

COST ALLOCATION AGREEMENT  
STATE AND LOCAL GOVERNMENTS

EIN # 1710397783A1

DATE: January 23, 2014

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

FILING REF: The preceding  
Agreement was dated  
April 26, 2012

**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, 2014 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 OMB Circular A-87. (3) The same costs that are treated as indirect costs are not claimed as direct costs. (4) Similar type 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

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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 OMB Circular A-87, 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 OMB Circular A-87, and should be applied to grants, contracts and other agreements covered by this Circular, 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.

Total cost for AASIS implementation, currently agreed to be amortized in the Section I SWCAP for the five year period beginning with fiscal year ending (FYE) June 30, 2004 is \$42,605,626. One fifth (\$8,521,126) is to be allocated in each of the five years beginning with FYE June 30, 2004.

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.

DEPT/AGENCY: State of Arkansas

DATE: January 23, 2014

ACCEPTANCE

BY THE DEPT/AGENCY:  
STATE OF ARKANSAS

DFA/Intergovernmental Services  
(DEPT/AGENCY)

  
(SIGNATURE)

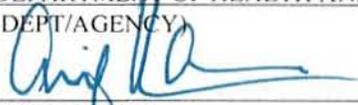
Doris Smith  
(NAME)

Administrator  
(TITLE)

2/12/14  
(DATE)

BY THE COGNIZANT AGENCY ON  
BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
(DEPT/AGENCY)

  
(SIGNATURE)

Arif Karim  
(NAME)

Director, Division of Cost Allocation  
(TITLE)

January 23, 2014  
(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 2014

SUMMARY - CENTRAL SERVICE TO GRANTEE ALLOCATION

ID	Grantee Department Receiving Central Services	Allocation of					Interest	TOTAL
		Treasurer	Auditor	Claims Commission	Arkansas Building Auth	Finance & Administration		
0009	Legislative Audit	\$21,817	\$75,025	(\$318)	\$9,096	\$102,602	\$208,221	
0053	Attorney General	15,377	53,085	489	177	59,902	129,030	
0059	Auditor of State	25,985	95,248	(312)	(1,998)	257,111	376,033	
0063	Secretary of State	11,454	45,083	171	(550)	54,674	110,832	
0069	Treasurer of State	23,920	80,533	0	1,614	13,459	119,526	
0080	Game & Fish Commission	54,701	200,648	1,451	11,144	172,196	440,139	
0090	Highway Department	273,741	912,561	52,984	1,618,513	1,256,595	4,114,394	
0100	Henderson State University	23	89	1,833	13,823	178,700	194,468	
0105	Southern Arkansas University	24	78	1,320	18,208	140,618	160,248	
0115	Southern Arkansas University - Technical Branch	58	180	2,622	8,657	62,782	74,299	
0120	Arkansas State University - Beebe	42	120	3,588	(896)	114,578	117,431	
0125	Arkansas State University - Jonesboro	41	147	16,255	19,365	563,620	795,349	
0128	Arkansas State University - Mountain Home	15	57	324	(884)	33,326	32,838	
0129	Arkansas State University - Newport	16	68	12	872	54,758	55,727	
0130	Arkansas Tech University-Russellville	11	65	4,277	6,197	302,255	312,806	
0135	University of Arkansas at Fayetteville	94	378	32,956	111,363	2,244,026	2,388,817	
0145	University of Arkansas at Little Rock	17	88	11,582	91,334	559,054	662,074	
0150	University of Arkansas Medical Sciences Campus	66	244	98,834	338,736	3,759,905	1,522,120	
0155	University of Arkansas at Monticello	45	122	1,479	14,696	121,996	138,337	
0160	University of Arkansas at Pine Bluff	22	76	4,685	9,192	173,455	187,429	
0165	University of Central Arkansas	35	143	12,755	56,125	472,498	541,556	
0167	University of Arkansas Community College at Hope	39	156	0	(101)	48,970	49,064	
0168	University of Arkansas Community College at Batesville	6	46	(159)	1,120	32,533	33,545	
0170	East Arkansas Community College	34	122	342	2,862	41,387	44,747	
0175	National Park Community College	18	81	1,155	347	86,147	87,748	
0177	Mid-South Community College	16	48	6	2,671	68,642	71,383	
0180	Arkansas Northeastern College	39	141	1,809	20,796	61,115	83,899	
0185	North Arkansas College	33	137	1,473	653	67,636	69,931	
0190	Phillips Community College	0	23	342	(1,087)	60,544	59,822	
0192	Rich Mountain Community College	30	120	(477)	3,866	20,541	24,081	
0193	South Arkansas Community College	42	124	1,644	9,254	59,380	70,444	
0195	University of Arkansas at Fort Smith	10	72	5,909	(18,893)	251,335	238,434	
0198	Northwest Arkansas Community College	57	184	1,803	16,625	177,009	195,679	
0295	Spinal Cord Commission	4,097	14,866	324	636	8,703	28,626	
0311	Disability Determination	185,683	534,623	(954)	8,893	177,829	906,073	

STATE OF ARKANSAS  
CONSOLIDATED STATE-WIDE COST ALLOCATION PLAN  
CENTRAL SERVICE TO GRANTEE ALLOCATION AND ROLL FORWARD ADJUSTMENT  
FOR 2014

SUMMARY - CENTRAL SERVICE TO GRANTEE ALLOCATION

ID	Grantee Department Receiving Central Services	Allocation of					TOTAL
		Treasurer	Auditor	Claims Commission	Arkansas Building Auth	Finance & Administration	
0350	Arkansas Building Authority	\$6,595	\$23,133	\$18	\$17,462	\$51,174	\$98,382
0360	Claims Commission	1,639	6,009	648	433	3,534	12,263
0370	Public Employee Retirement	25,021	91,094	(318)	(7)	32,552	148,341
0380	Arkansas Veteran's Child Welfare	417	1,438	0	0	1,731	3,586
0385	Veteran's Affairs	16,032	50,520	3,812	4,337	55,762	130,463
0390	Workers Compensation	57,653	203,863	6	967	34,679	297,168
0395	Arkansas Development Finance Authority	6,958	23,665	648	(2,582)	25,656	54,346
0400	Arkansas Agriculture Department	38,787	144,531	7,175	9,728	146,633	346,855
0420	Arkansas Geological Survey	3,334	11,229	(318)	61	12,367	26,674
0450	Public Service Commission	7,991	27,197	0	6,171	44,471	85,831
0455	Natural Resources Commission	9,069	29,353	0	5,101	36,078	79,601
0470	Department of Information Systems	24,628	83,146	489	10,792	269,750	388,804
0472	Arkansas Geographic Information Office	810	2,876	(159)	81	7,778	11,386
0480	Department of Correction	251,143	805,359	138,447	40,720	1,397,905	2,633,575
0485	Department of Community Correction	74,873	248,955	10,670	38,483	333,795	706,776
0500	Department of Education	65,785	255,211	2,292	16,318	321,652	661,258
0510	Blind School	7,076	24,331	1,797	(106)	39,236	72,335
0513	Deaf School	12,228	39,976	4,566	(86)	49,653	106,336
0516	AETN	6,735	25,769	6	2,130	39,865	74,505
0519	Arkansas State Library	4,239	15,468	0	(613)	28,432	47,526
0520	Department of Career Education - Arkansas Rehab Svcs	64,640	207,450	2,004	21,978	117,390	413,461
0590	Department of Career Education	1,487	22,542	2,274	2,794	47,423	76,520
0534	Crowley's Ridge	7,136	23,633	336	265	17,644	49,014
0552	Northwest Technical Institute	(201)	10,325	813	599	25,390	36,926
0582	Riverside	21,286	43,016	0	318	6,566	71,186
0610	Department of Finance and Administration	27,090	97,803	(4,197)	(49,874)	217,094	287,916
0634	DFA - Revenue - Office of Child Support Enforcement	49,922	185,293	(105)	67,095	229,288	531,493
0645	Department of Health	263,213	907,783	54,428	10,732	979,347	2,215,502
0665	Health Services Permit Agency	1,322	5,095	0	339	4,566	11,322
0675	Black River Tech	(17)	46	648	5,453	57,685	63,817
0677	Cossatot Community College	12	46	177	(510)	39,759	39,484
0685	College of The Ouachitas	17	65	489	4,645	43,856	49,071
0687	Ozarka College	41	115	1,632	1,374	41,904	45,067
0689	University of Arkansas Community College at Morrilton	11	76	1,479	1,072	54,553	57,192

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FOR 2014

SUMMARY - CENTRAL SERVICE TO GRANTEE ALLOCATION

ID	Grantee Department Receiving Central Services	Allocation of					Tobacco Bond Interest	TOTAL
		Treasurer	Auditor	Claims Commission	Arkansas Building Auth	Finance & Administration		
0691	Southeast Arkansas College	\$23	\$130	(\$159)	\$4,745	\$55,893		\$60,632
0693	Pulaski Technical College	21	102	696	2,374	195,730		198,923
0700	Department of Higher Education	6,898	26,373	0	281	38,705		72,257
0710	Department of Human Services	543,937	1,925,689	24,720	174,671	1,954,899		4,623,916
0790	Arkansas Economic Development Commission	15,048	44,732	6	174,996	127,414		362,196
0800	Department of Labor	8,013	28,208	819	2,893	31,847		71,780
0810	Department of Workforce Services	69,233	245,904	(2,061)	35,120	286,991		635,187
0865	Central Administration	10,048	30,200	0	4,040	25,643		69,932
0867	Delta Cultural Center	1,323	4,369	0	(249)	3,650		9,093
0870	Arkansas Arts Council	1,972	7,276	0	15	3,868		13,131
0875	Old State House	2,359	7,817	489	1,107	8,405		20,177
0877	Historic Preservation	2,970	10,460	(159)	(146)	6,884		20,008
0880	Natural Heritage Commission	1,859	6,206	324	2,774	6,335		17,498
0885	Historic Arkansas Museum Commission	2,813	8,991	165	16	6,321		18,305
0887	Natural & Cultural Resources Council	296	1,084	0	0	739		2,119
0900	Department of Parks and Tourism	88,658	299,316	7,301	9,920	290,438		695,632
0915	History Commission	2,141	7,135	324	7,350	8,130		25,081
0930	Arkansas Department of Environmental Quality	25,967	88,378	(765)	6,472	115,234		235,286
0950	Commission on Law Enforcement Standards & Training (LETA)	4,306	14,939	1,632	499	20,534		41,910
0955	Crime Laboratory	10,303	33,320	1,137	11,497	44,824		101,081
0960	Arkansas State Police	70,060	228,817	23,970	24,933	318,318		666,098
0975	State Military Department	38,661	135,325	5,585	2,151	209,723		391,446
0990	Arkansas Crime Information Center	5,060	17,392	489	3,981	31,995		58,916
0995	Arkansas Department of Emergency Management	12,169	40,584	1,137	38	28,739		82,667
	Sub-Total	\$2,598,718	\$8,843,936	\$555,606	\$3,057,575	\$20,496,311	\$2,317,469	\$37,869,615
	All Other	384,697	1,316,018	50,778	272,190	1,435,161		3,458,844
	Total	\$2,983,414	\$10,159,954	\$606,383	\$3,329,765	\$21,931,472	\$2,317,469	\$41,328,459