

**COST ALLOCATION AGREEMENT  
STATE AND LOCAL GOVERNMENTS**

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**STATE/LOCALITY:**

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

**DATE: November 8, 2018**

**FILING REF.:** The preceding  
Agreement was dated 05/05/17

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**SECTION I: ALLOCATED COSTS**

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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 06/30/18 for further allocation to Federal grants, contracts and other agreements performed at those departments and agencies.

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**SECTION II: BILLED COSTS**

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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**

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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	07/01/17	06/30/18	*	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 6/30/18</u>
SERS Regular Employees	56.58%
SERS Hazardous Duty Employees	81.75%
Alternate Retirement Plan (ARP)	14.50%
Teachers Retirement	27.41%
Unemployment Compensation	.26%

\*\*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.

State of Connecticut

November 8, 2018

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  
SERVICES

DEPARTMENT OF HEALTH & HUMAN

State/Locality

(AGENCY)

Kevin Lembo  
(Signature)

Darryl W. Mayes  
-S  
(Signature)  
Digitally signed by Darryl W. Mayes -S  
DN: c=US, o=U.S. Government, ou=HHS,  
ou=PSC, ou=People,  
0.9.2342.19200300.100.1.1=2000131669,  
cn=Darryl W. Mayes -S  
Date: 2018.11.14 07:19:34 -05'00'

Kevin LEMBO  
(Name)

Darryl W. Mayes  
(Name)

COMPTROLLER  
(Title)

Deputy Director/CAS  
(Title)

11.14.18  
(Date)

November 8, 2018  
(Date)

HHS Representative: Michael Stack  
Telephone: 212-264-2069

STATE OF CONNECTICUT 2018  
 CONSOLIDATED STATEWIDE COST ALLOCATION PLAN  
 SUMMARY OF FIXED COSTS BY DEPARTMENT GROUPINGS

2018 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	\$ -	\$ 3,199	\$ 44,959	\$ 24,534	\$ 1,597,169	\$ 25,341	\$ 266,020	\$ 516,505
BUSINESS REGULATIONS	10,106	8,636	265,469	48,575	208,854	147,504	19,914	(172,341)
DEPARTMENT OF CHILDREN & FAMILIES	699,956	67,895	1,053,503	404,948	3,156,262	1,555,647	3,625,238	5,502,269
CONSUMER PROTECTION	(17,541)	6,235	253,786	226,298	2,238,569	119,692	993,080	509,971
DEPARTMENT OF CORRECTIONS	254,984	128,152	1,944,302	486,013	5,772,197	1,353,447	1,331,901	2,083,798
ECONOMIC DEVELOPMENT	9,739	4,395	99,953	72,483	86,697	70,968	1,392,463	75,611
STATE BOARD OF EDUCATION	138,141	82,251	1,682,360	605,145	2,095,765	2,016,462	2,065,974	434,668
ENVIRONMENTAL PROTECTION	176,044	33,280	816,358	210,581	1,034,290	605,162	2,285,186	977,403
DEPARTMENT OF PUBLIC HEALTH	521,414	19,972	613,329	272,382	3,637,782	434,942	2,089,099	84,545
HIGHER EDUCATION	1,872,467	550,092	7,643,023	211,763	7,002,548	383,581	3,313,803	347,039
DEPARTMENT OF SOCIAL SERVICES	2,607,158	40,845	682,659	570,220	1,066,222	2,187,399	2,751,076	500,630
DSS DAS-COLLECTIONS	-	-	-	-	7,220,107	-	-	-
JUDICIAL DEPARTMENT	398,759	194,877	2,955,696	29,195	1,637,690	577,393	674,031	295,110
DEPARTMENT OF LABOR	642,229	23,066	807,608	270,577	3,215,382	312,823	254,235	653,537
DEPARTMENT OF MENTAL HEALTH	127,701	99,367	1,895,055	314,115	4,084,886	1,738,806	1,145,199	480,355
DEPARTMENT OF DEVELOPMENTAL SERVICES	32,717	84,546	1,741,398	444,016	4,373,447	757,354	1,216,992	329,734
DEPARTMENT OF MOTOR VEHICLES	(3,894)	19,140	353,478	191,273	317,365	439,790	-	546,277
DEPARTMENT OF PUBLIC SAFETY	17,745	48,909	976,494	239,880	2,025,527	4,529,586	1,521,428	888,137
DEPARTMENT OF REVENUE SERVICES	134,661	17,004	459,605	108,685	434,930	75,963	2,774,848	(191,470)
DEPARTMENT OF TRANSPORTATION	568,279	112,511	7,283,658	615,937	4,666,073	1,305,819	-	443,173
ALL OTHERS	951,864	92,721	1,457,882	1,272,616	1,807,638	1,613,429	4,046,711	999,427
TOTALS	\$ 9,142,529	\$ 1,637,093	\$ 33,030,575	\$ 6,619,236	\$ 57,679,400	\$ 20,251,108	\$ 31,767,198	\$ 15,304,378

2018 SUMMARY TOTALS BY SUPER AGENCIES	PAYMENTS TO TOWNS IN LIEU OF TAXES	TUITION REIMBURSEMENT	EQUIPMENT USE (CORE-CT DEPRECIATION)	CONSTRUCTION SERVICES	SUB-TOTAL	ADJUSTMENT FROM 2016 FIXED COSTS	TOTAL
DEPARTMENT OF AGRICULTURE	\$ 184,726	\$ 717	\$ -	\$ -	\$ 2,663,170	\$ -	\$ 2,663,170
BUSINESS REGULATIONS	68,141	16,707	-	-	621,565	-	621,565
DEPARTMENT OF CHILDREN & FAMILIES	1,687,962	273,424	-	-	18,027,104	-	18,027,104
CONSUMER PROTECTION	60,796	20,659	-	-	4,411,545	-	4,411,545
DEPARTMENT OF CORRECTIONS	12,007,098	159,844	-	-	25,521,736	-	25,521,736
ECONOMIC DEVELOPMENT	19,402	2,546	-	-	1,834,257	-	1,834,257
STATE BOARD OF EDUCATION	2,818,333	552,622	-	-	12,491,721	-	12,491,721
ENVIRONMENTAL PROTECTION	166,426	51,242	-	-	6,355,972	-	6,355,972
DEPARTMENT OF PUBLIC HEALTH	533,753	9,845	-	-	8,217,063	-	8,217,063
HIGHER EDUCATION	29,225,476	247,146	-	-	50,796,938	-	50,796,938
DEPARTMENT OF SOCIAL SERVICES	116,499	176,086	-	-	10,698,794	-	10,698,794
DSS DAS-COLLECTIONS	-	-	-	-	7,220,107	-	7,220,107
JUDICIAL DEPARTMENT	4,000,272	-	-	-	10,763,023	-	10,763,023
DEPARTMENT OF LABOR	56,097	91,084	-	-	6,326,638	-	6,326,638
DEPARTMENT OF MENTAL HEALTH	2,211,400	381,545	-	-	12,478,429	-	12,478,429
DEPARTMENT OF DEVELOPMENTAL SERVICES	150,573	54,352	-	-	9,185,129	-	9,185,129
DEPARTMENT OF MOTOR VEHICLES	27,987	15,829	-	-	1,907,245	-	1,907,245
DEPARTMENT OF PUBLIC SAFETY	1,185,930	256,919	-	-	11,690,555	-	11,690,555
DEPARTMENT OF REVENUE SERVICES	418,473	55,235	-	-	4,287,934	-	4,287,934
DEPARTMENT OF TRANSPORTATION	3,005,450	117,102	-	-	18,118,002	-	18,118,002
ALL OTHERS	1,476,171	128,484	-	-	13,846,943	-	13,846,943
TOTALS	\$ 59,420,965	\$ 2,611,388	\$ -	\$ -	\$ 237,463,870	\$ -	\$ 237,463,870