



# SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

## Regular Meeting Agenda

Friday, 1 April 2016, 1:30pm

1188 E. 2<sup>nd</sup> Ave., Carnegie Building, Durango, CO 81301

- I. Introductions
- II. Consent Agenda
  - a. 4 March 2016 Broadband Meeting Minutes
  - b. 4 March 2016 SWCCOG Meeting Minutes
  - c. 24 March 2016 SWCCOG Executive Committee Meeting Minutes
  - d. February 2016 Financials
- III. Reports
  - a. Director's Report
  - b. Broadband Report
  - c. Legislation Update
    - a. SB136 Letter of Opposition (information only)
  - d. Transportation Report
  - e. Visit to Dolores County Overview
  - f. VISTA Report (Includes Shared Services and Recycling)
  - g. Community Updates
- IV. Discussion Items
  - a. SWCCOG Membership Policy (new and returning members)
- V. Decision Items
  - a. EPA Environmental Education Grant
  - b. Personnel Handbook updates
    - i. Fraud Prevention
    - ii. Time Sheet
- VI. Other Items

Video/Phone Conference Info:

<https://zoom.us/j/501744447>

1-646-558-8656, Meeting ID: 501 744 447

PO Box 963, Durango, CO 81301

970.779.4592

[www.swccog.org](http://www.swccog.org)

1 28/03/2016

# Consent Agenda

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**Southwest Colorado Council of Governments  
Broadband Planning Meeting  
4 March 2016  
1188 E. 2nd Ave., Carnegie Building, Durango, CO 81301**

In attendance:

Michael Whiting - Archuleta County  
Dick White - City of Durango  
Ron LeBlanc – City of Durango  
Julie Westendorff - La Plata County  
Chris La May - Town of Bayfield  
Eric Pierson - City of Durango  
James Torres - La Plata County  
Roger Zalneraitis - La Plata County Economic Development Alliance  
Ken Charles - Colorado Department of Local Affairs  
Mark Garcia -Town of Ignacio (phone)  
Rick Smith - City of Cortez  
Shane Hale – City of Cortez  
Darlene Marcus – Congressman Tipton’s Office  
Jeff Gavlinski – Government Business Development Consultant  
Mike McVaugh - CDOT  
Jason Meininger – La Plata County Planning Department  
Dan Murphy – La Plata County Planning Department  
Diane Kruse - NEO Fiber  
Steve Burkholder – NEO Fiber  
Miriam Gillow-Wiles - Southwest Colorado Council of Governments  
Sara Trujillo - Southwest Colorado Council of Governments

The meeting began at 10:11 a.m.

Diane Kruse presented the progress and current status of NEO Fiber’s review of the SCAN network. Ninety community anchor institution connections into the SCAN network have been identified with possible other connections creating a total of 350 anchors. NEO Fiber confirmed mapping of existing networks and have met with service providers to identify primary challenges.

Diane described NEO Fiber’s next steps that involve community outreach with key stakeholder organizations such as health care institutions, schools, government to include city/town, public safety, fire, police, etc., the business community as well as the public. This outreach will provide education to stakeholders, allow for valuable feedback, and get additional engagement in the broadband process, which will allow greater leverage from grant funds to help create the SCAN middle mile network. For example, if health care institutions are engaged, they have access to Colorado rural health care grant funds that would absorb 65% of the capital cost to connect medical facilities throughout the region and pay for the middle mile connection. In addition, outreach will allow great opportunity to leverage potential partnerships. Shane Hale asked if the grant(s) used to build the middle mile would also absorb long-term lease costs. Diane said some

grants will and some will not, but the goal is to stay away from those types of monthly operating expenses and make the SCAN network sustainable on its own.

The outreach meetings are scheduled as follows:

- April 11: Archuleta County
- April 12: La Plata County
- April 13: Montezuma County
- April 14: San Juan County

Diane will send each community information for invitations and asked that each community make the logistics happen.

Other next steps include continuing communication with service providers to talk about collaborative efforts, joint builds, and fiber leasing. Mike McVaugh mentioned ownership opportunities that could exist with conduit projects started but never completed in certain areas of the region, such as South Fork. Diane requested plans and maps for these areas; Mike will provide this information.

Diane explained that the goal is to create a more financially sustainable model for the SCAN network. This will involve building between communities to have redundancy and better broadband into communities. Funds to further the SCAN network should not benefit a minimal number of institutions but be for last mile services. Service providers have indicated improvement to last mile services for everyone in the region begins with building fiber to key facilities and tower locations. NEO Fiber is looking into these tower locations. In addition, changing the services offered would allow greater internet service with a minimum of 100 Mbps up to 10 Gbps. A Virtual Local Area Networks (V-LAN) connection would be beneficial as this connection extends across the local network across the region for governments to share resources and software creating the ability to better provide services to each other, and better connectivity for government applications.

Diane presented a financial observation indicating that:

- Communities are funding operations of SCAN and receiving very little benefit.
- SCAN is not currently being leveraged (or best used); Fiber is in the ground but not being used.
- End users are not getting much benefit; \$8 per Mbps is expensive.
- Afford only 10 – 30 Mbps Internet Service
- Revenue model is at a loss.
- SCAN needs to be financially viable or sustainable without member contributions
- Needs staffing to promote and execute the mission and goals of SCAN

Diane suggested the following changes to the current financial model and shared the below mock income statement:

- Change the revenue model to offer more abundant service at an affordable rate (100 Mbps – 1 Gbps) for \$1-\$2.50/Mbps
- Renegotiate revenue share with service providers (1-5 anchors versus 300 anchors)
- Get greater take rate percentage for anchors to use Internet service provided by SCAN/Service providers through a revenue share model.
- Offer VLAN Layer 2 services for e-government applications and shared services

## Income Statement

	2016	2017	2018	2019	2020
	Forecast Project Period				
	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Revenues</b>					
<b>Total Revenues</b>	\$ 178,700	\$ 285,600	\$ 285,600	\$ 285,600	\$ 285,600
<b>Expenses</b>					
Software Maintenance	\$ 8,400	\$ 8,400	\$ 8,400	\$ 8,400	\$ 8,400
Network Equipment Monitoring and Maintenance	\$ -	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
Fiber Equipment Replacement Fund	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000
Salary, Administrator	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000
Payroll Taxes and Benefits	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000
Marketing and Sales Expense, percent of Total Revenue	\$ 8,935	\$ 14,280	\$ 14,280	\$ 14,280	\$ 14,280
General and Administrative Overhead, % of Revenue	\$ 8,935	\$ 14,280	\$ 14,280	\$ 14,280	\$ 14,280
<b>Total Expenses</b>	\$ 144,270	\$ 214,960	\$ 214,960	\$ 214,960	\$ 214,960
<b>EBITDA</b>	\$ 34,430	\$ 70,640	\$ 70,640	\$ 70,640	\$ 70,640

Ron LeBlanc asked if the anchor institutions pay equally. Diane said yes. Roger Zalneraitis responded that anchor institutions are heavily pursued by the private service providers and prices are lower than NEO Fiber's financial model. If the SCAN network is to be successful, the financial model will have to change to provide cheaper services. Diane will adjust the model.

Diane summarized the vision for SCAN to be:

- A middle mile network that supports e-government applications
- Facilitator to improve broadband by collaborating with service providers
- A neutral network for service providers
- A leveraging object for grant funds
- A means of tearing down silos and creating joint efforts

Miriam Gillow-Wiles reported that from a COG staff perspective with limited resources and limited time, creating a SCAN network division in-house to monitor and run this network would be beneficial. Michael Whiting asked where small communities go from here as he is unsure there is a middle mile problem for Archuleta County. Diane said service providers indicated redundancy in and out of all communities would help improve broadband services. In addition, bringing fiber to key tower facilities would improve broadband expansion further into residential homes. Mark Garcia asked what the remaining capacity would be of the SCAN network after an adequate model is promoted. Diane responded that there are a number of potential paths, including working with service providers in a revenue share model and public-private partnerships. She will include a deliverable on this item. Julie Westendorff reminded the group

that La Plata County is not interested in being a service provider and that getting the SCAN network sustainable on its own is the goal.

The meeting adjourned at 11:58 a.m.

**Southwest Colorado Council of Governments  
March Board Meeting  
Friday, 4 March 2016, 1:30pm  
1188 E. 2nd Ave., Carnegie Building, Durango, CO 81301**

In Attendance:

Andrea Phillips – Town of Mancos  
Ron LeBlanc – City of Durango  
Dick White – City of Durango  
John Egan – Town of Pagosa Springs  
Michelle Nelson – Town of Bayfield  
Chris Tookey – Town of Silverton  
William Tookey – San Juan County  
Shane Hale – City of Cortez  
Michael Whiting – Archuleta County  
Julie Westendorff – La Plata County  
Mark Garcia – Town of Ignacio (via phone)

Staff in Attendance:

Miriam Gillow-Wiles – Southwest Colorado Council of Governments  
Sara Trujillo – Southwest Colorado Council of Governments  
Jessica Laitsch – Southwest Colorado Council of Governments  
Shannon Cramer – Southwest Colorado Council of Governments

Guests in Attendance:

Cherri Miller – State Purchasing Office (via phone)  
John Whitney – Senator Bennet's Office

**I. Introductions**

The meeting was called to order at 1:33pm.

**II. Presentation: State Purchasing Program**

Cherri Miller with the State Purchasing Office presented an overview of the State Purchasing Program available to local governments that provides vendor price agreements for supplies, services, and contracts to save purchasers money. Purchasers can access over 170 price agreements at [www.bidscolorado.com](http://www.bidscolorado.com). Cherri gave a tour of the website.

**III. Consent Agenda**

- a. 5 February 2016 SWCCOG Meeting Minutes
- b. January 2016 Financials

**Michael Whiting motioned to approve both consent agenda items together as presented, John Egan seconded, unanimously approved.**

**IV. Reports**

- a. Director's Report

Miriam Gillow-Wiles reported that her vacation in Laos was phenomenal and thanked staff for all the hard work done in her absence. Miriam said after getting back from Laos, she spent a few days in Denver working with Representative Coram and Representative Brown on the Tribal Voting at STAC legislation. She also caught up with Eric Bergman of CCI to discuss broadband legislation. See legislative update below for more details.

## **Dolores County Visit**

Miriam reminded the board that the Executive Committee will be visiting Dolores County on Monday, March 7th, including the Senior Center, from 1:30pm-5:30pm. The group will leave the COG office at 11:30am and return around 7:30pm.

## **Cool and Connected – USDA Broadband and Sustainable Community Development**

Miriam reported that a letter of interest was submitted on Wednesday February 24th for the Cool and Connected pilot program. This is a program to help communities revitalize their downtowns through broadband. From the announcement: “USDA Rural Utilities Service Administrator Brandon McBride encouraged communities interested in using broadband service to help revitalize small-town main streets and promote economic development to apply for Cool & Connected, a pilot program sponsored by USDA Rural Utilities Service and the U.S. Environmental Protection Agency Office of Sustainable Communities. Through Cool & Connected, a team of experts will help community members develop strategies and an action plan for using planned or existing broadband service to promote smart, sustainable community development.”

### **b. Broadband Report**

NeoFiber was in the region on March 3rd and 4th and gave a presentation update and financial model suggestion just prior to the COG board meeting March 4, 2016. Diane Kruse and Steve Burkholder met with service provider to identify challenges. Community outreach meetings will be held April 11-14. Diane explained that the goal is to create a more financially sustainable model for the SCAN network. This will involve building connections between communities to have redundancy and better broadband into communities. In addition, changing the services offered would allow greater internet service with a minimum of 100 Mbps up to 10 gigabytes. A Virtual Local Area Networks (V-LAN) connection would be beneficial as this connection extends across the local network across the region for governments to share resources and software creating the ability to better provide services to each other, and better connectivity for government applications. NEO Fiber will continue research and make adjustments to the financial model.

### **c. Legislation Update**

**SB16-011** – Terminate the use FASTER fees for transit:

Postponed indefinitely in House committee

**HB16-1018** – Statewide Transportation Advisory Committee Procedures:

Sent unamended to the Governor

**HB16-1031** – Modify Transportation Commission Membership:

Referred from House Committee on Transportation and Energy to House Committee on Appropriations

**HB16-1169** – Allow Tribes to Vote at Statewide Transportation Advisory Committee:

Assigned to Senate Committee on Transportation, Staff will testify when it is scheduled.

Miriam reported that a new legislative bill, SB16-136, regarding broadband has been introduced that will make it more challenging for counties to opt out if deemed served or under-served. An area is considered served with a DSL connection. This bill will not affect those that are currently opted out. The Colorado Communications and Utility Alliance (CCUA) are opposed to this bill. Miriam will monitor. Andrea Phillips said a letter should be written on behalf of the COG to oppose this bill.

**Shane Hale motioned to have staff create a letter of opposition to SB16-136, John Egan seconded, unanimously approved.**



Miriam reported that the Town of Rico contacted Ed Morlan regarding the broadband plan the SWCCOG is currently working on. The Town of Rico is working with the Community Foundation to bring broadband to the area. The Community Foundation has encouraged the Town of Rico to become a member of the COG and benefit from broadband efforts with the Foundation paying for the membership dues that will be approximately \$2,500 for 2016. Miriam is invited to the Town of Rico's board meeting on March 16, 2016 to talk about broadband planning efforts. Shane Hale questioned how dues would be calculated if the Town of Rico becomes a member considering the first quarter of 2016 is gone and whether the membership would end after the broadband grant is complete. He added that COG membership is not meant to be an a la carte type of membership and a multi-year commitment should be requested. Michael Whiting agreed that membership should not be for a single grant and that a commitment beyond broadband should be encouraged. In addition, Michael suggested a pro-rated membership fee with a portion of the 2016 already past and that 100% of any grant match should be required. A commitment cannot be enforceable, but an informal commitment would be appropriate. Dick White suggested creating a policy for membership that should include a waiting period of at least six month for any member that cancels then wants to re-join.

**Shane Hale motioned to authorize staff to pro rate membership dues from the requested month to the end of year for any new members, with a minimum of six months of dues assessed, in addition to any other participation fees in way of grant match at full cost, John Egan seconded, unanimously approved.**

d. Transportation Report

**TPR**

The TPR met on Friday, February 5, 2016. There was discussion about federal and state funding opportunities including:

- FAST Act Legislation
- The Federal Lands Access Program
- The Transportation Alternatives Program

There were also updates about the awards for FASTER capital project and Safe Routes to School funding. CDOT gave a presentation about their budget process. Updates on state legislation regarding transportation will be included in the legislative update. The next TPR meeting will be held Friday, April 1, 2016 from 9 am -12 pm at the Carnegie Building.

**Transit**

The next Transit Council meeting will be held Friday, March 18 at 9:00 a.m. at the Carnegie Building.

e. VISTA's Report (Includes Shared Services)

**Shared services project:** Shannon reported that the update for this project was the presentation Cherri Miller gave at the beginning of the meeting.

**Recycling project:** Shannon reported spending most of her time on the CDPHE RREO Grant application. With the help of other staff members, Shannon collected the necessary information per CDPHE instructions. The grant application was due and submitted on March 4, 2016.

f. Community Updates

With time running short, no community updates were given.

**V. Discussion Items**

a. SWCCOG-4CORE Report

Miriam presented a spread sheet breakdown of current personnel costs for both 4CORE and the COG as well as a spread sheet of combined personnel costs with cost savings. Miriam said

she previously had met with two of the 4CORE Board members to discuss the cost savings, and they thought the cost savings under personnel was a reason to delve deeper into bringing 4CORE under the SWCCOG umbrella. 4CORE has suspended their Executive Director search and hired a Program Director position at 0.5FTE. Miriam said this is a positive step for 4CORE. On April 1st at 12:30pm, the SWCCOG Board and the 4CORE Board are tentatively planning to meet to discuss common goals and further steps. Shane Hale questioned if 4CORE is brought under the COG, would current funders who are already COG members still provide funding towards the 4CORE efforts. Miriam responded that 4CORE would be a program under the COG and not a separate entity; a new dues structure has not yet been calculated. Shane asked if the 4CORE board would be excused. Miriam said the 4CORE board would be an advisory board with the COG board the governing board. Mark Garcia stated that 4CORE is in dire need of leadership at the Executive Director level; with Miriam's time currently at the maximum, will she be able to shoulder this responsibility. Miriam said she has some reservations and integrating another organization and additional staff will be challenging. However, Miriam stated that with the right staff, the ED position will be an actual ED position versus an ED plus grant person position, which will free some of her time to do actual ED work. John Egan responded that Miriam should not be trying to negotiate this entire deal by herself and that the Executive Committee should be involved. Shane said he sees the savings but would like to know what additional services would be provided to COG members with 4CORE on board, such as will LPEA still provide annual contributions. Mark Garcia, an LPEA Board member, said LPEA would probably continue contributions and that it would be a matter of ongoing funding. Julie Westendorff would like to know what Miriam's role would be with 4CORE added as this will need to be defined. The 4CORE audits need to be reviewed and Julie does not want this to be at the COG's expense. John responded that 4CORE will need to be integrated into the COG's business model and 4CORE's focus will have to expand beyond La Plata County. Andrea Phillips voiced concern with staff salary increases as operating costs will increase and questioned, with adding new projects, at what point are salary increases given. If staff are overtaxed, the COG needs to identify where to focus energy. Shane said this discussion needs to be vetted further and that he is not ready to give Miriam further direction without additional information. Michael Whiting suggested that Miriam continue cultivating the relationship and three years of financials and forecasts of where revenue sources are needs to be explored. The Executive Committee will follow up with Miriam and 4CORE.

## **VI. Decision Items**

### **a. Legislative Committee Policy – DRAFT**

Miriam provided a Legislative Committee Policy DRAFT in the board packet. Ultimately, the document is set to guide how the legislative review committee and staff work together on the legislative work, and can be amended as needed. The committee will be comprised of one county representative, one municipal representative, and one Executive Committee member. Ron LeBlanc asked Miriam to update the verbiage to say three members at a minimum. Ron also mentioned that when CCI and CML are opposed, the COG should take no position, and if CCI and CML are in concurrence, the COG should take the same stand; this should be part of the policy. Michelle Nelson requested anytime the committee create a letter of recommendation that this letter and any other information be emailed to all COG members to keep all abreast of Legislative Committee activity. Miriam requested that the COG Board take a stance on issues in advance each year during the legislative season to help guide the committee.

**Michael Whiting motioned to direct staff to finalize the Legislative Committee Policy with verbiage that if CML and CCI are in conflict, the Committee is to have no stance, three members at a minimum will comprise the committee, and Shane Hale, Ron LeBlanc,**

**Michael Whiting, and John Egan will head up the 2016 Legislative Committee, Michelle Nelson seconded, unanimously approved.**

The meeting was adjourned at 3:30pm

**Southwest Colorado Council of Governments  
Executive Committee Meeting  
Thursday, 24 March 2016, 2:00pm  
1188 E. 2nd Ave., Carnegie Building, Durango, CO 81301**

In attendance:

Andrea Phillips – Town of Mancos (by phone)  
Julie Westendorff – La Plata County (by phone)  
Miriam Gillow-Wiles – Southwest Colorado Council of Governments  
Jessica Laitsch - Southwest Colorado Council of Governments

The meeting began at 2:04 p.m.

Andrea summarized that the purpose is to discuss the agenda for the upcoming board meeting and the question on the EPA grant. Julie requested an update on AAA. Miriam asked whether they would prefer to wait until Sara can join the AAA discussion or move forward with the discussion. Julie replied that she is not sure if there is new information now, but she is not sure if this is going to move forward in the near term and suggested holding off at the moment. Miriam stated that this approach is fine from staff perspective at this time.

Andrea asked what the presentation will be. Miriam replied there will likely not be a presentation due to coordination difficulties. Julie asked if this is environmental or financial sustainability. Miriam replied this is related to climate and environmental resiliency and this is very likely to not happen until a later meeting.

Andrea summarized there will be a review of financials, two sets of meeting minutes, and the director's report. She mentioned that Mancos, Cortez, and Dolores are participating in Montezuma County's "fiber to the premises" plan, looking at microwave technology and fiber to the home. Miriam replied she has been involved in a number of discussions concerning this and the implications this could have on future funding. They discussed the status of Montezuma County with respect to broadband planning and issues relevant to the possibility of the county becoming a member of the SWCCOG.

Andrea continued that they would do update on the road trip to Dolores County. Miriam added that the road trip to Archuleta County and Pagosa Springs will be on April 8 and the group will need to leave around 8:30 a.m.

Andrea continued that there will be an update on legislative issues. Miriam mentioned current legislative issues. She added that there will be reports from staff and updates to the personnel policy.

Miriam expressed the need to have continued discussion with the board about the impact on dues if new member organizations join. Andrea opined that the excess should roll forward to next year rather than be refunded. Julie asked about the possibility of issuing a credit if an organization needed it. Miriam replied this should be determined on a case by case basis and should be discussed with entire board. Andrea pointed out the potential impacts if members drop out and requested that Miriam draft a policy.

Andrea asked if they are seeking approval to apply for an EPA grant. Miriam replied this is the case, but staff would like guidance from the executive committee since the application is due one week after the

board meeting. Miriam provided a summary of the grant and how the SWCCOG could approach it. Julie replied that if staff has time then she is fine with it. Andrea added that it sounds like staff is already overtaxed and Julie asked if 4CORE should apply instead. Miriam replied that 4CORE would be the grantee and the SWCCOG would be the subcontractor and at this point the SWCCOG has more staff capacity than 4CORE to undertake the application. Andrea asked what the financial impact would be to the SWCCOG. Miriam replied that there would be no financial impact to the members. Andrea asked about the scope of the most recent grant application. Miriam replied that the RREO grant would be at a lower tier, and this grant would be more in-depth on education. Julie asked for clarification that if this grant were awarded the SWCCOG would not be responsible for doing the work. Miriam replied that there are a couple options for how this could be managed. She explained that the SWCCOG would be the administrator and a staff person, either under the SWCCOG or 4CORE, would do the work; regardless, the position would be paid through the grant. There was discussion about how it is thought 4CORE and SWCCOG would be integrated. Andrea expressed concern about continued growth resulting from grant funded projects. Miriam replied that this would be a finite position unless there is additional funding identified to allow it to continue and she will not seek increased funding from the member communities. Julie requested an overview of how various elements of the grant will be addressed. Miriam mentioned that some staff time is required to determine whether a grant is worthwhile to even explore, but before spending too much time on any grant staff needs input from the board about whether or not to pursue it. Julie requested an overview of what this grant is expected to entail. Andrea suggested beginning a draft of the application without spending too much time. Miriam replied that the application document is quite long, but she will put together an overview and budget for the board and discuss thoughts on the position with 4CORE.

Andrea asked about the personnel policy update. Miriam replied that the fraud policy was requested during the last audit and the timecard policy is to help ensure timecards are kept updated. Miriam asked if the changes to the legislative policy needs to go back to the board. The consensus was to send the revised version out as information rather than bring it back to the board.

The meeting was adjourned at 2:59 p.m.

**Balance Sheet**

As of February 29, 2016

	<u>Feb 29, 16</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
Alpine Bank Account (UR)	106,693.55
<b>Total Checking/Savings</b>	106,693.55
<b>Accounts Receivable</b>	
Accounts Receivable	103,251.72
<b>Total Accounts Receivable</b>	103,251.72
<b>Total Current Assets</b>	209,945.27
<b>TOTAL ASSETS</b>	<b>209,945.27</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Credit Cards</b>	
Credit Cards	
Miriam	546.86
Sara	651.21
<b>Total Credit Cards</b>	1,198.07
<b>Total Credit Cards</b>	1,198.07
<b>Total Current Liabilities</b>	1,198.07
<b>Total Liabilities</b>	1,198.07
<b>Equity</b>	
Opening Balance Equity	43,035.42
Net Income	165,711.78
<b>Total Equity</b>	208,747.20
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>209,945.27</b>

**Southwest Colorado Council of Governments**  
**Profit & Loss Budget vs. Actual**  
**February 2016**

03/22/16

Accrual Basis

	Feb 16	Budget	% of Budget
<b>Income</b>			
All Hazards	0.00	0.00	0.0%
<b>DoLA Grants</b>			
DoLA 8010			
DoLA 8010 Grant Match	0.00	0.00	0.0%
<b>Total DoLA 8010</b>	0.00	0.00	0.0%
DoLA Grants - Other	0.00	0.00	0.0%
<b>Total DoLA Grants</b>	0.00	0.00	0.0%
<b>Dues Revenue</b>			
COG Dues	0.00	0.00	0.0%
SWTPR Dues	0.00	0.00	0.0%
<b>Total Dues Revenue</b>	0.00	0.00	0.0%
RREO Grant	0.00	0.00	0.0%
<b>SCAN Services</b>			
Dark Fiber Leasing	0.00	0.00	0.0%
e-TICS	0.00	0.00	0.0%
Fiber Equipment Repair Fund	0.00	0.00	0.0%
Telecom Service	0.00	0.00	0.0%
<b>Total SCAN Services</b>	0.00	0.00	0.0%
SJB AAA	0.00	0.00	0.0%
SWTPR CDOT Grant	0.00	0.00	0.0%
Transit LCC Grant	0.00	0.00	0.0%
<b>Total Income</b>	0.00	0.00	0.0%
<b>Gross Profit</b>	0.00	0.00	0.0%
<b>Expense</b>			
Advertising and Promotion	62.96	62.96	100.0%
All Hazards Projects			
All Hazards 2014 SHSP	1,157.00		
All Hazards Projects - Other	0.00	1,157.00	0.0%
<b>Total All Hazards Projects</b>	1,157.00	1,157.00	100.0%
AmeriCorp VISTA	0.00	0.00	0.0%
Bank Service Charges	0.00	0.00	0.0%
Consulting	521.25	521.25	100.0%
Employee/Board Appreciation	104.03	104.03	100.0%
<b>Insurance Expense</b>			
General Liability	0.00	0.00	0.0%
Health	1,828.00	1,828.00	100.0%
HSA	0.00	0.00	0.0%
Worker's Compensation	0.00	0.00	0.0%
<b>Total Insurance Expense</b>	1,828.00	1,828.00	100.0%
<b>Internet Connectivity</b>			
Data Back-up	0.00	0.00	0.0%
Fast Track	900.00	900.00	100.0%
Software	0.00	0.00	0.0%
Internet Connectivity - Other	36.99	36.99	100.0%
<b>Total Internet Connectivity</b>	936.99	936.99	100.0%
Meetings	105.92	105.92	100.0%
Membership Fees	0.00	0.00	0.0%
Office Equipment	16.62	16.62	100.0%
Office Supplies	110.62	110.62	100.0%
Postage and Delivery	1.42	1.42	100.0%

## Southwest Colorado Council of Governments

## Profit &amp; Loss Budget vs. Actual

February 2016

03/22/16

Accrual Basis

	Feb 16	Budget	% of Budget
<b>Professional Fees</b>			
Audit Fees	500.00	500.00	100.0%
Legal	115.20	115.20	100.0%
QuickBooks/Bookkeeper	0.00	0.00	0.0%
Professional Fees - Other	0.00	0.00	0.0%
<b>Total Professional Fees</b>	615.20	615.20	100.0%
<b>Rent Expense</b>	0.00	0.00	0.0%
<b>RREO Equipment</b>	0.00	0.00	0.0%
<b>Salary and Wages</b>			
Car Allowance	300.00	300.00	100.0%
Cell Phone Allowance	130.00	130.00	100.0%
Payroll Processing Fee	174.49	174.49	100.0%
Payroll Tax	808.55	808.55	100.0%
Retirement	270.38	270.38	100.0%
Salary and Wages - Other	10,184.05	10,184.05	100.0%
<b>Total Salary and Wages</b>	11,867.47	11,867.47	100.0%
<b>SCAN Services Expense</b>			
Dark Fiber Lease	0.00	0.00	0.0%
Fiber Equipment Repair	0.00	0.00	0.0%
<b>Total SCAN Services Expense</b>	0.00	0.00	0.0%
<b>Software Maintenance</b>	700.00	700.00	100.0%
<b>Travel Expense</b>	1,305.28	1,305.28	100.0%
<b>Total Expense</b>	19,332.76	19,332.76	100.0%
<b>Net Income</b>	<b>-19,332.76</b>	<b>-19,332.76</b>	<b>100.0%</b>



## Southwest Colorado Council of Governments

## Profit &amp; Loss

03/23/16

February 2016

Accrual Basis

	<u>Feb 16</u>
<b>Expense</b>	
Advertising and Promotion	62.96
All Hazards Projects	
All Hazards 2014 SHSP	1,157.00
Total All Hazards Projects	1,157.00
Consulting	521.25
Employee/Board Appreciation	104.03
Insurance Expense	
Health	1,828.00
Total Insurance Expense	1,828.00
Internet Connectivity	
Fast Track	900.00
Internet Connectivity - Other	36.99
Total Internet Connectivity	936.99
Meetings	105.92
Office Equipment	16.62
Office Supplies	110.62
Postage and Delivery	1.42
Professional Fees	
Audit Fees	500.00
Legal	115.20
Total Professional Fees	615.20
Salary and Wages	
Car Allowance	300.00
Cell Phone Allowance	130.00
Payroll Processing Fee	174.49
Payroll Tax	808.55
Retirement	270.38
Salary and Wages - Other	10,184.05
Total Salary and Wages	11,867.47
Software Maintenance	700.00
Travel Expense	1,305.28
Total Expense	19,332.76
Net Income	<u><u>-19,332.76</u></u>

# Reports

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# Director's Report

To: SWCCOG Board of Directors  
From: Miriam Gillow-Wiles  
Date: 1 April 2016

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Comments: **Rico**

I met with the Rico Town Board in March to discuss joining the SWCCOG. They were very interested in the Broadband Study as well as other projects we are working on. They will officially vote to join the COG in April, as the vote was not on the agenda. The Rico Center, a non-profit, is prepared to pay the Town's dues and Broadband Grant match.

**Montezuma County Broadband**

Montezuma County, City of Cortez, Town of Dolores, and Town of Mancos are participating in a fiber to the premise (FTP) feasibility study. This is outside of the Regional Broadband Study. I am waiting on more information and the scope of work. Montezuma is spending about \$55-60,000 on this project.

**Archuleta and Pagosa Visit – April 8th**

The Executive Committee will be meeting with the Archuleta County Commissioners and the Town of Pagosa Springs Town Board during a joint meeting, having lunch together, and visiting a geothermal greenhouse on April 8<sup>th</sup>. Any other Board member who would like to attend, please email me as soon as possible.

**Broadband Community Meetings Reminder**

Our regional broadband planning effort will be having community outreach meetings during the week of April 11<sup>th</sup>. There will be times for businesses, education, healthcare, and public input. You should have received the notices already, if not, I will re-send them.

# SWCCOG – Project Update

SUBMITTED BY NEO FIBER

MARCH, 2016

## Summary

NEO Fiber has a number of activities underway to pull together components of the strategic broadband plan for the region. Meetings are being conducted with local asset owners including internet service providers and local and state government officials to identify assets and opportunities for collaboration and to get feedback and input into various parts of the broadband plan. In addition to these meetings, the following activities are underway:

### Financial Modeling, Improvement of the SCAN Revenue Model and Operating Plan

Currently the SCAN network is operating at a loss, and is not self-sustaining financially. Members of the SWCCOG contribute financially to cover operational expenses and grant funding is used to fund portions of the operations. One of the goals of this project is for the SCAN network to have sufficient revenues to support its operations. NEO Fiber has created a financial model that would expand the existing SCAN network to more anchor institution locations, create a middle-mile infrastructure that could be leveraged by SWCCOG members and by service providers and to enhance the existing revenue model to offer higher bandwidth data services (VLAN services) to anchor institutions for shared services. The financial results of expanding the network to more locations and to provide VLAN services provides sufficient revenue for the SCAN project to hire an administrator, cover its existing operating expenses and to allow for additional budget for marketing, general administrative costs and operational expenses. In other words, the SCAN network would be financially sustainable.

NEO is working with members of the SWCCOG to determine whether or not this is a feasible plan and whether or not VLAN services could be of value to the anchor institutions. NEO is coordinating with La Plata County, the City of Durango, and the City of Cortez to assess the feasibility of implementing VLAN-based, shared services. This could potentially be a significant cost saver and productivity boost for local governments and could allow for a new revenue model for SCAN.

## Asset Identification

Asset information has been collected from Fast Track Communications, Eagle Net, Zayo, AlignTec, Skywerx, CDOT and the various local governments. Meetings continue to be held with providers, utility companies and others to discuss infrastructure, assets available for partnering and the nature of potential partnerships.

## Shared Services

NEO Fiber is assisting the SWCCOG communities with the development of a regional shared services model. The purpose of this stage of planning is to assess the feasibility for aggregation of the enterprise-level applications. If there proves to be a strong business case with the appropriate cost justification, smaller communities could benefit greatly. For example, towns like Ignacio and Mancos might receive significant benefit from having access to best-in-class administrative and public safety applications. Services that would otherwise be out of reach economically, but that significantly increase efficiency and productivity, while reducing cost.

## Community Anchor Institutions

NEO has been updating the working Community Anchor Institution list provided by the Colorado State OIT. Updates include connectivity status, location and contact verification, and qualification of USAC grant-funding eligible locations. NEO Fiber has been working with the Colorado Telehealth Network to identify anchor institutions (medical facilities, hospitals) that would be eligible for the rural healthcare grant program. This program will potentially cover 65% of capital construction costs to connect qualifying institutions in the region, including the middle-mile connections between facilities.

## Community Engagement Meetings

NEO Fiber, in conjunction with SWCCOG staff, has begun organizing upcoming community engagement meetings. Meetings will provide an open forum for community-wide discussions about regional broadband. These meetings are divided according community and industry. Currently scheduled meetings include: Pagosa Springs on April 11, Durango on April 12, Cortez on April 13, and Silverton on April 14. Industry segments include business/professional, healthcare, education and libraries, and government services. Each day concludes with an hour-long session for the general public to ask questions and provide comment.

## Engineering and Design

NEO has started the development of a preliminary engineering design plan. Current efforts include asset identification and analysis for the creation of a comprehensive broadband asset inventory list and infrastructure map. Information collected includes topological data, identification of current underground and overhead infrastructure, fiber lines, conduit, pole access, tower access and view-shed data. After key anchor institutions are identified that are eligible for the rural healthcare grant program, NEO's team will begin preliminary design and projected capital costs for build-out of a middle-mile network. Additionally, NEO's team will look at connectivity to key tower locations within the region, other anchor institutions and strategic investments that may improve broadband availability, speed and costs.

# Legislative Update

To: SWCCOG Board of Directors  
From: Jessica Laitsch  
Date: 1 April 2016

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Comments: Below is the status of the following bills as of March 24, 2016:

SB16-011 – Terminate the use FASTER fees for transit:  
Postponed indefinitely in House committee

HB16-1018 – Statewide Transportation Advisory Committee Procedures:  
Signed by Governor

HB16-1031 – Modify Transportation Commission Membership (authorization of a study):  
Referred from House Committee on Transportation and Energy to House Committee on Appropriations.

HB16-1169 – Allow Tribes to Vote at Statewide Transportation Advisory Committee:  
Staff and Ute Mountain Ute Councilwoman Regina Lopez-Whiteskunk testified to the Senate Committee on Transportation on March 22. The bill passed out of committee unamended.

SB16-136 – Broadband Deployment:  
Postponed indefinitely in Senate State, Veterans, & Military Affairs Committee.



## SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS

Senator Donovan  
200 East Colfax  
Office 339  
Denver, CO 80203

14 March 2016

RE: SB16-136

Dear Senator Donovan,

The Southwest Colorado Council of Governments (SWCCOG) spans an area of roughly 6500 square miles with an average of 15 people per square mile. This area encompasses five counties and ten municipalities as well as both Native American Tribal Reservations in Colorado, and is located in the far southwest corner of Colorado. Although much of the region could potentially benefit from SB16-136, the nebulousness and increased restrictions of this legislation outweigh any potential benefits. As such, the SWCCOG opposes SB16-136.

Bill SB16-136 is assumed to make it easier for unserved areas to opt out of SB05-152; however, there are quite a few issues that would negatively impact both served and unserved areas of the state. The first and overarching issue throughout this bill is that of impinging local authority of all jurisdictions, not just served or unserved. Requiring local jurisdictions to have a business plan before being able to go to a vote intrudes on local authority. Further, the business plan requirement only leads to increased cost, time, bureaucracy, and the potential for costly lawsuits all of which will combine to create a chilling effect on broadband development and public-private partnerships. Subsection 5 on page 9 regarding joint trenching also intrudes on local authority through potentially preempting local joint trenching ordinances to only allow contract joint trenching. This will also create more bureaucracy and time to the permitting process, slowing down growth and development.

Just two years ago, the legislature passed a slate of broadband related bills that includes joint trenching, the Broadband High Cost Fund Mechanism, and several others. Within these different bills, the definition of Broadband was updated to "...measurable speeds of at least four megabits per second downstream and one megabit per second upstream or at measurable speeds at least equal to the federal communications commission's definition of high-speed internet access or broadband, whichever is faster." In this legislation, the definition of "Advanced Service", including broadband, is ten megabits per second (Mbps) downstream and one Mbps upstream. Unfortunately, this would lock in specific speeds into state statute that are less than the FCC definition of 25Mbps downstream and 3Mbps upstream. Today, businesses, residents, and



education facilities require access to high-speed internet; the 10Mbps downstream and the 1Mbps upstream will greatly reduce Coloradans access to education and slow business growth.

Another concern the SWCCOG has regarding SB16-136 is the definition of unserved based on census block data. In the rural and very rural areas of Colorado, there may only be a few households in a census block, if one of these households is considered served, while the others have no access, the local jurisdiction would be required to develop a business plan and hold an election. Coupled with these barriers, much of the data in coverage maps is self-reported by industry. For example, the Town of Silverton, which until 2015 was only served by a microwave connection, had speeds of this connection reported on the State Broadband Map between 10Mbps and 25Mbps. However, anybody who has ever attempted to use the internet in Silverton knows that this was exceptionally over reported. Under SB16-136, the Town of Silverton and San Juan County would have had to develop a business plan and hold at least one election prior to being able to develop any broadband infrastructure or even enter into a public-private partnership. This would create a tremendous burden for a town with population less than 700 and a county with a population of less than 50 people outside municipal limits.

Ultimately, this legislation is contradictory to existing state statute, creates significant barriers for local governments to solve local problems, oversteps local authority, and generally creates a much more challenging environment for any broadband development across the state. In light of all of these reasons, the Southwest Colorado Council of Governments opposes SB16-136.

Sincerely,

Andrea Phillips  
Southwest Colorado Council of Governments Chair

cc: Senator Ray Scott  
Senator Jerry Sonnenberg  
Senator Owen Hill  
Senator Matt Jones  
Senator Jessie Ulibarri  
Senator Ellen Roberts  
Representative Don Coram  
Representative J. Paul Brown

# Transportation Report

To: SWCCOG Board of Directors  
From: Jessica Laitsch  
Date: 1 April 2016

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Comments: Transportation:

The next TPR meeting will be held Friday, April 15, 2016 from 9 am -12 pm at the Carnegie Building. At this meeting there will be an update and request for feedback on the Colorado Rural Regional Bus Network Plan.

Transit:

The Transit Council met on Friday, March 18, 2016. The discussion included:

- Review of March 10, 2016 CDOT Town Hall meeting, which included updates from the Transit and Rail Division and an introduction to a proposal to modify the process for the distribution of Federal Transit Administration 5310 and 5311 funds. CDOT will be seeking feedback on these policy updates through the summer.
- DOLA grant funding for marketing transit services in the region. There will be continued discussion related to how the Council would like to move forward with marketing.
- Modifications to the draft by-laws which are being developed to create structure and unity to the council.

The next Transit Council meeting will be held Friday, May 20, 2016 at 9 a.m.

Southwest Colorado Council of Governments  
Executive Committee visit to Dolores County  
7 March 2016

Executive Committee members in attendance:

Andrea Phillips – Town of Mancos  
Julie Westendorff – La Plata County

Others in Attendance:

Miriam Gillow-Wiles – Southwest Colorado Council of Governments  
Jessica Laitsch - Southwest Colorado Council of Governments

2:00 p.m.

The executive committee met with Nita Purkat, Dolores County Senior Services Director, for a brief tour of the Dolores County Senior Center. The topics discussed included:

- Services provided such as meals on-site or by delivery and preventative health services.
- Plans related to a new, planned senior center facility and how this may provide opportunities to expand or improve a number of services. The new facility is fully budgeted and construction will begin soon.
- Challenges related to providing services, such as transit, in some areas of the county.
- General discussion related to the challenges surrounding adult protective services and possible options to address these. Andrea suggested setting up a hot topics discussion with the board related to senior services issues.

3:45 p.m.

The executive committee met with Ernie Williams, Dolores County Commissioner and SWCCOG representative. The topics discussed included:

- Dolores County is applying for a DOLA grant to build a public works building which would house the road and bridge department and public services.
- The county will have a ballot question in November to opt out of SB 152.
- Overview of the difficulties involved with getting fiber into the county.
- A helium plant was permitted in the county and they anticipate growth with production.
- General discussion related to the history of mining in the county, the layout and ownership of land within the county and what the resulting implications are. One specific issue is related to wildfire and public lands.
- The county is dealing with issues related to sage grouse.
- Discussion about airports around the greater region. Dolores County has an air strip, but not an official airport. There was some discussion about recent growth in Monticello, including improvements at their airport.
- Discussion about marijuana, including that the operation of cultivation, manufacturing or retail marijuana facilities is prohibited in the county. There was general discussion about hemp cultivation throughout the country.
- Transport for recycling is difficult in the county, however they did host a tire collection event and may consider subsidizing tire recycling to minimize the necessity to collect tires from the sides of roads. The county does have a transfer station. There was general discussion about the logistical and economic challenges related to recycling. It was noted that solid waste service is

provided by Baker Sanitation and Waste Management. The SWCCOG will be heading up an education campaign regarding where and how to recycle that may be useful.

- Dolores County has one jail cell and agreements in place to send additional prisoners to Monticello and Cortez. There was discussion about potential state legislation regarding cooperative agreements.

The meeting ended at 4:30 p.m.

# VISTA Report

To: SWCCOG Board of Directors  
From: Shannon Cramer  
Date: 25 March 2016

Comments:

## **Shared Services**

We have begun to see movement in the shared services project once more. A date is set to meet the operations coordinator at the Southwest Colorado Community College to speak about next steps for getting the CDL training and certification moving. By next week we should have more information regarding next steps for this particular part of the shared services project.

I have started to look into getting shared services information online. I am in the beginning process of creating a google listserv that could serve as a starting point until we can get a different platform running. This group would allow forum posts from anyone who is invited that could be viewed and commented on.

The SWCCOG would like to know if any members are using drones. We have information and regulations that might be useful for local policies regarding the use of drones for local government use.

## **Recycling**

The CDPHE RREO grant was successfully submitted and we should hear back from them about whether our project will be funded on May 2<sup>nd</sup>.

The SWCCOG would like to apply for an EPA EE grant that would be a continuation of the CDPHE grant. The CDPHE grant focuses on adult education, and in order for there to be a holistic recycling education program the SWCCOG would like to apply for \$70,000 for elementary school age education. This grant would create a full time COG position that would be fully grant funded. More detail under Decision Items.

# Discussion Items

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# Membership Policy

To: SWCCOG Board of Directors  
From: Miriam Gillow-Wiles  
Date: 1 April 2016

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Comments: During the March 2016 Board Meeting there was discussion about jurisdictions joining the SWCCOG outside of the calendar year billing cycle, and a few comments about what to do if a member left and then wanted to join again.

Some of the ideas were:

- Prorate dues, but for no less than six months. If a jurisdiction joined in October, their dues would be the same if they joined in June.
- Match for any grant or project is not prorated.
- Members who leave the SWCCOG, must have a six month waiting period to rejoin.

A little more direction as to what else to put into a Membership Policy would be beneficial to crafting one. Other ideas could include:

- Local jurisdictions that did not participate in the SCAN grant, and have no infrastructure from the SCAN are not charged the Fiber Equipment Repair Fund.
- Membership documents must be approved and signed before being an active member of the SWCCOG
- Jurisdictions who are not members of the SWCCOG are unable to receive benefits of the SWCCOG without first becoming a member of the SWCCOG. (Examples: Transit Council, Recycling, Broadband, shared services etc...)

Board Action:

Provide more details/guidance for membership policies before staff can write a policy.

A draft policy will be available at the May 2016 Board Meeting.

# Decision Items

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# EPA Environmental Education Grant Memo

To: SWCCOG Board of Directors  
From: Miriam Gillow-Wiles  
Date: 1 April 2016

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Comments: The EPA has released their Environmental Education grants, which can be used for a variety of environmental education, such as recycling. The COG staff are interested in applying for this grant to create an elementary school recycling education project. This would increase the staffing by one; current staffing levels do not allow for a comprehensive project such as this. The SWCCOG is not eligible to apply for this grant, as we are not a 501c3. However, 4CORE is a 501c3 and has an existing EPA grant. Staff has spoken to 4CORE Staff about this potential partnership, and both staffs think this is a good fit and beginning for a partnership. The 4CORE Board also approved this grant if the SWCCOG Board approved moving forward. There would be a contract between 4CORE and SWCCOG as to what organization was responsible for what items, cash flow, etc. The SWCCOG would act as a sub-grantee for this project. More details about the grant are on the following page.

Requested Board Action:

- Approve an EPA Environmental Education grant application, with 4CORE as the grantee.

## Environmental Protection Agency (EPA) Environmental Education (EE) Grant Program

### Basic Info:

Due Date: April 8<sup>th</sup> 2016

Start Date: August 29, 2016

Match Requirement: 25% minimum

Match Funding: \$35,000 from CDPHE RREO 2016 Grant (matching state and federal money is allowed)

Funding Request: \$72,000

Time Frame: 12-18 months (grant allows for up to 24 months)

Fiscal Impact to SWCCOG Members: \$0

### Details:

The EPA states that “The purpose of the Environmental Education Local Grants Program is to support locally-focused environmental education projects that increase public awareness and knowledge about environmental issues and provide the skills that participants in its funded projects need to make informed environmental decisions and take responsible actions toward the environment.”

The SWCCOG would apply for this grant to further work on educating citizens about recycling. The CDPHE grant that was applied for at the beginning of March was focused on the education of adults. The SWCCOG plans to continue this education, but with elementary school children through this EPA EE grant. The SWCCOG plans to apply for \$72,000 from the EPA, with a (over) 25% match from the previously applied for CDPHE grant. As per the EPA grant requirements, \$18,000 or 25% (exactly), will be granted to each regional elementary school, the remaining \$54,000 will be spent on equipment needed by the schools, and salary for a coordinator , printing, travel to the schools, prizes for the schools, and other supplies.

To apply for this grant, SWCCOG needs to pair with a non-profit. 4CORE is willing to be the grantee, and there will be a contract between the two organizations if the grant is awarded. This is a good first step to working together with 4CORE, coupled with the fact they already have accounts in the SAM.gov and the Grants.gov systems (required for application) and an existing EPA grant.

### Basic Grant Financials:

Request: \$72,000

Mini Grants: \$18,000

Salaries, Supplies, and Equipment: \$54,000

### Total Recycling Education Funding (pending grants included):

DOLA: \$15,000 (awarded)

RREO: \$35,000 (pending)

EPA EE: \$72,000 (if applied)

Total for Recycling Projects: \$122,000

# Personnel Handbook Updates

To: SWCCOG Board of Directors  
From: Miriam Gillow-Wiles  
Date: 1 April 2016

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Comments: These sections of handbook updates are just regular maintenance and additions as needed.

#### Fraud Policy

The Auditors asked if we had a fraud section in our Personnel Handbook, as we did not, staff crafted the attached policy. This is important as it outlines the issues and the severity in which the organization looks at any fraud.

#### Time Sheet Policy

This policy just codifies the existing practice of ensuring exempt employees' times sheets are up to date. Our time sheets are needed for grant requests, and other needs.

#### Requested Board Action:

- Approve Personnel Handbook Updates on Fraud and Time Sheets

## ANTI-FRAUD POLICY

The SWCCOG is committed to maintaining a work environment that promotes ethical and honest behavior and will not tolerate any fraud or fraudulent activity. In order to provide increased protection to the organization's assets and financial interests, the SWCCOG will adopt a coordinated approach to the identification, investigation and resolution of fraudulent activities, and to increase the overall awareness of the responsibility to report fraud and reasonably suspected fraudulent activity. Management at all levels should be aware of the risks and exposures inherent in their areas of responsibility, and should establish and maintain proper internal controls to provide for the security and accountability of all resources entrusted to them. All employees are responsible for safeguarding SWCCOG resources and ensuring that they are used only for authorized purposes, in accordance with applicable rules, policies, and laws. For purposes of this policy, fraud includes any willful or deliberate act committed with the intention of obtaining an unauthorized benefit, such as money or property, by misrepresentation, deception, or other unethical means.

Fraud and fraudulent activity may include, but are not limited to the following actions:

- Embezzlement or other financial irregularities;
- Forgery, alteration, or falsification of documents (including checks, time sheets, travel expense reports, contractor agreements, purchase orders, other financial documents, electronic files);
- Improprieties in the handling or reporting of money or financial transactions;
- Misappropriation, misuse, theft, removal, destruction, or concealment of SWCCOG resources (including funds, securities, supplies, inventory, furniture, fixtures, equipment, intellectual property, records or any other asset);
- Misuse of SWCCOG facilities (including telephones, computers and e-mail system);
- Inappropriate or unauthorized use, alteration or manipulation of data, computer files, equipment, software, networks, or systems, including personal or private business use, hacking and software piracy;
- Improper use or assignment of any institutional assets or resources, including but not limited to personnel, services or property;
- False claims, concealment or misrepresentation of facts, events or data;
- Personal use of SWCCOG property in commercial business activities;
- Profiting on insider knowledge;
- Receiving or offering bribes, rebates, or kickbacks;
- Accepting or seeking anything of material value from contractors, vendors or persons providing or seeking to provide services/materials to the SWCCOG (except as allowed by Article XXIX of the Colorado Constitution);
- Engaging in actions that represent a conflict of interest;
- Disclosure of confidential information;
- Any similar dishonest or fraudulent act or related irregularity.

The SWCCOG will take appropriate disciplinary and legal action against any individual or entity who commits fraud against the SWCCOG, which may include, but is not limited to, discharge from employment and or criminal prosecution under appropriate State and federal laws.

### Reporting Procedures

Great care must be taken in dealing with suspected fraudulent activities so as to avoid any incorrect accusations, alerting suspected individuals that an investigation is under way, violating a person's right to due process, or making statements that could lead to claims of false accusations or other civil rights violations. Employees and other individuals associated with the SWCCOG who become aware of, or have a reasonable

basis for believing that fraud or some fraudulent activity has occurred shall promptly report the suspected activity to an appropriate supervisor or department head. If the incident involves their immediate supervisor, the employee should report the incident to the next highest-level supervisor. The reporting individual must not confront the suspected individual or initiate an investigation on their own since such actions could compromise the investigation. No facts of the case may be discussed with anyone inside or outside the organization, except those individuals conducting the investigation. Face-to-face interviews of the suspected individual should be performed under the supervision of an attorney or certified fraud examiner.

### Confidentiality

The results of investigations will not be disclosed or discussed with anyone other than those persons associated with the organization who have a legitimate need to know in order to perform their duties and responsibilities. This does not preclude the disclosure of the results in accordance with resulting prosecution under legal authority.

### Acting in Good Faith

Care must be exercised in the investigation to avoid mistaken accusations. Anyone reporting any irregularity that is detected or suspected must be acting in good faith and have reasonable grounds for believing the information provided. Allegations made maliciously or with knowledge of their falsity will not be tolerated. People making such allegations may be subject to disciplinary action and/or legal actions by the individuals accused of fraudulent conduct. The individual making the report may choose whether to remain anonymous.

### Whistleblower Protection

Any employee who reasonably believes that fraudulent activity has been conducted by another employee and reasonably reports the activity will not be subjected to an adverse employment action as a result of reporting the activity. Employees may not retaliate against a whistleblower for reporting an activity which that person believes to be fraudulent or dishonest with the intent or effect of adversely affecting the terms or conditions of employment (including, but not limited to, threats of physical harm, dismissal, transfer to an undesirable job assignment, demotion, suspension, or impact on salary or wages). This protection from retaliation is not intended to prohibit managers or supervisors from taking action, including disciplinary action, in the usual scope of their duties and based on valid performance-related factors.

### Suspension/Termination

During an investigation, the suspected individual may be suspended with pay. Based upon the results of the investigation, the individual will either be reinstated or terminated, based upon the legal review. Fraudulent activities will be prosecuted to the fullest extent of the law.

## TIME SHEET POLICY

The SWCCOG is committed to providing accurate records of all employee time spent on each grant and administrative work. This information is critical for grant and COG budgeting and for grant reimbursements. With existing grants and future grants, and all audits, SWCCOG staff must ensure time sheet information is up-to-date, truthful, and does not change after an official time sheet copy is complete. In order to provide increased precision of time sheet information, the SWCCOG will maintain a coordinated approach to time sheet submittal and communication between staff.

### Procedures

A reoccurring calendar reminder will be generated to remind all staff that time sheets need to be complete by the end of day on the last day of each pay period. Time sheets will be considered complete and final following the last day of each pay period. Non-Exempt employees will then submit these for payroll processing.

Prior to using time sheet information, the Grant Manager will send out a staff-wide email reminding all staff that time sheets will be used on that day, to ensure they are up to date as well as to remind staff that no changes are allowed for time entered.