



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center
Financial Management Portfolio
Cost Allocation Services

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June 30, 2016

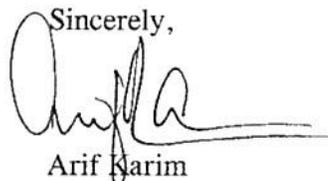
Ms. Doris Smith
Administrator
Office of Intergovernmental Services
Arkansas Department of Finance and Administration
P. O. Box 8031
1515 West 7th Street, 4th Floor
Little Rock, Arkansas 72201-8031

Dear Ms. Smith:

The original and a copy of the State-Wide Cost Allocation Plan (SWCAP) Agreement approving your state-wide central service costs, except Section II - Building Services, are enclosed for the fiscal year ending June 30, 2016. The Agreement reflects an understanding reached between your organization and a member of my staff concerning the central service costs that may be included in the costs of your departments and agencies for further allocation to Federal grants and contracts performed by those departments and agencies. Please have the original signed by a duly authorized representative of your organization and return it to me, retaining the copy for your files. We will reproduce and distribute the Agreement to the appropriate awarding agencies of the Federal Government for their use.

The fixed costs for the fiscal year ending June 30, 2016 are based on actual costs for the fiscal year ended June 30, 2014. The Fixed costs for fiscal year ended June 30, 2014 are considered final.

We have received your next SWCAP based on the fiscal year ended June 30, 2015. To complete the negotiation of your plan timely, it must be prepared in accordance with 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule issued by the Office of Management and Budget (OMB) on December 26, 2013. The website for these new regulations is: <https://www.gpo.gov/fdsys/granule/CFR-2014-title2-vol1/CFR-2014-title2-vol1-part200>. If you have any questions, please call Katherine Tang at (214) 767-5362.

Sincerely,

Arif Karim
Director
Cost Allocation Services

Enclosure

COST ALLOCATION AGREEMENT
STATE AND LOCAL GOVERNMENTS

EIN # 1710397783A1

DATE: June 30, 2016

DEPT/AGENCY:
State of Arkansas
Department of Finance & Administration
P.O. Box 3278
Little Rock, Arkansas 72203

FILING REF: The preceding
Agreement was dated
December 24, 2014

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 ending June 30, 2016 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 departments and agencies:

1. Telecommunications and Data Processing
2. State Employees Insurance
3. Worker's Compensation Benefits
4. Unemployment Benefits
5. Retirement
6. Legislative Audit
7. Building Services – Building Use Charges and Maintenance

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

DEPT/AGENCY: State of Arkansas

DATE: June 30, 2016

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, changes in the charging of allocated cost. Failure to obtain such 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 2 CFR 200, subject to any limitations in Paragraph A above. The State/locality may provide copies of this Agreement to other Federal Agencies to give them early notification of the Agreement.

F. SPECIAL REMARKS:

Equipment Definition - Equipment means an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost of \$2,500 or more per unit.

The State issued the Tobacco Bonds Series 2001 in fiscal year 2002, and used the proceeds to construct three buildings. The interest of \$59,205,055 is agreed to be allocated beginning with fiscal year 2007 through fiscal year 2042.

Section II Building Services – Building Use Charges and Maintenance is pending for further review.

DEPT/AGENCY: State of Arkansas

DATE: June 30, 2016

ACCEPTANCE

BY THE DEPT/AGENCY:
STATE OF ARKANSAS

DFA/Intergovernmental Services
(DEPT/AGENCY)


(SIGNATURE)

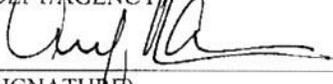
Doris Smith
(NAME)

Administrator
(TITLE)

7/6/16
(DATE)

BY THE COGNIZANT AGENCY ON
BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES
(DEPT/AGENCY)


(SIGNATURE)

Arif Karim
(NAME)

Director, Cost Allocation Services
(TITLE)

June 30, 2016
(DATE) 0344

Katherine Tang
HHS REPRESENTATIVE

(214) 767-5362
TELEPHONE

STATE OF ARKANSAS
 CONSOLIDATED STATE-WIDE COST ALLOCATION PLAN
 CENTRAL SERVICE TO GRANTEE ALLOCATION AND ROLL FORWARD ADJUSTMENT
 FOR 2016

SUMMARY - CENTRAL SERVICE TO GRANTEE ALLOCATION

ID	Grantee Department Receiving Central Services	Treasurer	Auditor	Claims Commission	Arkansas Building Auth	Finance & Administration	Allocation of Tobacco Bond Interest	TOTAL
0009	Legislative Audit	\$ 19,119	\$ 66,801	\$ 318	\$ 10,034	\$ 92,531		\$ 188,603
0053	Attorney General	17,181	57,182	(489)	173	86,315		160,361
0059	Auditor of State	32,399	107,170	312	(376)	256,295		395,800
0063	Secretary of State	15,403	51,042	1,382	(204)	81,159		148,782
0069	Treasurer of State	26,692	88,386	-	1,993	12,285		129,357
0080	Game & Fish Commission	65,943	219,419	11,594	11,450	249,006		557,413
0090	Highway Department	272,120	917,653	73,745	2,305,304	1,297,397		4,867,219
0100	Henderson State University	59	180	4,069	0	194,146		198,454
0105	Southern Arkansas University	32	103	2,097	441	146,713		149,385
0115	Southern Arkansas University - Technical Branch	63	207	(137)	25,615	52,487		78,235
0120	Arkansas State University - Beebe	13	57	2,003	(1,630)	90,682		91,126
0125	Arkansas State University - Jonesboro	46	154	15,738	(2,165)	550,662	731,454	1,295,889
0128	Arkansas State University - Mountain Home	21	67	(13)	5,737	36,787		42,598
0129	Arkansas State University - Newport	25	82	(12)	47	45,920		46,063
0130	Arkansas Tech University-Russellville	28	90	4,109	5,445	348,148		357,820
0135	University of Arkansas at Fayetteville	102	353	33,514	9,014	2,178,633		2,221,615
0145	University of Arkansas at Little Rock	21	76	1,464	(52,840)	484,667		433,588
0150	University of Arkansas Medical Sciences Campus	57	204	120,768	67,406	4,223,075	1,399,840	5,811,350
0155	University of Arkansas at Monticello	24	88	(236)	(5,935)	125,450		119,391
0160	University of Arkansas at Pine Bluff	32	103	11,156	(7,477)	193,959		197,773
0165	University of Central Arkansas	49	162	(2,504)	(31,620)	505,036		471,123
0167	University of Arkansas Community College at Hope	50	169	1,242	(162)	39,003		40,303
0168	University of Arkansas Community College at Batesville	16	55	470	2,939	33,923		37,403
0170	East Arkansas Community College	19	75	1,211	1,224	34,741		37,270
0175	National Park Community College	35	113	2,573	(912)	67,600		69,409
0177	Mid-South Community College	1	13	615	(2,924)	106,624		104,328
0180	Arkansas Northeastern College	55	219	(256)	9,791	46,688		56,497
0185	North Arkansas College	47	157	(230)	(247)	63,384		63,111
0190	Phillips Community College	17	53	2,454	1,329	54,759		58,612
0192	Rich Mountain Community College	7	44	477	6,180	26,144		32,853
0193	South Arkansas Community College	29	101	(401)	7,937	63,816		71,482
0195	University of Arkansas at Fort Smith	28	92	1,235	(1,092)	205,912		206,175
0198	Northwest Arkansas Community College	172	508	2,856	30,935	165,791		200,263
0295	Spinal Cord Commission	3,688	12,955	297	1,186	12,857		30,983
0311	Disability Determination	150,861	510,185	1,265	17,547	132,409		812,267

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 FOR 2016

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0350	Arkansas Building Authority	6,387	21,908	293	87,182	55,618		171,388
0360	Claims Commission	1,938	6,468	(648)	700	6,737		15,195
0370	Public Employee Retirement	21,346	75,949	629	72	62,802		180,797
0380	Arkansas Veteran's Child Welfare	496	1,633	-	-	(291)		1,838
0385	Veteran's Affairs	5,394	24,063	536	6,273	89,659		125,925
0390	Workers Compensation	59,255	201,311	1,858	1,852	32,032		296,308
0395	Arkansas Development Finance Authority	4,995	18,146	(648)	3,306	20,504		46,302
0400	Arkansas Agriculture Department	37,051	129,399	(7,175)	(14,378)	135,968		280,864
0420	Arkansas Geological Survey	2,914	10,102	318	(37)	11,536		24,833
0450	Public Service Commission	7,789	26,492	-	9,687	28,414		72,382
0455	Natural Resources Commission	9,488	31,499	-	5,165	38,577		84,730
0470	Department of Information Systems	26,531	88,437	(178)	21,238	209,790		345,818
0472	Arkansas Geographic Information Office	1,046	3,418	159	749	8,424		13,795
0480	Department of Correction	228,726	776,955	91,716	32,662	1,252,060		2,382,119
0485	Department of Community Correction	86,308	283,521	9,520	64,699	326,267		770,314
0500	Department of Education	72,659	248,810	(739)	19,191	274,197		614,118
0510	Blind School	6,642	22,813	(1,176)	53	20,761		49,092
0513	Deaf School	13,032	43,220	(528)	235	35,774		91,733
0516	AETN	9,101	29,964	615	(599)	39,775		78,857
0519	Arkansas State Library	4,198	14,475	311	116	25,140		44,240
0520	Department of Career Education - Arkansas Rehab Svcs	46,818	166,858	5,762	27,332	124,101		370,871
0534	Crowley's Ridge	5,167	19,111	907	(80)	13,656		38,760
0552	Northwest Technical Institute	9,971	21,645	(192)	(314)	21,687		52,797
0582	Riverside	(5,772)	11,207	311	(233)	9,304		14,817
0590	Department of Career Education	18,152	42,197	(1,653)	4,412	23,324		86,433
0610	Department of Finance and Administration	29,605	99,905	7,614	22,722	218,395		378,242
0634	DFA - Revenue - Office of Child Support Enforcement	50,327	173,640	5,075	46,027	211,847		486,916
0645	Department of Health	247,141	849,440	(2,866)	14,558	863,239		1,971,512
0655	*Office of Health Information Technology	2,371	6,522	-	-	35,473		44,366
0665	Health Services Permit Agency	1,511	5,131	-	370	8,571		15,583
0675	Black River Tech	19	67	594	4,067	56,984		61,732
0677	Cossatot Community College	26	81	755	(1,043)	39,746		39,565
0685	College of The Ouachitas	24	77	132	8,290	30,049		38,571
0687	Ozarka College	51	161	(1,321)	4,848	37,667		41,406
0689	University of Arkansas Community College at Morrilton	58	175	385	(1,579)	47,785		46,823

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0691	Southeast Arkansas College	(1)	25	780	(2,826)	52,849		50,827
0693	Pulaski Technical College	57	177	2,721	(1,434)	150,447		151,968
0700	Department of Higher Education	5,536	20,269	-	6,978	23,683		56,465
0710	Department of Human Services	562,893	1,909,851	169,412	253,311	1,742,717		4,837,984
0790	Arkansas Economic Development Commission	8,009	30,070	(6)	(83,550)	60,467		14,990
0800	Department of Labor	7,998	27,296	(508)	4,568	19,510		58,864
0810	Department of Workforce Services	60,587	212,922	5,788	54,311	323,363		656,971
0865	Central Administration	8,538	28,932	-	5,116	37,600		80,187
0867	Delta Cultural Center	1,525	5,002	-	-	3,635		10,161
0870	Arkansas Arts Council	2,301	7,711	-	(29)	2,801		12,783
0875	Old State House	2,306	7,791	(489)	(582)	7,265		16,290
0877	Historic Preservation	3,353	11,188	470	(52)	6,154		21,113
0880	Natural Heritage Commission	1,708	5,848	918	(2,299)	4,236		10,412
0885	Historic Arkansas Museum Commission	2,666	8,981	146	(88)	8,419		20,123
0887	Natural & Cultural Resources Council	348	1,163	-	-	1,247		2,758
0900	Department of Parks and Tourism	92,785	310,815	11,336	7,251	336,941		759,108
0915	History Commission	2,350	7,788	(324)	7,194	6,795		23,802
0930	Arkansas Department of Environmental Quality	23,867	82,112	2,939	1,715	95,455		206,089
0950	Commission on Law Enforcement Standards & Training (LETA)	5,553	18,070	(389)	787	17,238		41,258
0955	Crime Laboratory	9,243	31,552	(1,137)	12,373	45,060		97,092
0960	Arkansas State Police	47,825	173,737	9,576	12,701	257,655		501,494
0975	State Military Department	35,620	123,355	3,112	1,884	253,703		417,674
0990	Arkansas Crime Information Center	4,982	16,951	(489)	2,625	23,729		47,799
0995	Arkansas Department of Emergency Management	8,299	30,349	(826)	(84)	35,355		73,092
	Sub-Total	\$ 2,513,350	\$ 8,560,868	\$ 606,082	\$ 3,062,756	\$ 20,236,899	\$ 2,131,294	\$ 37,111,248
	All Other	412,467	1,380,024	(50,778)	137,117	1,157,833		3,036,664
	Total	\$ 2,925,817	\$ 9,940,892	\$ 555,304	\$ 3,199,873	\$ 21,394,732	\$ 2,131,294	\$ 40,147,911

* Denotes new agency