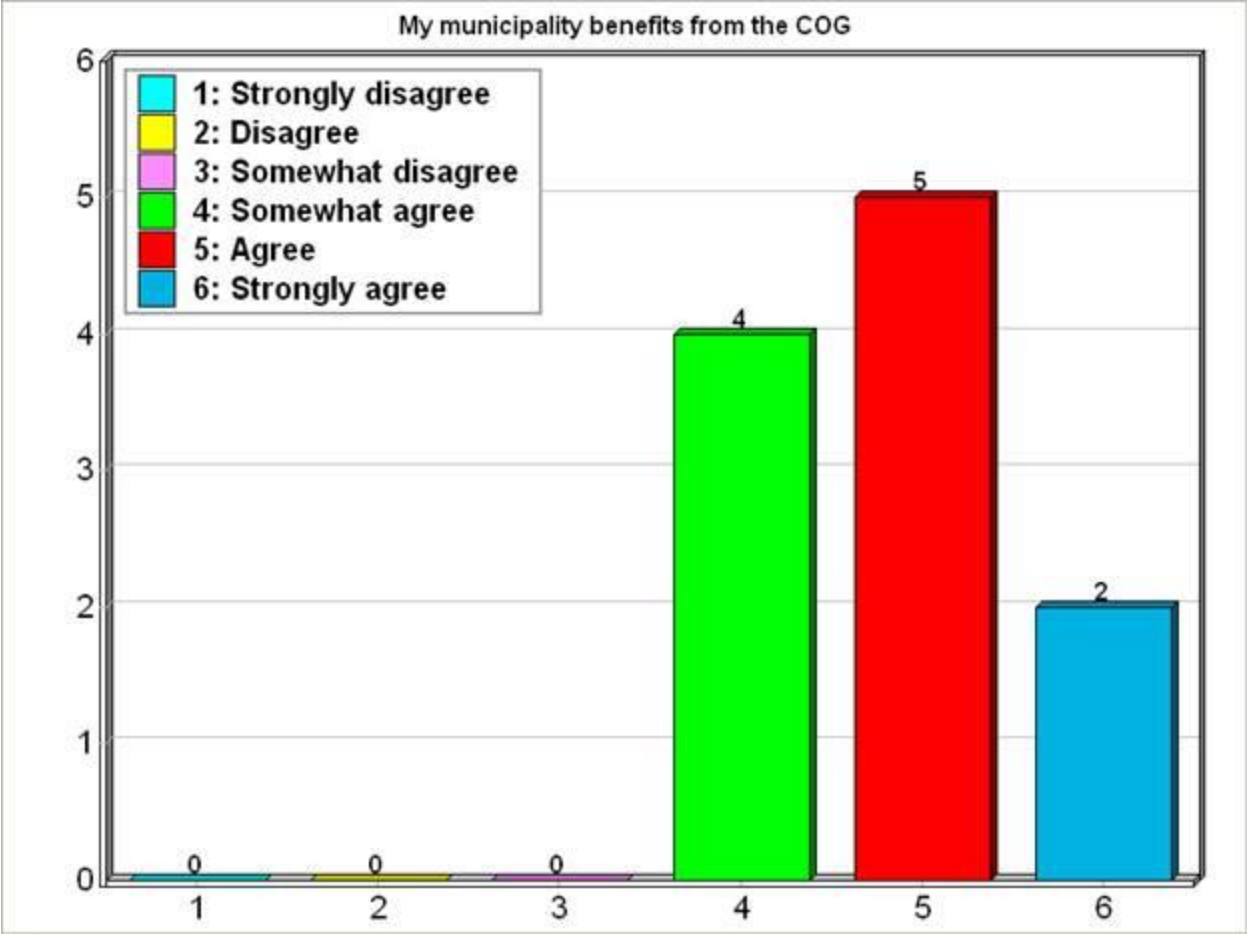
The first two questions of the day were fun questions asked for the purpose of allowing the participants to familiarize themselves with the system and how it worked. The following six questions provided the participants and staff a sense of the interest in and commitment to the SWCCOG and whether or not they perceived value from the organization. While there was variance from “Somewhat Agree” to “Strongly Agree”, all participants were on the “Agree” side of the scale. Regarding the interest in the SWCCOG and the value provided by the SWCCOG, all participants viewed the organization as valuable and felt that the dollars spent were a good investment.

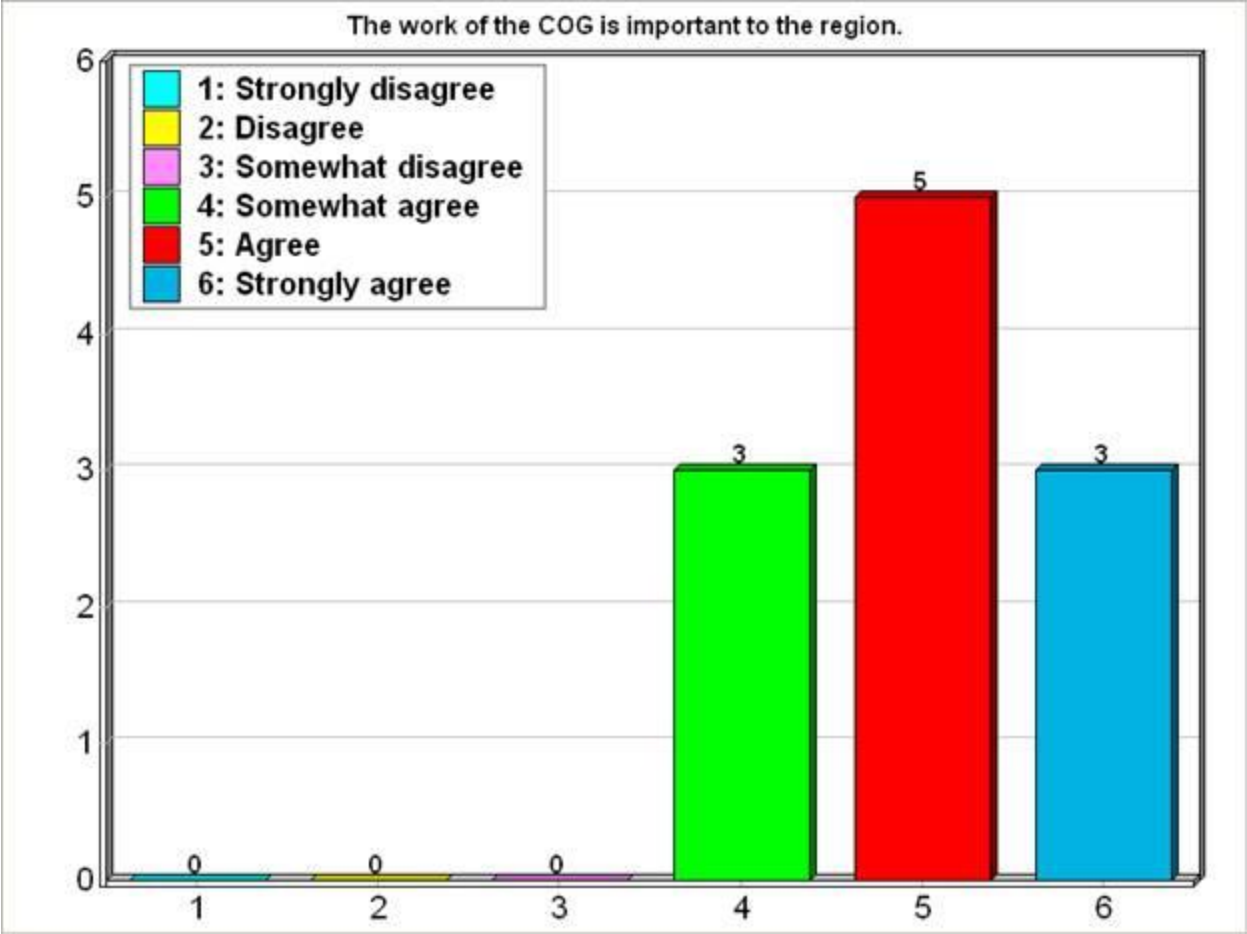




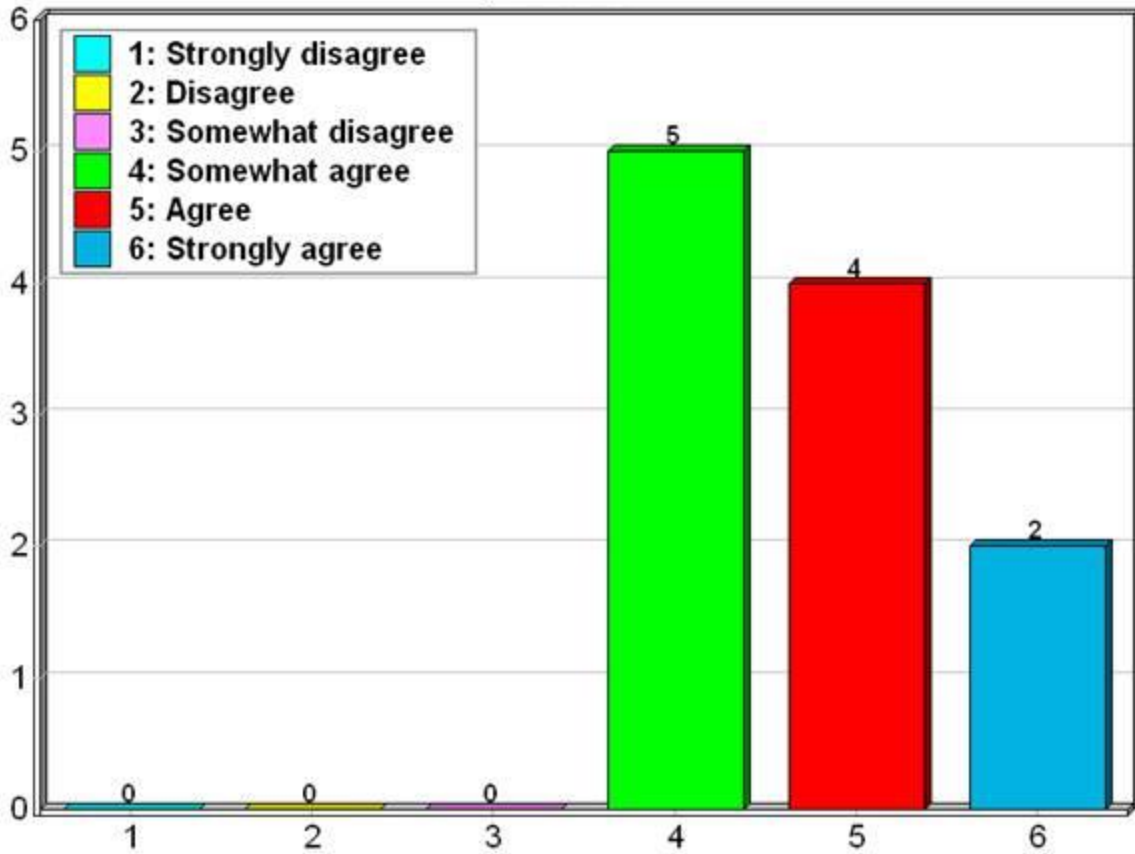
Missing item #4 and the selection by the majority of the participants was Octopus (Many tentacles, involved in many endeavors)



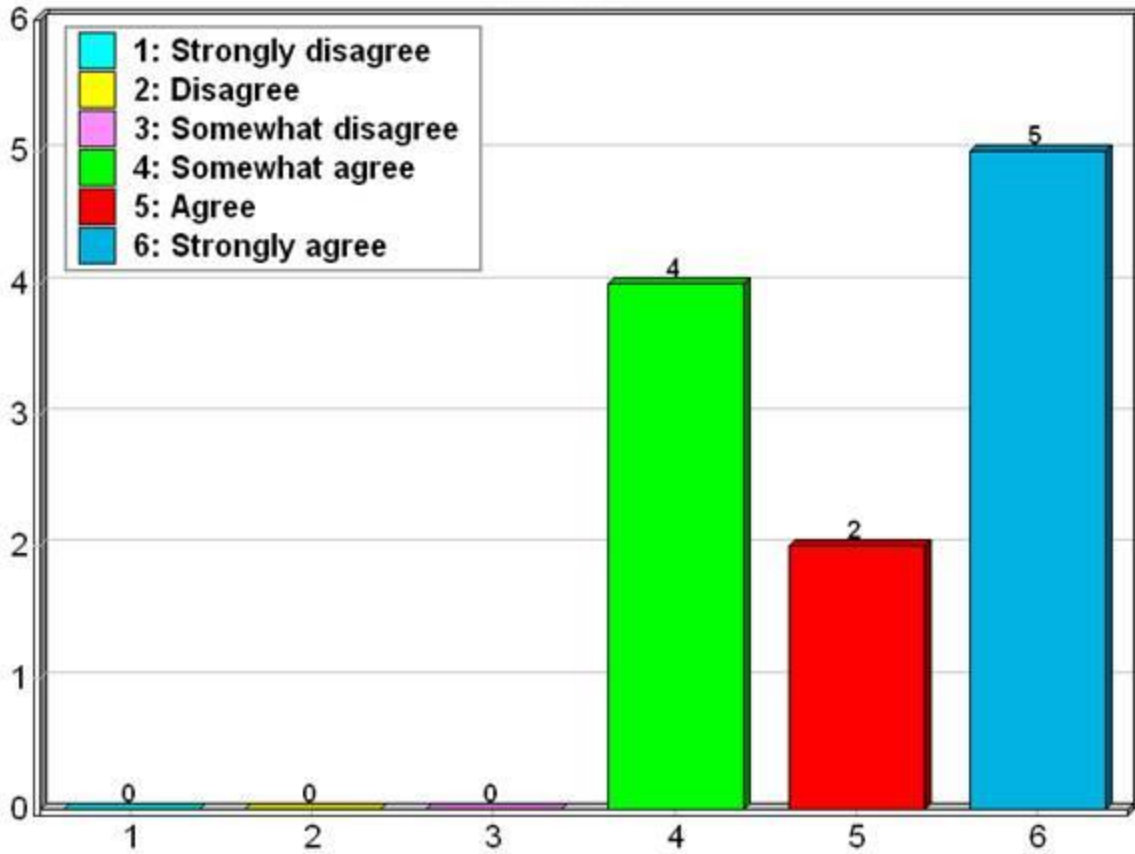


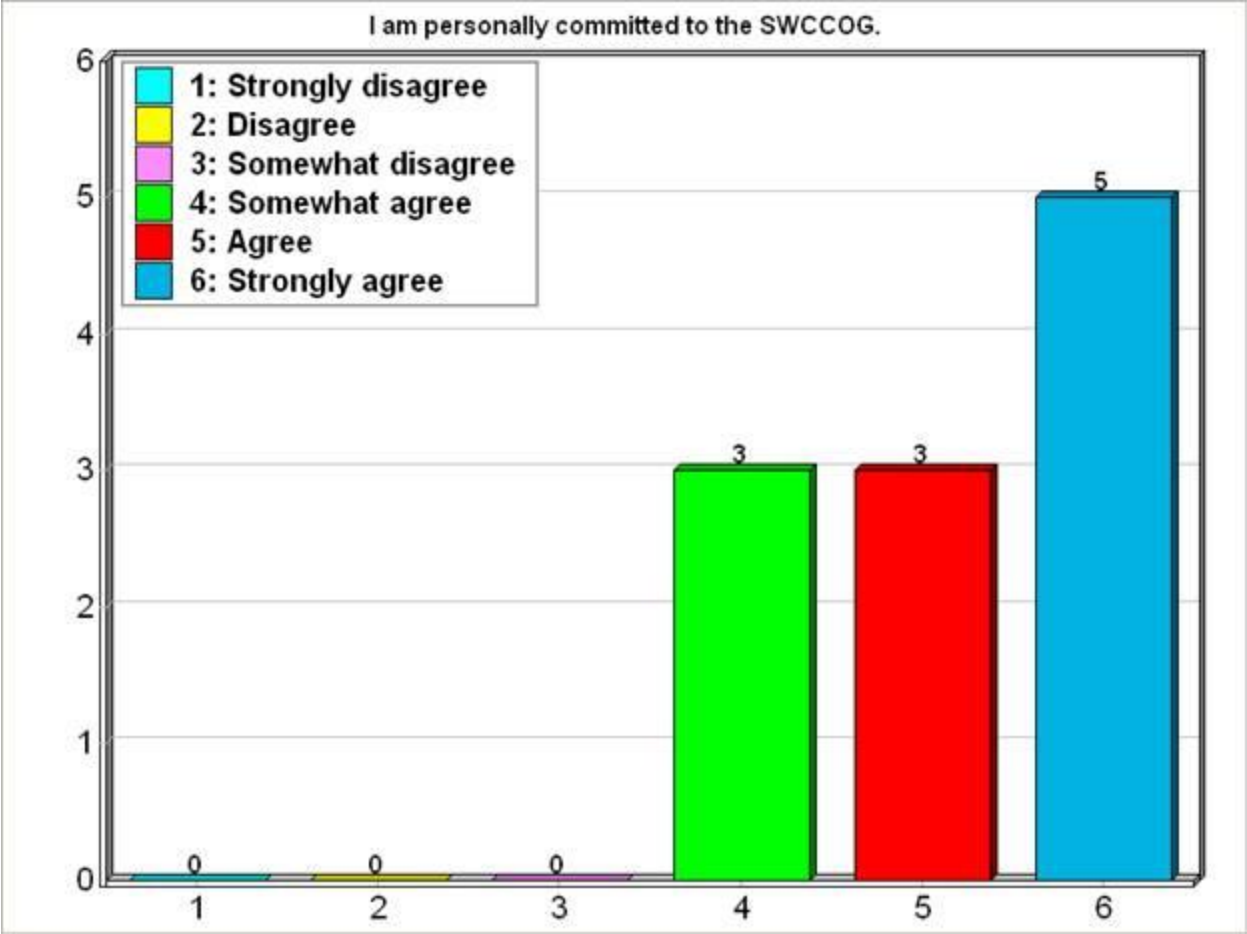


The work of the COG is important to my jurisdiction.



The dollars we provide to the COG are a good investment.





The first activity for the participants was to create their vision of the ideal SWCCOG five years from today in the year 2022. In small groups the participants identified the characteristics of the ideal organization focusing on:

- Who is participating?
- Who is benefiting?
- What is going on?
- What have you accomplished?
- What are you proud of?
- What are you celebrating?
- What projects and programs is COG operating?
 - Staffing?
- What partnerships?
- What does the Region look like?

And provide any other descriptors/information that would allow them to paint a vivid picture or the ideal future state.

As the small groups presented their ideas to the larger group, the facilitator captured their ideas then during a break recapped their work in the following descriptive narrative.

Description of an Ideal SWCCOG in 2022

We are a fully functioning organization with an appropriate number of positions filled by amazing staff to fulfill all of our commitments and adequate capacity. Everyone is in! We provide that adequate staffing and capacity by sharing some staff across jurisdictions. We have a broad-based Board with a diversity of interests and experiences. We have enthusiastic support from all elected officials and the community. We have good succession planning.

We have merged with other regional organizations and integrated staffing and functions.

Our broadband infrastructure is complete and exists throughout the whole region. The organization is financially stable. We have adequate sustainable revenue to fulfill our responsibilities.

We are an umbrella organization for all essential services: housing, aging, transportation, water quality and quantity.

We do comprehensive regional planning and through innovative policies we have adequate housing, regional transportation systems, abundant weir services and a pristine environment.

We are a legislative powerhouse and our ED actively meets with our communities to provide updates and gather needs.

We are an OUTSTANDING organization!!!

Once the narrative was completed and accepted by the participants as being a good representation of their ideas, the participants identified Critical Success Factors (CSF); those 3-5 actions that absolutely MUST be accomplished in order for the future state to be achievable. If these actions are not accomplished, their future state is impossible to achieve.

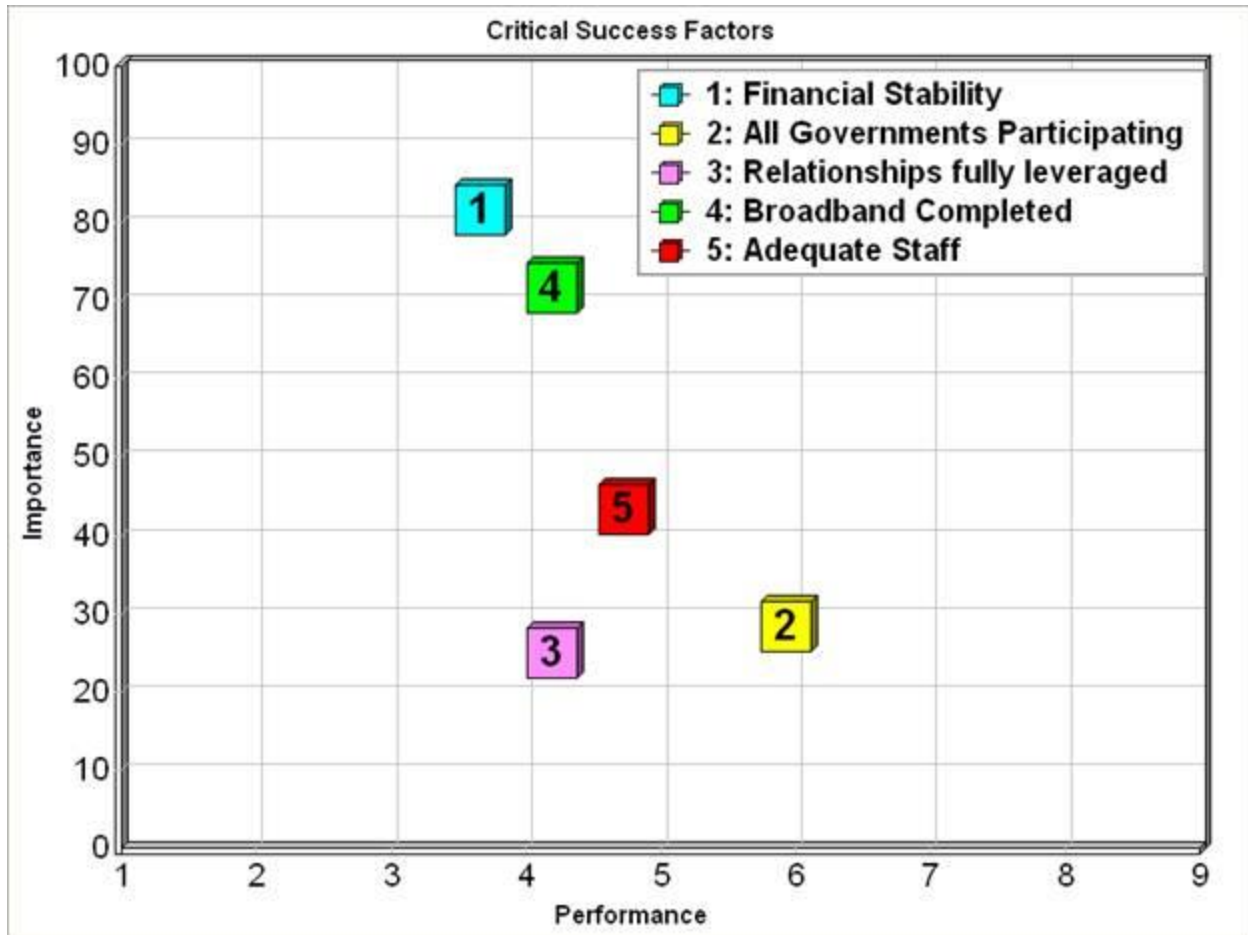
The initial list was refined and discussed and the following five were the result:

Critical Success Factors

1. Financial Stability
 - Grant Opportunities that are in line with SWCCOG's priorities
2. All governments participating, including the tribes
 - ROI must be compelling and well understood
3. Relationships between COG and Region 9 and other organizations are fully leveraged
4. Broadband must be addressed and completed
 - Provides a demonstrable success and legitimacy
5. Adequate Staff

The participants then used *The Innovator* to rank and prioritize these 5 CSFs.

Opportunity Map: To generate the opportunity map, participants first participated in a paired comparison vote where they were forced to choose between two very important items relative to their importance to the future state of the organization. As a second step they were asked to rate each item as to how the organization was currently performing against that factor. The result of the two combined votes is the "opportunity map" below.



Items 1 (financial stability) and 4 (Broadband completed) came out as most important. Relative to the other factors, 2 (All governments participating) falls in the category of relatively high current performance and lower importance. It would be the recommendation to not pursue that factor for the foreseeable future and focus resources on the items of greater importance that also need increased performance.

It was agreed that 5 (adequate staff) could be addressed if there was greater financial stability, so the decision was made to wait to focus on that element until some other opportunities have been addressed.

Item 3 (Relationships fully leveraged) is another factor that can be pursued in the short term and could help leverage the resources and the influence and impact of all participating organizations.

Once the CSFs were identified, prioritized and discussed, it was the decision of the group to focus the rest of the time on creating goals and action steps for the following three:

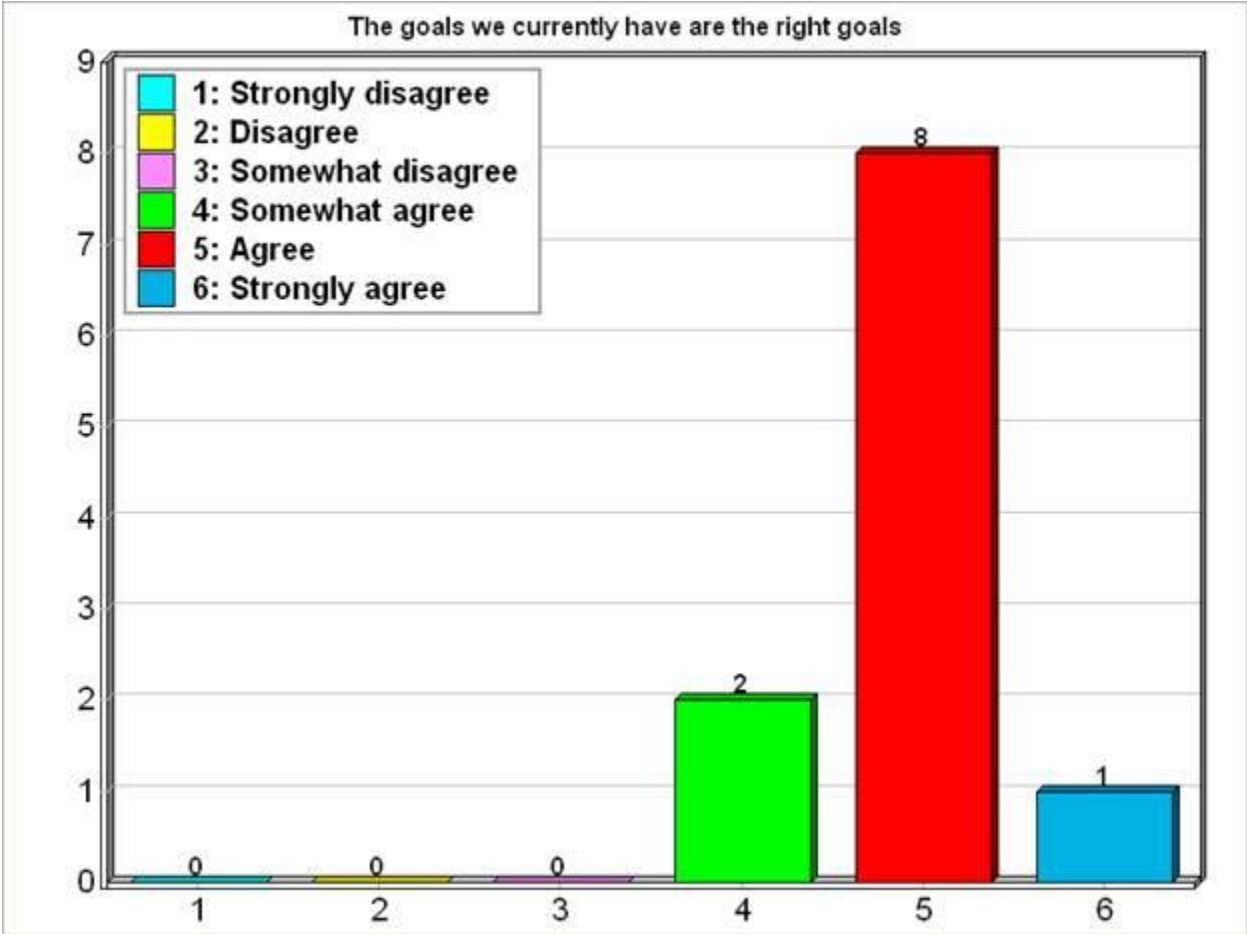
- Financial Stability
- Relationships fully leveraged, and
- Broadband Completed

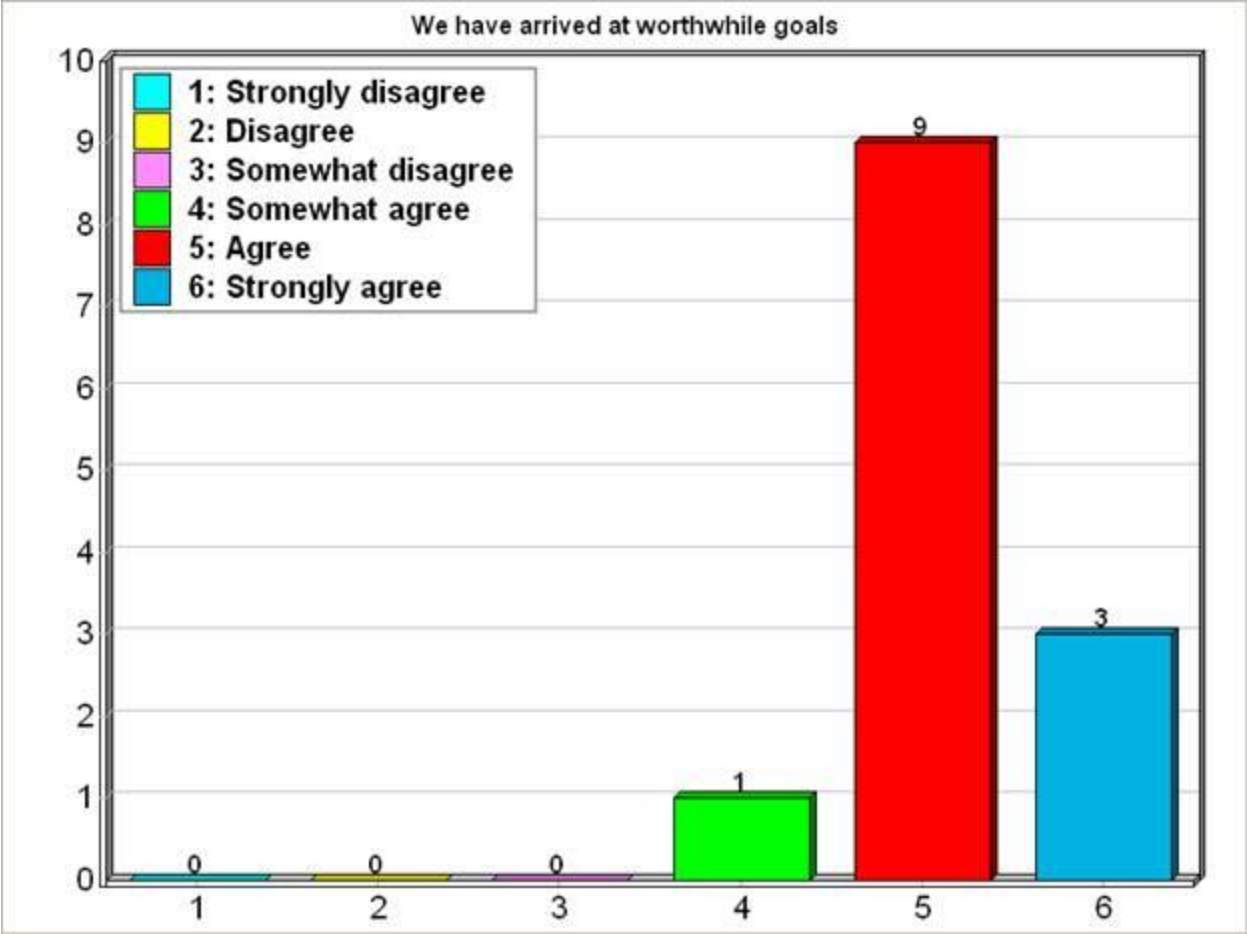
Appendix A provides the table of all Goals and Action Items created by the small groups working on each CSF.

Insert the pages for the Action Items here: Or go with the Appendix.

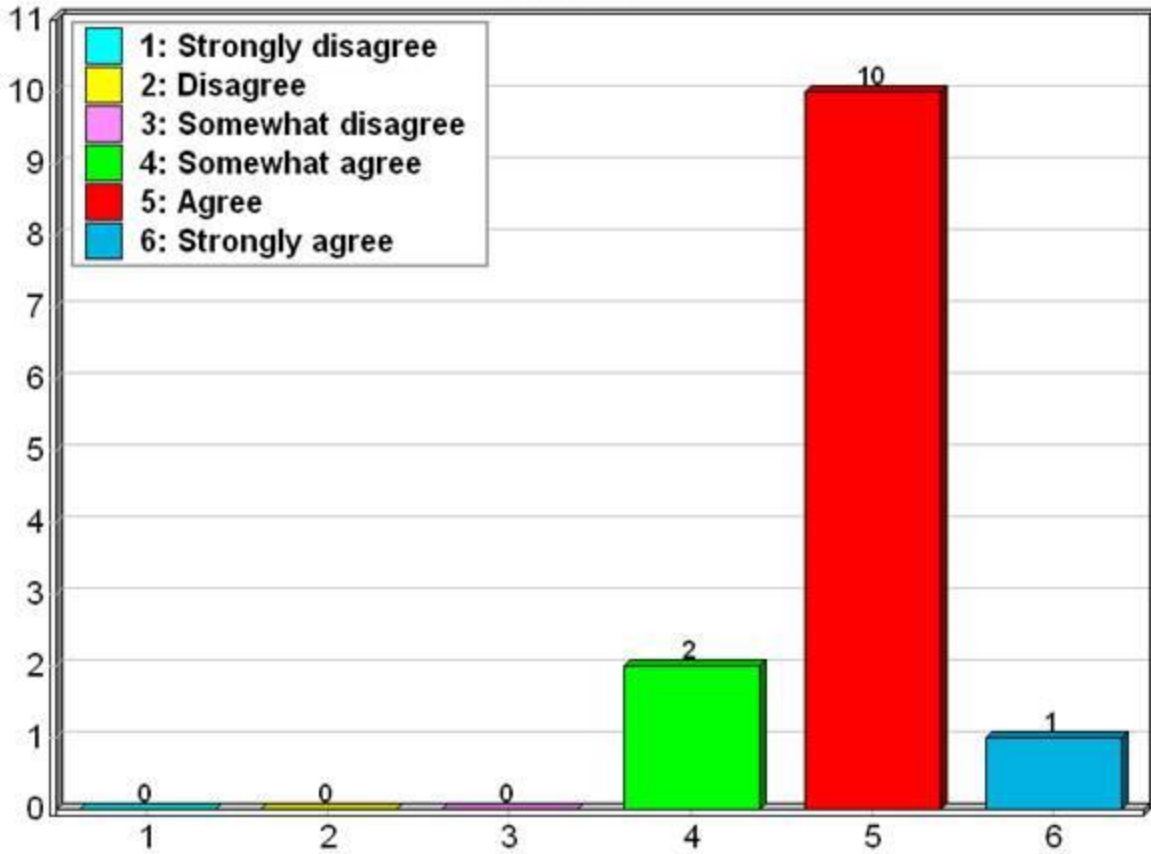
The final activity of the planning portion of the day was to do a short evaluation of the day and the activities. The following seven questions constituted the evaluation and wrap up.

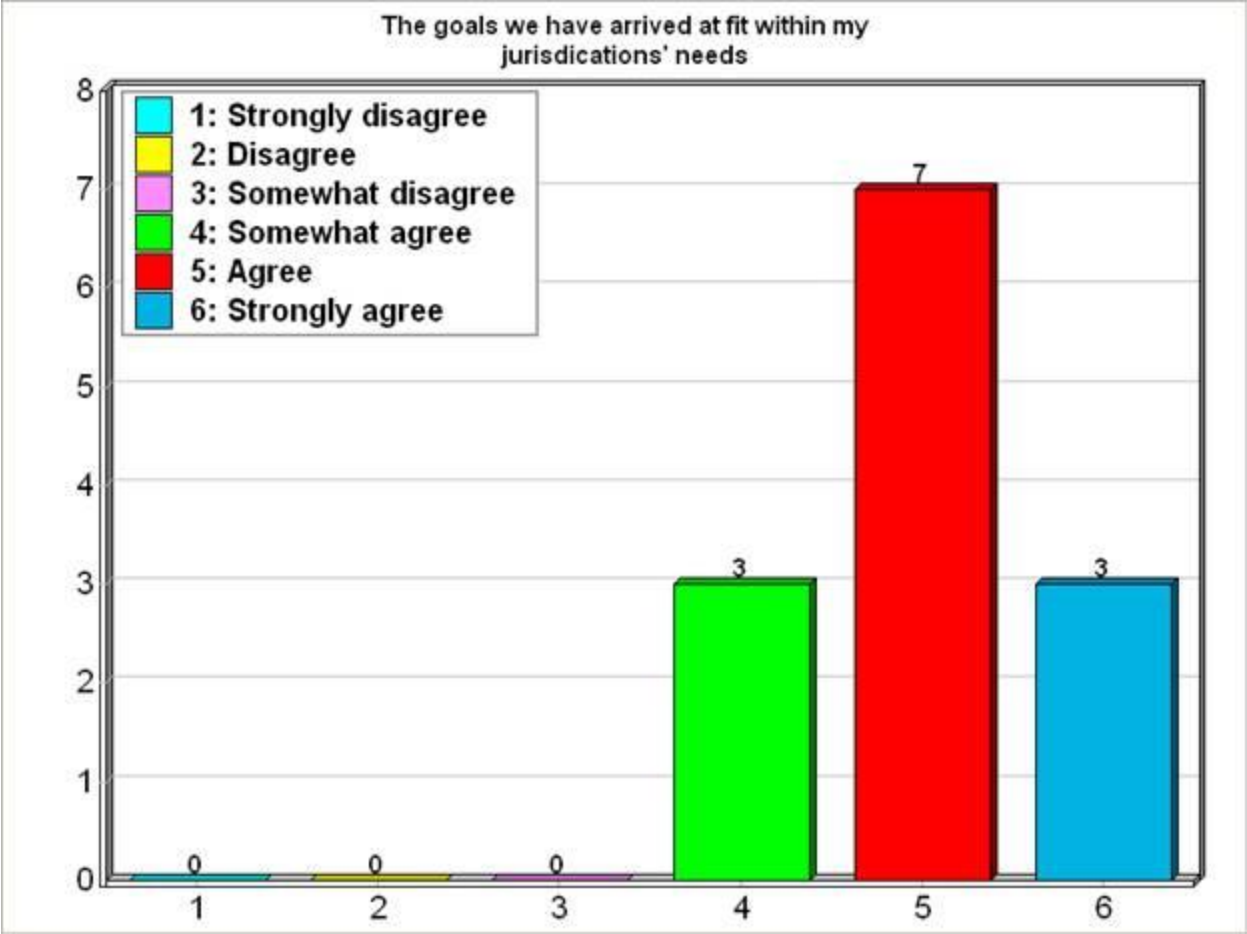
Evaluation of the Retreat Activities and Outcomes

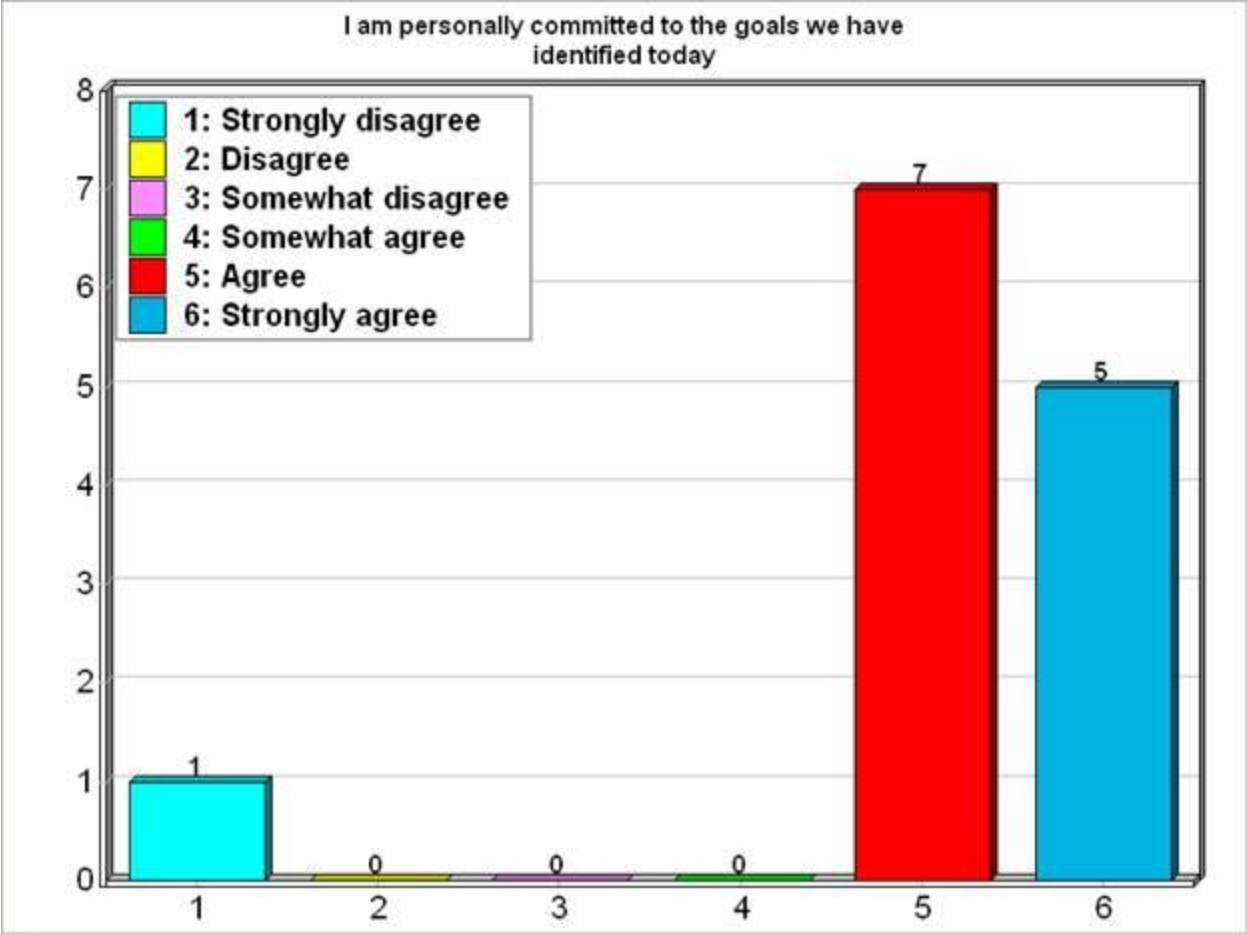




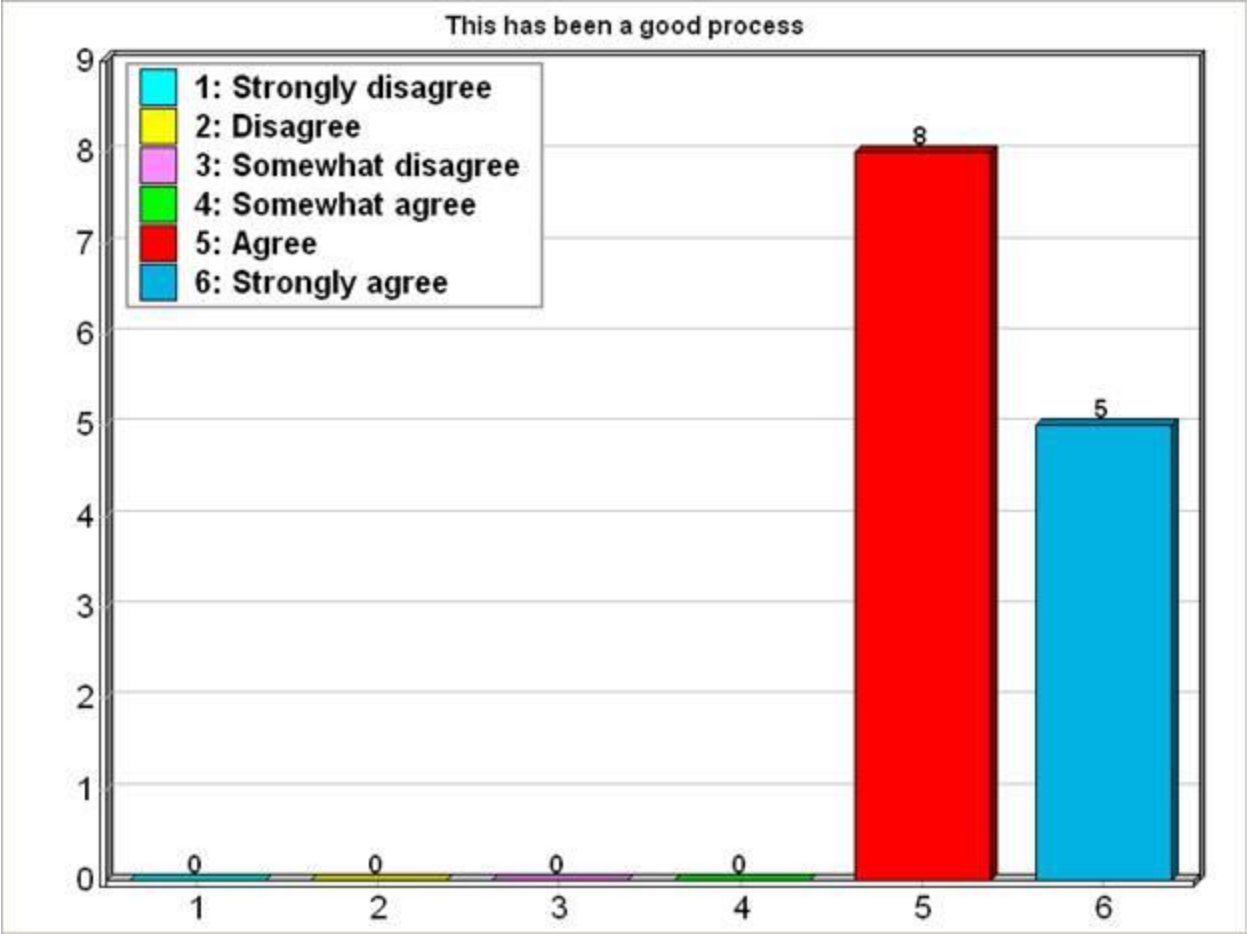
We have arrived at the appropriate goals for the SWCCOG

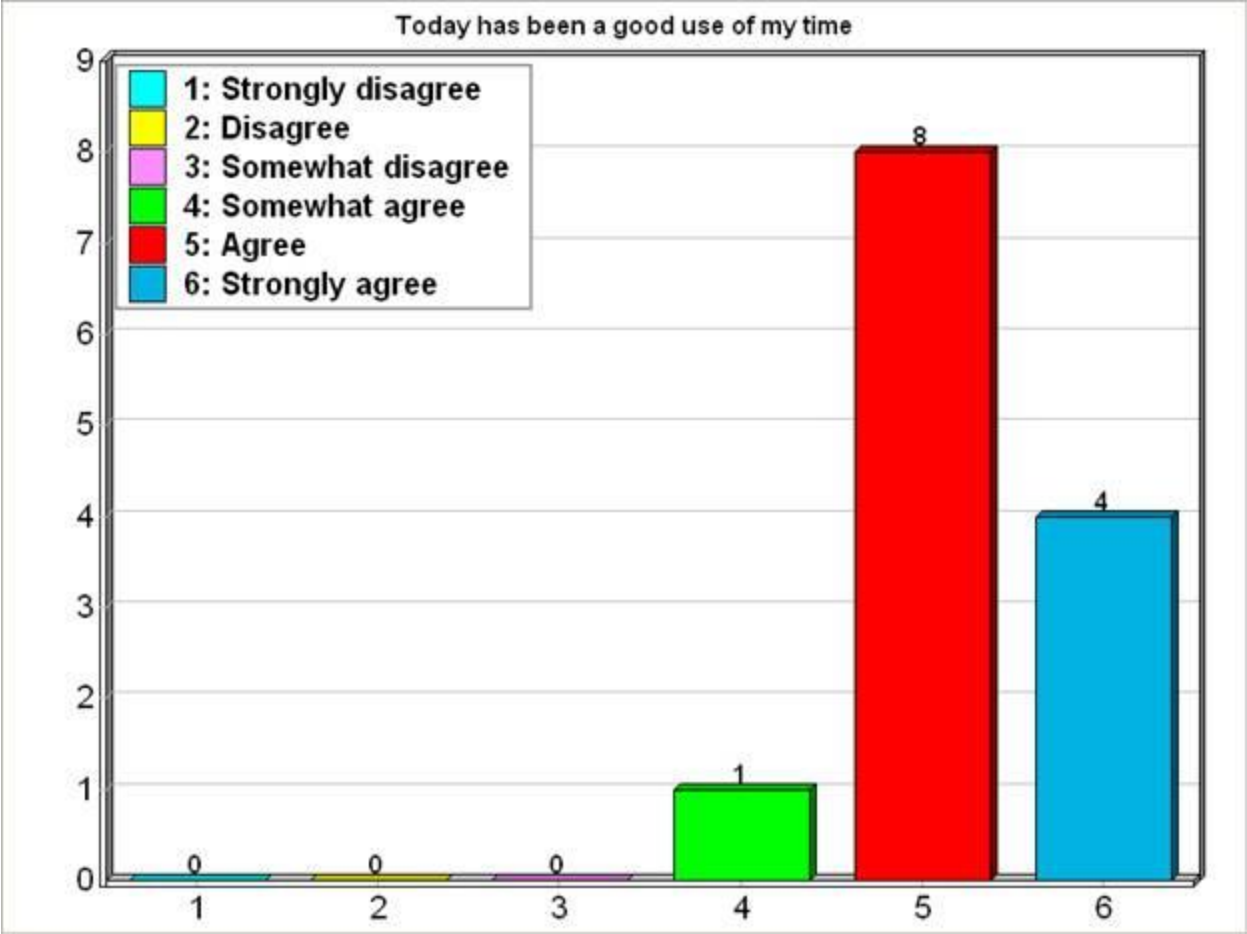






The individual who voted the 1 identified himself and admitted that he pressed the wrong number. It should have been a 6.





South West Colorado Council of Governments 2017-18 Goals and Action Plans

TASK	Individual Responsible	Completion Date	Resources Required	Measure of Success	Complete Y/N
CSF 1: Financial Stability					
GOAL 1: Optimize SCAN/Dark Fiber income					
Action Step 1- Identify any unleased SCAN fiber and get it leased	Manager	ASAP – Need date here	Staff Attention	All SCAN fiber leased and generating revenue.	
Action Step 1a – Target SCAN FIBER in each community					
Action Step 2 – Review Current leases and make certain all leases are renewed when they expire. Is there an increase in price for these leases?	Managers	On-going as leases expire	Staff Attention	All SCAN fiber is leased and generating income for the COG.	
GOAL 2: Establish 501(c)_ grant-receiving entity.					
Action Step 1 – Do the research to determine the appropriate 501(c) designation for COG’s purposes.	E.D.	May 15, 2017	Staff time	The correct 501(c) designation is identified.	
Action Step 2 – Complete the application for the appropriate 501(c) designation	E.D.	June 1, 2017	Staff time	Application complete	
Action Step 3 – Submit Application	E.D.	June 30, 2017	Staff time and \$\$\$ for the application fee.	Application submitted	
Action Step 4 – 501(c) organization approved		No later than 12/2017	None	501(c) organization in place and ready to receive grant monies.	
GOAL 3: Broadband Administration Fees – as discussed at March Broadband meeting. Aggregation of Connectivity					
Action Step 1 – Survey CAIs	E.D	Need date here	Staff time; Legal fees		
Action Step 1a. – Negotiate cost/mg with ISPs					
Action Step 2 – Contracts with Providers?		Need date here		Lower cost broadband for COG and CAIs	
GOAL 4: Dark fiber leases in place					

Middle Mile Construction Funding					
Action Step 1 – Identify Construction grants available for this purpose	COG E.D. & Managers	4/15/2017			DONE
Action Step 2 – Develop Steps to write Grant – prioritized by potential revenue	E.D.	May/June, 2017			
Action Step 2a –					
Action Step 2b –					
Action Step 2c –					
Action Step 2d –					
Action Step 2e –					
Action Step 2f –					
Action Step 3 – Submit the Construction grants to the appropriate granting entity.	E.D	June 30, 2017			
Action Step 4 – Additional Steps in this					
Action Step 5 – Process					
Action Step 6 –				Built and leased fiber	
GOAL 5: Reconsider Dues Structure including allocation formula (ROI figures strongly favor smaller communities)					
Action Step 1 – Review ROI for each entity.	Staff	April 5, 2017	Staff Time		DONE
Action Step 2 – Review Allocation formula	E.D. and Board President	July 30, 2017	Staff Time		
Action Step 3 – Submit proposed new dues structure to the Board for Approval	Board President	July Board mtg	Staff and Board	A new dues structure approved providing an increase in dues revenue.	
Action Step 4 – Approve new dues structure	Board	Budget adoption - Aug	Board		
Action Step 5 – Apply new dues structure increasing income to COG	E.D. and Board President	Aug, 2017	Staff Time	Revenue increase for COG if adopted.	
CSF 2: Leveraged Relationships					
GOAL 1: Identify areas of leverage/collaboration with each entity: Region 9, Housing Solutions, AAA, 4Core; SJBH					

Action Step 1 – Review the Mission/Activities/Current State of each potential organization to determine where there might be opportunities for cooperation/leverage*	E.D. with E.D.s of the other organizations.	By 2018 – This needs a more specific date	E.D., staff	Options Vetted by COG	
Action Step 2 – Develop Leveraging scenarios with the selected organizations.	Miriam and E.D.s of the other selected organizations.	Need target 2018 date here	Staff time	Scenario proposals developed	
Action Step 3 – Take scenario proposal(s) to the full Board for a work session	E.D. and Board	Need target 2018 date here	Staff and Board time	Final scenario proposals vetted and approved	
Action Step 4 – Take final proposal to the full Board for approval	E.D. and Board	Need target 2018 date here	Staff and Board time	Final collaborations approved by full Board.	
GOAL 2: Proactively identify organizations to work and/or coordinate with to align with them before they are in crisis mode.					
Action Step 1 – Identify those organizations that are potentials.	SWCCOG Committee	Need date here	Staff/Committee time	List of potential organizations.	
Action Step 2 – Monitor Federal & State legislation and how they impact other regional organizations	SWCCOG Committee	Need date here	Staff/Committee time	Refined list of potential organizations that might be negatively impacted by each piece of legislation	
Action Step 3 – SWCCOG convene with impacted organizations and look for regional solutions	E.D.: Board members	Need date here	Staff time	Proposed Plan for integration/engagement with each organization.	
CSF 3: Broadband Completion					
GOAL 1: Targeting Funding					
Action Step 1 – Identify 1 specific scope of the project (from this date forward)	Miriam; outsourced/Rural Health;????; DOLA;Partner with CDOT;E-Rate	Need date here	Staff and COG members	A target piece of the Broadband.	
Action Step 2 – Identify the funding source for the specific scope of the project.	Miriam	Need date here	Staff	Identified funder(s) for the designated portion of Broadband completion.	
Action Step 1 – Write Grants	Miriam or				

	outsourced				
Action Step 2 – Submit grants to the granting authorities					
Action Step 3 – Contract with Grantor/Hire Grant Manager					
GOAL 2: Engineering Project					
Action Step 1 – Identify Wired/Wireless: Aerial/Buried					
Action Step 2 – Create an RFP for Engineers					
Action Step 3 – Award Engineering Proposal					
GOAL 3: Hire Project Manager					
Action Step 1 – Write job description for project manager					
Action Step 2 – Post job description					
Action Step 3 – Review Applicants					
Action Step 4 – Interview Final Applicants					
Action Step 5 – Select Finalist					
Action Step 6 – Offer the job to the finalist					
Action Step 7 – Contract with the Project Manager					
GOAL 4: Build the designated section of the Broadband					
Action Step 1 – Break ground on the designated section		2018			
Several More Action steps needed here.					
GOAL 5: Lease Dark Fiber					
Action Step 1 – Contract out		Start 2018-19			
Action Step 2 – Actively engage ISPs					
CSF #4 – Maintain Federal and State Legislation Monitoring and Action – Become a Legislative Powerhouse Added by Miriam					
Action Step 1 – Monitor State and		Ongoing			

Federal Legislation for issues that impact SWCCOG and other related organizations.					
Action step 2 – Identify External Impact on Regional Organizations – Fed. State and Local **	SWCCOG Committee	Ongoing	Staff/Committee time	List of potential impacts on the targeted organizations.	
Action Step 3 – Monitor Budget Impacts of legislation on Regional Organizations	SWCCOG Committee	Ongoing	Staff time	List of organizations as they are identified as having impacts.	
Action Step 4 – Testify when necessary and appropriate	Miriam				

*CDBG; Medicaid; Meals on Wheels – next goal.

** Examples are CDBG; Medicaid; Meals on Wheels

501c4 Formation

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 4 May 2017

Comments: The Board previously discussed the need to develop a non-profit entity of some sort, which could be a 501c3, 501c4, or a 501c6. I have started to work with Ken Fellman about the formation of a 501c4 for the purposes of owning the broadband infrastructure. A 501c4 seems to be the appropriate designation for our needs, as it is an organization for the betterment of the community. There are already several c6 entities (Chambers, Alliance, Region 9) and 501c3s are held to very specific standards per the tax code.

The SWCCOG is an IGA, which per state statute, allows it to do anything the member jurisdictions can do. Since the member jurisdictions have all opted out of SB152, we MAY be able to operate like we have due to the IGA provisions in the state statute. Ken Fellman is researching the information for us in regards to broadband. We will have more of an answer by Friday, May 5th. I will send out information to the Board asap regarding the development of a c4 vs the ability to operate as we need via our IGA.

Legal Review: Underway

Fiscal Impact: N/A

Staff Recommendation: N/A

Decision Items

SWCCOG Executive Committee Minutes

To: SWCCOG Board of Directors

From: Sara Trujillo

Date: 4 May 2017

Comments: Executive Committee Minutes from March 21, 2017 for approval.

Legal Review: None

Fiscal Impact: None

Staff Recommendation: Executive Committee approve the attached minutes from March 21, 2017

**Southwest Colorado Council of Governments
Executive Committee Meeting
Tuesday, 21 March 2017, 1:30 p.m.**

In attendance:

Gwen Lachelt – La Plata County (via phone)

Chris La May – Town of Bayfield (via phone)

Miriam Gillow-Wiles – Southwest Colorado Council of Governments ([via phone](#))

Sara Trujillo - Southwest Colorado Council of Governments

The meeting began at 1:06 p.m.

Miriam said the April regular meeting agenda will not be long because of the retreat. Karen Thompson, retreat facilitator, will be meeting with all Executive Committee members next week via phone/video for better understanding of talking points and creation of a strategic plan. Gwen asked what day the retreat would be held. Miriam said April 6. Miriam asked Sara what decision items were currently on the agenda. Sara said the February Executive Committee meeting minutes and the FastTrack contract, but the contract will be moved to discussion. Miriam said all decision items will come after the retreat so all decisions are made at one time versus scattered throughout the day. Miriam will start the retreat with an overview of current projects, successes, and what a COG is. Chris said guidance and a vision where the COG is going would be helpful. Miriam said a long-term plan and steps will be discussed as well as what the board wants to see from the COG this year. A strategic plan needs to be developed to help the COG meet the members' needs. The board needs to assess how the Gallagher Amendment will impact member communities and how the COG will need to adjust to ensure a return on investment for all members. Chris said it would be useful to bring back a spreadsheet that details priority projects and progress made and to distribute it to the board in advance of the meeting. Miriam said she has been working on a retreat board packet but has struggled with what it might look like as there is much information and she does not want to overwhelm members. Miriam said she can include the SWAT analysis that was completed last year as the information is still relevant. Miriam offered to send the 2016 retreat information for members to review as well. Gwen said that would be helpful, especially for newer board members. Chris asked if the facilitator will help identify priorities and provide some focus and direction to the organization. Miriam said yes and that last year there was a lot of talk; this year is about focus and action items. Chris asked if the regularly scheduled board meeting will take place after the retreat at 1:30pm. Miriam said the retreat is schedule from 9am – 4pm with the regular meeting starting at 3 or 3:30pm for decision items. Miriam asked if the Executive Committee would like the broadband next steps as a decision item or discussion during the retreat. Chris said the board should not need to have the entire discussion again but the decisions do need to be formalized and supported by members. Gwen said the board needs to talk about what can be realistically accomplished. Miriam said depending upon what happens at the federal level in the next year, the conversations may change. Chris asked if Miriam was referring to broadband. Miriam said yes, because many programs that benefit our region, such as Brownfields, E-Rate, Rural Health Care, etc. may see funding levels cut, and these cuts may have a negative impact on developing middle mile broadband. In addition, the E-Rate grants are used by schools and libraries to reduce internet costs, if this funding is cut their costs will increase. Chris asked if schools and libraries could use the SCAN network for cheaper rates. Miriam said yes.

Miriam reported that she was in Cortez to meet with the Montezuma County Economic Alliance, the intent to develop a working relationship as the COG and Montezuma County will need to be partners on large grants that involve hospitals, schools, and member jurisdictions. Miriam said she understands

some members do not want Montezuma County to receive benefit without being a member, but in this situation it makes the most sense to develop a cooperation that will further COG goals and broadband.

Miriam asked if the Executive Committee would like notifications when the Legislative Committee decides whether to take a stance on an item. Gwen said yes, this would be helpful. Chris agreed. Miriam reported that the Legislative Committee took a stance against HB-622 regarding the movement of forest service and BLM law enforcement to local control. Gwen said La Plata County took a stance against this legislation as well. Miriam said a stance was taken on state bill 1242 to increase CDOT funding, which includes multi-modal and transit. Miriam said she will send out a list of stances and letters.

The meeting ended at 1:33 p.m.

DRAFT

Regional Housing Alliance Contract

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 4 May 2017

Comments: The Regional Housing Alliance of La Plata County (RHA) approached the SWCCOG earlier this year to provide management and administration of the RHA while it goes into a dormant position. The RHA is formed by an IGA between all the La Plata County entities (Bayfield, Durango, Ignacio, and La Plata) and as such, the RHA board decided to put the agency into dormancy instead of dissolve due to the challenges of creating the organization via IGA.

The SWCCOG and RHA have spent quite some time negotiating this contract and I am satisfied this benefits both agencies while protecting the SWCCOG. The RHA management and administration (M&A) fits with the SWCCOG for the following reasons:

- Housing is one of the SWCCOG's overarching goals
- the RHA overlaps with four of our members
- The RHA is a division of local government
- The RHA will pay the SWCCOG \$10,000/year (in two payments) for up to four year
- Contract automatically renews

The RHA has also provided a number of documents to help with the transition, these include all contracts, policies, budget guidelines, formation documents, calendar, and audit information. Additionally, included with this memo is:

- Professional Services Agreement between SWCCOG and RHA
- Exhibit B - RHA Calendar
- Exhibit C – Policies and Procedures (for dormancy)

Legal Review: This has been reviewed and edited by Legal

Fiscal Impact: The fiscal impact is \$10,000/year for up to 4 years, and \$5,000 for 2017 (contract starts July 1).

Staff Recommendation: Approve the attached contract to manage the RHA with signature authority to the Executive Director.

PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement (the “Agreement”) is made between the Regional Housing Alliance. (the “RHA”), whose address is 124 E. 9th Street, Durango, CO 81301 and Southwest Colorado Council of Governments (“Contractor”) whose address is PO Box 963, Durango, CO 81302.

RECITALS

WHEREAS, the provisions of Section 18 of Article XIV of the Colorado Constitution and C.R.S. §29-1-203 allow Colorado local governments to cooperate or contract with one another to provide any function, service or facility lawfully authorized to each local government; and

WHEREAS, the RHA is in need of certain administrative support, meeting support, and book-keeping services as set forth in Exhibit A on a non-exclusive basis (certain other services to be contracted by RHA to HomesFund), whereby SWCCOG would provide those RHA administrative support, book-keeping support, and meeting support services; and

WHEREAS, it is the mutual desire of the Parties to set forth their understanding and agreement, in writing, with respect to said obligations:

NOW, THEREFORE, the parties agree as follows:

1. *Retention of Contractor.* RHA hereby retains Contractor to provide certain Services on the terms herein provided.

2. *Term of Agreement.* Unless terminated earlier by either party hereto, the period during which Contractor shall provide services to RHA under this Agreement shall be from **July 1, 2017** until **June 30, 2018** (the “Initial Term”). This Agreement shall automatically renew for up to three additional one-year terms unless terminated in writing. For such extensions, the scope of work and compensation may be amended.

3. *Termination.* This Agreement may be terminated by either Party, with or without cause, by providing at least 30 days’ written notice to the other Party. In addition, RHA may terminate this Agreement immediately without prior notice if any of the following occurs:

- a. Contractor commits a material breach of any provision of this Agreement and after fourteen days’ notice and an opportunity to cure, without curing lapses; or
- b. Contractor commits an act of fraud, dishonesty or any other act of gross negligent, reckless or willful misconduct in providing the services to the

- RHA violates any other provision of law; or
- c. Contractor fails to commence the work within the RHA calendar dates, Exhibit B, attached to the Contract; or
 - d. Contractor fails to perform the work with sufficient workers and equipment or with sufficient materials to assure the prompt completion of said work; or
 - e. Contractor discontinues the work; or
 - f. Contractor fails to resume work which has been discontinued within a reasonable time after notice to do so.

Upon termination, RHA shall issue SWCCOG any payments owed for the annual period, however pro-rated to the date of termination, and SWCCOG shall return to RHA all RHA property, correspondence and records (including copies of RHA computer files), and the parties shall thereafter be relieved from further obligations under this Contract.

4. *Contractor's Duties.* Contractor shall furnish the Services to RHA as described in Exhibit A, Scope of Services. The RHA agrees that it will at any time, and from time to time, execute and deliver all documents and instruments, and take all actions as may reasonably be required by the SWCCOG in order for the SWCCOG to effectuate and fully carry out its obligations in accordance with the terms of this Agreement

5. *Compensation and Invoices.* The compensation paid to the Contractor is to be paid on a schedule and at rates as described in Exhibit A. SWCCOG's obligation to perform is condition on RHA payment.

6. *Agreement to Perform Services as an Independent Contractor.* It is understood through this contract that RHA is contracting with Contractor to provide specific services and this contract should in no way be interpreted that Contractor is an employee of RHA.

Contractor shall perform said services in its own way in the pursuit of its independent calling and not as an employee of RHA, and shall be solely responsible for the means and methods and the proper performance of the services in compliance with the terms, requirements, and specifications of this Agreement. Contractor and any persons employed or retained by Contractor for the performance of services hereunder shall be independent contractors and not employees or agents of RHA. Contractor shall not be under the control of RHA or its employees as to the means or manner by which such result is to be accomplished

Contractor shall have no claim against RHA hereunder or otherwise for vacation pay, sick leave, retirement benefits, social security, worker's compensation, health or disability benefits, unemployment insurance benefits, or employee benefits of any kind. Contractor shall be solely responsible for meeting all applicable withholding, tax, and

insurance requirements.

7. *Notices.* Any notice this Agreement requires must be written and hand-delivered or sent by U.S. Certified mail, return receipt requested, to the parties at the address listed above and also via email, to the following e-mail addresses:

If to SWCCOG: director@swccog.org AND dliberman@animas.net

If to RHA: julie.westendorff@co.laplata.co.us

8. *Assignment.* Neither party shall have the right to assign this Agreement except with the express written consent of the other.

9. *Enforceability.* If any term or provision of this Agreement shall be adjudicated to be invalid, illegal or unenforceable, this Agreement shall be deemed amended to delete the term or provision thus adjudicated to be invalid, illegal or unenforceable and the validity of the other terms and provisions of this Agreement shall not be affected thereby so long as the purposes of this contract can be met.

11. *Governing Law and Enforcement.* The terms and conditions of this Agreement shall be construed, interpreted and enforced in accordance with the applicable laws of the State of Colorado. Any dispute concerning the performance or interpretation of the agreement which cannot be resolved by the designated points of contact or their immediate superiors shall be referred to the party's board of directors. If the matter is not resolved within 45 days after referral, either party may file legal action. If any legal action is necessary to enforce the terms and conditions of this Agreement, the parties agree that the jurisdiction and venue for bringing such action shall be in the appropriate court in La Plata County, Colorado.

12. *Entire Agreement.* The parties agree that this Agreement constitutes the entire Agreement between the parties and supersedes any and all prior oral representations, promises, covenants, understandings and other agreements, if any, between the parties and their agents, and this Agreement may not be modified in any manner except by an instrument in writing executed by both parties.

13. *Waiver.* No failure by either party to exercise any right it may have shall be deemed to be a waiver of that right or of the right to demand exact compliance with the terms of this Agreement.

14. *Construction.* This Agreement's final form resulted from review and negotiations among the parties and/or their attorneys and no part of this Agreement shall be construed against any party on the basis of authorship.

15. *Signatory's Authority.* Each person signing this Agreement in a representative capacity expressly represents that the signatory has the subject party's authority to so sign and that the subject party will be bound by the signatory's execution of this Agreement.

16. *Funding availability.* Financial obligations of the RHA and performance obligations of SWCCOG are contingent upon annual appropriation of funds by their organizations to pay for the scope of work defined in this agreement. The Parties understand and accept that RHA obligations to make any payments, and SWCCOG obligations to perform services are contingent on annual appropriation of funds. The parties represent that funds have been appropriated for the initial term.

17. *Third Party Beneficiaries.* The parties to this Agreement do not intend to benefit any person not a party to this Agreement. No person or entity, other than the parties to this Agreement shall have any right, legal or equitable, to enforce any provision of this Agreement.

18. *Breach of Contract.* The prevailing party to any litigation arising out of this agreement shall be entitled to all costs of that action, including reasonable attorney's fees. Notwithstanding, neither party shall be liable for any damages for loss of profits, loss of revenues, loss of goodwill, loss of anticipated savings, or cost of purchasing, replacement services, or any indirect, incidental, special, consequential, exemplary or punitive damages arising out of its performance or failure to perform under this agreement.

19. *Professional Liability Insurance.* The Parties agree to maintain their CIRSA insurance coverages in the amount presently held (at the time of execution of this Agreement) by the Parties during the term of this contract.

20. *Indemnification.* Each party, to the extent authorized by law, shall indemnify and hold the other harmless, their agents, employees, and Directors from and against any claim, damages, losses and expenses, including but not limited to attorney's fees and court costs, arising out of or related to that party's own failure to properly perform under this agreement, but only to the extent the failure to perform is caused in whole or in part by the negligent acts or omission of that party, or anyone directly or indirectly employed by that party, and so long as that party did not cause, in whole or in part, the other party not to properly perform.

21. It is the intent of the Parties that all contractual and statutory obligations of the RHA remain those of the RHA, and are not assigned to the SWCCOG and do not become the obligation of the SWCCOG. This Agreement does not create a joint venture or

partnership or merger of the Parties. RHA is and shall remain a separate and distinct entity from the SWCCOG. The business operations of RHA shall in no way combine with the business operations of the SWCCOG. The role of the SWCCOG is merely to assist the RHA Board by supplying it with administrative support, meeting support, and book-keeping support, as set forth in this Agreement. The SWCCOG is not responsible for the RHA's actions or inactions.

22. By executing this agreement, the parties do not waive any immunity or limit liability contained in the Colorado Governmental Immunity Act, do not create a multi-year financial obligation, and do not create any other financial obligation not supported by a current appropriation.

SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

Miriam Gillow-Wiles Date
Executive Director

REGIONAL HOUSING ALLIANCE OF LA PLATA COUNTY

Karen Iverson Date
Executive Director

EXHIBIT A: SCOPE OF SERVICES & COMPENSATION

Administrative Services are limited to:

- Filing any necessary papers at RHA board's direction to renew RHA's CIRSA insurance policy to ensure compliance with CRS 24-10-115(1), including errors and omissions coverage, to ensure no lapse in coverage, the costs of the same to be paid by RHA. SWCCOG shall notify the RHA board of any renewals that are upcoming in a timely manner.
- Collecting and opening mail and email correspondence forwarded by RHA to SWCCOG, and forwarding the correspondence to RHA's Board President. The SWCCOG will reasonably assist RHA in transmitting RHA Board responses to correspondence. Until June 30, 2018, RHA has made arrangements for its mail to be collected by HomesFund and then forwarded to SWCCOG. If this Agreement extends beyond June 30, 2018, SWCCOG will establish a PO Box for RHA, and if so the cost of the PO Box is to be paid by RHA.
- Supporting quarterly or other RHA Board Meetings set forth in Exhibit B, which shall include the following:
 - Per the direction of the RHA Board President, creating an agenda and supporting documentation.
 - Distributing the agenda to the Board.
 - Providing public notification of the meeting per RHA's bylaws and Colorado Open Meeting Laws including CRS 24--6-401 et seq.
 - Taking minutes and drafting minutes of the meeting which will be sent to the RHA Board within 30 days of a Board Meeting.
- Maintaining RHA board meeting minutes and financial records for the duration of this Agreement. SWCCOG does not know the status of the RHA's records prior to the execution date hereof and is not responsible therefor.
- SWCCOG shall be the official Custodian of the RHA's records kept by SWCCOG, and reasonably respond to Open Record's requests as outlined in the RHA Policy and per Colorado Open Records Act (CORA) defined in C.R.S. 24-72-201 et seq. The cost of the same, including the payment of any necessary legal fees or court costs in complying with CORA or responding to CORA requests under RHA policy and applicable law shall be promptly paid by RHA to SWCCOG in addition to the annual payments. Files provided by RHA to SWCCOG shall be kept in a locked and secure location. Loan files that have been transferred to HomesFund or that HomesFund is currently providing Loan Administration Services for will be kept by HomesFund. SWCCOG is not responsible for records kept by HomesFund or in responding to CORA requests with respect to any records held by HomesFund.
- Assisting RHA in meeting its deadlines as specified in Exhibit B: RHA Calendar.

- Providing a quarterly report to the RHA Board that includes a report on activities, and upcoming tasks to be performed under this Agreement.

Book-Keeping Services are limited to:

- Performing the duties of Office Manager and Accountant as described in Exhibit C: Financial Policies and Procedures, and as amended. The duties of Office Manager and Accountant shall, to fullest extent possible, be performed by different people.
- Providing bookkeeping services in compliance with Generally Accepted Accounting Principles and Local Government Uniform Accounting Law, CRS 29-1-501 et seq.
- Maintaining RHA books in QuickBooks from date of execution of this Agreement.
- Providing quarterly financial statements and bank reconciliation to the RHA Board.
- Assist the RHA Board in scheduling the annual audit, as necessary, to be performed by an Audit Firm selected by RHA Board in compliance with CRS 29-1-601 et seq. Facilitate the audit by providing records in its possession as requested. Costs of audit and auditor contract to be the responsibility of the RHA Board.
- Assisting the RHA Board in preparing an annual budget for approval by the Board, publicly notice and when approved by the RHA Board file the budget and budget amendments with the State in accordance with Local Government Budget Law of Colorado, CRS 29-1-101 et seq.

In additional to the stated tasks above, the Contractor shall provide administrative, grant writing, and or accounting services to the RHA board, if directed by the RHA Board President, up to an additional 40 hours annually. Contractor shall provide a quarterly report of time spent under this task that includes the date, person's name who performed work, and a description of the task.

Administration and Book-keeper Services provided in this scope of work shall include labor costs, rent, utilities, telephone, office supplies, and computer hardware and software. Other costs that the RHA may incur include, but not limited to, legal fees and costs, audit fees, PO Box costs, postage, mileage and travel, CIRSA insurance renewal, payment of RHA Vendors and RHA invoices, are the responsibility of the RHA.

Prior to June 30, RHA contracted staff, including the Executive Director and Accountant will be available for up to 8 hours of training. After June 30th, HomesFund has agreed to provide up to an additional 4 hours of training/technical assistance in addition to a support needed to complete the 2018 RHA audit.

RHA shall pay SWCCOG \$10,000 annually, made in two payments The first payment of \$5,000 is due July 30th annually, and the second payment of \$5,000 is due by January 30th, annually.

EXHIBIT B: RHA CALENDAR

	JANUARY
31-Jan	Copy of Adopted Budget must be filed w/ DOLA (CO STATE DEADLINE)
31-Jan	Dec Narrative and Financial Reports Due to Board
	Discuss Audit Schedule w/ Auditor
	FEBRUARY
	Execute Engagement Letter with Auditor- Board President to Sign
	Conduct Audit
	APRIL
30-Apr	March Narrative and Financial Reports Due to Board
	MAY
	Receive <u>CIRSA</u> Insurance renewal applications for <u>Property/Casualty Ins.</u>
late May	RHA Annual Meeting- Approve Audit, approve next year's budget, admin contract renewal (if agenda includes approval of budget, Notice of Budget must be published/posted)
	JUNE
30-Jun	Deadline for audit to be complete (CO STATE DEADLINE)
30-Jun	renew annual contract for services with SWCCOG
	JULY
31-Jul	Deadline for submitting Annual Audit Report to Office of the State Auditor (CO STATE DEADLINE)
31-Jul	June Narrative and Financial Reports Due to Board
	AUGUST
end-Aug	Receive CIRSA Prelim. Quotes (for upcoming year) - Sign & Return by Oct 1 (copies of policies will be available online mid-late January for that year)
	OCTOBER
15-Oct	RHA Proposed Budget must be submitted to Board and <u>Notice of Budget</u> must be published/posted (CO STATE DEADLINE)
31-Oct	Sept Narrative and Financial Reports Due to Board
	DECEMBER
end-Dec	Receive CIRSA Certs and the New Policies will be available online mid-late January
31-Dec	RHA board must adopt budget; meeting must be publicly noticed (CO STATE DEADLINE)



REGIONAL **L**A
HOUSING **P**LATA
ALLIANCE **C**OUNTY

Policies and Procedures
Adopted: March 15, 2006
Regional Housing Alliance of La Plata County

SECTION I

FINANCE

Amended by

Regional Housing Alliance Board of Directors

April 5, 2017; Effective July 1, 2017

July-25	2007	January-16	2013
October-24	2007	February-12	2014
March-25	2009	November-5	2014
January-25	2012	April-1	2015

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1. FISCAL YEAR / ACCOUNTING BASIS

A. Introduction

Commencing July 1, 2017, the RHA Board has decided to go into a period of dormancy for four years. At the end of the four-year period, either the RHA will be dissolved, or the member jurisdictions will need to reinvest funding. These Financial Policies and Procedures reflect the fact that the RHA will no longer have an Executive Director. The RHA will engage a contractor to provide Accounting/Office Manager Services and a contractor to perform Loan Administration Services.

B. Fiscal Year

RHA shall use a calendar year for fiscal and accounting purposes.

C. Basis of Accounting

RHA shall maintain its books and accounting records on an accrual basis in accordance with generally accepted accounting principles (GAAP). All revenues and expenses will be accounted for in the month in which they are incurred. This practice will ensure that a year of expenses is for twelve (12) months whether prepaid or paid in arrears.

2. ACCOUNTING SERVICES

A. Accountant and Office Manager Role

RHA will either contract for or directly hire an employee for accounting and office manager services. Such services are subject to an annual review by the Board and satisfactory negotiations of the parties.

The scope of accounting services will consist of the following:

Accountant:

- The Accounting Books shall be kept in Quickbooks.
- Post all cash receipt and disbursement transactions into Quickbooks
- Upon approval by RHA Board, prepare checks for the necessary operating and programmatic expenses of the RHA.
- Maintain Chart of Accounts.
- Prepare and maintain supporting schedules/spreadsheets in support of select general ledger accounts.
- Record grants receivable/classify applicable expenses per grant and maintain balance to spend spreadsheets on each grant.
- Provide Form 1096 and 1099s to appropriate vendors annually.
- Prepare quarterly financial reports such as income statements, balance sheet, YTD budget analysis, detailing all operating revenues, expenditures, and other fund balance transactions of the RHA by the 15th day for the preceding quarter.
- Prepare annual budget.

- Record loan payments and reconcile loan activity per the reports provided by the Loan Administration Contractor.
- Assist the external auditor by the preparation of schedules and any other duties deemed necessary.
- Prepare financial reports needed by funding sources.
- Provide analysis of cash flow and budget and other financial indicators, and inform Board of upcoming changes in status as soon as they become apparent.
- Ensure that accounting practices are according to Government Accounting Standards, OMB Circular A-87, and Cost Principles for State, Local and Indian Tribal Governments.
- Ensure that accounting practices follow all grant/funding source requirements.
- Any other duties deemed necessary.

Office Manager:

- Open mail and sort out all accounting items to be forwarded to Accountant.
- Code all incoming invoices to be paid and payments received to appropriate category and Class (grant).
- Make copies of all deposit information received.
- Bring deposits to bank not more than two (2) days after receipt.
- Check math on incoming invoices.
- Verify that all invoices for contracted services are following approved scope and contract limits.
- Maintain updated W9s on vendors.
- Assist in audit by providing needed/necessary documentation.
- Renews insurance for D&O, Workers Comp, and Liability insurance each year for each entity.
- Appropriately file all documents.
- Reconcile all RHA bank accounts and provide the RHA Board of Directors a bank reconciliation report by the 15th day for the preceding quarter.

3. AUDIT

At least annually the RHA shall have a fiscal audit of its financial statements. The audit shall be conducted by a licensed independent public accounting firm unless the RHA meets the Audit Exemption requirements per C.R.S 29-1-604.

A. Selection of Auditors

The audit firm shall be selected through the use of a Request for Quotation (RFQ) and/or a Request for Proposals (RFP). Final selection of the firm shall be made by Board Resolution. The audit contract shall be signed by the Board President or by the Vice-President.

B. Auditor's Report

After each annual audit the auditors shall prepare and present a report based upon their findings to the Board at a regularly scheduled board meeting. This report should include a review of the RHA's compliance with the Finance and Accounting Procedures as outlined herein. Acceptance of the audit shall be by a board motion and formal vote accepting the report.

The selected firm will be retained on an annual basis pursuant to a resolution approved by the Board. In no event, shall the total period the firm is retained extend more than five (5) years without the use of a competitive bidding process.

4. FINANCIAL STATEMENTS and BUDGETS

A. Financial Statements

The Accountant shall produce quarterly financial statements for the Board of Directors. Such financial statements shall include General Ledger Detail, Statement of Financial Position, Statement of Activities, Statement of Cash Flows, Statement of Capital Activities, and budget versus actual comparison and an explanation of the variances between actual and budgeted activity.

The Board of Directors shall accept the Financial Statements at least annually. The Board of Directors may request the Accountant to prepare such other monthly or periodic statements that assist in the management of RHA.

B. Budget – Timing

The RHA budget shall be set in accordance with C.R.S. 29-1-101, "Local Government Budget Law of Colorado." All expenditures shall comply with the appropriations as specified by fund.

The Accountant shall prepare and present a draft of the following year's budget to the Board at a regularly scheduled meeting, but no later than August of the current year, for tentative approval. The Draft Budget and the Draft Intergovernmental Funding Agreement, if applicable, shall be presented to the RHA funding entities for review and approval.

A Final Budget shall be approved by the RHA Board by December and filed with the Colorado Division of Local Affairs in compliance with all required filing deadlines. The office manager is responsible for filing the budget document with support from the Accountant as needed. The website providing all necessary information and filing procedures is:

<http://www.colorado.gov/cs/Satellite/DOLA-Main/CBON/1251594652134>

C. Budget Amendments

If a fund appropriation varies by more than 10% during the year, the Accountant will inform the President and shall notify the Board at the next regularly scheduled Board Meeting. Such a variance of operating expenses will be included in an annual Budget Change Resolution to be approved by the Board of Directors at year-end and will require a Budget Amendment be filed with the Colorado Division of Local Affairs.

D. Budget Changes

1. Unbudgeted revenue shall be reported to the Board.

2. Unbudgeted revenue of more than \$100,000 shall be recorded as a year-end Budget Change Amendment.
3. Transfers between line items within the same fund up to \$3,000 may be made at the discretion of the Board President, or Designee
4. Any increase in line items within the same fund for \$3,000 or greater require approval of the Board.
5. Transfers from one fund to another shall be reported promptly at the next regular Board meeting.

E. Capital Expenditure

Property, equipment or other expenditures shall be budgeted as a capital expenditure in the annual budget. The Board shall separately review and approve the request for any capital expenditure over \$10,000 not included in the annual budget. Bids for non-budgeted capital expenditures may be solicited prior to approval of the Board, with the express understanding that acquisition will depend on Board approval.

F. Bank Accounts

RHA shall open and maintain an Operating Account for Unrestricted Funds. Such Operating Account shall be used for non-restricted cash receipts and disbursements and for Temporarily Restricted Operating Expenses that do not require the use of a separate bank account.

RHA shall open Temporarily Restricted bank accounts when (a) a separate bank account is required by the terms of the Temporarily Restricted Grant, (b) the Temporarily Restricted Funds are more than \$50,000 and are expected to be expended over a period of three or more months or (c) the Temporarily Restricted Grant specifies a restricted use for any income earned on the funds.

The Board of Directors authorizes all bank accounts and approves all check signers. The approval of signers shall be reflected in the Board of Director's meeting minutes. Checks greater than \$2,000.00 must be signed by two authorized signors.

For each bank account, all checks are to be pre-numbered and accounted for by the Accountant. Voided checks are to be properly defaced and maintained. Bank statements shall be forwarded unopened to the Accountant or the Accountant may access the bank statements electronically from the Bank. Bank reconciliations to the general ledger are to be done quarterly by the Accountant and a copy of such reconciliation provided to the Board of Directors.

5. ACCOUNTS PAYABLE /ACCOUNTS RECEIVABLE

A. Accounts Payable

The Office Manager shall mark all invoices with date received, chart of account code, Class, and verify that invoices are accurate and in compliance with terms of contract. The invoice or payment request shall then be placed in the Accountant's Mail Box.

The Accountant shall record such invoices and establish a payment date. If the invoice covers services or policies, such as insurance, which cover more than one month, the Accountant shall account for the proper portion as a prepaid expense to be amortized over the policy period or as the services are rendered.

The Accountant shall prepare checks for payment of the invoices and present a voucher package, including the check, approved invoices and any other documentation that may be required to fully substantiate the expenditure, to the authorized check signor for signature.

Checks for payment are signed only when supported by approved invoices (checks will not be processed and signed in advance of proper invoicing approval procedures). All approved invoices should be original invoices whenever possible.

If a second signature is required, the Accountant shall forward the voucher package to the second signatory. The signed voucher package shall be returned to Office Manager for confirmation of the signatories, for mailing of the check and for filing the paid voucher package in the vendor files.

The Office Manager shall ensure that the account payable files include third party documentation for every check written. Check stubs and copies of the invoices/receipts/third party documentation shall be kept in one organized filing system that contains all account payable information.

Accounts Receivable

All contracts or grants for revenue shall be scanned and emailed to the Accountant. The Accountant reviews such contracts and grants to determine the proper recording of such contracts and grants on the books of RHA. The Accountant will assign a Class to the Grant or Contract and will record all transactions using that Class, including any Accounts Receivable.

All cash receipts shall be forwarded to Office Manager who will make a copy of the payment advice and/or check. Office Manager shall then deposit the cash receipt in the proper account and attach a copy of the deposit receipt to the payment advice and/or copy of the check and then place such copies in the Accountant's Mail Box.

All cash receipts shall be deposited within 2 business days of receipt by RHA.

Deposit slips and copies of deposited checks shall be kept in one organized filing system that contains all account receivable information.

6. PETTY CASH

The organization will not keep petty cash on hand.

7. CREDIT CARDS

The organization will not maintain a credit card.

9. GRANT PROCESS

A. Board Approval of Submission

The Board shall approve all grant applications prior to submission.

B. Records/Accounting

Copies of all grant applications; awards, contracts, or other documents shall be filed and maintained at the RHA office by the Office Manager and a copy of all grants shall be provided to the Accountant. The Accountant will assign each grant a Class within the accounting system and all transactions (revenues and expenditures) shall be recorded to that Class to correctly track grant activity. Each grant shall be identified as Unrestricted or Temporarily Restricted.

C. Compliance

The Accountant shall be responsible for ensuring that all grant accounting requirements are met and complied with. To facilitate compliance, the Accountant will use accurate account labeling and recording of transactions and will maintain balance to spend records for each grant.

10. LOANS

A. Loan Activity During Dormancy

During the period of dormancy, the RHA does not envision issuing any loans. The RHA will have a contract with a Loan Administration Contractor to provide Loan Administration Contract Services. The Accountant will reconcile any loan payments or loan payoffs received in the Quickbooks accounting program according to the report provided by the Loan Administration Contractor. The Board President, or Designee, shall have authority to execute loan instruments, security agreements, deeds of trust, subordination agreements, warranty deeds, and releases of collateral.

B. Loan Payments

- 1. Amortizing Loan Payments.** Payments from amortizing loans are received monthly. Payments are received via direct deposit or check. Each payment reflects the Class for the lending source. A report detailing the loan payment and a breakout of principle verses interest will be provided by the RHA's Loan Administration Contractor.

2. Loan pay-offs. When a loan is paid in full, the payment received is first applied to the remaining principal balance of the loan.
 - a. If the payment received is less than the full amount of principal remaining, the difference is written off against the Loan Loss Reserve and the full amount of principal is removed from the Accounting system.
 - b. If the payment received exceeds the remaining principal balance (Shared Appreciation Loans only), the difference is recorded as Income with the appropriate Class.
3. Loan payments may be either restricted or unrestricted.
 - a. Payments on restricted funds will be recorded in the accounting system as required by the funding source.
 - b. Payments received on unrestricted funds will be recorded as approved by RHA Board.

C. Loan Risk Rating/Reserve for Loan Loss Procedures

The Loan Loss Reserve shall be calculated annually and shall equal 10% of loans receivable.

11. OTHER ASSETS AND LIABILITES

A. Property

All property owned by RHA shall remain property of RHA until such time as the Board agrees to sell, lease exchange or otherwise exchange or transfer the property.

B. Loans to RHA

No loan payable shall be contracted and no evidence of indebtedness shall be issued unless authorized by the Board. RHA shall not guarantee the obligations of any Director, Officer or Board Committee Member.

C. No Private Benefit

No part of the receipts, grants or other assets of RHA shall inure to the benefit of any individual or private organization except for an organization that qualifies for income tax exemption under the Internal Revenue Code and for individuals who are qualified to receive loans under the Board approved RHA loan policies.

12. TRAVEL EXPENSES

A. Local Mileage

Employees/contractors are not paid travel time or mileage reimbursement to drive to and from the RHA Office for regular work hours. Local mileage for business related trips will be reimbursed based on the rates set by the IRS. If an alternative to the employee using his/her personal vehicle for local travel has been offered to the employee and rejected, mileage will not be paid. Mileage reimbursement is not allowed for any portion of travel

that is for personal use; such mileage must be deducted from the odometer reading used to calculate mileage. Mileage reimbursement within the county requires a minimum of 10 miles travel per-trip.

B. Out-of-County Travel

The Board President or designee, approves request for travel in advance, based on the purpose of the travel. Expenses will be paid on a reimbursement basis. All expenses related to travel must be in compliance with the policy. Non-reimbursable travel expenses include, but are not limited to:

1. Those incurred for the sole benefit of the employee, such as travel insurance
2. Finance charges on credit cards
3. Alcoholic beverages
4. Extra meals
5. In-room movies
6. Magazines, snacks and other like charges
7. Laundry for trips of fewer than five (5) days
8. Personal long-distance telephone calls or faxes
9. Entertainment
10. Airfare more than the "Coach Rate"

All travel expenses are limited to those directly related to official business (other than the regular work day) based on the following guidelines:

1. Airfares are purchased at the lowest economy fare available for an efficient trip.
2. Meals and incidentals are reimbursed from actual expenses up to the federally published per diem rate.
3. Hotel and transportation expenses will be reimbursed by actual receipts.
4. If a spouse or other non-RHA employee accompanies the employee, reimbursement shall be based on only the employee's expenses, i.e. single room rate.
5. Rental cars are reimbursable only when it is impractical to use taxis, buses, shuttle, or limousine service.
6. If travel expenses are to be reimbursed by another entity, that entity's travel policy will be followed.

13. EXPENSE REPORTS

On completion of any business travel or for other business expense incurred by an employee, an employee must complete an expense report detailing all expenses incurred. The Board President, or designee, approves and signs all expense reimbursement requests. On approval of the expense reports, the report will be forwarded to the Accountant for processing of payment.

14. COMPUTER SYSTEM

A. Back up Procedure

Office Manager/Accountant shall maintain an established back-up procedure for bookkeeping files on the computer network. One copy shall be kept on site at the Office Manager's physical location and one copy shall be kept off-site. Backup of computer files shall occur nightly and be kept for at least 30 days.

31-Jan
31-Jan

30-Apr

late May

30-Jun
30-Jun

31-Jul
31-Jul

end-Aug – 1st of Sep

15-Oct
31-Oct

end-Dec
31-Dec

RHA Calendar

JANUARY

Copy of Adopted Budget must be filed w/ DOLA (CO STATE DEADLINE)

Dec Financial Statements and Reconciled Bank Statements Due to Board

Discuss Audit Schedule w/ Auditor

FEBRUARY

Execute Engagement Letter with Auditor- Board President to Sign

MARCH

Conduct Audit

APRIL

March Financial Statements and Reconciled Bank Statements Due to Board

MAY

Receive CIRSA Insurance renewal applications for Property/Casualty Ins.

RHA Annual Meeting- Approve Audit, Approve next year's budget, admin contract renewal (if agenda includes approval of budget, Notice of Budget must be published/posted)

JUNE

Deadline for audit to be complete (CO STATE DEADLINE)

renew annual contract for services with SWCCOG

JULY

Deadline for submitting Annual Audit Report to Office of the State Auditor (CO STATE DEADLINE)

June Financial Statements and Reconciled Bank Statements Due to Board

AUGUST

Receive CIRSA Prelim. Contrabution Quotes (for upcoming year) – Sign & Return by Oct 1
(copies of policies will be available online mid-late January for that year)

SEPTEMBER

OCTOBER

RHA Proposed Budget must be submitted to Board and Notice of Budget must be published/posted (CO STATE DEADLINE)

Sept Financial Statements and Reconciled Bank Statements Due to Board

NOVEMBER

DECEMBER

Receive CIRSA Certs and the New Policies will be available online mid-late January

RHA board must adopt budget; meeting must be publically noticed (CO STATE DEADLINE)







REGIONAL **L**A
HOUSING **P**LATA
ALLIANCE **C**OUNTY

Policies and Procedures

Adopted: March 15, 2006

Regional Housing Alliance of La Plata County

SECTION I

FINANCE

DRAFT

Amended by

Regional Housing Alliance Board of Directors

April 5, 2017; Effective July 1, 2017

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- Prepare financial reports needed by funding sources.
- Provide analysis of cash flow and budget and other financial indicators, and inform Board of upcoming changes in status as soon as they become apparent.
- Ensure that accounting practices are according to Government Accounting Standards, OMB Circular A-87, and Cost Principles for State, Local and Indian Tribal Governments.
- Ensure that accounting practices follow all grant/funding source requirements.
- Any other duties deemed necessary.

Office Manager:

- Open mail and sort out all accounting items to be forwarded to Accountant.
- Code all incoming invoices to be paid and payments received to appropriate category and Class (grant).
- Make copies of all deposit information received.
- Bring deposits to bank not more than two (2) days after receipt.
- Check math on incoming invoices.
- Verify that all invoices for contracted services are following approved scope and contract limits.
- Maintain updated W9s on vendors.
- Assist in audit by providing needed/necessary documentation.
- Renews insurance for D&O, Workers Comp, and Liability insurance each year for each entity.
- Appropriately file all documents.
- Reconcile all RHA bank accounts and provide the RHA Board of Directors a bank reconciliation report by the 15th day for the preceding quarter.

3. AUDIT

At least annually the RHA shall have a fiscal audit of its financial statements. The audit shall be conducted by a licensed independent public accounting firm unless the RHA meets the Audit Exemption requirements per C.R.S 29-1-604.

A. Selection of Auditors

The audit firm shall be selected through the use of a Request for Quotation (RFQ) and/or a Request for Proposals (RFP). Final selection of the firm shall be made by Board Resolution. The audit contract shall be signed by the Board President or by the Vice-President.

B. Auditor's Report

After each annual audit the auditors shall prepare and present a report based upon their findings to the Board at a regularly scheduled board meeting. This report should include a review of the RHA's compliance with the Finance and Accounting Procedures as outlined herein. Acceptance of the audit shall be by a board motion and formal vote accepting the report.

The selected firm will be retained on an annual basis pursuant to a resolution approved by the Board. In no event, shall the total period the firm is retained extend more than five (5) years without the use of a competitive bidding process.

4. FINANCIAL STATEMENTS and BUDGETS

A. Financial Statements

The Accountant shall produce quarterly financial statements for the Board of Directors. Such financial statements shall include General Ledger Detail, Statement of Financial Position, Statement of Activities, Statement of Cash Flows, Statement of Capital Activities, and budget versus actual comparison and an explanation of the variances between actual and budgeted activity.

The Board of Directors shall accept the Financial Statements at least annually. The Board of Directors may request the Accountant to prepare such other monthly or periodic statements that assist in the management of RHA.

B. Budget – Timing

The RHA budget shall be set in accordance with C.R.S. 29-1-101, "Local Government Budget Law of Colorado." All expenditures shall comply with the appropriations as specified by fund.

The Accountant shall prepare and present a draft of the following year's budget to the Board at a regularly scheduled meeting, but no later than August of the current year, for tentative approval. The Draft Budget and the Draft Intergovernmental Funding Agreement, if applicable, shall be presented to the RHA funding entities for review and approval.

A Final Budget shall be approved by the RHA Board by December and filed with the Colorado Division of Local Affairs in compliance with all required filing deadlines. The office manager is responsible for filing the budget document with support from the Accountant as needed. The website providing all necessary information and filing procedures is:

<http://www.colorado.gov/cs/Satellite/DOLA-Main/CBON/1251594652134>

C. Budget Amendments

If a fund appropriation varies by more than 10% during the year, the Accountant will inform the President and shall notify the Board at the next regularly scheduled Board Meeting. Such a variance of operating expenses will be included in an annual Budget Change Resolution to be approved by the Board of Directors at year-end and will require a Budget Amendment be filed with the Colorado Division of Local Affairs.

D. Budget Changes

1. Unbudgeted revenue shall be reported to the Board.

2. Unbudgeted revenue of more than \$100,000 shall be recorded as a year-end Budget Change Amendment.
3. Transfers between line items within the same fund up to \$3,000 may be made at the discretion of the Board President, or Designee
4. Any increase in line items within the same fund for \$3,000 or greater require approval of the Board.
5. Transfers from one fund to another shall be reported promptly at the next regular Board meeting.

E. Capital Expenditure

Property, equipment or other expenditures shall be budgeted as a capital expenditure in the annual budget. The Board shall separately review and approve the request for any capital expenditure over \$10,000 not included in the annual budget. Bids for non-budgeted capital expenditures may be solicited prior to approval of the Board, with the express understanding that acquisition will depend on Board approval.

F. Bank Accounts

RHA shall open and maintain an Operating Account for Unrestricted Funds. Such Operating Account shall be used for non-restricted cash receipts and disbursements and for Temporarily Restricted Operating Expenses that do not require the use of a separate bank account.

RHA shall open Temporarily Restricted bank accounts when (a) a separate bank account is required by the terms of the Temporarily Restricted Grant, (b) the Temporarily Restricted Funds are more than \$50,000 and are expected to be expended over a period of three or more months or (c) the Temporarily Restricted Grant specifies a restricted use for any income earned on the funds.

The Board of Directors authorizes all bank accounts and approves all check signers. The approval of signers shall be reflected in the Board of Director's meeting minutes. Checks greater than \$2,000.00 must be signed by two authorized signors.

For each bank account, all checks are to be pre-numbered and accounted for by the Accountant. Voided checks are to be properly defaced and maintained. Bank statements shall be forwarded unopened to the Accountant or the Accountant may access the bank statements electronically from the Bank. Bank reconciliations to the general ledger are to be done quarterly by the Accountant and a copy of such reconciliation provided to the Board of Directors.

5. ACCOUNTS PAYABLE /ACCOUNTS RECEIVABLE

A. Accounts Payable

The Office Manager shall mark all invoices with date received, chart of account code, Class, and verify that invoices are accurate and in compliance with terms of contract. The invoice or payment request shall then be placed in the Accountant's Mail Box.

The Accountant shall record such invoices and establish a payment date. If the invoice covers services or policies, such as insurance, which cover more than one month, the Accountant shall account for the proper portion as a prepaid expense to be amortized over the policy period or as the services are rendered.

The Accountant shall prepare checks for payment of the invoices and present a voucher package, including the check, approved invoices and any other documentation that may be required to fully substantiate the expenditure, to the authorized check signor for signature.

Checks for payment are signed only when supported by approved invoices (checks will not be processed and signed in advance of proper invoicing approval procedures). All approved invoices should be original invoices whenever possible.

If a second signature is required, the Accountant shall forward the voucher package to the second signatory. The signed voucher package shall be returned to Office Manager for confirmation of the signatories, for mailing of the check and for filing the paid voucher package in the vendor files.

The Office Manager shall ensure that the account payable files include third party documentation for every check written. Check stubs and copies of the invoices/receipts/third party documentation shall be kept in one organized filing system that contains all account payable information.

Accounts Receivable

All contracts or grants for revenue shall be scanned and emailed to the Accountant. The Accountant reviews such contracts and grants to determine the proper recording of such contracts and grants on the books of RHA. The Accountant will assign a Class to the Grant or Contract and will record all transactions using that Class, including any Accounts Receivable.

All cash receipts shall be forwarded to Office Manager who will make a copy of the payment advice and/or check. Office Manager shall then deposit the cash receipt in the proper account and attach a copy of the deposit receipt to the payment advice and/or copy of the check and then place such copies in the Accountant's Mail Box.

All cash receipts shall be deposited within 2 business days of receipt by RHA.

Deposit slips and copies of deposited checks shall be kept in one organized filing system that contains all account receivable information.

6. PETTY CASH

The organization will not keep petty cash on hand.

7. CREDIT CARDS

The organization will not maintain a credit card.

9. GRANT PROCESS

A. Board Approval of Submission

The Board shall approve all grant applications prior to submission.

B. Records/Accounting

Copies of all grant applications; awards, contracts, or other documents shall be filed and maintained at the RHA office by the Office Manager and a copy of all grants shall be provided to the Accountant. The Accountant will assign each grant a Class within the accounting system and all transactions (revenues and expenditures) shall be recorded to that Class to correctly track grant activity. Each grant shall be identified as Unrestricted or Temporarily Restricted.

C. Compliance

The Accountant shall be responsible for ensuring that all grant accounting requirements are met and complied with. To facilitate compliance, the Accountant will use accurate account labeling and recording of transactions and will maintain balance to spend records for each grant.

10. LOANS

A. Loan Activity During Dormancy

During the period of dormancy, the RHA does not envision issuing any loans. The RHA will have a contract with a Loan Administration Contractor to provide Loan Administration Contract Services. The Accountant will reconcile any loan payments or loan payoffs received in the Quickbooks accounting program according to the report provided by the Loan Administration Contractor. The Board President, or Designee, shall have authority to execute loan instruments, security agreements, deeds of trust, subordination agreements, warranty deeds, and releases of collateral.

B. Loan Payments

- 1. Amortizing Loan Payments.** Payments from amortizing loans are received monthly. Payments are received via direct deposit or check. Each payment reflects the Class for the lending source. A report detailing the loan payment and a breakout of principle verses interest will be provided by the RHA's Loan Administration Contractor.

2. Loan pay-offs. When a loan is paid in full, the payment received is first applied to the remaining principal balance of the loan.
 - a. If the payment received is less than the full amount of principal remaining, the difference is written off against the Loan Loss Reserve and the full amount of principal is removed from the Accounting system.
 - b. If the payment received exceeds the remaining principal balance (Shared Appreciation Loans only), the difference is recorded as Income with the appropriate Class.
3. Loan payments may be either restricted or unrestricted.
 - a. Payments on restricted funds will be recorded in the accounting system as required by the funding source.
 - b. Payments received on unrestricted funds will be recorded as approved by RHA Board.

C. Loan Risk Rating/Reserve for Loan Loss Procedures

The Loan Loss Reserve shall be calculated annually and shall equal 10% of loans receivable.

11. OTHER ASSETS AND LIABILITES

A. Property

All property owned by RHA shall remain property of RHA until such time as the Board agrees to sell, lease exchange or otherwise exchange or transfer the property.

B. Loans to RHA

No loan payable shall be contracted and no evidence of indebtedness shall be issued unless authorized by the Board. RHA shall not guarantee the obligations of any Director, Officer or Board Committee Member.

C. No Private Benefit

No part of the receipts, grants or other assets of RHA shall inure to the benefit of any individual or private organization except for an organization that qualifies for income tax exemption under the Internal Revenue Code and for individuals who are qualified to receive loans under the Board approved RHA loan policies.

12. TRAVEL EXPENSES

A. Local Mileage

Employees/contractors are not paid travel time or mileage reimbursement to drive to and from the RHA Office for regular work hours. Local mileage for business related trips will be reimbursed based on the rates set by the IRS. If an alternative to the employee using his/her personal vehicle for local travel has been offered to the employee and rejected, mileage will not be paid. Mileage reimbursement is not allowed for any portion of travel

that is for personal use; such mileage must be deducted from the odometer reading used to calculate mileage. Mileage reimbursement within the county requires a minimum of 10 miles travel per-trip.

B. Out-of-County Travel

The Board President or designee, approves request for travel in advance, based on the purpose of the travel. Expenses will be paid on a reimbursement basis. All expenses related to travel must be in compliance with the policy. Non-reimbursable travel expenses include, but are not limited to:

1. Those incurred for the sole benefit of the employee, such as travel insurance
2. Finance charges on credit cards
3. Alcoholic beverages
4. Extra meals
5. In-room movies
6. Magazines, snacks and other like charges
7. Laundry for trips of fewer than five (5) days
8. Personal long-distance telephone calls or faxes
9. Entertainment
10. Airfare more than the "Coach Rate"

All travel expenses are limited to those directly related to official business (other than the regular work day) based on the following guidelines:

1. Airfares are purchased at the lowest economy fare available for an efficient trip.
2. Meals and incidentals are reimbursed from actual expenses up to the federally published per diem rate.
3. Hotel and transportation expenses will be reimbursed by actual receipts.
4. If a spouse or other non-RHA employee accompanies the employee, reimbursement shall be based on only the employee's expenses, i.e. single room rate.
5. Rental cars are reimbursable only when it is impractical to use taxis, buses, shuttle, or limousine service.
6. If travel expenses are to be reimbursed by another entity, that entity's travel policy will be followed.

13. EXPENSE REPORTS

On completion of any business travel or for other business expense incurred by an employee, an employee must complete an expense report detailing all expenses incurred. The Board President, or designee, approves and signs all expense reimbursement requests. On approval of the expense reports, the report will be forwarded to the Accountant for processing of payment.

14. COMPUTER SYSTEM

A. Back up Procedure

Office Manager/Accountant shall maintain an established back-up procedure for bookkeeping files on the computer network. One copy shall be kept on site at the Office Manager's physical location and one copy shall be kept off-site. Backup of computer files shall occur nightly and be kept for at least 30 days.

DRAFT

Rural Healthcare Grant

To: SWCCOG Board of Directors
From: Miriam Gillow-Wiles
Date: 4 May 2017

Comments: During the process of developing the SWCCOG Regional Broadband Plan a variety of funding sources were discussed for middle mile development. The Consultant and staff have settled on the Rural Healthcare Grant from USAC, as we have more health care facilities than schools/libraries that need to be connected, and therefore a better case can be made in the application process.

The initial estimate was 55-60M, the Rural Healthcare Grant will pay for up to 65% of that cost. As a result we are targeting about 35-40M in funding from Rural Healthcare. This grant is complicated thanks to the fact it is federal funding. We are working on ensuring all the details are in order. Further, the grant application is due June 30th.

Staff has been working with local CDOT and CDOT Headquarters in Denver to find the 35% match required. After initial discussions this seems to be a possibility through cash and in-kind funding from CDOT. We will work with the ISPs that have infrastructure in the areas for development, as well as potentially apply for a DOLA grant at the end of 2017 or early 2018.

Attached is a lot of information from NEOConnect and the USAC website for your reading and edification. The Board should review and approve the process of applying for the Rural Healthcare Grant from USAC at this time. While the time frame is short, and this is A LOT of money, we are very concerned about the potential impacts of the proposed budget on this funding source.

Legal Review: Not applicable at this time

Fiscal Impact: Will heavily impact the SWCCOG Budget, positively

Staff Recommendation: Approve an application for the USAC Rural Healthcare Grant

Information from USAC Rural Healthcare Grant Website:

<https://usac.org/rhc/healthcare-connect/Consortia/consortia101.aspx>

What is a consortium?

A consortium is two or more health care providers (HCPs) that choose to request support as a single entity. Non-rural eligible HCPs may receive support as part of a consortium consisting of a majority rural HCP sites. In addition, ineligible HCP sites also may participate in a consortium and take advantage of lower contract prices often associated with consortia bulk-buying, but they will not receive universal service funding support.

- If the consortium is not a legal entity, each consortium member may need to sign an individual contract with the service provider, or one of the consortium members may need to enter into a master contract on behalf of all of the other members
- To participate in the Healthcare Connect Fund (HCF) Program, service providers may be any provider of equipment, facilities, or services that are considered to be eligible for support.
- To be considered eligible, service providers must also make sure they have a 498 ID ([formerly known as SPIN](#)) – NEOConnect has a “SPIN” number.

Third-Party Authorization

If a consortium leader plans to use a consultant or other third party to submit HCF Program application forms, the consultant must obtain and submit to USAC a written third party authorization (TPA) giving the third party authority to complete and submit forms on behalf of the consortium and assigning the consortium leader with responsibility for all liability for any errors, omissions, or misrepresentations that may be contained on the forms and documents. For more information about TPA requirements, see the [Third Party Authorization](#) page.

Designate a Consortium Leader

The consortium leader is the legally and financially responsible entity for all consortium activities supported by the Healthcare Connect Fund (HCF) Program. The consortium leader may be one of the following entities:

- The consortium itself if organized as a legal entity,
- An eligible health care provider (HCP) member of the consortium,
- An ineligible state organization,
- An ineligible public sector (government) entity, or
- An ineligible nonprofit entity.

An eligible HCP can serve as the consortium leader and simultaneously receive support. However, if an ineligible HCP serves as the consortium leader, they are prohibited from receiving support from the HCF Program.

Responsibilities

Consortium leader responsibilities include:

- Designating a project coordinator to serve as the point of contact with USAC,

- Submitting all forms and certifications,
- Ensuring compliance with requirements,
- Managing allocation of costs and discounts,
- Overseeing the invoicing process,
- Keeping records as required,
- Coordinating site visits, and
- Coordinating audit inquiries.

Except for the responsibilities listed above, consortia have flexibility to allocate legal and financial responsibility as they see fit, provided that this allocation is memorialized in a formal written agreement between the affected parties. The agreement must clearly identify the parties responsible for repayment of disbursed funds to the consortium due to violations of program rules. Consortia that choose to allocate legal and financial responsibility must submit the formal written agreement to USAC for approval with or prior to submission.

Differences Between Consortium Leader and Project Coordinator

A consortium leader serves as the lead entity for the consortium, and is legally and financially responsible for activities supported by the Healthcare Connect Fund Program. The consortium and the consortium leader can be the same entity (if the consortium is a legal entity), but are not required to be.

The project coordinator is the person who serves as the point of contact with the FCC and USAC for all matters related to the consortium. The project coordinator must be an officer, director, or other authorized employee of the consortium lead entity. They are responsible for responding to FCC and USAC inquiries on behalf of the consortium members through the application, funding, invoicing, and post-invoicing period.

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Consortium leaders can choose to serve in an administrative capacity only and have the consortium (if a legal entity) or its individual members retain ultimate legal and financial responsibility.

If USAC, at some point, needs to recover disbursed funds from the consortium due to violations of the program rules, the consortium leader will be held legally and financially responsible for repaying those disbursements, unless the written agreement submitted to USAC by the consortium provides otherwise.

Identify Consortium Participants and Obtain Authorizations

The consortium leader must identify the members of the consortium by submitting an individual FCC Form 460 for each eligible HCP.

Before the FCC Forms 460 can be processed, the consortium leader must obtain a letter of agency (LOA) from each member authorizing the consortium leader to act on their behalf. For more information about LOAs, visit the Letter of Agency page.

Talking Points: SWCCOG and the Rural Healthcare Grant Program

Background Information

- 1) SWCCOG just completed a Strategic Plan for Improving Broadband Services in the Region
- 2) **Improving Transport Costs.** A barrier to better broadband is the backhaul, or transport costs between communities and to an Internet hub (i.e. Albuquerque, Grand Junction or Denver.)
- 3) **Reliability.** Additionally, with one provider (CenturyLink) that serves the region with fiber, when there is a fiber cut, our 911 services, cellular and Internet services go down.
- 4) We are working to improve the transport costs and provide better reliability by building fiber between our communities. Additionally, we are targeting to build to key community anchor institutions (schools, hospitals, medical facilities, government institutions) to **aggregate demand**. This brings the costs of services down for all key community anchor institutions

Strategy is to Target the Rural Healthcare Grant Program

There is a federal program run through USAC that provides grant funding for rural healthcare providers. This program will pay for 60-65% of the capital costs to build fiber between communities and healthcare providers.

Eligible Entities include:

1. Post-secondary educational institutions offering health care instruction, such as teaching hospitals and medical schools,
2. Community health centers or health centers providing health care to migrants,
3. Local health departments or agencies,
4. Community mental health centers,
5. Not-for-profit hospitals,
6. Rural health clinics,

7. Consortia of HCPs consisting of one or more of the above entities,
8. Dedicated emergency departments of rural for-profit hospitals,
9. Part-time eligible entities located in facilities that are ineligible, or
10. Skilled Nursing Facilities (SNFs) (effective January 1, 2017).

Eligible service includes building fiber to the healthcare provider.

60-65% of the capital costs may be paid for through the Rural Healthcare Program

We are working with CDOT and DOLA to pay for the 35-40% match

CDOT is planning to build fiber on most of the state highways within the region. CDOT requires 100% of the build to be underground, rather than using transmission or power utility lines for aerial construction. If 100% of the build is underground, the following represent projected capital costs to build between all of the communities within the region.

Targeted Funding will go to build the following:

Middle Mile (Between Communities)

CDOT Build Routes							
Segment	From	To	New (Miles)	Existing (Miles)	Type	Fiber Ct	Build Cost \$\$
1	Dolorez	Cortez	10.08	1.19	100%U	144	\$ 2,325,734.53
2	Cortez	Mancos	15.14	2.54	100%U	144	\$ 3,458,654.64
3	Mancos	Durango	27.66	0.45	100%U	144	\$ 6,261,983.06
4	Cascade	Silverton	0.00	19.94	100%U	145	\$ 68,000.00
5	Durango	Cascade	27.08	0.00	100%U	146	\$ 6,134,124.85
6	Durango	NM State Line	12.44	5.06	100%U	144	\$ 2,853,484.27
7	Durango	Bayfield	12.60	7.23	100%U	144	\$ 2,889,340.35
8	Bayfield	Pagosa Springs	39.42	2.29	100%U	144	\$ 8,897,697.45
9	Bayfield	Ignacio	8.11	0.76	100%U	144	\$ 1,884,231.09
10	Pagosa Springs	North toward South Fork	10.39	0.00	100%U	144	\$ 2,395,546.36
11	Dolorez	Rico	37.77	0.15	100%U	144	\$ 8,527,502.11
12	Dove Creek	Cortez	32.55	7.71	100%U	144	\$ 7,358,345.58
						Total	\$ 53,054,644.30

Within Each of the Communities, to the Healthcare Providers:

Rural Healthcare Anchor Builds within each community								
Segment	New (FT)	New (Miles)	Existing (FT)	Existing (Miles)	Fiber Cnt	Build Cost \$\$	County	# of Healthcare Facilities
Cortez	73347	13.89	15213	2.88	48	\$ 1,793,125.31	Montezuma	5
Rico	0	0.00	0	0.00		\$ -	Dolores	0
Durango	21106	4.00	52252	9.90	48	\$ 559,923.37	La Plata	13
Mancos	0	0.00	0	0.00		\$ 3,800.00	Montezuma	1
Pagosa Springs	10726	2.03	10703	2.03	48	\$ 289,844.55	Archuleta	8
Bayfield	0	0.00	0	0.00		\$ -	La Plata	0
Dove Creek	3009	0.57	0	0.00	48	\$ 80,375.72	Dolores	2
Dolores	0	0.00	243	0.05		\$ 3,800.00	Montezuma	1
Silverton	0	0.00	2038	0.39		\$ 3,800.00	San Juan	1
					Total	\$ 2,734,668.94		31

We are looking to potentially fund \$56 - \$60 Million in fiber build costs through the Rural Healthcare Grant Program.

Next Steps

Identify Project Coordinator for the Consortium (SWCCOG or San Juan Healthcare)

1. Receive signed Letters of Agency from participating healthcare providers. (Target at least one in each community).
2. SWCCOG, or San Juan with NEO's help will submit forms for eligibility
3. Request for Proposal to design and build the network will be issued (28-day mandatory minimum timeframe for response)
4. Approval for funding

Requirements for the Letters of Agency

The letter of agency (LOA) provides written authorization to the project coordinator of a consortium to act on behalf of each participating health care provider (HCP) or health system not owned or operated by the consortium or organization operating the consortium. The LOA should be addressed to the project coordinator for the consortium leader.

The LOA must include the:

- Name of the entity being authorized to submit application forms (project coordinator or consortium leader).
- Name of the entity on whose behalf the project coordinator is authorized to file (HCP/consortium member).
- Physical location address of the HCP/consortium member site.
- Specific timeframe the LOA covers (start date and end date).
- Signature, title, and contact information (including mailing address, phone number, and email address) of an officer, director, or other employee of the HCP/consortium member who is authorized to act on behalf of the HCP/consortium member.
 - **For HCPs on Tribal lands:** If the health care facility is a contract facility solely run by a Tribal Nation, the appropriate Tribal leader, such as a Tribal Chairperson, President, Governor, or Chief must sign the LOA, unless healthcare responsibilities have been delegated to another Tribal government representative.
- Date of signature.
- Type of services covered by the LOA.
- Relationship of the HCPs listed on the LOA to the entity signing the LOA on their behalf (only for health systems or an HCP that owns multiple locations).

Recommendations

It is recommended that the LOA:

- Be submitted on the letterhead of the participating health system or consortium member.
- Include a statement securing authorization for the consortium to submit the Eligibility and Registration Form (FCC Form 460), submit the Request for Services Form (FCC

Form 461), prepare and post the request for proposal, submit a Funding Request Form (FCC Form 462), and manage invoices (FCC Form 463) on behalf of the member.

- Include the following suggested language to eliminate the requirement of TPAs between consortium members and third parties:
 - "[HCP Name] hereby authorizes [Consortium Leader Name] and its agents to act on its behalf..."
 - "[HCP Name] authorizes [Consortium Leader Name] and its agents to: [HCP Name] authorizes [Consortium Leader Name] and its agents to submit the FCC Form 461..."
 - "By this Letter of Agency, [HCP Name] authorizes [Consortium Leader Name] and its agents to make the certifications included in the FCC Form 461..."

Things to Know

No FCC Forms 460 filed by a consortium for consortium members can be processed without an approved LOA. There are two options for submitting an LOA, with or without formal agreements between the consortium leader and HCP consortium members:

- **Option One:** If there is no existing formal agreement, the consortium leader will assume sole legal and financial responsibility for the activities of the consortium. The consortium leader does not have the authority to make all certifications on the forms and LOA on behalf of the consortium members under this option.
- **Option Two:** The consortium has a formal written agreement, approved by USAC, allocating legal and financial responsibility to the consortium leader. Under this option, the consortium leader is responsible for certifications on behalf of consortium members.

Other Items

Community Updates
