

From: [Nepomuceno, Gabriella@DTSC](mailto:Nepomuceno_Gabriella@DTSC)
To: Rohlfes, Larry@DTSC
Subject: RE: Uncompleted Cost Recovery DPM Updates
Date: Wednesday, December 07, 2016 11:24:55 AM
Attachments: [Cost Recovery - Sustainable Systems Workplan Remaining Actions.pdf](#)

Hi Larry,

Attached is DTSC's response to the request below regarding DPMs that have not yet been completed.

Let me know if you have any questions,
Gabby

From: Rohlfes, Larry@DTSC
Sent: Wednesday, November 23, 2016 3:24 PM
To: Nepomuceno, Gabriella@DTSC <Gabriella.Nepomuceno@dtsc.ca.gov>
Cc: Boeh-Sobon, Baxter@DTSC <Baxter.Boeh-Sobon@dtsc.ca.gov>
Subject: Uncompleted Cost Recovery DPM Updates

Hello Gabby,

At the November 16 meeting, Gideon asked me to follow up with the DTSC on the cost recovery Departmental Procedures Memorandum (DPM) updates that have not yet been completed. This objective is mentioned in the Sustainable Cost Recovery Systems work plan that is posted on the IRP website.

I believe the person to discuss this with is Mike O'Docharty. Gideon made the request at the tail end of a conversation with him about two as yet uncompleted elements from cost recovery work plans that DTSC submitted to the IRP earlier this year. (It is my understanding that DTSC expects them to be completed by the end of next year.)

LARRY

Larry Rohlfes
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Legislation/MS 22C

IRP requested information from Nov 16 meeting – Cost Recovery, Sustainable Cost Recovery Work Plan Remaining Action Items

In order to maximize the recovery of DTSC's past, present and future response costs, DTSC began implementing a work plan called Sustainable Cost Recovery Systems beginning in July 2014. The work plan focuses on building sustainable systems for quality management, Departmental Procedure Memoranda (DPM) updates, and DPM training. The action items in this work plan have been implemented to a great extent. DTSC is completing Department Procedural Memoranda updates and pursuing replacing of its Cost Recovery Billing System.

Remaining Actions Summary

- Cost Recovery Billing System (CRBS III) – DTSC initially planned to transfer its cost recovery billing activities to FI\$Cal. In January 2015, the FI\$Cal program office informed DTSC that the FI\$Cal system would be unable to meet the unique accounts receivable billing functions of CRBS. DTSC is pursuing funding and completing the prescribed IT procurement authorization process to build CRBS III. Technological obsolescence resulted in a need for DTSC to replace its current system (CRBS II) while presenting an opportunity to leverage new technology for additional functionality. As envisioned, CRBS III will replace the billing functionality of the current system while also providing a conduit for communication, data sharing. DTSC is conducting a Stage 2 Business Analysis with a goal of having the system ready by 2021.
- Departmental Procedures Memorandum (DPM) Updates – DTSC's 27 DPMs are living documents that clearly outline roles and responsibilities and procedures for staff in maximizing cost recovery. The DPMs are essential roadmaps for addressing historical costs and for ensuring ongoing costs are collected to the greatest extent possible. DTSC initially envisioned completing a first round of DPM updates in June 2015. This date was reassessed due to the need to further ground truth the DPMs and further develop cost recovery functionality in the Envirostor and SharePoint data systems. The team overseeing DTSC's cost recovery efforts completed essential DPM updates while deferring other updates to allow for data systems and processes to further develop. Delaying some updates also allowed the team to focus on reducing the historic backlog of unreimbursed response costs. DTSC completed updates to five DPMs in February 2015. The remaining 22 DPMs and an additional DPM that addresses Statute of Limitations tracking will be completed by January 2018.