

EXECUTIVE SUMMARY FORM

Agenda Number: HLT-- 3042 (Prop 201 – Smoke Free AZ – Cochise County)

Recommendation:

Approve the FY 2016-17 funding for IGA# ADHS12-022007:5, Proposition 201 Smoke Free Arizona Act between the Arizona Department of Health Services (ADHS) and Cochise Health & Social Services (CHSS). The maximum billable amount under the FY 2016-17 Purchase Order is \$69,807. The underlying IGA is a fixed-price contract for the five-year period from 7/1/12 to 6/30/17.

Background (Brief):

With the passage of voter approved Proposition 201, CHSS continues to conduct education and compliance activities that commenced in May 2007. The initial contract amount (\$91,250) has been revised downward by ADHS over successive years as tobacco tax revenues waned statewide and local responsibilities in implementing the Act came into clearer focus.

Furthermore, Proposition 201 stipulates that all inspectors performing education and compliance activities attend smoke-free training once per year. Such training is provided by ADHS on an annual basis.

Fiscal Impact & Funding Sources:

Maximum billable amount for FY 2016/2017 remains the same as FY 2015/2016, \$ 69,807.00.

No fiscal impact to salaries or operations is foreseen.

Net County Subsidy of \$9,697 is calculated as follows:

Budgeted Salaries/EREs	26,880
A-87 Overhead at 49.06%	13,187
Collected Overhead at 5%	
Small-Grant Rate	<u>3,490</u>
Net County Subsidy	9,697

Next Steps/Action Items/Follow-up:

Your approvals are respectfully requested.

Impact of Not Approving:

Not approving this IGA renewal may cause the inability for the CHSS to collect the reimbursement for services rendered in a timely manner and could ultimately cause the revocation of the contract and associated funding.