



To: Connect for Health Colorado Board Members

From: Finance Committee Members, Patty Fontneau, Cammie Blais

Subject: Customer Service Center Procurements

Date: June 10, 2013

Goals/Objectives of Connect for Health Colorado

To ensure we are able to meet tight timelines for customer service center procurements while staying aligned with the organization's procurement policies and procedures.

Background

The total budget for the Customer Service Center Capital Expenditures and Tenant Improvements is \$3.3 million. Of that total budget, the individual line items (and expected single vendor procurements) that exceed \$150,000 total \$2,788,234 or 84%. Those budget items are outlined in the following table:

Budget Line Item	Budget Amount	Budget + 20%
Base Construction/TI	\$840,625	\$1,008,750
Construction Alternates	\$222,979	\$267,575
Server/Security Area Improvements	\$150,000	\$180,000
Cabling	\$307,830	\$369,396
Desktop Equipment (Agents)	\$584,800	\$701,760
Furniture (Systems)	\$682,000	\$818,400
Totals	\$2,788,234	

Guiding Principles

Connect for Health's Financial Guiding Principles from December 2012:

- Focus on providing value to consumers and communities
- Derive revenue from a range of sources
- Set the Exchange up for success
- Focus on maintaining affordability

Recommendation

The Finance Committee met on May 30, 2013 and discussed the Staff's recommendation to streamline the Customer Service Center procurement process under the following guidelines:

- The Board approves the above budget line items
- The Staff follows the existing procurement policies and procedures (i.e. competitive bids or sole source justification, proper documentation, etc.)
- The Staff manages to the total \$3.3 million budget and has the flexibility to procure individual line items up to 120% of the original budgeted amount