

Minnesota Eligibility Technology System

Fiscal Report for QE 12-31-2019

Introduction

1. The METS fiscal report is a product of the METS Executive Steering Committee Finance Work Group. This group includes financial management from MNIT, DHS and MNsure.
2. The report is produced quarterly, in accordance with M.S. 62V.055, Subdivision 3, and is available approximately 45 days following quarter-end.
3. The report includes two tables:

Table 1: Overall View of METS Budget. This table provides a four year view of the METS budget, including: actual FY 2018, est. actual FY 2019 budget, current FY 2020 budget and a preliminary plan for FY 2021. The FY 2021 preliminary budget for development reflects the last quarter of the current federal award. The FY 2021 preliminary operations budget is assumed to continue at the current level, but will be re-evaluated annually.

Table 2: Budget vs Est. YTD (expenditures & est. remaining encumbrances) Table 2 shows the fiscal year budget, quarterly actual expenditures, and estimated encumbrances. Note that these tables include an *Expenditures After FY End* column to report on the fiscal year expenditures that will be recognized after June 30th due to the standard procedural lag between invoicing and payments.

Note: Expenditures often lag, i.e. do not occur at a steady rate throughout the year. Examples may include:

- a. State Personnel, due to payroll processing and interagency billing.
- b. Staff Augmentation and Service Contracts, due to billing lag, timing of various projects based on development roadmap, and associated deadlines throughout the year.
- c. Hardware/Software, due to processing time and the execution of payments throughout the year (not shown as accruals).
- b. MNIT Central Services, due to processing and interagency billing.

4. The tables are based on the following standard reporting conventions:

Development v. Operations. Within both the Expenditure and Financing sections, development is distinguished from operations. Development includes federally defined and applicable work, and MNsure development contributions. All other expenses are considered operations.

Expenditure Categories. Within the Expenditure section, the costs are reported in standard categories.

State Personnel	Developers, architects, project managers, business analysts, quality assurance, release management, security, and other MNIT staff, along with necessary business subject matter experts. Includes total compensation (salaries and fringe).
Staff Augmentation	Contracted individuals or companies to increase capacity.
Service Contracts	Major vendor agreements that provide expertise and enhanced functionality to the system.
Hardware/Software	Initial purchases and ongoing support costs for licensing/software and hardware.
MNIT Central Services	System infrastructure components including, but not limited to, server capacity, data storage, networking, routing, and bandwidth, provided as a service from MNIT. Also includes staff equipment.
General Administration	Training, supplies, travel, occupancy, and other miscellaneous administrative costs.

Financing Categories. Within the Financing section, the revenues (by funding source) associated with the fiscal years' expenditures is estimated based on the standing federal Public Assistance Cost Allocation Plan (PACAP) methodology. Note that actual revenues lag behind the expenditures by approximately 45 days due to the standard timing of the federal PACAP process.

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TABLE 1: Overall Budget View	FY 2018 Actual	FY 2019 Est. Actual	FY 2020 Budget	FY 2021 Preliminary
Expenditures				
Development	45,621,894	42,715,310	39,490,436	9,349,549
State Personnel	12,382,333	13,016,263	15,259,040	4,114,999
Staff Augmentation	10,885,345	9,560,680	7,876,079	1,794,500
Service Contracts	17,592,645	17,000,269	11,770,525	2,297,750
Hardware/Software	2,147,730	1,465,280	1,553,862	450,500
MNIT Central Services	916,436	701,292	1,682,624	410,750
General Administration	1,697,405	971,526	1,348,306	281,050
Operations	27,213,959	27,663,781	32,182,744	33,322,700
State Personnel	8,719,910	9,844,913	10,913,023	11,056,023
Staff Augmentation	2,620,429	3,497,642	3,074,281	3,184,281
Service Contracts	993,081	2,232,444	4,714,090	5,601,046
Hardware/Software	6,148,204	3,491,724	4,175,560	4,175,560
MNIT Central Services	7,876,110	7,963,891	8,542,820	8,542,820
General Administration	856,225	633,167	762,970	762,970
Total Expenditures	72,835,853	70,379,092	71,673,180	42,672,249
State Personnel	21,102,243	22,861,177	26,172,063	15,171,022
Staff Augmentation	13,505,774	13,058,322	10,950,360	4,978,781
Service Contracts	18,585,726	19,232,713	16,484,615	7,898,796
Hardware/Software	8,295,934	4,957,004	5,729,422	4,626,060
MNIT Central Services	8,792,546	8,665,183	10,225,444	8,953,570
General Administration	2,553,630	1,604,693	2,111,276	1,044,020
Financing				
Development - TOTAL	45,621,894	42,715,310	39,490,436	9,349,549
Federal Share	37,983,031	31,559,431	28,625,847	7,359,479
CCIIO	2,698,912	0	0	0
Medicaid	35,284,119	31,559,431	28,625,847	7,359,479
Non-Federal Share	7,638,863	11,155,879	10,864,589	1,990,070
MNsure	3,706,016	4,225,098	2,646,954	0
DHS	3,932,847	6,930,781	8,217,635	1,990,070
Operations - TOTAL	27,213,959	27,663,781	32,182,744	33,322,700
Federal Share	17,175,878	17,064,859	17,837,750	17,932,047
CCIIO	0	0	0	0
Medicaid	17,175,878	17,064,859	17,837,750	17,932,047
Non-Federal Share	10,038,081	10,598,922	14,344,994	15,390,653
MNsure	3,889,815	3,551,216	5,786,497	6,787,930
DHS	6,148,267	7,047,706	8,558,497	8,602,723
TOTAL FINANCING	72,835,853	70,379,092	71,673,180	42,672,249
Federal Share	55,158,909	48,624,290	46,463,597	25,291,526
CCIIO	2,698,912	0	0	0
Medicaid	52,459,997	48,624,290	46,463,597	25,291,526
Non-Federal Share	17,676,944	21,754,802	25,209,583	17,380,723
MNsure	7,595,830	7,776,314	8,433,451	6,787,930
DHS	10,081,114	13,978,487	16,776,132	10,592,793
Notes: - <i>Development</i> includes federally defined and applicable work, and MNsure development contributions. All other expenses considered <i>operations</i> . - Fiscal year <i>Financing</i> numbers are based on the federally-approved cost allocation methodology that is generally applicable to each fiscal year (i.e. the report reflects a reasonable matching of expenditures and revenue).				

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TABLE 2: FY 2020 Budget vs YTD	FY 2020 Budget	QE 9/30/19 Expenditures	QE 12/31/19 Expenditures	QE 3/31/20 Expenditures	QE 6/30/20 Expenditures	Expenditures After FY End	YTD Expenditures	%	Estimated Encumbrances	Est. FY Exp & Enc	%	Estimated Balance	%
Expenditures													
Development	39,490,436	3,571,383	8,968,221	0	0	0	12,539,604	32%	22,130,000	34,669,604	88%	4,820,832	12%
State Personnel	15,259,040	219,804	2,653,555	0	0	0	2,873,358	19%	8,440,000	11,313,358	74%	3,945,682	26%
Staff Augmentation	7,876,079	992,429	1,768,390	0	0	0	2,760,820	35%	4,350,000	7,110,820	90%	765,259	10%
Service Contracts	11,770,525	1,926,180	3,980,664	0	0	0	5,906,844	50%	5,305,000	11,211,844	95%	558,681	5%
Hardware/Software	1,553,862	227,659	183,494	0	0	0	411,153	26%	2,000,000	2,411,153	155%	(857,291)	-55%
MNIT Central Services	1,682,624	0	161,453	0	0	0	161,453	10%	1,440,000	1,601,453	95%	81,171	5%
General Administration	1,348,306	205,311	220,665	0	0	0	425,976	32%	595,000	1,020,976	76%	327,330	24%
Operations	32,182,744	2,829,002	5,413,694	0	0	0	8,242,696	26%	23,141,000	31,383,696	98%	799,048	2%
State Personnel	10,913,023	0	1,934,385	0	0	0	1,934,385	18%	8,625,000	10,559,385	97%	353,638	3%
Staff Augmentation	3,074,281	306,370	721,184	0	0	0	1,027,555	33%	1,685,000	2,712,555	88%	361,726	12%
Service Contracts	4,714,090	414,059	811,019	0	0	0	1,225,078	26%	3,510,000	4,735,078	100%	(20,988)	0%
Hardware/Software	4,175,560	1,956,248	451,665	0	0	0	2,407,913	58%	1,736,000	4,143,913	99%	31,647	1%
MNIT Central Services	8,542,820	0	1,322,793	0	0	0	1,322,793	15%	7,210,000	8,532,793	100%	10,027	0%
General Administration	762,970	152,325	172,647	0	0	0	324,971	43%	375,000	699,971	92%	62,999	8%
Total Expenditures	71,673,180	6,400,385	14,381,915	0	0	0	20,782,300	29%	45,271,000	66,053,300	92%	5,619,880	8%
State Personnel	26,172,063	219,804	4,587,940	0	0	0	4,807,744	18%	17,065,000	21,872,744	84%	4,299,319	16%
Staff Augmentation	10,950,360	1,298,800	2,489,575	0	0	0	3,788,374	35%	6,035,000	9,823,374	90%	1,126,986	10%
Service Contracts	16,484,615	2,340,239	4,791,683	0	0	0	7,131,922	43%	8,815,000	15,946,922	97%	537,693	3%
Hardware/Software	5,729,422	2,183,907	635,159	0	0	0	2,819,066	49%	3,736,000	6,555,066	114%	(825,644)	-14%
MNIT Central Services	10,225,444	0	1,484,247	0	0	0	1,484,247	15%	8,650,000	10,134,247	99%	91,197	1%
General Administration	2,111,276	357,636	393,312	0	0	0	750,947	36%	970,000	1,720,947	82%	390,329	18%
Financing													
Development - TOTAL	39,490,436	3,571,383	8,968,221	0	0	0	12,539,604		22,130,000	34,669,604		4,820,832	
Federal Share	28,625,847	2,514,522	5,279,086	0	0	0	7,793,608		16,923,704	24,717,312		3,908,535	
CCIO	0	0	0	0	0	0	0		0	0		0	
Medicaid	28,625,847	2,514,522	5,279,086	0	0	0	7,793,608		16,923,704	24,717,312		3,908,535	
Non-Federal Share	10,864,589	1,056,861	3,689,135	0	0	0	4,745,996		5,206,296	9,952,292		912,297	
MNsure	2,646,954	171,442	1,909,319	0	0	0	2,080,761		305,000	2,385,761		261,193	
DHS	8,217,635	885,419	1,779,816	0	0	0	2,665,235		4,901,296	7,566,531		651,104	
Operations - TOTAL	32,182,744	2,829,002	5,413,694	0	0	0	8,242,696		23,141,000	31,383,696		799,048	
Federal Share	17,837,750	1,730,766	3,136,337	0	0	0	4,867,103		12,598,786	17,465,889		371,861	
CCIO	0	0	0	0	0	0	0		0	0		0	
Medicaid	17,837,750	1,730,766	3,136,337	0	0	0	4,867,103		12,598,786	17,465,889		371,861	
Non-Federal Share	14,344,994	1,098,236	2,277,357	0	0	0	3,375,593		10,542,214	13,917,807		427,187	
MNsure	5,786,497	297,937	733,690	0	0	0	1,031,627		4,517,444	5,549,071		237,426	
DHS	8,558,497	800,299	1,543,667	0	0	0	2,343,966		6,024,770	8,368,736		189,761	
TOTAL FINANCING	71,673,180	6,400,385	14,381,915	0	0	0	20,782,300		45,271,000	66,053,300		5,619,880	
Federal Share	46,463,597	4,245,288	8,415,423	0	0	0	12,660,711		29,522,490	42,183,201		4,280,396	
CCIO	0	0	0	0	0	0	0		0	0		0	
Medicaid	46,463,597	4,245,288	8,415,423	0	0	0	12,660,711		29,522,490	42,183,201		4,280,396	
Non-Federal Share	25,209,583	2,155,097	5,966,492	0	0	0	8,121,589		15,748,510	23,870,099		1,339,484	
MNsure	8,433,451	469,379	2,643,009	0	0	0	3,112,388		4,822,444	7,934,832		498,619	
DHS	16,776,132	1,685,718	3,323,483	0	0	0	5,009,201		10,926,066	15,935,267		840,865	

Notes:
- *Development* includes federally defined and applicable work, and MNsure development contributions. All other expenses considered *operations*.
- *Expended* includes actual fiscal year expenditures. Due to normal processing and invoicing time, some expenditure reporting may lag.
- Fiscal year *Financing* numbers are based on the federally-approved cost allocation methodology that is generally applicable to each fiscal year (i.e. the report reflects a reasonable matching of expenditures and revenue).
- *Expenditures After Fiscal Year (FY) End*: Due to the standard lag between invoicing and payments, fiscal year expenditures may be recognized after June 30th.