DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center
Financial Management Service
Division of Cost Allocation

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September 12, 2006

Ms. Cynthia D. LaWare
Secretary
Agency of Human Services
103 South Main Street
Waterbury, Vermont 05671-0204

Agency of Human Services
Office of the Secretary
SEP 14 2006
Received

Dear Ms. LaWare:

This is to advise you of the approval of the revisions to the Vermont Agency of Human Service (AHS) Cost Allocation Plan, which were submitted under letter dated October 25, 2005. The revisions are to reflect continuous changes within the Agency of Human Services due to a department wide reorganization. These revisions, which were submitted in accordance with 45 CFR 95, Subpart E, are effective in accordance to the dates listed below.

This approval shall remain in effect until such time as the basis and methods for allocating costs in the plan becomes outdated due to organizational changes, changes in Federal law or regulations, or there is a significant change in program composition that would affect the validity of approved cost allocation procedures.

The plan is approved and costs claimed in conformance with the plan are subject to the following conditions:

1. The approval is based on information provided by the State and is void if the information is later found to be materially incomplete or inaccurate.

2. The costs claimed for Federal financial participation must be allowable under the law, the cost principles contained in OMB Circular A-87 and program regulation.

3. The following cost allocation plans are approved under this letter:
   - Agency of Human Services (AHS) – effective 7/1/05
   - Department of Children and Family Services (DCF) – effective 4/1/05
   - Vermont Department of Health (VDH) – effective 7/1/05
   - Office of Vermont Health Access – effective 4/1/05

4. The approved plans are subject to ongoing revisions as the Vermont Agency of Human Services completes the transition to the new organizational and operational structure. These ongoing changes will be addressed in subsequent plan revisions that may impact on currently approved cost allocation methodologies.

Nothing contained herein should be construed as approving activities not otherwise authorized by approved program plans, or Federal legislation or regulations.

The implementation of the cost allocation plan approved by this document may from time to time be revised by authorized Federal staff. The disclosure of inequities during such reviews may necessitate changes to the plan.

Sincerely,

Robert I. Aaronson
Director, Division of
Cost Allocation

cc: Galligan, H., ACF
MacAllister, D., USDA/FNS
McGreal, R., CMS

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