

# Minnesota Eligibility Technology System

## Fiscal Report for QE 06-30-20

### 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
<b>Expenditures</b>				
<b>Development</b>	<b>45,621,894</b>	<b>42,715,310</b>	<b>39,916,588</b>	<b>9,367,397</b>
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	12,196,677	2,315,598
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
<b>Operations</b>	<b>27,213,959</b>	<b>27,663,781</b>	<b>32,182,744</b>	<b>33,322,700</b>
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
<b>Total Expenditures</b>	<b>72,835,853</b>	<b>70,379,092</b>	<b>72,099,332</b>	<b>42,690,097</b>
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	16,910,767	7,916,644
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
<b>Financing</b>				
<b>Development - TOTAL</b>	<b>45,621,894</b>	<b>42,715,310</b>	<b>39,916,588</b>	<b>9,367,397</b>
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	11,290,741	2,007,918
MNsure	3,706,016	4,225,098	3,073,106	17,848
DHS	3,932,847	6,930,781	8,217,635	1,990,070
<b>Operations - TOTAL</b>	<b>27,213,959</b>	<b>27,663,781</b>	<b>32,182,744</b>	<b>33,322,700</b>
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
<b>TOTAL FINANCING</b>	<b>72,835,853</b>	<b>70,379,092</b>	<b>72,099,332</b>	<b>42,690,097</b>
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	25,635,735	17,398,571
MNsure	7,595,830	7,776,314	8,859,603	6,805,778
DHS	10,081,114	13,978,487	16,776,132	10,592,793

Notes:  
 - *Development* includes federally defined and applicable work, and MNsure development contributions. All other expenses considered *operations*.  
 - 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).

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<b>TABLE 2: FY 2020 Budget vs YTD</b>	<b>FY 2020 Budget</b>	<b>QE 9/30/19 Expenditures</b>	<b>QE 12/31/19 Expenditures</b>	<b>QE 3/31/20 Expenditures</b>	<b>QE 6/30/20 Expenditures</b>	<b>Expenditures After FY End</b>	<b>YTD Expenditures</b>	<b>%</b>	<b>Estimated Encumbrances</b>	<b>Est. FY Exp &amp; Enc</b>	<b>%</b>	<b>Estimated Balance</b>	<b>%</b>
<b>Expenditures</b>													
<b>Development</b>	<b>39,916,588</b>	<b>3,571,383</b>	<b>8,968,221</b>	<b>7,173,900</b>	<b>6,080,846</b>	<b>0</b>	<b>25,794,350</b>	<b>65%</b>	<b>8,574,000</b>	<b>34,368,350</b>	<b>86%</b>	<b>5,548,238</b>	<b>14%</b>
State Personnel	15,259,040	219,804	2,653,555	3,203,050	983,465	0	7,059,874	46%	4,012,000	11,071,874	73%	4,187,166	27%
Staff Augmentation	7,876,079	992,429	1,768,390	1,568,835	1,537,420	0	5,867,074	74%	1,085,000	6,952,074	88%	924,005	12%
Service Contracts	12,196,677	1,926,180	3,980,664	1,294,815	2,403,596	0	9,605,255	79%	2,215,000	11,820,255	97%	376,422	3%
Hardware/Software	1,553,862	227,659	183,494	825,255	565,552	0	1,801,959	116%	650,000	2,451,959	158%	(898,097)	-58%
MNIT Central Services	1,682,624	0	161,453	54,724	366,093	0	582,270	35%	560,000	1,142,270	68%	540,354	32%
General Administration	1,348,306	205,311	220,665	227,222	224,720	0	877,918	65%	52,000	929,918	69%	418,388	31%
<b>Operations</b>	<b>32,182,744</b>	<b>2,829,002</b>	<b>5,413,694</b>	<b>7,349,328</b>	<b>10,027,730</b>	<b>0</b>	<b>25,619,754</b>	<b>80%</b>	<b>4,783,100</b>	<b>30,402,854</b>	<b>94%</b>	<b>1,779,890</b>	<b>6%</b>
State Personnel	10,913,023	0	1,934,385	3,755,376	3,604,238	0	9,293,999	85%	1,215,000	10,508,999	96%	404,024	4%
Staff Augmentation	3,074,281	306,370	721,184	500,701	511,253	0	2,039,509	66%	340,000	2,379,509	77%	694,772	23%
Service Contracts	4,714,090	414,059	811,019	1,337,450	1,675,499	0	4,238,027	90%	430,000	4,668,027	99%	46,063	1%
Hardware/Software	4,175,560	1,956,248	451,665	676,126	419,532	0	3,503,570	84%	650,000	4,153,570	99%	21,990	1%
MNIT Central Services	8,542,820	0	1,322,793	909,667	3,654,205	0	5,886,665	69%	2,128,100	8,014,765	94%	528,055	6%
General Administration	762,970	152,325	172,647	170,010	163,003	0	657,984	86%	20,000	677,984	89%	84,986	11%
<b>Total Expenditures</b>	<b>72,099,332</b>	<b>6,400,385</b>	<b>14,381,915</b>	<b>14,523,229</b>	<b>16,108,576</b>	<b>0</b>	<b>51,414,105</b>	<b>71%</b>	<b>13,357,100</b>	<b>64,771,205</b>	<b>90%</b>	<b>7,328,127</b>	<b>10%</b>
State Personnel	26,172,063	219,804	4,587,940	6,958,426	4,587,703	0	16,353,873	62%	5,227,000	21,580,873	82%	4,591,190	18%
Staff Augmentation	10,950,360	1,298,800	2,489,575	2,069,536	2,048,673	0	7,906,583	72%	1,425,000	9,331,583	85%	1,618,777	15%
Service Contracts	16,910,767	2,340,239	4,791,683	2,632,265	4,079,095	0	13,843,282	82%	2,645,000	16,488,282	98%	422,485	2%
Hardware/Software	5,729,422	2,183,907	635,159	1,501,380	985,084	0	5,305,530	93%	1,300,000	6,605,530	115%	(876,108)	-15%
MNIT Central Services	10,225,444	0	1,484,247	964,390	4,020,298	0	6,468,935	63%	2,688,100	9,157,035	90%	1,068,409	10%
General Administration	2,111,276	357,636	393,312	397,232	387,723	0	1,535,902	73%	72,000	1,607,902	76%	503,374	24%
<b>Financing</b>													
<b>Development - TOTAL</b>	<b>39,916,588</b>	<b>3,571,383</b>	<b>8,968,221</b>	<b>6,876,030</b>	<b>5,855,463</b>	<b>0</b>	<b>25,271,098</b>		<b>8,574,000</b>	<b>33,845,098</b>		<b>6,071,490</b>	
Federal Share	28,625,847	2,514,522	5,279,086	5,300,224	4,488,687	0	17,582,519		6,349,482	23,932,001		4,693,846	
CCII/O	0	0	0	0	0	0	0		0	0		0	
Medicaid	28,625,847	2,514,522	5,279,086	5,300,224	4,488,687	0	17,582,519		6,349,482	23,932,001		4,693,846	
Non-Federal Share	11,290,741	1,056,861	3,689,135	1,575,806	1,366,776	0	7,688,579		2,224,518	9,913,097		1,377,644	
MNsure	3,073,106	171,442	1,909,319	207,997	271,717	0	2,560,475		400,000	2,960,475		112,631	
DHS	8,217,635	885,419	1,779,816	1,367,809	1,095,059	0	5,128,104		1,824,518	6,952,622		1,265,013	
<b>Operations - TOTAL</b>	<b>32,182,744</b>	<b>2,829,002</b>	<b>5,413,694</b>	<b>7,349,028</b>	<b>10,027,730</b>	<b>0</b>	<b>25,619,454</b>		<b>4,783,100</b>	<b>30,402,554</b>		<b>1,780,190</b>	
Federal Share	17,837,750	1,730,766	3,136,337	3,841,409	5,630,534	0	14,339,046		2,958,315	17,297,361		540,389	
CCII/O	0	0	0	0	0	0	0		0	0		0	
Medicaid	17,837,750	1,730,766	3,136,337	3,841,409	5,630,534	0	14,339,046		2,958,315	17,297,361		540,389	
Non-Federal Share	14,344,994	1,098,236	2,277,357	3,507,619	4,397,196	0	11,280,408		1,824,785	13,105,193		1,239,801	
MNsure	5,786,497	297,937	733,690	1,606,732	1,725,243	0	4,363,602		525,298	4,888,900		897,597	
DHS	8,558,497	800,299	1,543,667	1,900,887	2,671,953	0	6,916,806		1,299,487	8,216,293		342,204	
<b>TOTAL FINANCING</b>	<b>72,099,332</b>	<b>6,400,385</b>	<b>14,381,915</b>	<b>14,225,058</b>	<b>15,883,194</b>	<b>0</b>	<b>50,890,552</b>		<b>13,357,100</b>	<b>64,247,652</b>		<b>7,851,680</b>	
Federal Share	46,463,597	4,245,288	8,415,423	9,141,633	10,119,221	0	31,921,565		9,307,797	41,229,362		5,234,235	
CCII/O	0	0	0	0	0	0	0		0	0		0	
Medicaid	46,463,597	4,245,288	8,415,423	9,141,633	10,119,221	0	31,921,565		9,307,797	41,229,362		5,234,235	
Non-Federal Share	25,635,735	2,155,097	5,966,492	5,083,425	5,763,973	0	18,968,987		4,049,303	23,018,290		2,617,445	
MNsure	8,859,603	469,379	2,643,009	1,814,729	1,996,960	0	6,924,077		925,298	7,849,375		1,010,228	
DHS	16,776,132	1,685,718	3,323,483	3,268,696	3,767,013	0	12,044,910		3,124,005	15,168,915		1,607,217	
<b>Notes:</b> - Development includes federally defined and applicable work, and MNsure development contributions. All other expenses considered operations. - Expanded 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.													