Local Lead Agency

Administrative Manual

California Department of Public Health
California Tobacco Control Program

INTRODUCTION

The purpose of this manual is to guide administrative, fiscal and program management staff of the Local Lead Agency (LLA) tobacco control programs funded by the California Department of Public Health, California Tobacco Control Program (CTCP).

A. Organization of the Manual

The manual is organized to provide easy access to the information needed by program staff regarding procedures, policies, plan guidelines, or communications. This manual contains the following two sections:

Section	Description
I. Administrative Information & Procedures	Provides the information and procedures needed for program staff to administer their allocation agreement with CTCP. It includes information on various issues, from prospective payments to progress reports. ***NOTE:*** The actual instructions and forms for the various procedures can be found in the OTIS User Guide.
II. Comprehensive Tobacco Control Plan Guidelines	The guidelines in this manual are for the current tobacco control plans. These guidelines will be updated and replaced each time CTCP moves into a new tobacco control plan/process. The current guidelines were released October 4, 2016 on the California Tobacco Control Program Funding Opportunities and Resources (TCFOR) website: http://tcfor.catcp.org/

Each section has its own table of contents, and Section I. also includes illustrations. "Illustrations" are samples of forms used within that section/chapter. Illustrations are located at the end of each chapter in numerical order. For example, in Section I, Chapter 200, Prospective Payment Invoices, you will find Illustration 200, which is a sample prospective payment invoice. It is numbered as 200 because it is the first illustration in Chapter 200.

B. Additional Information Sources Used

There are two additional information sources used in conjunction with the LLA Administrative Manual for administration of the LLA comprehensive tobacco control plan which are:

Policy Manual	The policy manual contains CTCP' mission statement and CTCP' program and administrative policies. The policy manual is found in "Partners" located at http://www.tcspartners.org under "Resources, Tools for Contractors, Manuals".
Communications (formally known as Program Letters)	Communications provide information and instructions from CTCP; communications are issued throughout the term of the allocation agreement. Each communication is recorded on the communication log (by calendar year); the log provides the subject of the communication and the group it pertains to (LLAs, Competitive Grantees, or all funded projects). Communications are found in "Partners" at http://www.tcspartners.org under "Resources, Tools for Contractors, Program Letters".

C. Updates and Revisions to CTCP Manuals

Updates and revisions to CTCP manuals will be made as needed; the updates and revisions will be announced through Partners.

D. Program Consultants and Procurement Managers

CTCP assigns two staff to each project: a Program Consultant (PC) and a Procurement Manager (PM). Their responsibilities include the following:

- The PC has program responsibility over the entire project, which includes: the Scope of Work (SOW), the budget, providing input in the development of educational materials, monitoring progress reports, etc.
- The PM has administrative responsibility over the budget, budget revisions, allocation agreement issues, review/approval of cost reports, payment of invoices, etc. The PM acts as the point person for obtaining the PC input and approval on issues.

The PC and PM work as a team on issues such as budget revisions, allocation agreement issues, etc. Throughout this manual you will be instructed to send documents and/or emails to the PM even though it may appear to be program related. This is necessary to ensure that the document and/or email is reviewed and processed in a timely manner. The PM and PC will work together on the review and approval process. In most cases the PM will provide written approval to you.

The PC and PM are available to help you with your project whenever needed. Please call your assigned PC and/or PM if you have any questions or need assistance.

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CHAPTER 100

ALLOCATION AGREEMENT

General

The most current California Tobacco Control Program (CTCP) Comprehensive Tobacco Control Plan (Plan) Guidelines are filed in Section II of the local lead agency (LLA) Administrative Manual which can be found on the Partners website at http://www.tcspartners.org. Go to "Resources", click on "Tools for Contractors", then click on the "Manuals" tab.

The Allocation Agreement process incorporates the:

- LLA Funding Allocation Table in the Plan Guidelines
- Allocation Agreement Terms in the Plan Guidelines
- The annual LLA allocation

Process

Annually, CTCP will issue a communication requesting that the "Acceptance of Allocation Agreement" form (**Illustration 100**) be signed and returned to CTCP. The original communication will be sent to the LLA Project Director with copies to the LLA's Health Officer and the Agency Fiscal Officer.

The LLA Project Director must:

- Ensure that the person signing the form has reviewed the Allocation Agreement Terms which are located in the Plan Guidelines
- Obtain the signature of the "Official Agency Signatory" as identified in the Online Tobacco Information System (OTIS)
- Return the signed Acceptance of Allocation Agreement to the assigned CTCP Procurement Manager in a timely manner

Note: CTCP does not require the Board of Supervisor's review/signature. This does not change any procedures that the LLA may have to follow within their own structure. LLAs should allow sufficient time to obtain their Board of Supervisor's approval, if applicable.

Consequences of No Signed Allocation Agreement

CTCP cannot process prospective payment invoices without a signed Allocation Agreement.

It is important that the LLA process the Acceptance of Allocation Agreement promptly to avoid delays in receipt of payment.

Questions

If you have any questions about the Allocation Agreement process, the Allocation Agreement Terms, etc., please contact your assigned Procurement Manager.

ILLUSTRATION 100

ACCEPTANCE OF ALLOCATION AGREEMENT

The «CountyCityName»_____

Agreement No.: _____

FUNDING PERIOD: July 1, ____ through June 30, ____

Agreement Amount: $_____

I certify that this Tobacco Control Program will comply with all applicable policies, procedures, and legal requirements as described in the Comprehensive Tobacco Control Plan Guidelines including: the Allocation Agreement Terms; LLA Administrative and Policy Manuals; and any statutes, communications, and other conditions stipulated by the California Tobacco Control Program.

_____ _____

Authorized Signature Date

_____

Printed Name and Title

CHAPTER 200

PROSPECTIVE PAYMENT INVOICES

General

The Allocation Agreement with the California Department of Public Health, California Tobacco Control Program (CTCP) states that prospective payment invoices (PPIs) shall be submitted in a form and format prescribed by the State. This chapter deals with the form and format, schedule and process of those PPIs.

Payment Schedule

The CTCP Allocation Agreement with the local lead agencies (LLAs) allows CTCP to make quarterly prospective payments for tobacco control activities. Each quarterly prospective payment distributes one-fourth of a LLA's annual allocation throughout the fiscal year. PPIs are anticipated to be released during each four-year plan period according to the following schedule:

Prospective Payment Invoice	Period Covered	Anticipated Release Date
First	July-September	July*
Second	October-December	July*
Third	January-March	November
Fourth	April-June	February
Fifth	July-September	July*
Sixth	October-December	July*
Seventh	January-March	November
Eighth	April-June	February
Ninth	July-September	July*
Tenth	October-December	July*
Eleventh	January-March	November
Twelfth	April-June	February
Thirteenth	July-September	July*
Fourteenth	October-December	July*
Fifteenth	January-March	November
Sixteenth	April-June	February

* The release of the July-September and October-December PPIs is generally delayed pending the signing of the State Budget each year and the return of a signed Acceptance of Allocation Agreement.

Invoice Process

CTCP will e-mail the LLA a PPI that will include the amount and period covered. See **Illustration 200** for a sample PPI. LLAs must promptly sign, date, and return the invoice to the assigned CTCP Procurement Manager at the address below. The signatory for invoices can be any person within the LLA who is authorized to sign. The signatory does not have to be the "official agency signatory" identified in the Online Tobacco Information System (OTIS).

Mail Delivery
If you submit the invoice by mail or use U.S. Postal Service (USPS) Priority Mail, send it to the following address. DO NOT SEND hand-carried or express mail packages here. Express mail is NOT delivered to this address: Procurement Manager's Name California Department of Public Health CDIC/California Tobacco Control Program MS 7206 P. O. Box 997377 Sacramento, CA 95899-7377

Hand-Carried/Express Mail
Send express mail by express mail carrier to the address below. (*If you use USPS Priority Mail, send it to the address above. The U.S. Post Office will not deliver ANY mail to the street address, including Priority Mail.)* Procurement Manager's Name California Department of Public Health CDIC/California Tobacco Control Program MS 7206 1616 Capitol Avenue, Suite 74.516 Sacramento, CA 95814

Do not mail invoices with other CTCP correspondence (e.g., progress report [PR] repository documentation) as they may be misdirected to the wrong CTCP staff, which delays payment processing.

CTCP will forward the invoice(s) to the CDPH Accounting Section for processing. It takes approximately 45 calendar days for the Accounting Section and the State Controller's Office to process your invoice and for your agency to receive payment.

Trust Account

Prospective payments are considered an advance payment and as such must be deposited into an interest bearing, insured trust account. Proposition 99 and Proposition 56 funds need to be deposited into separate trust accounts. Do not mix different funding sources in this trust account.

Receipt of Payment

Once the payment is received and deposited into the trust account, the date the payment was received must be recorded in OTIS by the LLA. Please refer to the OTIS User Guide at otis.catcp.org for the specific instructions.

Withhold of Prospective Payments

CTCP may withhold prospective payments for any of the following reasons:

- pending enactment of the State Budget each fiscal year
- pending receipt of a signed Acceptance of Allocation Agreement
- pending approval of the Comprehensive Tobacco Control Plan
- pending receipt of an acceptable cost report (CR) and/or PR
- pending approval of a budget revision for categories that have been over-expended (see Chapter 400, Revision Procedures)
- if there are severe problems with implementation of the Comprehensive Tobacco Control Plan
- to draw down excessive balances so that funds are not returned at the end of the allocation agreement term

NOTE: The Tobacco Control Project Director is responsible for notifying the appropriate LLA fiscal staff of the prospective payment procedures. LLAs should carefully monitor the use of prospective payment funds in order to accurately report expenditures in the CRs.

Illustration 200

State of California - Health and Human Services Agency

California Department of Public Health
CDIC/California Tobacco Control Program
1616 Capitol Avenue, MS 7206
P.O. Box 997377
Sacramento, CA 95899-7377

PROSPECTIVE PAYMENT INVOICE

Complete in Duplicate. Original to State. Agency retains one copy.

1. **Colusa County Treasurer**
   547 Market Street, Suite 111
   Colusa, CA 95932

2. Agreement Number: **CTCP-17-06**

3. Prospective Payment Period: **10/01/17 to 12/31/17**

4. Amount to be Paid: **$37,500.00**

I certify that this prospective payment allocation will be used in accordance with this local lead agency's (LLA) approved local plan and budget/budget justification contained in the local plan; and that expenditures will be supportable by proper documentation; and will be used only to pay for expenditures not previously reimbursed under the agreement; and is in compliance with all terms/conditions, laws, and regulations governing its payment.

_____ _____
Date Signature of LLA Representative

_____
Title

FOR STATE USE ONLY

Amount to be paid from
FY 2017-18 allocation
$37,500.00

Invoice No.: PPI-FY17-Q2

Vendor No: 0000009262-06

Fiscal Year		Index				PCA					Object Code		
1	7	5	3	4	5	5	1	2	0	1	7	4	1

I certify that this claim is in all respects true, correct, supportable by available documentation, and in compliance with all terms/conditions, laws and regulations governing its payment.

_____ _____
Date Signature of CTCP Representative

CHAPTER 300

COST REPORTS

General

Cost reports (CRs) will be submitted electronically through OTIS. Follow the instructions in the Online Tobacco Information System (OTIS) User Guide, http://otis.catcp.org, to complete the CR reflecting tobacco control expenditures. CRs shall cover six-month reporting periods as noted below.

CRs detail the expenditures incurred in the implementation of the Comprehensive Tobacco Control Plan. **It is imperative that each local lead agency (LLA) carefully monitor how prospective payments are spent based on the line items that appear in the budget.** CRs should report expenditures in accordance with your approved Comprehensive Tobacco Control Plan Budget Justification (BJ). Since the BJ serves as an expenditure plan, the California Department of Public Health, California Tobacco Control Program will use it to review the appropriateness of expenditures as detailed in the CRs. Therefore, it is necessary that the BJ accurately reflects costs in accordance with the approved Scope of Work activities.

It is the Tobacco Control Project Director's responsibility to inform the appropriate LLA fiscal staff of the CR schedule and instructions.

NOTE: Detailed accounting records and appropriate accounting procedures are to be maintained based on generally accepted accounting procedures of your county/city. Proper documentation supporting expenditures must be maintained in the LLA files for audit purposes. It is expected that the LLA will follow the first-in-first-out rule regarding their allocation. This means that the oldest money is to be used first (i.e., fiscal year [FY] 2017-18, then FY 2018-19, etc.).

Submission Requirements

CRs must be submitted electronically through OTIS by 5 p.m., Pacific Time (PT), on the due dates noted below. Refer to the OTIS User Guide, http://otis.catcp.org, for step by step instructions.

A signed original OTIS CR will be required **after** the OTIS version is approved by the assigned Procurement Manager (PM). When requested by the PM, send the original signed OTIS approved CR to the attention of your assigned Procurement Manager (PM) at the following address:

Mail Delivery
If you submit the CR by mail or use U.S. Postal Service (USPS) Priority Mail, send it to the following address. DO NOT SEND hand-carried/express mail packages here. Express mail is NOT delivered to this address. Procurement Manager's Name California Department of Public Health CDIC/California Tobacco Control Program MS 7206 P.O. Box 997377 Sacramento, CA 95899-7377
Hand-carried/Express Mail
Send express mail by express mail carrier to the address below. *(If you use USPS Priority Mail, send it to the address above. The U.S. Post Office will not deliver ANY mail to the street address, including Priority Mail.)* Procurement Manager's Name California Department of Public Health CDIC/California Tobacco Control Program MS 7206 1616 Capitol Avenue, Suite 74.516 Sacramento, CA 95814

Report Periods/Due Dates

CRs must be submitted electronically through OTIS by 5 p.m., PT, on the due dates noted below.

Six-Month Report Periods	Due Date
July 1, 2017-December 31, 2017	February 28, 2018
January 1, 2018-June 30, 2018	August 31, 2018
July 1, 2018-December 31, 2018	February 28, 2019
January 1, 2019-June 30, 2019	August 30, 2019
July 1, 2019-December 31, 2019	February 28, 2020
January 1, 2020-June 30, 2020	August 31, 2020
July 1, 2020-December 31, 2020	February 26, 2021
January 1, 2021-June 30, 2021	August 31, 2021

Instructions for Completing CRs

CRs will be completed and submitted electronically through OTIS. The OTIS User Guide, http://otis.catcp.org, contains all the instructions and illustrations needed to complete and submit the CRs. Please follow those instructions. Call your assigned PM if you have any questions.

Revisions to CRs

Once a CR is approved, you will **not** be able to go back and make changes to it. If an expense item was inadvertently omitted from a CR, it must be included in a subsequent CR period and an explanation provided in the Comment Box. Refer to the OTIS User Guide, http://otis.catcp.org, for instructions.

CHAPTER 400

REVISION PROCEDURES

Purpose

- Define the three different types of Plan Revisions and when they should be utilized.
- Identify the window period for Plan Revisions.
- Describe the Plan Revision process(es).

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Plan Revision Window Period

Plan Revisions must be requested, completed and approved by the California Department of Public Health, California Tobacco Control Program (CTCP) from September 1 through October 31. Dates may be adjusted if these dates fall on a weekend/holiday.

This period and deadline applies to ALL of the distinct Plan Revision procedures outlined in this document. ALL Plan Revisions must be approved by CTCP in the Online Tobacco Information System (OTIS) by October 31, regardless of how many revisions are requested. Please remember this is the CTCP deadline for all approvals–**CTCP will provide submittal timelines for each Plan Revision through OTIS communications in order to ensure all final Plan Revision approvals are completed by October 31**.

Since a number of Plan Revisions may be required, local lead agencies (LLAs) should carefully consider which Plan Revisions will be required and the order in which they will occur, and seek conceptual approval from CTCP. LLAs should also ensure adequate resources are allocated so that each required procedure can be completed in a timely manner.

Note: Only one Plan Revision can be opened in OTIS at any one time. For example, if a Budget/Budget Justification (B/BJ) Revision is open in OTIS, a Scope of Work (SOW) Revision cannot be requested or opened until the B/BJ Revision is finalized. Reports may be submitted and viewed but cannot be approved while a Plan Revision is open.

Note: If submittal dates do not allow CTCP sufficient time to review and approve Plan Revisions, the Plan Revisions may be suspended and then canceled by CTCP. Any edits made in that version will be permanently deleted from OTIS and the Plan will revert to the last approved version.

Definitions

The three types of Plan Revisions:	When they are required:
• **"SOW Revision" is a change to an LLA's Comprehensive Tobacco Control Plan's SOW and/or Evaluation, which includes an opportunity to revise the Abstract.**	• To meet the tobacco control needs in your community (e.g., an objective needs to be amended, or strategies and activities have changed).
• **"B/BJ Revision" is a change to the Plan's B/BJ which includes an opportunity to revise the Abstract.**	• When expenditures exceed or are anticipated to exceed the budgeted line item amount. • When unexpended funds from the prior FY need to be reallocated (rolled over) to the current FY (from Plan Years 1, 2 and 3 only). • When you are advised that annual allocation amounts have been adjusted from original estimates.
• **"Combined Revision" or "Joint Revision" is a SOW and B/BJ Revision that are done at the same time.**	• When a change to the SOW would require a modification to the B/BJ section or vice versa.

Other Resources

- LLA Administrative and Policy Manual, Chapter 400
- OTIS User Manual (online)

TABLE A: Questions LLAs must consider at the start of each FY (following Plan Years One and Two)

The following table outlines the questions LLAs should consider at the start of each FY following **Years One, Two and Three** of the Plan period to determine the sequence of procedures that need to be followed:

Question 1: Is a SOW Revision required for the prior reporting period (e.g. January-June) for past activities (or BOTH prior and current [e.g., July-December] reporting periods/activities?)	
Yes	Complete this SOW Revision (refer to Table B below). Your SOW Revision will be approved, then your progress report (PR) will be approved. NOTE: If your SOW also requires revision for current or future activities/reporting periods, this Revision should incorporate those changes, making question 4 below obsolete. Go to Question 2 below.
No	Go to Question 2 below.

Question 2: Do you have unexpended funds from the prior FY, or have any line item expenditures exceeded the budgeted line item amount?	
Yes	A B/BJ Revision will be opened for you during the review/approval process for the January-June cost report (CR) (refer to Table C below). When B/BJ Revision is approved, go to Question 3 below.
No	Go to Question 3 below.

Question 3: Are there changes to your allocation amount for the current FY, per advice from CTCP?	
Yes	A B/BJ Revision will be opened for you during the review/approval process for the January-June CR (refer to Table C below). When approved, go to Question 4 below.
No	Go to Question 4 below.

Question 4: Would you like to request a SOW Revision, a B/BJ Revision or a Combined/Joint Revision for the current reporting period (July-December), OR was your allocation amount increased by $50,000 or more this FY, per advice from CTCP, making a SOW Revision mandatory?

Yes	Request a SOW, B/BJ or Combined/Joint Revision (refer to Table D below).
No	END, no further action is necessary for your LLA Plan.

TABLE B: Procedures for SOW Revisions for a PRIOR Reporting Period (January-June)

If you believe the activities in your January-June PR may be outside the scope of the current objectives in your Plan's SOW, you should discuss this issue as soon as possible with your assigned CTCP Program Consultant (PC). You may then be able to align your SOW Objectives and these activities through a SOW Revision during the September 1-October 31 time period.

The following Table provides information on the steps in this process:

Steps	Procedures: SOW Revisions for a PRIOR Reporting Period (January-June)	
B.1	Complete and submit your PR on or before the July 31 deadline.	
B.2	The information in the table below explains steps for proceeding with SOW Revision requests:	
	If…	**Then…**
	The PR for the prior period has not been submitted, or it has been submitted but not yet approved, and you would like to do a SOW Revision.	In the OTIS communication log, discuss in concept the changes desired with the assigned PC and Procurement Manager (PM). Go to Step B.3 below.
	The PR for the prior period has been submitted but not yet approved, and you are advised by CTCP that a SOW Revision will be required before the PR can be approved.	Go to Step B.4 below.
	You have submitted the PR for the prior period and it has been approved.	The SOW Revision for that period is no longer permitted, but you should contact your PC to discuss your issue(s). See Table C below for SOW Revision procedures applying to a subsequent reporting period.

<table>
<tr><td>B.3</td><td>If you receive conceptual prior approval from CTCP and

<table><tr><th>If…</th><th>Then…</th></tr><tr><td>It is between September 1 and the October 31 deadline.</td><td>Go to Step B.4 below.</td></tr><tr><td>It is outside the September 1-October 31 period.</td><td>Wait until September 1, and then go to Step B.4 below.</td></tr></table></td></tr>
<tr><td>B.4</td><td>Open a formal “Request Plan Revision” in OTIS. As part of this request, you must:
• Select the “Desired Effective Date for Revision”, and choose the prior six-month PR period from the drop-down menu.
• Select the section or sections of the Plan to be opened for revision by checking the boxes (e.g., Objective Two in the SOW).
• Describe and explain each change requested in the narrative portion/text box provided.
• Submit to CTCP.</td></tr>
<tr><td>B.5</td><td>CTCP may approve or deny your request, or seek clarification.</td></tr>
<tr><td>B.6</td><td>If your request is granted, requested sections of the Plan will be opened for you to edit in OTIS and you will be given a timeline for submitting the Plan Revision and subsequent due dates.</td></tr>
<tr><td>B.7</td><td>Make changes to the open sections by the due dates indicated and submit to CTCP.</td></tr>
<tr><td>B.8</td><td>One extension of the overall Plan Revision completion date in OTIS may be requested (but not beyond October 31).</td></tr>
<tr><td>B.9</td><td>The PC and PM will review the SOW Revision and approve if acceptable.</td></tr>
<tr><td>B.10</td><td>When CTCP grants final approval, the new version of the Plan is in effect, and the Abstract will be opened for you to make any desired revisions.</td></tr>
<tr><td>B.11</td><td>Revise the Abstract if required and resubmit to CTCP with or without changes.</td></tr>
<tr><td>B.12</td><td>CTCP will review and approve the Abstract.</td></tr>
<tr><td>B.13</td><td>CTCP will approve the PR if acceptable.</td></tr>
</table>

TABLE C: Procedures for B/BJ Revisions each FY (after Years One and Two of the Plan period)

After the January-June CR is submitted for Years One, Two and Three of the Plan period, the assigned PM will typically open a B/BJ Revision in OTIS before the CR approval to allow:

- CTCP to adjust the LLA budget allocation amounts if allocations have changed
- LLAs to adjust prior year budget line items to eliminate any line item deficits and to match actual expenses in the CR
- LLAs to reallocate (rollover) unexpended funds from the prior to the current FY and adjust current FY line items to reflect actual allocation amounts

  Note: Justifications will be required for all line item adjustments (e.g., "rollover of unspent funds from Year Two to Year Three")

The following Table provides information on the steps in this process:

Steps	**Procedure: B/BJ Revisions for Changes to Allocation Amounts/Rollover of Unexpended Funds (after Years One, Two or Three of the Plan period) and Line Item Revisions**
C.1	Submit CR on or before the August 31 deadline.
C.2	The PM will review your CR and: • add comments for any required changes to the CR, if applicable • advise you that the CR can only receive approval after the remaining steps outlined in this Table have been completed • note calculations of rollover and changes to allocation amounts • return the CR to you as "Needs Revision, Open Budget Revision" **Note:** If prior year expenditure was equal to your allocation amount, and your new allocation amount is unchanged, no B/BJ Revision would be required unless expenditure has exceeded the budget in individual line item budgets for the prior year.
C.3	You will access the B/BJ and make changes to budget line items for the prior and current FYs as required. The following table explains the scenarios that may apply to your LLA:

Your TOTAL expenditures for the prior FY were reported as:	And your ALLOCATION AMOUNT for the new FY, per CTCP advice, is:
• Lower than your allocation amount • Equal to your allocation amount • Higher than your allocation amount* * **Note**: Over-expenditure is not permitted, so you will be required to reduce actual prior year expenses in the CR to match budget estimates and return the CR to CTCP.	• Higher than previous estimates • Equal to previous estimates • Lower than previous estimates

In all cases (except those outlined in the Notes above in this Table), you will:

- Note the total amount of any unspent funds and unspent funds in each budget line from the prior FY, and any change to the allocation amount for the current FY.
- In the prior FY's budget line items, enter the amount of any unspent funds for each line as a negative adjustment. You may also be required to move (reallocate/add) funds into line items at this time due to higher than anticipated expenses in those lines. The final budget line items should then reflect your actual expenses in each line item as reported in the CR submitted to CTCP.
- In the current FY's budget line items, adjust selected budget line items so that the sum of these adjustments equals the sum of any unspent funds from the prior year and any change to the allocation amount for the current FY.
  Note:
  - Some costs may be ineligible for rollover authorization (e.g., if required CTCP Travel was not undertaken, funds allocated for that purpose cannot be reallocated elsewhere and are forfeited).
  - The movement of unexpended balances from one year to the next does not have to stay within the same category it came from in the previous FY. However, you may choose to simply move unexpended balances from each line item from the last budget year into the

	corresponding line item in the current budget year to simplify this B/BJ Revision and have the CR approved. You may then request a second B/BJ Revision or a Combined/Joint Revision to move funds between categories within the current budget year (see Table D below). • Whenever there is an adjustment on a budget line item (for both deduction and addition of funds), a BJ narrative must be added explaining why the adjustment is needed and how any unexpended balances will be used.
C.4	One extension of the overall B/BJ Revision completion date may be requested, but not beyond the October 31 deadline.
C.5	Submit B/BJ Revision to CTCP.
C.6	Resubmit CR with or without changes as specified in PM's cost report analysis comments.
C.7	The assigned PM and PC will review and approve the B/BJ Revision.
C.8	When CTCP grants final approval, the Abstract will open for you to make any desired changes.
C.9	Revise the Abstract if required and resubmit to CTCP with or without changes.
C.10	CTCP will review and approve the abstract.
C.11	When CTCP approves the CR, the FY is closed out.

TABLE D: Procedures for SOW, B/BJ or Combined/ Joint Revisions for a CURRENT Reporting Period (i.e. July–December)

Discuss a Plan Revision with your assigned PC and PM as soon as possible if:

- current or future activities may be outside the scope of the current objectives in your Plan's SOW or the B/BJ
- your LLA received an allocation adjustment of $50,000 or more above prior estimates, and a Combined/Joint Revision is mandatory
- a B/BJ Revision is required to reallocate funds between line items within the current FY

A SOW or Combined/Joint Revision during the September 1-October 31 window period may allow you to align your SOW Objectives and activities with current or planned activities.

The following Table provides information on the steps in this process:

Steps	Procedures: SOW, B/BJ or Combined/Joint Revisions for a CURRENT Reporting Period (i.e. July–December)
D.1	Use the OTIS communication log to discuss in concept the changes desired with the assigned PC and PM.
D.2	If you receive conceptual approval from the PC and PM:

	• Open a formal "Request Plan Revision" in OTIS **between the September 1 and the October 31 open period** You must: • Select the "Desired Effective Date for Revision" and choose the current six-month PR period (i.e. July–December) from the drop-down menu • Select the section or sections of the SOW and/or B/BJ to be opened for revision by checking the boxes • Describe and explain each change requested in the narrative portion/text box provided • Submit to CTCP
D.3	The PC and PM may approve or deny your request or request clarification.
D.4	If your request is granted, requested sections of the Plan will be opened for you to edit in OTIS.
D.5	Make changes to the sections by the due dates indicated and submit to CTCP.
D.6	One extension of the overall Plan Revision completion date in OTIS may be requested, but not beyond the October 31 deadline.
D.7	The PC and PM will review the SOW, B/BJ or Combined/Joint Revision and approve if acceptable.
D.8	When CTCP grants final approval, the new version of the Plan will be in effect, and the Abstract will be opened for you to make any desired revisions.
D.9	Revise the Abstract if required and resubmit to CTCP with or without changes.
D.10	CTCP will review and approve the Abstract.

CHAPTER 500

PROGRESS REPORTS

General

The California Department of Public Health, California Tobacco Control Program (CTCP) manages a large volume of contracts (130-200) in comparison to many other State public health programs. The progress report (PR) is one of the primary communication tools with CTCP and serves as a "window" so that CTCP sees and understands how the Proposition 99 and Proposition 56 funds are being used in each community. CTCP appreciates that completing the PR is time consuming but it is truly one of the most important management and communication tools you have.

The Program Consultants (PCs) review the PRs to identify the degree of program collaboration and coalition participation in the implementation of the approved Scope of Work (SOW) and to monitor the SOW progress. Additionally, PRs are used to identify individual and statewide technical assistance and training needs, and to identify outstanding programs and materials that should have broader statewide and national dissemination. PRs are used as a means of referral when a reporter, State legislator, or staff from another State program contacts CTCP looking for good examples of particular program strategies. Your PRs, survey findings, and evaluation reports also serve as a means for all of us to have a better understanding of what works. These documents have become extremely useful in recent years when defending our program against criticism from the National Smokers' Alliance and other powerful critics.

Submission Requirements

Your PR will be submitted electronically through the Online Tobacco Information System (OTIS). In addition to the electronic submission, the documentation supporting the PR will need to be submitted to CTCP. LLAs have two options for submitting the PR documentation. Use either method but not both: 1) In OTIS scan and upload the Document Repository Report and PR documentation when PR is electronically submitted; or 2) Prepare one complete set of the PR documentation ***which must include the Document Repository report list from OTIS*** and send them to CTCP at the following address:

Mail Delivery
If you submit your PR documentation by mail or use U.S. Postal Service (USPS) Priority Mail, send the package to the following address. DO NOT send hand-carried/express mail packages here. Express mail is NOT delivered to this address. Program Consultant's Name California Department of Public Health CDIC/California Tobacco Control Program MS 7206 P.O. Box 997377 Sacramento, CA 95899-7377
Hand-Carried/Express Mail
Send express mail by express mail carrier to the address below. *(If you use USPS Priority Mail, send it to the address above. The U.S. Post Office will NOT deliver any mail to the street address, including Priority Mail.)* Program Consultant's Name California Department of Public Health CDIC/California Tobacco Control Program MS 7206 1616 Capitol Avenue, Suite 74.516 Sacramento, CA 95814

Report Periods/Due Dates

PRs must be submitted electronically through OTIS by 5 p.m., Pacific Time, on the due dates, and the paper PR documentation (should you choose this method of submission) must be postmarked by the due dates.

Six-Month Report Periods	Due Date
July 1, 2017-December 31, 2017	January 31, 2018
January 1, 2018-June 30, 2018	July 31, 2018
July 1, 2018-December 31, 2018	January 31, 2019
January 1, 2019-June 30, 2019	July 31, 2019
July 1, 2019-December 31, 2019	January 31, 2020
January 1, 2020-June 30, 2020	July 31, 2020
July 1, 2020-December 31, 2020	January 29, 2021
January 1, 2021-June 30, 2021	June 30, 2021

Instructions for Completing PRs

All PRs will be submitted electronically through OTIS. The OTIS User Guide, http://otis.catcp.org, contains the instructions and illustrations needed to complete and submit the PRs. Please follow those instructions. Contact your assigned PC if you have any questions.

Revisions to PRs

Once a PR is approved or disapproved, you will not be able to go back and make changes to it. If an item or activity progress was inadvertently omitted from a PR, it must be included in a subsequent PR period.

CHAPTER 600

MISCELLANEOUS

General

This chapter of the manual will be used to provide information and instructions on issues that do not relate to the other chapters.

Use of Interest Earned

Your allocation agreement requires that prospective payment invoices be deposited into an interest bearing, insured trust account. The allocation agreement also requires that any interest earned on Proposition 99 or Proposition 56 funds be used for tobacco related program activities and that you obtain California Department of Public Health, California Tobacco Control Program (CTCP) approval for the use of these funds.

You may use funds from interest earned to purchase items already in the approved Comprehensive Tobacco Control Plan (i.e., behavior modification materials, media, campaign materials, etc.) or temporary help (and the fringe benefit expenses associated with the temporary help position) without obtaining **additional** prior written approval (the written approval of the Comprehensive Tobacco Control Plan constitutes prior written approval). These funds cannot be used to supplement fringe benefit expenses for regular staff or for Indirect Cost expenses.
Prior written approval will be required to use these funds for equipment purchases or for purchases of any items not in the approved Comprehensive Tobacco Control Plan (i.e., consultants, new media, etc.). The request for approval must include the following:

- An Online Tobacco Information System (OTIS) or e-mail communication to the assigned Procurement Manager (PM) requesting approval to use interest earned to purchase items not in the approved Comprehensive Tobacco Control Plan
- A description of how the funds will be used (i.e., purchase office furniture or a computer printer, hire consultants, etc.)
- The amount of money to be used from interest earned

The PM will coordinate approval with the Program Consultant (PC) if necessary. The PM will send an OTIS communication within approximately 30 days after receipt of the request with a decision. If approved, the expense must be reported in the “interest earned” area of the cost report (CR) during the CR period in which the expense was incurred. Include in your comments a description of the approved expenses and the CTCP approval date.

Generated Revenue

The allocation agreement requires prior written approval to generate revenue and the deposit of any revenue generated into an identifiable account. The revenues generated must be utilized for tobacco control program-related activities. A request for approval to generate revenue must include the following:

- An OTIS or e-mail communication to the assigned PM requesting approval to generate revenue. Include a justification for generating the revenue (instead of providing the service/product free of charge)
- A description of how the funds will be used (i.e., purchase office furniture or a computer printer, hire consultants, etc.)
- Proposed changes to the Scope of Work (SOW) to reflect the revenue being generated (i.e., charging a fee for cessation classes)

The PM will coordinate approval with the PC. The PM will send an OTIS communication decision within approximately 30 days after receipt of the request. The communication will also state that an OTIS request for a SOW revision will need to be submitted by the local lead agency (LLA) to incorporate the generated revenue approval to the SOW.

Once approved, the generated revenue must be deposited into the interest-bearing trust account. The generated revenue funds can be used to purchase items in the approved Comprehensive Tobacco Control Plan (i.e., behavior modification materials, media, campaign materials, etc.) or temporary help (and the fringe benefit expenses associated with the temporary help position) without obtaining **additional** prior written approval (the written approval of the Comprehensive Tobacco Control Plan constitutes prior written approval).

These funds cannot be used to supplement fringe benefit expenses for regular staff or for Indirect Cost expenses.

Rebates of any kind are not considered generated revenue. All rebates should be credited back to the original line item where the original cost was incurred.

Prior written approval will be required to use these funds for equipment purchases or for the purchase of items not already in the approved CTCP. The request for approval must include the following:

- An OTIS or e-mail communication to the assigned PM requesting approval to use generated revenue to purchase items not in the approved Comprehensive Tobacco Control Plan
- A description of how the funds will be used (e.g., purchase office furniture or a computer printer, hire consultants, etc.)
- The amount of money to be used from generated revenue

The PM will coordinate approval with the PC if necessary. The PM will send an OTIS Communication within approximately 30 days after receipt of the request with a decision. If approved, the expense must be reported in the "generated revenue" area of the CR during the CR period in which the expense was incurred. Include in your comments a description of the approved expenses and the CTCP approval date.

Return of Funds

The allocation agreement also requires that when the LLA agreement terminates, any unspent Proposition 99 or Proposition 56 funds, interest earned and/or generated revenues be returned to the State within 90 days from the expiration date. The words "Unexpended Tobacco Control Program (Proposition 99 or Proposition 56) (Interest) or (Generated Revenue)" and the agreement number shall be written on the face of the check or warrant issued by the LLA. The checks are to be submitted to your assigned PM at the following address:

Procurement Manager's Name
California Department of Public Health
CDIC/California Tobacco Control Program
MS 7206
P.O. Box 997377
Sacramento, CA 95899-7377

The envelope should be marked "personal and confidential" so the check will not get misdirected to the Cashiers Unit within the Department.

Agency Contact Changes

CTCP uses the agency contacts from OTIS to generate mailing lists for distribution of electronic communication, manual updates, allocation agreement distribution, prospective payment invoices, etc. Incorrect mailing information in OTIS may cause delays in receiving important information. Whenever changes occur with agency contact information, such as a new project director, new address/phone and fax numbers, e-mail addresses, etc., please update OTIS as soon as possible, following the instructions in the OTIS User Guide, http://otis.catcp.org.