

**COST ALLOCATION AGREEMENT
STATE AND LOCAL GOVERNMENTS**

STATE/LOCALITY:

State of Connecticut
Office of the State Comptroller
55 Elm Street
Hartford, CT 06106

DATE: May 4, 2017

FILING REF.: The preceding
Agreement was dated 08/24/15

SECTION I: ALLOCATED COSTS

The central service costs listed in Exhibit A, attached, are approved on a FIXED basis and may be included as part of the costs of the State/local departments and agencies indicated during the fiscal year ended 06/30/16 for further allocation to Federal grants, contracts and other agreements performed at those departments and agencies.

SECTION II: BILLED COSTS

In addition to Section I, which provides for services furnished but not billed, the services listed below are furnished and billed to State/local departments and agencies.

1. Fringe Benefits (See Special Remarks)
2. Workers' Compensation
3. Telecommunication
4. DAS/ISF - Central Printing and Electronic Publishing
5. DAS/ISF - Fleet Operations
6. DAS/BEST - Technical Services Revolving Fund
7. Correctional Enterprises of Connecticut Revolving Fund
8. Bank Charges

Section III: CONDITIONS

The amounts approved in Section I and the billings for the services listed in Section II are subject to the following conditions:

- A. LIMITATIONS: (1) Charges resulting from this Agreement are subject to any statutory or administrative limitations and apply to a given grant, contract or other agreement only to the extent that funds are available. (2) Such charges represent costs incurred by the State/locality which are legal obligations of the State/locality and are allowable under Title 2 of the Code of Federal Regulations, Part 200 (2 CFR 200). (3) The same costs that are treated as indirect costs are not claimed as direct costs. (4) Similar types of costs are accorded consistent accounting treatment. (5) The information provided by the State/locality which was used to establish this Agreement is not later found to be materially incomplete or inaccurate.
- B. ACCOUNTING CHANGES: This Agreement is based on the accounting system purported by the State/locality to be in effect during the Agreement period. Changes to the method of accounting for costs which affect the amount of reimbursement resulting from the use of this Agreement require prior approval of the authorized representative of the Cognizant Agency. Such changes include, but are not limited to, changes in the charging of a particular type of cost from an allocated cost to be billed cost. Failure to obtain approval may result in cost disallowances.
- C. FIXED AMOUNTS: If fixed amounts are approved in Section I of this Agreement, they are based on an estimate of the costs for the period covered by the Agreement. When the actual costs for this period are determined, adjustments will be made to the amounts of a future year to compensate for the difference between the costs used to establish the fixed amounts and actual costs.
- D. BILLED COSTS: Charges for the services listed in Section II will be billed in accordance with rates established by the State/locality. These rates will be based on the estimated costs of providing the services. Adjustments for variances between billed costs and the actual allowable costs of providing the services, as defined by 2 CFR 200, will be made in accordance with procedures agreed to between the State/locality and the Cognizant Agency.

E. USE BY OTHER FEDERAL AGENCIES: This Agreement was executed in accordance with the authority in 2 CFR 200, and should be applied to grants, contracts and other agreements covered by the 2 CFR 200, subject to any limitations in Paragraph A above. The State/locality may provide copies of the Agreement to other Federal Agencies to give them early notification of the Agreement.

F. SPECIAL REMARKS: See Below.

FRINGE BENEFIT RATE

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE**</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
Fixed	07/01/15	06/30/16	*	All	All Programs

* The State of Connecticut uses a combination of direct identification and negotiated fringe benefit rates to claim fringe benefit costs. The fixed fringe benefit rate components, negotiated for each of the Retirement Systems (SERS, ARP, and Teachers), and for Unemployment Compensation, are listed below. Fringe benefit costs for Group Life Insurance, FICA-Social Security, FICA-Medicare, and Medical Insurance are directly identified by individual employee and are not part of the fringe benefit rates shown below.

<u>Rate Component</u>	<u>FYE 6/30/16</u>
SERS Regular Employees	53.58%
SERS Hazardous Duty Employees	62.51%
Alternate Retirement Plan (ARP)	11.99%
Teachers Retirement	43.14%
Unemployment Compensation	.12%

**Base: Salaries and wages of covered employees (See comments below, Notes 1 & 2).

Treatment of Fringe Benefits: Fringe benefits applicable to direct salaries and wages are treated as direct costs.

NOTE 1

Fringe Benefit Rates: Fringe benefit rates are determined for Unemployment Compensation and each applicable Retirement System shown above. Each fringe benefit component is captured in the Statewide Accounting system using expenditure account codes. Fringe benefit rates are maintained on file by, and are available from, the State of Connecticut, Office of the State Comptroller.

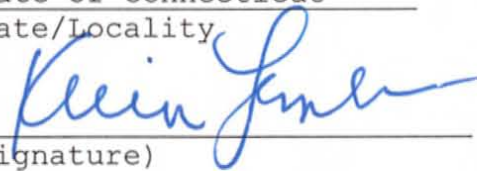
NOTE 2

Treatment of Paid Absences: Vacation, holiday, sick leave pay and other absences are included in salaries and wages and are claimed on grants, contracts, and other agreements as a part of the normal costs for salaries and wages. Separate claims for the costs of these paid absences are not made.

BY THE STATE/LOCALITY:

BY THE COGNIZANT AGENCY ON
BEHALF OF THE FEDERAL GOVERNMENT:

State of Connecticut
State/Locality


(Signature)

KEVIN LEMBO
(Name)

STATE COMPTROLLER
(Title)

5/8/2017
(Date)

DEPARTMENT OF HEALTH & HUMAN SERVICES
(AGENCY)

Darryl W. Mayes
-A

(Signature)

Digitally signed by Darryl W. Mayes -A
DN: c=US, o=U.S. Government, ou=HHS, ou=PSC,
ou=People,
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cn=Darryl W. Mayes -A
Date: 2017.05.04 11:45:00 -0400'

Darryl W. Mayes
(Name)

Deputy Director/CAS
(Title)

May 4, 2017
(Date)

HHS Representative: Michael Stack

Telephone: 212-264-2069

STATE OF CONNECTICUT 2016
 CONSOLIDATED STATEWIDE COST ALLOCATION PLAN
 SUMMARY OF FIXED COSTS BY DEPARTMENT GROUPINGS

2016 SUMMARY TOTALS BY SUPER AGENCIES	AUDITORS OF PUBLIC ACCOUNTS	OFFICE OF THE STATE TREASURER	OFFICE OF THE STATE COMPTROLLER	OFFICE OF POLICY AND MANANGEMENT	DEPARTMENT OF ADMINISTRATIVE SERVICES	DEPARTMENT OF INFORMATION TECHNOLOGY	DEPARTMENT OF PUBLIC WORKS	OFFICE OF THE ATTORNEY GENERAL
DEPARTMENT OF AGRICULTURE	\$ (66,524)	\$ 4,056	\$ 106,927	\$ 10,880	\$ 2,639,780	\$ (4,646)	\$ 297,784	\$ 623,478
BUSINESS REGULATIONS	(95,550)	11,092	262,959	194,068	352,722	26,239	398,393	631,843
DEPARTMENT OF CHILDREN & FAMILIES	631,278	73,427	1,073,285	909,939	3,157,167	281,890	2,865,089	6,236,581
CONSUMER PROTECTION	(62,315)	6,360	186,558	86,700	2,727,979	(20,178)	1,174,757	800,230
DEPARTMENT OF CORRECTIONS	(152,071)	135,304	1,877,413	1,022,225	5,690,245	795,861	2,156,994	2,110,349
ECONOMIC DEVELOPMENT	167,473	5,407	112,828	128,763	333,786	2,999	1,451,771	346,271
STATE BOARD OF EDUCATION	587,334	100,406	1,818,843	1,045,572	8,103,653	(49,942)	2,533,306	199,885
ENVIRONMENTAL PROTECTION	466,073	32,657	839,240	526,223	1,740,407	(188,199)	2,203,462	1,546,506
DEPARTMENT OF PUBLIC HEALTH	373,989	23,626	636,935	733,664	230,160	(73,758)	1,072,999	431,659
HIGHER EDUCATION	2,338,809	656,472	7,451,753	912,502	4,340,594	(30,187)	326,692	1,544,648
DEPARTMENT OF SOCIAL SERVICES	1,950,059	17,159	623,972	1,056,940	912,065	66,798	1,449,036	51,573
DSS DAS-COLLECTIONS	-	-	-	-	12,188,861	-	-	-
JUDICIAL DEPARTMENT	(346,961)	256,376	3,484,358	52,261	2,679,690	211,276	574,357	422,456
DEPARTMENT OF LABOR	357,049	38,305	1,099,953	288,452	1,711,910	75,940	894,634	909,037
DEPARTMENT OF MENTAL HEALTH	392,654	111,102	2,016,588	472,224	4,582,514	145,701	1,537,475	500,368
DEPARTMENT OF DEVELOPMENTAL SERVICES	326,218	103,334	1,846,465	864,023	5,241,080	98,512	2,152,288	347,553
DEPARTMENT OF MOTOR VEHICLES	(152,015)	22,322	374,153	285,335	949,203	135,216	-	423,918
DEPARTMENT OF PUBLIC SAFETY	281,627	65,197	1,194,025	592,726	3,764,590	2,258,971	1,316,441	941,627
DEPARTMENT OF REVENUE SERVICES	454,388	20,345	485,252	276,650	545,278	(34,756)	3,786,579	639,269
DEPARTMENT OF TRANSPORTATION	1,272,457	134,111	4,876,869	751,356	20,932,746	(14,590)	-	1,386,277
ALL OTHERS	(220,766)	132,048	1,748,917	1,549,723	2,690,306	556,367	2,440,399	1,273,578
TOTALS	\$ 8,503,206	\$ 1,949,106	\$ 32,117,293	\$ 11,760,226	\$ 85,514,736	\$ 4,239,514	\$ 28,632,456	\$ 21,367,106

2016 SUMMARY TOTALS BY SUPER AGENCIES	PAYMENTS TO TOWNS IN LIEU OF TAXES	TUITION REIMBURSEMENT	EQUIPMENT USE (CORE-CT DEPRECIATION)	(CORE-CONSTRUCTION SERVICES)	SUB-TOTAL	ADJUSTMENT FROM 2014 FIXED COSTS	TOTAL
DEPARTMENT OF AGRICULTURE	\$ 215,542	\$ 4,519	\$ (7,084)	\$ -	\$ 3,824,712	\$ -	\$ 3,824,712
BUSINESS REGULATIONS	60,001	4,798	(22,668)	-	1,823,897	-	1,823,897
DEPARTMENT OF CHILDREN & FAMILIES	1,039,092	316,892	(44,610)	-	16,540,030	-	16,540,030
CONSUMER PROTECTION	72,940	2,472	(23,154)	-	4,952,349	-	4,952,349
DEPARTMENT OF CORRECTIONS	11,377,208	168,643	(79,941)	-	25,102,230	-	25,102,230
ECONOMIC DEVELOPMENT	42,956	5,724	(13,532)	-	2,584,446	-	2,584,446
STATE BOARD OF EDUCATION	3,295,071	660,962	(144,291)	-	18,150,799	-	18,150,799
ENVIRONMENTAL PROTECTION	244,647	85,889	(76,079)	-	7,420,826	-	7,420,826
DEPARTMENT OF PUBLIC HEALTH	333,757	91,739	(82,848)	-	3,771,922	-	3,771,922
HIGHER EDUCATION	25,761,017	519,506	(235,737)	-	43,586,069	-	43,586,069
DEPARTMENT OF SOCIAL SERVICES	(32,082)	73,304	(55,509)	-	6,113,315	-	6,113,315
DSS DAS-COLLECTIONS	-	-	-	-	12,188,861	-	12,188,861
JUDICIAL DEPARTMENT	3,621,434	-	(212,414)	-	10,742,833	-	10,742,833
DEPARTMENT OF LABOR	117,866	48,276	(135,656)	-	5,405,766	-	5,405,766
DEPARTMENT OF MENTAL HEALTH	1,333,805	893,277	(118,536)	-	11,867,172	-	11,867,172
DEPARTMENT OF DEVELOPMENTAL SERVICES	783,836	198,906	(140,520)	-	11,821,695	-	11,821,695
DEPARTMENT OF MOTOR VEHICLES	147,532	6,979	(28,768)	-	2,163,875	-	2,163,875
DEPARTMENT OF PUBLIC SAFETY	2,174,244	100,116	(88,872)	-	12,600,692	-	12,600,692
DEPARTMENT OF REVENUE SERVICES	435,953	28,601	(53,107)	-	6,584,452	-	6,584,452
DEPARTMENT OF TRANSPORTATION	2,009,311	279,860	(849,620)	-	30,778,777	-	30,778,777
ALL OTHERS	3,219,012	114,755	(64,501)	-	13,439,838	-	13,439,838
TOTALS	\$ 56,253,142	\$ 3,605,218	\$ (2,477,447)	\$ -	\$ 251,464,556	\$ -	\$ 251,464,556