



# Crossroads

Volume 1, Issue 7

## CEO Corner

The theme of this month's issue of PHFE Crossroads is new programs.

PHFE is always adding new partners and programs to our portfolio and we are always excited to share the great things our partners are accomplishing to protect and improve the health of the people they serve.

In addition, PHFE is also always looking for ways to improve the way we do business.

We are always looking for ways to be even better at supporting our partners and making their

jobs easier.

We are also always looking for ways to better support and serve our employees.

Finally, we continue to pursue products and strategies that improve and enhance our core business activities.

You will find examples of each of these in this month's newsletter. As always we appreciate and encourage your feedback, comments and suggestions.

-Mark Bertler, CAE, CEO

## News and Events for August

### August 2010

Cataract Awareness Month

National Immunization Awareness Month

### August 5-6, 2010

NALBOH Annual Meeting

Omaha, Nebraska

### August 19-20, 2010

PHFE Annual Board Retreat

Pasadena, California

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## Fiscal Commentary Sales Tax Under Scrutiny

Many smart shoppers can find bargains online, but don't realize they can incur a tax bill in the process. California law requires tax not only on purchases in-state, but also requires tax on items purchased out-of-state for use in California.

Recent legislation now requires a "qualified purchaser" under the Revenue and Taxation Code to be registered with BOE to report and pay use tax owed. Under this new legislation, a "qualified purchaser" is when you have at least \$100,000 in gross receipts from business operations per calendar year, including out-of-state operations, you are not required to hold a seller's permit or certificate of registration for use tax, you are not a holder of a use tax direct payment permit and you are not otherwise registered with the BOE to report use tax

### Sales Tax vs. Use Tax: What's the Difference?

Tax collected by the retailer here in California is called sales tax, and the retailer is responsible for reporting and paying the tax to the state. When an out-of-state or online retailer doesn't collect

the tax for an item delivered in California, the purchaser may owe "use tax," which is simply a tax on the use, storage, or consumption of personal property in California.

### Exempt Items

Items that are exempt from sales tax are exempt from use tax as well. Use tax liabilities are often created by internet or mail order purchases with out-of-state retailers not required to collect the tax. Be sure to review your receipts for internet and other out-of-state purchases to determine if tax was charged.

### How to Report Use Tax

If you have a California seller's permit, you must pay the use tax due on business related purchases with your sales and use tax return in the period when you first used, stored, or consumed the item in California. If you are a "qualified purchaser," you must pay your use tax due by e-filing your return for the previous calendar year by April 15.

-Susan Vacko, Director of Operations

## PHFE Contact Information

For more information on PHFE or any of our programs,  
please visit our website:

[www.phfe.org](http://www.phfe.org)

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## Contract Management Currents

### Welcome to the SOL Project

In July, 2010, PHFE welcomed the SOL Project. Located in Sacramento, California, the SOL (Saving Our Legacy) Project works collaboratively with restaurants, bars, and nightclubs frequented or owned by African Americans and African immigrants to help them enact smoke-free policies in their outdoor dining areas. As more stringent laws have come into effect in California, more businesses are eager to protect their customers from secondhand tobacco smoke.

Recently, the SOL Project has received new funding from the California Department of Public Health Tobacco Control Program titled "The SOL Project: African Americans for Smoke-free Safe Places". The project will collaborate with African American, low socio-economic and other community members to advocate for at least one city located in Sacramento and San Joaquin counties to adopt a smoke-free outdoor dining policy. In

addition, the Project will work to strengthen the current regional transit district tobacco policy to prohibit smoking at all light rail stations and bus stops in Sacramento County.

PHFE is proud to serve as the fiscal sponsor for the SOL Project. As secondhand smoke can have a number of serious health effects on nonsmokers, the SOL Project aligns with PHFE's mission "To promote the health and well-being of individuals, communities, the nation and the world". We look forward to future opportunities for growth and building a long lasting relationship with the Project staff. For more information, please contact Lori Thompson, PHFE Contract Manager at [lthompson@phfe.org](mailto:lthompson@phfe.org) or Kimberly Bankston-Lee, SOL Project Director at [kbl\\_solproject@yahoo.com](mailto:kbl_solproject@yahoo.com).

-Lori Thompson, Contract Manager

## HR Scoop

### HR's New Programs

At PHFE, we want to ensure that we are providing our employees with the best benefit options available for them and for our organization. To accomplish this, we frequently exercise our due diligence responsibilities by reviewing our vendor relationships. This year we have implemented several new programs that should be more beneficial to PHFE employees.

We recently changed our FSA provider. For those of you not "up on the HR lingo", FSA stands for Flexible Spending Account. This is a mechanism for employees to put aside pre-taxed dollars to spend on qualified medical costs and qualified dependent care costs. Employees selecting the dependent care portion of the FSA will now have the ability to enroll in a program that will automatically send them their reimbursements every pay period without having to complete a separate claim form each time. This enhancement will enable employees to receive regular reimbursements either by check or direct deposit without the aggravation of filing out cumbersome paperwork each time.

We also made a change with our insurance broker.

We have been pleased thus far with the training opportunities made available to our staff in the areas of safety and risk. In addition we continue to learn new and interesting things in the world of insurance.

PHFE is also in the process of changing our 403b provider. We are hoping to go live with this new program by the middle of October.

In our continuing efforts to "go green" and save trees, we have begun utilizing pay cards and will be expanding this new compensation mechanism to more PHFE employees. The pay card is a way for employees to receive their full pay or a portion of their pay on a debit card that carries the Visa logo. This enables employees to make withdrawals, use it for purchases where Visa is accepted, or get cash back from point of sale terminals.

We are excited about the new programs that we continue to roll out to PHFE's employees. Stay tuned to find out what comes next!

- Danielle Gonzalez, Director of HR

## Practitioner's Point Consulting Services Updates

PHFE has a new method for California State government agencies as well as any agencies within local government to access information technology and informatics services. The California Department of General Services has just awarded PHFE a contract under its Information Technology Master Services Agreement (MSA). This agreement allows any public agency within the State of California an easy way to access PHFE's information technology and informatics services through this master contract schedule. PHFE is very excited about this opportunity for state and local government agencies to access our nationally known informatics and information technology services in this new and convenient way.

Services offered by PHFE through the MSA include Independent Validation and Verification (IV & V) – typically used to assure that other service providers are adequately providing the services they are contracted for; Project Implementation Activities including systems analysis, systems design, systems implementation, as well as database design

and architecture; and Project Support Activities including, information technology planning and facilitation as well as technical writing.

The term of PHFE's participation in the California MSA is three years. Additionally, there are two possible two year extensions. This means that state and local government agencies can utilize the MSA for up to seven years. The maximum amount a state agency can award under any individual order against this MSA is \$1.5 million. However, an agency can exceed this amount if it obtains prior approval of the Department of General Services. There is no maximum amount stipulated for any contract undertaken by a local government agency. More details can be found at the Department of General Services web site at <http://www.dgs.ca.gov> or soon at PHFE's web site, which will include a guide on how state and local government agencies can initiate work orders and contracts under the MSA.

-Greg Smith, Director of Consulting Services

## Tech Café Costpoint CRM- The Next Step

This month PHFE embarks on the next step in its business strategy, which is the launch of new Customer Relationship Management (CRM) software. Since PHFE has already implemented components of the Deltek ERP suite with the implementation of Costpoint and Time and Expense (TESS) over the last year, it only made the most sense to add Costpoint CRM to the mix to promote seamless integration and cost savings.

CostPoint CRM is a comprehensive business development and capture software that provides a full range of lead management, proposal automation and opportunity management capabilities that enable fiscal sponsors like PHFE to make faster, more informed bid decisions.

The PHFE contract managers and their teams are excited that Costpoint CRM is going to bring together information from all data sources and

give one, holistic view of each PHFE program in real time. It's key in CRM to learn more about customers' needs and behavior in order to develop a stronger relationship with them. While Costpoint CRM is a technical solution, it is also useful to think about it as a business process that will bring together lots of pieces of information about PHFE programs. PHFE staff person Lorena Martin serves as the project manager, the PHFE CRM Core Team consist of subject-matter experts (SMEs) from PHFE's Fiscal, Human Resources, Contract Management and Consulting Services departments with additional guidance from Susan Vacko, Director of Operations and Jude Lauren, Director of IS & Technology. The CRM core team is committed to a successful implementation of this new set of tools which will streamline our business and enhance customer service.

-Jude Lauren, Director of IS and Technology