PHAB
Center for Innovation

Foundational Public Health Services Capacity & Cost Assessment

FPHS Assessment Decision Guide

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Introduction

National recommendations suggest that a "minimum package of public health services"—a suite of skills, programs, and activities—must be available from the public health system everywhere for the health system to work anywhere. The Foundational Public Health Services (FPHS) provide such a framework and sufficient detail to estimate necessary spending to deliver such services.

A capacity and cost assessment ("Assessment") helps governmental public health agencies assess their role in the governmental public health system and identify resources needed to transform it. This information can inform an agency's decisions—or the decisions of agencies across a statewide system—about what additional resources they need and how best to allocate resources to meet the needs of their jurisdictions and communities, in support of public health system transformation. The Excel-based FPHS Capacity & Cost Assessment Tool ("the Tool") can assist state and local governmental public health agencies in collecting data for an Assessment to estimate current and necessary resources for governmental public health, according to the FPHS Operational Definitions.

Acknowledgments

The Tool was developed in collaboration with the University of Minnesota School of Public Health with funding and support from the Robert Wood Johnson Foundation.

The Public Health Accreditation Board (PHAB) recognized the need following conversations with the 21st Century Learning Community (21C), where there has been a history of conducting capacity and cost assessments through their statewide transformation efforts. Additionally, the University of Washington (UW) School of Nursing's Public Health Activities and Services Tracking (PHAST) program developed a structural design of this tool for the Uniform Chart of Accounts (UCOA). Using that design and information from other 21C states who have done various types of these assessments, the CPHS at UMN and PHAB developed this tool for use with the FPHS Operational Definitions and to be a single comprehensive tool for an Assessment.

About the FPHS Assessment Decision Guide

This FPHS Assessment Decision Guide ("Guide") was developed to help governmental public health agencies to 1) engage the appropriate staff in conducting an Assessment, 2) identify the appropriate data for the Assessment, and 3) navigate some of the more complex aspects of the Assessment. The following sections provide guidance for decision-making and preparation for those participating in Assessment processes.

- **Identifying Assessment Participants.** Provides high-level guidance on the professional staff that agencies should engage for the Assessment.
- **Common Data for the Assessment.** Provides high-level guidance on the main data sources that governmental public health agencies should access to complete the Assessment. It is expected that these data sources, alone, will answer the majority of questions within the Assessment. The section provides a description of the source as well as a summary of questions that source is expected to answer.
- **Guidance for Specific Questions.** Provides more detailed and specific guidance on what professional staff to engage and where to find the data requested in this Assessment on a per-question basis.
- **Cross-cutting Assessment Topics.** These topics cut across different activities of the Assessment. Topics include distinguishing foundational from community-specific services, dealing with complex organizational structures, resource sharing, non-employed effort, and overall guidance for allocating resources.
- **Allocating Historical Effort and Spending.** This section focuses on issues related to allocating current resources (**05. Current Spending** worksheet of the Tool). Topics include sources of data, approaches for retrospective allocation, considerations for personnel effort, and considerations for special situations.
- **Estimating the Cost of Full Implementation of FPHS.** This section focuses on issues related to estimating resources needed to fully implement the FPHS (**08. Full Implementation** worksheet of the Tool). Topics include specific guidance for expense categories, approaches to estimate full implementation needs, other estimation considerations, and limitations for full implementation estimates.

Where appropriate, examples are provided to illustrate concepts or suggest approaches. For certain decision points, recommended approaches are offered.

Additional materials may answer other questions you have, including an Assessment Tool Instructional Guide that provides detailed guidance for using the Excel-based FPHS Capacity & Cost Tool and Frequently Asked Questions that provides brief responses to common questions. For any additional questions you may have, please visit the FPHS Capacity & Cost Assessment webpage or contact info@phaboard.org for assistance.

Identifying Assessment Participants

The following is overall guidance for engaging the appropriate persons to conduct an Assessment. While many of the questions in the Tool require specific data, others ask for your

agency to provide an opinion. Answering those questions may be more about accessing the institutional knowledge and professional judgment of the appropriate agency staff, rather than tangible data. The "right" professional agency staff (hereafter referred to as "Assessment Participants") to support this Assessment will vary significantly from agency to agency, but likely includes both finance and program leadership.

The number of Assessment Participants at your agency is likely to vary significantly by agency, with small agencies (for example, those serving a population of fewer than 25,000 residents) engaging only one or two staff and large agencies (for example, those serving greater than 500,000 residents) engaging a dozen or more staff. Agency staff to consider engaging as Assessment Participants include:

- A point-of-contact. Agencies should identify a "point-of-contact" to lead response to the Assessment and coordinate participation across the agency. Given the nature of the Assessment, this person is likely to be part of Agency Leadership (potentially, the Agency Director) or, more specifically, someone in a role related to workforce or accountability and performance management. There is a location in the 04. Background worksheet of the Excel Tool to identify this person.
- Agency leadership, including the Agency Director and Chief Financial Officer. Agency leadership should be engaged to provide input on agency direction in answering questions that require opinions and in reviewing and vetting final assessment results. Agency leadership may want to be engaged in full implementation estimations to ensure that the vision for fully implementing the FPHS aligns with agency direction.
- Program leadership. Program leadership should be engaged to help respond to questions that require opinions related to the FPHS in areas their programs support and may be integral in estimating effort and spending on foundational activities.
- Finance staff. Finance staff should be engaged to provide data from the agency's payroll and accounting, or other enterprise data systems. They may also be engaged in full implementation discussions in which future compensation rates or other expenditures may differ from the current implementation time period.

While a larger group of Assessment Participants will distribute the data collection effort–minimizing the burden on individuals and capitalizing on agency-wide institutional knowledge–it will increase the coordination and time needed to complete the assessment and the overall agency wide effort, as well as potentially introduce opportunities for differences in interpretation and response to assessment questions.

Table 1 highlights specific data entry worksheets of the Tool that different Assessment Participants might support.

Table 1. Expected engagement for Assessment Participants by Worksheet in the Excel Tool

Assessment Participant	04. Background	05. Current Spending	06. Self-Assessment	07. PHWF Calculator	08. Full Implementation
Point-of-Contact	🔍/📊/⚙	🔍/📊/⚙	🔍/📊/⚙	🔍/📊/⚙	🔍/📊/⚙
Agency Leadership	🔍	🔍	🔍	🔍	🔍/⚙
Program Leadership		⚙	⚙	⚙	⚙
Finance Staff	📊	📊			📊/⚙

Legend:

📊 Provide data ⚙ Offer expertise 🔍 Review results

Common Data for the Assessment

To complete the Tool, governmental public health agencies will need to identify the appropriate data from their internal systems. Data may come from multiple systems including enterprise, accounting, and payroll systems as well as from more simple internal resources like Excel spreadsheets and other documents. This Guide provides initial guidance to governmental public health agencies to help them identify the appropriate data sources and data to support their completion of the Tool.

Because it is important that the data used in the Assessment are consistent (that is, is based on the same fiscal year, that total payroll costs in payroll data match personnel expenditures in expenditure data, etc.), where possible, we recommend using a small number of key data sources to complete the Assessment. These data sources are outlined following.

Sources of Assessment Data

Agency Financial Policies

Agency financial policies are the codified rules and principles of your agency's accounting and financial practices. Although these policies are codified in the sense that they are followed as part of an agency's financial system, they are not always written and, as such, will sometimes need to be provided by financial staff. For the purposes of this Assessment, we recommend pulling any written financial policy documents, including:

- General financial policies
- Salary schedule by occupation

Accounting Data

Accounting data are the financial data provided through an agency's accounting system. These data include all the data (ledgers, journals, and analysis) that support a financial statement. For the purposes of this Assessment, we recommend exporting the following financial data:

- Revenue data for the most recent three fiscal years, culminating in the reporting period, in as granular of detail (revenue type) as possible; and
- Expenditure data for the most recent three fiscal years, culminating in the reporting period, in as granular of detail (including both expenditure type and department/program, if available) as possible.

Payroll Data

Payroll data are the workforce and financial data provided through an agency's payroll system. These data include information on all staff, including their hours worked and salary and benefits received. For the purposes of this Assessment, we recommend exporting the following payroll data:

- Actual hours and salary and benefits paid by staff person for the most recent three fiscal years, culminating in the reporting period, with the staff person name and occupation.

The following Table 2 shows which sources of data are most likely to support each component of the Assessment.

Table 2. Expected data used in Tool

Data Source	04. Background	05. Current Spending	06. Self -Assessment	07. PHWF Calculator	08. Full Implementation
Agency Financial Policies	X				X
Payroll Data		X			
Accounting Data		X			

When a question cannot be answered using the data sources above, Assessment Participants should refer to the following section to find what data source is suggested for that particular question.

Guidance for Specific Questions

The following is detailed guidance for engaging the appropriate assessment participants and finding the appropriate data to answer each individual question within the Tool, organized by its four data entry worksheets. Many of the data sources recommended throughout this detailed guidance can be used to answer multiple questions.

The following guidance is provided as additional support when those data sources do not yield the necessary information or when respondents are struggling to find a specific piece of information. While this guidance is intended to be comprehensive, it is important to remember that governmental public health agencies' data systems vary widely. As such, it is possible that your agency may need to access additional data sources that are not listed here.

Please refer to the Frequently Asked Questions for brief responses to common questions.

04. Background

This worksheet asks a series of questions intended to generate an understanding of your agency's context and high-level financial data which are used elsewhere in the Tool.

1. *What time period is covered by Fiscal Year 2024 (i.e., 'accounting period')?*

   A "fiscal year" is the 365-day period that is considered your agency's full accounting period. Common fiscal years are January 1 to December 31st (calendar year), July 1 to June 30th (state fiscal year), and October 1 through September 30 (federal fiscal year). Some agencies may even operate on a different fiscal year than the examples provided.

   Your agency's fiscal year period may be noted in your agency's financial policies, budget, and/or audited financial statements.

2. *How many annual working hours are considered a Full Time Equivalent (FTE) for your agency (e.g., 40hrs/wk x 52wks = 2,080hrs)?*

   A "full time equivalent" is a unit of measurement indicating the workload of an agency's staff on an annual basis. Common "full time equivalent" staff may work 2,080 hours per year (40 hours a week times 52 weeks per year) or 1,960 hours per year, although many agencies operate on their own FTE definition.

   Your agency's FTE definition may be listed in your agency's financial policies or payroll system.

3. *Please provide your agency's final full-time equivalents (FTEs) for the most recent 3 fiscal years and number of persons employed in the most recent fiscal year. Please include both full-time and part-time positions, excluding temporary or contractual workers, and use actual employment counts for each fiscal year (not budgeted staffing).*

   Your agency's full-time equivalents for the most recent 3 fiscal years and number of persons employed in the most recent fiscal year should be available in your payroll system.

4. *Please estimate any non-employee contractual effort for the three most recent fiscal years (which may include labor replacement or personal and professional service contracts). Please include only actual (rather than budgeted) effort on a full-time equivalents (FTE) basis for each fiscal year.*

   Non-employee contractual effort is effort expended by individuals who are not directly employed by your agency, often through a labor replacement contract or personal or professional services contracts. Although this time is sometimes reported in terms that can be directly converted to FTE (for example, hours worked by individuals contracted

through a staff augmentation contract or billable hours worked by individuals at a professional services firm) it may not always be. As such, respondents will need to use whatever information about these contracts that is available (likely, the contracts themselves, or invoices, if available) to estimate the non-employee contractual effort they represent in terms of FTE.

Your agency's non-employee contractual effort should be estimated based on time contracted for or invoicing related to the contract. Where such information is not available, respondents may choose to estimate the FTE that would be needed to replace these contractual efforts with agency FTEs.

5. *Please provide your agency's expenditures by category for the most recent three fiscal years.*
   Your agency's expenditures by category for the most recent three fiscal years should be available in your accounting system.

6. *Please provide your agency's revenues by source for the most recent three fiscal years.*
   Your agency's revenues by category for the most recent three fiscal years should be available in your accounting system.

7. *What size community does your agency serve (i.e., jurisdiction population)?*
   The number of persons served by your agency should be known by top executives in your agency.

8. *Do you have any additional comments about the data you provided? If you have supporting documentation for any of the data collected in this instrument, please note that here.*
   Please enter any comments on the data you provided in the previous questions on the "04. Background" worksheet, here.

We recommend that this worksheet be completed by the Assessment point-of-contact, finance staff, or a combination of both.

05. Current Spending

This worksheet asks for financial data on the personnel and other expenditures expended by your agency during the reporting period of the Assessment, according to the following financial categories:

- Labor FTE and Expenditures (Salaries, Wages, and Fringe Benefits);
- Direct Contracts;
- Other Expenditures;
- Pass-throughs and Transfers; and
- Capital Expenditures.

The Tool will ask that you first enter total expenditures for Labor FTE and Expenditures (*Total Salary and Total Benefits per occupation in Columns I & J*). **Actual effort and labor expenditures for the reporting fiscal year should be available by your payroll system.** The Tool will then ask that you enter total expenditures for the other financial categories below Labor FTE and Expenditures (*Total Cost in Column H per item in each financial category section*). **Actual expenditures for the reporting fiscal year should be available in your financial accounting system.** The focus of this Assessment is to estimate resources for 'foundational' activities, though space is made available to include effort and costs related to "community-specific services" to ensure the accuracy of expenditures and FTE.

The Tool then asks for that effort and financial data to be allocated for the reporting year; in other words, to assign effort and expenditures to each FPHS. It is not likely that your agency tracks data in this way. In order for that allocation to reflect actual resources spent on specific FPHS during the reporting period, it will require the best judgment of the staff completing it, including their opinions and any available activity data.

We recommend that the total expenditure and FTE data input into this worksheet be provided by finance staff but that the allocation process be completed by the relevant program staff.

06. Self-Assessment

This worksheet asks a series of opinion questions to understand the degree to which specific FPHS activities are delivered by your agency and where other partners and organizations also participate in delivering services in your community.

Assessment Participants will self-assess their agency's degree of implementation ('expertise' and 'capacity') for the FPHS. Questions in this section are subjective but may be informed by other

data you may possess, such as staff professional competency assessments, workforce assessments (e.g., PH WINS), local public health system assessments (e.g., CDC's NPHPS), PHAB accreditation reports or readiness assessments, and other performance assessments for your agency.

Assessment Participants will also report how other partners have participated in delivering services within the jurisdiction and how your agency may have participated in delivering services in partner jurisdictions. For each of these questions, program staff would benefit from information, such as summaries of work scopes for contractual arrangements or subawards to recipients.

We recommend that this worksheet be completed by program staff under the direction of the Assessment point-of-contact and with review by agency leadership.

07. PHWF Calculator

This worksheet allows agencies to use data collected in their Assessment with the Public Health Workforce Calculator ("the Calculator"), which may be beneficial for estimating effort needed to fully implement the FPHS. The Calculator is intended for use by local public health agencies in decentralized public health systems that serve less than 500,000 residents. The Calculator may still be used by governmental health departments that do not meet these specifications but accuracy of outputs may be diminished; please refer to the User Guide for the Calculator to find limitations for its use.

The PHWF Calculator worksheet uses data collected from the **05. Current Spending** and **06. Self-Assessment** data entry worksheets to prefill data for entry to the Calculator. Assessment Participants will only need to self-assess the "Need Relative to Peers" for the FPHS. This may be informed by the prior worksheets and may also benefit from other needs assessments (e.g., CHA, CHNA) or regional discussions.

The output you receive from the Calculator is an estimate of how much effort (FTE) is expected to fully implement FPHS in your community. Once participants transcribe information from the Calculator into the 07. PHWF Calculator worksheet, these FTE estimates will be prefilled in the **08. Full Implementation** worksheet to assist with estimating your full implementation needs.

We recommend that the "Need Relative to Peers" be completed by program staff under the direction of the Assessment point-of-contact and with review by agency leadership.

08. Full Implementation

This worksheet asks for agencies to estimate the full cost of implementing FPHS. This is essentially a budgeting exercise that requires respondents to consider the costs of implementing all FPHS, even those FPHS they are not currently implementing today. The focus of this Assessment is to estimate resources needed for 'foundational' activities, though space is made available to include effort and costs related to "community-specific services."

While estimates of the cost of full implementation of FPHS are intended to reflect a factual understanding of the resources needed to fully implement FPHS annually, generating these estimates will require the best judgment of the staff completing it, and is likely to reflect their opinions. There may not be a specific dataset to support estimation of full implementation needs.

Lastly, estimates of the full cost of implementation of FPHS are intended to be forward-looking. Those estimates should be based on present rates and expenses (e.g., current compensation rates), rather than for the reporting period (past fiscal years' compensation rates). Respondents, however, may opt to base costs on a future time period (e.g., upcoming fiscal year) or adjust to reflect an ideal or likely scenario (e.g., competitive compensation). Finance staff may be well-suited for assisting with estimating rates and costs for a future period. If you opt to use different costs or rates from those in the most recent fiscal year, be sure to note this in your Assessment.

Please see the "**Estimating the Cost of Full Implementation of FPHS" section below** for additional guidance.

We recommend that this worksheet be completed by program staff with strong engagement by finance staff, under the direction of the Assessment point-of-contact, and with review of agency leadership.

Cross-cutting Assessment Topics

The following subsections describe areas where an agency may find ambiguity or experience confusion in completing the Assessment. The topics discussed here may cross-cut throughout the Assessment. This guidance may assist with accuracy and consistency in completing the Assessment. Please refer to the Frequently Asked Questions for brief responses to other common questions.

Distinguishing 'Foundational' from 'Community-Specific' Services

The Assessment focuses on population-based or collective services that serve a broad population and are 'foundational' for the public's health. Foundational capabilities and areas are a subset of

all public health services that (1) must be available to all people served by the governmental public health system, and (2) meet one or more of the following criteria:

- Services that are mandated by federal or state laws.
- Services for which the governmental public health system is the only or primary provider of the service, statewide.
- Population-based services (versus individual services) that are focused on disease prevention and protection and promotion of health.

Foundational services are described in detail through the Foundational Public Health Services, which includes cross-cutting skills and infrastructure ('Foundational Capabilities, FCs') and programmatic divisions of services ('Foundational Areas,' FAs) that must be available everywhere for the health system to work anywhere (Public Health National Center for Innovations at the Public Health Accreditation Board, 2023).

Other services delivered by health departments, such as individualized services (e.g., clinical, transactional) or other health care or social services, may be locally important but are not considered foundational ('Community-Specific Services'); *these services are not the focus of this Assessment and should not be conflated with foundational services, even if they meet critical needs in the community*. Many health departments provide a high proportion of services delivered to individuals in a clinical setting or in the home, given that health departments have become safety net providers or providers of last resort for many health care and social services. Common examples of these individualized services include: enrolling individuals or administering benefits to those enrolled in Women, Infants, and Children (WIC); providing visits to a family as part of Family Home Visiting (MIECHV); and distributing equipment to individuals through Child Passenger Safety for Child Seats. However, keep in mind that these programs may also include 'foundational' aspects, such as public education or developing policies or systems that will serve the population.

Example

Your health department has one staff member (1.00 FTE) who delivers WIC services that primarily includes individual nutrition assessments and counseling, referrals, and provision of resources to individuals such as infant formula and WIC vouchers. That staff member is also a supervisor who has participated in agency strategic planning (5% of the year) and also led a community-wide healthy nutrition campaign for nursing mothers and children (10% of the year); the remaining time is spent delivering services to individuals. When allocating that individual's time in the assessment, 5% FTE will go in Organizational Competencies (FC); 10% FTE will go in Maternal, Child, & Family Health (FA); and the remaining 85% will go in Community-Specific Services.

Recommendation

Please think critically about the work actually being performed to determine whether certain activities are population-based and, therefore, eligible to be counted as 'foundational.' When allocating resources (effort and spending) for Current Spending and Full Implementation, ensure

that only 'foundational' activities are accounted for in the FPHS and other activities are captured as Community-Specific Services. This will allow the health department to accurately capture all the important services provided to the community, while allowing the Assessment to focus on consistently capturing information about the Foundational, population-based services.

Complex Organizational Structures

Communities do not often receive public health services from a single governmental health department and health departments do not typically operate within a silo. Respondents may encounter challenges in defining which human and financial resources (i.e., effort and spending) should be included in the data and which may need to be excluded for accurate accounting. The following subsections describe how to approach complex organizational structures.

Combined Health and Human Services or 'Umbrella' Agencies

The majority of state and local public health departments are dedicated to governmental public health services (i.e., "stand-alone," "independent") but some state or local agencies also cover an expanse of other services such as health care or social services in addition to public health services (i.e., "umbrella organization," "super-agency," "combined health and human services"), among other delivered services (Public Health Law Center, 2015).

Effort and spending on activities that do not meet the definition of 'foundational' (see above) or not serving a public health function should be considered as 'Community-Specific Services' so they are not accounted for within the FPHS Capacity & Cost Assessment.

If your agency is a combined health and human services or umbrella agency, you may decide to include in the Assessment either a) all revenues, expenditures, and effort across the entire agency (i.e., denominator of entire agency) or b) only revenues, expenditures, and effort you consider to be dedicated to public health (i.e., denominator of public health subset). *In either approach, if allocated properly, Current Spending and Full Implementation data should accurately reflect FPHS with the remainder as 'Community-Specific Services.'* Consider the following for your decision:*

- Denominator - All Agency Resources: This approach will help to ensure that all 'foundational' public health effort and spending are accounted for across the agency, even if some human or financial resources are not considered to be part of the public health division. For example, it would include inspection activities, even if those were administered through an environmental health division. However, care must be taken to make sure that only 'foundational' activities are allocated to the FPHS and all other activities are allocated to 'Community-Specific Services.' A caveat with completing the Assessment through a statewide approach is that the *proportion of FPHS resources vs total resources* for your

agency's Assessment may likely be lower than the other agencies in your state that deliver primarily public health services; the *total FPHS resources*, however, should still reasonably compare with other agencies' estimates.

- Denominator - Only Public Health Resources: This approach may prevent some conflating of public health with health care or social services. In a statewide assessment, this approach should result in assessments completed by combined health and human services or umbrella agencies to appear similar to those completed by stand-alone agencies. However, only including human and financial resources considered to be dedicated to public health services may underestimate overall 'foundational' services delivered by the agency (e.g., human services staff delivering population-wide health education services). A technical challenge may also be present for this approach in that revenues, expenditures, and effort (FTE) entered into the Background tab should represent only those dedicated to public health, which may not be how data are available for your agency. This could lead to error flags when completing the tool (e.g., proportion of effort or expenditures being less than 0% or more than 100%).

* *If participating in a statewide Assessment, it is important that all participating health departments follow the same approach toward deciding which human and financial resources to include, or that any differences are accounted for when analyzing Assessment data*.

Recommendation

It may be best to capture all agency resources and ensure that resources are allocated accurately to the FPHS and Community-Specific Services. While the proportion of FPHS resources vs total resources will be lower with this approach, it will more accurately estimate the overall FPHS resources and there are numerous ways to adjust for and interpret the total resources.

Public Health Services Delivered by Other Governmental Departments

Governmental public health services may not always be delivered solely by health departments within their government. In many instances, other departments operate adjacently to public health, such as human services agencies that deliver community-wide services or public planning offices that deliver environmental health or sanitarian services. This Assessment is intended to be a health department-focused activity. Merging together human and financial resources from multiple departments may account for additional population health services but may present additional technical challenges and data limitations. Consider the following for your decision*:

- Denominator - All Relevant Government Resources: This approach will help to ensure that all 'foundational' public health effort and spending are accounted for across the government, even if some human or financial resources are not considered to be part of the public health department. In this approach, your agency would complete the

Assessment by combining data (e.g., payroll, accounting) and self-assessments for your health department and other government departments that may deliver any of the FPHS. For example, it would include inspection activities, even if those were administered through a separate government department. Technical challenges may exist with this approach, as administrative and financial data systems may differ between departments. Also, care must be taken to make sure that only 'foundational' activities are allocated to the FPHS and all other activities are allocated to 'Community-Specific Services.' A caveat with completing the Assessment through a statewide approach is that the *proportion of FPHS resources vs total resources* for your agency's Assessment may likely be lower than other agencies in your state if they do not consider all relevant government resources; the *total FPHS resources*, however, should still reasonably compare with other agencies' estimates.

- Denominator - Only Public Health Department Resources: This approach only considers the public health department of the government. This approach may underestimate overall 'foundational' services delivered by the government (e.g., other government departments delivering population-wide health education services).

* *If participating in a statewide Assessment, it is important that all participating health departments follow the same approach toward deciding which human and financial resources to include, or that any differences are accounted for when analyzing Assessment data*.

Recommendation

Accounting for all relevant government resources can support systems transformation efforts by adequately estimating resource needs and may enhance inter-departmental collaboration. It can also illustrate the government's commitment to the public's health beyond that of the health department. However, administering an Assessment across departments may be a substantial undertaking depending upon how your government organizes its services. For this reason, many health departments choose to only focus Assessment activities on their public health agency or division. Leaders for the Assessment process should discuss the likelihood and extent of FPHS delivered by other governmental departments to determine whether to expand the scope to other departments.

Service and Resource Sharing: Cross-Jurisdictional & Cross-Sectoral Partnerships

The delivery of public health services within a jurisdiction may not be solely the responsibility of that government and may include other public or private partners. For the purposes of this Assessment, human and financial resources data are only collected for governmental public health services provided by the agency completing the Tool. Effort and expenditure allocations for

Current Spending or Full Implementation should only reflect those of the agency completing the Tool. (See section on "Complex Organizational Structures" above.

Cross-Jurisdictional Sharing and Delivery

Service and resource sharing between different governments or geopolitical jurisdictions ("cross-jurisdictional" sharing or delivery) is a fairly common occurrence in which different arrangements, formal or informal, are in place to deliver or share services. These arrangements between public bodies may relate to city-county, county-county, state-county, and other governmental arrangements. Services may be delivered on behalf of governments or shared between them. For local health departments, partner governments may include adjacent governments of the same type or scope (e.g., horizontal partnerships between counties) or may include geopolitical jurisdictions incorporated within that jurisdiction (e.g., vertical partnerships between counties and cities) or with state government (e.g., vertical partnerships between counties and the state).

When completing the Tool, only your agency's staff and expenditures should be included in current spending and full implementation estimations; effort and expenditures by other governments for services delivered within your jurisdiction should not be included in those estimates. Other governments include any government (and their health department) beyond that which governs your agency, including adjacent governments (e.g., neighboring county) or different governments within the confines of your jurisdiction (e.g., city within a county). If your agency pays other governments for services delivered in your jurisdiction, those contracts with those governments should be captured in the Direct Contracts section of the 05. Current Spending workbook and allocated according to the FPHS and Community-Specific Services.* However, if your agency received funding ("recipient") and passed through or subawarded a portion of funds to another government ("subrecipient"), then capture those agreements in the Pass-throughs and Transfers section of the 05. Current Spending workbook and allocate accordingly. Consider requesting from those governments the amounts of FTE delivered within your jurisdiction in each fiscal year for the Assessment and enter those in Question 4 (contractual effort) of the 04. Background worksheet; contractual effort is not accounted for in the 09. Summary worksheet.

** Note for Statewide Assessments*

In statewide assessments in which the different governmental health departments within a state each participate and complete a Tool for their agency, the potential exists for some resources to be "double-counted" when one participating agency pays another participating agency for services. While the Tool collects high-level revenues and expenditures (04. Background worksheet) and detailed expenditures (05. Current Spending and 08. Full Implementation), there is not a way for the Tool to offset or remove expenditures from one agency based on another. For this, it is recommended that any public health agency that pays another public health agency for

services account for those expenditures within "Pass-throughs and Transfers" in Question 5 of 04. Background and within the "Pass-throughs and Transfers" section of 05. Current Spending—even if arrangements are not subawards. When constructing the statewide estimate, remove pass-throughs and transfers as well as capital expenditures. In this way, the statewide estimate will be focused on operating expenditures (labor, contractual, other operating expenditures) and will remove duplication for shared services (i.e., shared FPHS expenditures only counted once for the statewide estimate). Keep in mind, however, if those expenditures are excluded for individual agency analyses, the data profiles for those individual agencies may show underinvestment for the paying agency and overinvestment for the delivering agency.

As an example, Agency A pays $100,000 to Agency B to deliver Environmental Public Health services within the jurisdiction of Agency A.

- Agency A will report in their Tool the $100,000 Environmental Public Health arrangement in the "Pass-throughs and Transfers" section of Question 5 of 04. Background and under Environmental Public Health of the "Pass-throughs and Transfers" section of 05. Current Spending.
- Agency B will report in their Tool the FTE and expenditures for all services delivered in jurisdictions of both Agency A and Agency B.
- In the statewide operating expenditure estimate, pass-throughs and transfers will be excluded, so expenditures for services in the jurisdiction of Agency A will only be counted once.
- If, on the other hand, pass-throughs and transfers are excluded when reporting individual agency data profiles, Agency A will appear underinvested (removing the $100,000 from their counted expenditures) and Agency B will appear overinvested (FTE and spending for their jurisdiction plus the resources from Agency A).

Cross-Sectoral Collaboration

Cross-sectoral collaboration (CSC) is a term used to describe arrangements between different sectors, such as public health, health care, and social services. Cross-sectoral collaboration may relate to public-private partnerships and collaborations between disparate parts of a government (e.g., public health and planning & development) to partner in delivery of public health services (Public Health National Center for Innovations, 2023).

For local health departments, partner organizations in other sectors may include health care partners (e.g., health department and hospital partnerships); social services partners (e.g., health department and foster care agency partnerships); or collaborations with other sectors (e.g., health department and retail business partnerships).

When completing the Tool, only your agency's staff and expenditures should be included in current spending and full implementation estimations; effort and expenditures by other partner organizations for services delivered within your jurisdiction should not be included in those estimates. If your agency pays partner organizations for services delivered in your jurisdiction, those contracts with those organizations should be captured in the Direct Contracts section of the 05. Current Spending worksheet and allocated according to the FPHS and Community-Specific Services. However, if your agency received funding ("recipient") and passed through or subawarded a portion of funds to a partner organization ("subrecipient"), then capture those agreements in the Pass-throughs and Transfers section of the 05. Current Spending workbook and allocate accordingly. Consider requesting from those partner organizations the amounts of FTE delivered within your jurisdiction in each fiscal year for the Assessment and enter those in Question 4 (contractual effort) of the 04. Background worksheet; contractual effort is not accounted for in the 09. Summary worksheet.

Non-Employed Effort for Delivering Services

While employed staff are typically the most substantial resource for delivering 'foundational' services, other human and financial resources are often involved in service delivery.

Labor Replacement

Health departments may contract for human resources to assist in the delivery of services, either short- or long-term. For the purposes of this Assessment, only report FTEs for employed persons, not contracted persons in the labor sections (i.e., Salaries, Wages, and Fringe) of the Tool. Any contractual work should be included in the Contracts sections of the Tool.

Temporary Staff and Volunteers

Volunteers and unpaid interns would not be included in your FTEs nor personnel spending, so they should not be included in the labor sections (i.e., Salaries, Wages, and Fringe) of the Tool.

For paid interns, we encourage you to describe that effort and expenditures in comment sections of the Tool according to how you account for them in finances. If, however, paid interns are included in personnel accounting as hourly staff (with tracked FTE, salary, and benefits), then they would be included in the labor sections of the tool. Or, if paid interns receive a stipend or are paid via contract, those paid interns should be included in the Contracts sections of the Tool.

Overall Guidance for Allocating Resources

There may not be existing data to inform allocation of effort and costs across the FPHS or "community-specific services." For the Assessment, Respondents are asked to use their best judgment in allocating effort and costs for both current spending (05. Current Spending) and full implementation (08. Full Implementation).

- Labor FTE and Expenditures. Generally, effort and costs for personnel are allocated based on the expertise being delivered (e.g., communicable disease nurses allocated substantially to Communicable Disease Control, finance managers allocated substantially to Organizational Competencies).
- Other Operating & Capital Expenditures. Costs such as operating expenditures or capital expenditures may be best allocated proportional to the FTE that uses them (e.g., if 30% of FTE were allocated to Communicable Disease Control then allocate 30% of computer expenses to Communicable Disease Control). However, be sure to account for when substantial resources are dedicated to limited functions (e.g., personal protective equipment may have been used for Emergency Preparedness & Response but not Communications).
- Direct Contracts, Pass-throughs, & Transfers. Costs for responsibilities or activities that are delivered by persons outside of the agency may be best allocated according to either a) written scopes of work or b) feedback from those overseeing or delivering services. For the latter, it may be important for the Assessment to hold discussions with recipients of substantial contracts, pass-throughs, or transfers to understand how those costs should be allocated across the FPHS and "community-specific services."

Special Note for Analyses

When creating planning level estimates for a jurisdiction or statewide estimate, it may be important to set aside certain resources that were allocated for both current implementation and full implementation estimations. Many pass-through expenditures and transfers do not result in services delivered to populations (e.g., loans to providers, transfers as reversals). Capital expenditures are often not necessary for delivering population health services (e.g., vehicles, large equipment, clinics) and such costs, even amortized over time, may not be a typical expense planned for every future year. For these reasons, it may be beneficial to consider excluding "Pass-throughs & Transfers" and "Capital Expenditures" from analyses to focus on estimating operating expenditures (i.e., labor, contracts, other operating expenditures).

As noted above in Cross-Jurisdictional Sharing and Delivery and below in Allocating Shared Resources and Anticipating Future Resource Sharing in a Statewide Assessment, care must be taken to avoid duplication of shared resources between participating jurisdictions. It is suggested that resources shared with other participating jurisdictions be allocated within "Pass-Throughs &

Transfers"—even if arrangements are not subawards—in which case excluding pass-throughs from statewide analysis will deduplicate those expenditures.

Allocating Historical Effort and Spending

The following guidance will assist Respondents in allocating historical effort and spending within the 05. Current Spending worksheet in the Tool. It provides guidance on ensuring the appropriate data are available, as well as approaches and mental models for allocating that data across the FPHS and, where necessary, for "community-specific services."

For more guidance on pulling the correct data to populate the 05. Current Spending worksheet in the Tool, please see the Common Data for Assessment section, above.

Approaches for Retrospective Allocation

Respondents will be asked to retrospectively allocate prior spending across the FCs, FAs and community-specific services in the Tool. While retrospective allocation—making best estimations of how past resources were spent—is intended to reflect a factual understanding of the resources spent on specific FPHS during the reporting period, it will require the best judgment of the staff completing it and may reflect their opinions. We recommend that the retrospective allocation process be completed by the program staff knowledgeable of those past activities and expenditures. This Assessment is intended to generate a planning-level estimate of what labor and expenditures supported in the historical period, so your best approximation of how to allocate these costs will meet the Assessment objective. There are several approaches that can be used to retrospectively allocate resources, discussed below.

Allocation Based on a Typical Work Week

One way to allocate effort is to allocate it based on an average or 'typical' work week and translate that to a share of FTE. This approach works best for staff members who have regular duties that are consistent throughout the year. It may not be the best approach for staff whose duties vary significantly throughout the year or when staff duties may have changed substantially between the time period of Assessment and what is considered a 'typical' work week.

Example

Your health department employed one environmental health inspector or sanitarian (1.00 FTE, 40 hours per week) during a fiscal year of the Assessment. When allocating that staff member's time retrospectively, you might consider how much of their typical work week is spent on Environmental Health activities versus other work. If they typically spend 30 hours per week on Environmental Health activities, you could estimate 0.75 FTE for Environmental Health, then

allocate the remainder accordingly. This would be accurate if their typical week is a reasonable approximation of their effort during the period of interest.

Recommendation

Consider this approach for allocating effort for persons with fairly routine work over time within a limited scope of public health services (e.g., environmental health inspectors or sanitarians, nurses serving single programs, administrative assistants). This approach may not be appropriate for persons whose work depends on changing responsibilities (e.g., health educators that serve multiple programs, data analysts).

Allocating Areas of Significant Effort

Another way to allocate effort is to first consider staff who may spend a majority of their time within specific Foundational Capabilities or Areas or who may deliver community-specific services. Staff who may deliver a very narrow set of public health services may be the easiest place to start.

Example

Your health department employed one policy analyst (0.75 FTE) during a fiscal year of the Assessment who spent all of their time providing general services in Policy Development and Support. You would allocate all 0.75 FTE of their time to that Foundational Capability.

Recommendation

This approach works best for staff members who spend a large amount of their time in one Foundational Capability or Area (e.g., staff delivering certain services in communication, policy, organizational management, environmental health). It may not be the best approach for staff whose duties cross multiple Foundational Capabilities or Areas or deliver a mix of foundational and community-specific services.

Equal Allocation Across Areas of Effort

In some much more limited cases, particularly in small governmental public health agencies where one staff member may work across a large number of Foundational Capabilities and Areas or for staff members whose work is cross-cutting, staff members may spend substantially equal and very small increments of time in each of several Foundational Capabilities and Areas. In those cases, it may be appropriate to first identify all of the Foundational Capabilities and Areas they work in, then allocate their time equally across them.

Example

Consider that one of your staff members (1.00 FTE) might be responsible for developing messaging for health promotion or risk communications across many different programs. A small amount of their time (25% or 0.25 FTE) may be dedicated toward general messaging or routine

public communications. The remainder of their time (0.75 FTE) may have been spent within any of the five Foundational Areas; split equally, each area would be allocated 0.15 FTE.

Recommendation

This approach may work best for staff members in very small governmental public health agencies as well as supervisory and administrative/support staff at all governmental public health agencies.

Considerations for Personnel Effort

Allocating Effort for Time Beyond Traditional Work Hours

It is extremely common for salaried exempt (i.e., non-hourly) staff to expend additional effort beyond the traditional "40-hour work week." This may occur for staff working beyond their role or when compensating for agency vacancies or understaffing. While exempt staff are considered compensated by salary and their total effort is considered to be 1.00 FTE, actual effort may exceed the traditional work hours. Additionally, exempt staff are not typically required to track their hours.

The Tool is designed to capture personnel effort in accordance with their compensation. Salaried exempt staff are compensated to their full appointment whereas hourly staff are compensated based on hours worked (including overtime). As such, salaried exempt staff could only have worked a maximum of 1.00 FTE for their position while hourly staff may have worked (and been compensated for) greater than 1.00 FTE. The implication of this is that overall effort will be underestimated in many assessments and should be addressed in analysis (e.g., targeted adjustments where overtime likely occurs, adding contingency resources to full implementation estimates).

If uncompensated overtime is a significant concern for your agency within an Assessment, there are comment fields within the Tool which you may use to describe the scope and scale of that uncompensated effort. This may help stakeholders identify where current implementation exceeds what should have been available within existing resources.

Using Uncompensated Overtime in the Assessment

If adequate data exist for tracking exempt overtime within the agency or across all agencies participating in a statewide Assessment, Respondents may choose to use actual effort for salaried exempt staff in current spending estimates. This will allow for an accurate accounting of true effort (i.e., hours worked) toward the FPHS and community-specific services. However, adjustments may need to be made to the data (e.g., accounting for exempt overtime in Question 3 of the 04. Background worksheet) and analyses or conclusions may need to be modified to avoid

misleading outputs (e.g., acknowledge or describe the concept of exempt staff and relevant employment law, clearly delineate 'number of staff' vs 'number of FTE'). Additionally, care must be taken when determining resource needs to fully implement the FPHS to consider reasonable positions and levels of effort. It is recommended that uncompensated overtime only be used in Assessments under the guidance of individuals with economic or related expertise.

Recommendation

While tracking uncompensated overtime can lead to more accurate estimations of current effort toward the FPHS and community-specific services, agencies should proceed with caution with this approach. Most agencies who have participated in prior assessments have not tracked exempt overtime and there may be some challenges when estimating resources needed for full implementation of FPHS.

Allocating Supervisory Time

Many governmental public health agencies have staff that are responsible for supervisory duties. These staff may not actually be directly responsible for FPHS activities, but may supervise staff that are. This supervisory time is considered 'foundational,' as it is necessary for implementation of the FPHS activities. As such, this supervisory time should be allocated to the Foundational Capabilities and Areas related to the staff they are supporting. In some cases, particularly where supervisors are supervising staff across many Foundational Capabilities and Areas, it may make sense to allocate time equally across those elements.

Allocating Administrative and Support Staff Time

Many governmental public health agencies have staff that are responsible for administrative and support duties, such as office managers, receptionists, and executive assistants. These staff may not actually be directly responsible for FPHS activities but may support staff that are. Their time is considered 'foundational,' as it is necessary for implementation of the FPHS. As such, this support time should be allocated to the Foundational Capabilities and Areas related to the staff they are supporting. In some cases, particularly where administrative and support staff are supporting staff across many Foundational Capabilities and Areas, it may make sense to allocate time equally across those elements.

Allocating Non-delivery Effort

In the course of business, there are a variety of times when staff may not be directly contributing toward service delivery, whether considering small chunks of time doing administrative tasks or by taking paid time off. Within the Tool, there is not a special category for paid time off or other "non-delivery effort." For the purposes of this Assessment, effort directed toward non-delivery

purposes should be distributed proportionally with other effort. Keep in mind, however, any effort directed toward non-public health services or serving individuals should be allocated to "community-specific services."

Example

Consider that one of your staff members (1.00 FTE) spends 45% of their time in Communicable Disease Control and 45% in Environmental Public Health. The remaining 10% of their time includes a mixture of unknown effort and non-delivery time and should be allocated proportional to the other effort: 5% Communicable Disease Control and 5% Environmental Public Health.

Considerations for Special Situations

Allocating Shared Resources

When making allocation decisions in a statewide assessment, care must be taken to avoid double-counting resources shared between participating jurisdictions. When different governmental health departments within a state each participate and complete a Tool for their agency, the potential exists for some resources to be double-counted when one participating agency pays another participating agency for services. Enter any expenditures provided to other participating jurisdictions within "Pass-throughs and Transfers" in Question 5 of 04. Background and within the "Pass-throughs and Transfers" section of 05. Current Spending—even if arrangements are not subawards.

See Cross-Jurisdictional Sharing and Delivery, above, for additional guidance on preventing duplication when constructing statewide estimates.

Allocation for Public Health Emergencies and Incidents

The nature of governmental public health is such that there is likely always some sort of public health emergency, incident, or event of public health interest that requires response. Response ("surge") to such events may be inconsequential or may be substantial (e.g., COVID-19 response, environmental contamination, natural disaster).

In the event of a minor or short-term response, effort for that response should be allocated to the Foundational Capability and/or Area that best reflects the capability or program associated with those response activities. For example, if there were a short-term foodborne illness outbreak that involved organized public health response and the development of risk communications, you would allocate the appropriate FTE and costs proportionally across Communicable Disease Control, Emergency Preparedness & Response, and Communications; the proportions of each depend upon the level of resources used for each.

In the event of a more substantial surge response—one in which staff were redeployed from routine, non-emergency roles to emergency response roles or when a significant proportion of the year's hours were dedicated to response—effort for any non-routine activities should be allocated to the "Emergency Preparedness & Response" Foundational Capability. However, for any staff in which their routine activities may have been associated with the response (e.g., communications staff would have otherwise been communicating publicly, infectious disease staff would have otherwise been responding to other communicable disease), allocate those efforts according to their routine activity (e.g., communications FC or communicable disease FA). For the Assessment, this will help isolate costs that are not expected to reoccur once the emergency or incident has abated.

In all cases when you are reporting surge effort, please include comments on the public health emergencies and incidents that your agency responded to in the historical period, as well as the approximate scope and scale of the response. This will help identify where responses to those emergencies and incidents may have skewed spending in that fiscal year.

Allocation for Cyclical Activities

There are some public health activities that do not occur every year and, instead, are performed on a cyclical basis (e.g., every other year, every several years). These activities may include, but are not limited to, community health assessments, community health improvement planning, strategic planning, or revision of organizational plans or policies. Agencies may, in some cases, even have population-based public health services that are only available periodically. You should allocate effort and costs related to any cyclical activities that occurred within the Assessment's period as you would any other activities from that period. Do not adjust that year's data to distribute evenly across time periods (e.g., average a single year's effort or costs across multiple years). Also, do not add effort or expenses to a year in which those activities did not occur, such as to accommodate for hypothetical activity.

However, you should also include comments on the cyclical activities (including any available details on their scope and scale) performed by your agency in the historical period as well as any cyclical activities not accounted for in the Assessment data. This will help identify where cyclical activities may have skewed spending in that fiscal year.

Allocating Internal and External Overhead and Indirect Expenditures

Many governmental public health agencies pay an overhead or indirect rate to their City County, or other superordinate government. Others may have internal administrative rates paid by their internal divisions, departments, or units to support agency administration. These overhead and indirect rates are often set by formula to allocate the administrative costs of their agency across the programmatic elements.

Depending on the structure of the formula for overhead or indirect rate, you may be able to use it to allocate to the FPHS. If the formula used to generate your overhead or indirect rate was based on different services and infrastructure, you could potentially allocate to the FPHS. If no formula exists or if the formula may be too obscure or opaque to easily allocate, you may need to rely upon financial or program staff expertise to allocate.

Estimating the Cost of Full Implementation of FPHS

As part of the Assessment, Respondents are asked to estimate the cost of fully implementing FPHS. This is essentially a budgeting exercise to consider the costs of implementing all FPHS, even services not currently implemented; the focus is on 'foundational' activities and not "community-specific services." The following guidance will assist Respondents in allocating estimated effort and spending within the 08. Full Implementation worksheet in the Tool. It provides guidance, approaches, and mental models for estimating and allocating effort and costs across the FPHS and, where necessary, for "community-specific services."

While estimates of the cost of full implementation of FPHS are intended to reflect an understanding of the resources needed to fully implement FPHS annually, generating these estimates will require the best judgment of the staff completing it, and is likely to reflect their opinions. We recommend that full implementation cost estimates be completed by the program staff responsible for delivering FPHS, who are likely to have the best sense of what resources will be needed to implement FPHS activities.

Specific Guidance for Expense Categories

Time Period

Estimates of the full cost of implementation of FPHS are intended to be forward-looking. Those estimates should be based on present rates and expenses (e.g., current compensation rates), rather than for the reporting period (past fiscal years' compensation rates). Respondents, however, may opt to base costs on a future time period (e.g., upcoming fiscal year) or adjust to reflect an ideal or likely scenario (e.g., competitive compensation). Finance staff may be well-suited for assisting with estimating rates and costs for a future period. If you opt to use different costs or rates from those in the most recent fiscal year, be sure to note this in your Assessment.

Labor FTE and Expenditures (Salaries, Wages, and Fringe Benefits)

Estimate the effort and associated labor costs that would be needed by your health department to fully implement FPHS; salary or benefits may fit current or future rates.

Assessment Participants should estimate the FTE needed to fully implement FPHS. To estimate the cost of each FTE, you may opt to use your current salary and benefit rates (based on current staff or an agency salary schedule) or consider rates for a future time period (e.g., upcoming fiscal year) or that reflect more competitive compensation. If you opt

to use different compensation rates from those in the most recent fiscal year, be sure to note this in your Assessment.

If you include FTE related to an occupation that is "new" to your agency, we recommend reaching out to partner agencies to understand typical rates for that position in your area or researching those positions through resources such as Public Health Degrees.

Direct Contracts

Estimate the direct contract expenditures that would be needed by your health department to fully implement FPHS (e.g., service contracts. labor replacement).

Assessment Participants should estimate the direct contracts needed to fully implement FPHS. You should use historical data to estimate the costs of such direct contracts and consider whether costs for those contracts should be increased or if new contractual arrangements should be pursued. If you cannot estimate the cost of a resource needed, reach out to partner agencies to get a sense of typical contractual costs.

Other Expenditures

Estimate the other operating expenditures that would be needed by your health department to fully implement FPHS (e.g., small equipment, supplies, utilities).

Assessment Participants should estimate the other expenditures needed to fully implement FPHS. You should use historical data to estimate the cost of these other expenditures and consider whether those costs should be increased or if new operating expenditures are necessary to accommodate other full implementation costs. If you cannot estimate the cost of a resource needed, reach out to partner agencies to get a sense of typical costs.

Pass-throughs and Transfers

Estimate the pass-throughs or transfers that would be needed by your health department to fully implement FPHS (e.g., transfer to other department, subawards).

Assessment Participants should estimate any pass-throughs or transfers anticipated for full implementation of FPHS.

Pass-through spending, similar to contracting, occurs when funds received by one organization ("recipient") are then provided to another organization ("sub-recipient"), including the original funding terms and conditions. You may estimate pass-throughs based on historical data, but should also consider where additional pass-throughs may occur (e.g., if the agency expects an increase in revenues).

Transfers occur within governmental public health agencies that use fund-based accounting. In fund-based accounting, when funds are moved from one fund to another that is recorded as a transfer. For example, your agency might have a 'current expense fund' that it transfers money from to bolster a grant fund. You do not need to track or estimate the cost of internal transfers, but should estimate any anticipated transfers from your agency to other departments of your government.

Capital Expenditures

Estimate the capital expenditures that would be needed by your health department to fully implement FPHS (e.g., purchases, maintenance, depreciation).

Assessment participants should estimate the capital expenditures needed to fully implement FPHS. Capital expenditures are not typically necessary for delivery of population-based services but should be considered for existing assets or those anticipated to be needed. To account for capital expenditures, amortize costs over the life of the capital asset and include only one year of amortized costs in their full implementation estimates.

Approaches to Estimate Full Implementation Needs

The following subsections describe three recommended approaches to generate full implementation estimates. Each of these approaches has pros and cons, with a primary tension being the level of accuracy and detail of the results versus the complexity and effort of generating them. We have ordered these approaches based on the level of accuracy and detail we think they will generate, which is also from most complex to least complex.

Zero-based Budgeting

Zero-based budgeting is a common budgeting approach whereby an agency writes a wholly new budget from the ground up. The strongest benefit of this approach is that it is not constrained by existing conditions and, rather, allows for agencies to consider the optimal personnel and expenditures to achieve full implementation of FPHS. While this approach may be more time-intensive than others, it best achieves the objective of estimating needs for full implementation.

To create a zero-based budget, start by identifying positions best-suited to implement FPHS, then assign appropriate salaries and benefits for those positions. Next, estimate the direct contracts, other operating expenditures, pass-throughs and transfers, and capital expenditures that may also be needed to fully implement FPHS.

Pros: avoids pitfalls of current constraints, encourages strategic staffing, transformative

Cons: most time-consuming, outputs may be unrealistic, may include vacant positions or new positions to be authorized

Incremental Budgeting

Incremental budgeting is another common approach to budgeting. This approach leverages what was entered into the **05. Current Spending** worksheet of the Tool and builds upon existing resources. In some cases, an agency may choose to replace resources in the existing budget with new resources, but largely, the full implementation budget will be incrementally different from the original budget. While this approach is less time-consuming than zero-based budgeting, it is based on the current state and structure for the agency, which may not be optimal to fully implement FPHS. It is also less likely to encourage governmental public health agencies in thinking transformatively about how they structure their organizations and deliver FPHS.

To create an incremental budget, an agency should start by inputting the costs and distributions from the **05. Current Spending** worksheet. Then, identify weaknesses in resourcing the FPHS from that time period (labor and other costs). Next, add additional increments of labor (e.g., new positions) needed to fully implement FPHS, then assign appropriate salaries and benefits for those positions. Then, add additional increments of costs for direct contracts, other expenditures, pass-throughs and transfers, and capital expenditures to shore up any remaining gaps in resources for the FPHS.

Pros: less time-consuming, primarily considers existing authorized positions, reinforces current strengths

Cons: ingrains pitfalls of current state and structure, less likely to be transformative

Correcting the PHWF Calculator

Lastly, respondents may consider starting with the FTE estimates generated by the Public Health Workforce Calculator ("the Calculator") and "correcting" those estimates to reflect what effort they think their agency will need to fully implement FPHS. The PHWF Calculator worksheet uses data collected from the **05. Current Spending** and **06. Self-Assessment** data entry worksheets to prefill data for entry to the Calculator. The output you receive from the Calculator is an estimate of how much effort (FTE) is expected to fully implement FPHS in your community. Once you enter those into the **07. PHWF Calculator** worksheet, these FTE estimates will be prefilled in the **08. Full Implementation** worksheet below the allocation estimates. The Calculator is intended for use in decentralized public health systems that serve less than 500,000 residents. The Calculator may still be used by governmental health departments that do not meet these specifications but

accuracy of outputs may be diminished; please refer to the User Guide for the Calculator to find limitations for its use.

With the Calculator estimates prefilled in the **08. Full Implementation** worksheet, you can review FTE estimations and determine where additional increments of FTE may be needed to fully implement FPHS, similar to the incremental budgeting approach described above. Then, other costs will be estimated and allocated according to either of the approaches discussed above.

Pros: less time-consuming, primarily considers existing authorized positions, FTE align with national estimates

Cons: Calculator algorithms difficult to describe, FTE estimates do not arise internally

Other Full Implementation Estimation Considerations

Anticipating Future Resource Sharing in a Statewide Assessment

Similar to allocating shared resources used to currently implement services, care must be taken to avoid double-counting needed resources in a statewide assessment. When different governmental health departments within a state each participate and complete a Tool for their agency, the potential exists for some resources to be double-counted when one participating agency anticipates paying another participating agency for services. Enter any expenditures anticipated to be provided to other participating jurisdictions within the "Pass-throughs and Transfers" section of 08. Full Implementation—even if arrangements are not subawards.

See Cross-Jurisdictional Sharing and Delivery, above, for additional guidance on preventing duplication when constructing statewide estimates.

Estimating the Full Implementation Resources Needed to Support Surge Capacity

Budgetary needs fluctuate year-over-year, depending on a variety of circumstances. For this Assessment, you should estimate the resources needed to fully implement FPHS based on a typical year, including planning for reasonable surge response (e.g., typical nuisances, public health risks, incidents, and outbreaks). Reasonable surge responses should not include planning for full scale responses to major but rare emergencies and incidents (e.g., COVID-19 pandemic, long-term response to uncommon natural disaster). For example, a reasonable surge response for health departments along the southern and eastern coasts to plan for would be hurricanes.

Please comment on your estimation approach for surge capacity to aid in understanding how those estimates may affect interpretations or analyses.

Estimating the Full Implementation Resources Needed to Support Cyclical Activities

There are some public health activities that do not occur every year and, instead, are performed on a cyclical basis (e.g., every other year, every several years). These activities may include, but are not limited to, community health assessments, community health improvement planning, strategic planning, or revision of organizational plans or policies. Agencies may, in some cases, even have population-based public health services that are only available periodically.

Consider estimating the total cost of these activities over the length of a complete cycle (e.g., 3yrs, 5yrs) and divide those costs equally across the length of that cycle, and estimate a single year of costs in your full implementation estimate. For example, if conducting a community health assessment typically costs $90,000 and that activity occurs once every three years, it would be prudent to estimate one-third of that cost ($30,000) for the full implementation period of the Assessment.

Please comment on your estimation approach for cyclical activities to aid in understanding how those estimates may affect interpretations or analyses.

Limitations for Full Implementation Estimates

Estimating the cost of full implementation of FPHS is a challenging exercise that will require the best judgment of staff completing it and will likely reflect their opinions. Estimates are also made based on the present day and present needs. The subjective nature of this activity presents a number of limitations.

- **Full implementation needs may change over time.** It is impossible to ensure that full implementation estimates are adequate, given future uncertainties related to factors like labor economics, inflation, and the evolution of the practice of governmental public health. Today's resources might not be sufficient to hire needed staff or resolve all gaps.
- **Existing in-kind resources may not be available long-term.** In-kind resources or contributions from governing bodies or partners (e.g., facilities or offices furnished by county without needing rent, volunteers or citizen corps members) may not always be available. While these in-kind resources should not have been included in current or future spending estimates, your full implementation estimates likely assumed that your agency would continue to benefit from them, which may not be the case.
- **Full implementation estimates may not have accurately reflected resources provided to partners.** It may be challenging to anticipate what financial resources may be eligible to be passed-through, transferred, or contracted to partners (i.e., what future resources may be authorized or received that may be provided to partners). Further, recognizing that health departments may not solely deliver all of the FPHS, it may be challenging to predict the

external resources that partner organizations may need to contribute to fully implement the FPHS.

It is important that governmental public health agencies consider these limitations, and the extent that they may affect full implementation estimates, as they interpret and report Assessment results.

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