



December 23, 2019

Mr. Mike Smith  
Secretary  
State of Vermont  
Agency of Human Services  
280 State Drive  
Waterbury, VT 05671

Dear Mr. Smith:

This letter provides approval of the Vermont Agency of Human Services (AHS) Cost Allocation Plan (Plan) amendment, which was transmitted by letter dated June 30, 2018 and later revised via email dated September 12, 2018. The amendment includes changes within the Agency of Human Services to the Central Office, Department of Children & Families, Department of Disabilities, Aging and Independent Living, Department of Vermont Health Access, Vermont Department of Health, and the Department of Mental Health. This amendment, which was submitted in accordance with 45 CFR 95, Subpart E, is effective April 1, 2018.

Acceptance of the actual costs in accordance with the approved Plan is subject to the following conditions:

1. The information contained in the Plan and provided by the State in connection with our review of the Plan is complete and accurate in all material respects.
2. The actual costs claimed by the State are allowable under prevailing cost principles, program regulations and law.
3. The claims conform with the administrative and statutory limitations against which they are made.
4. The Administration of Children & Families (ACF) has stated that they will address with the State directly their concerns with the claiming of costs related to child care subsidy for children receiving Title IV-E Adoption Assistance. ACF still holds that this is unallowable cost under the Federal Title IV-E program.
5. ACF requires that we remind the State that the approval of this amendment is an approval of a methodology only, and that all expenditures claimed under the Plan are subject to

audit by the HHS Office of Inspector General.

This approval relates only to the methods of identifying and allocating costs to programs, and nothing contained herein should be construed as approving activities not otherwise authorized by approved program plans or Federal legislation and regulations.

Implementation of the approved cost allocation plan may subsequently be reviewed by authorized Federal staff. The disclosure of inequities during reviews may require changes to the Plan.

If you have any questions concerning the contents of this letter, please contact Amritha Sugrim-Singh of my staff at 212-264-4300. Please submit your next proposed Plan amendment electronically via email to [CAS-NY@psc.hhs.gov](mailto:CAS-NY@psc.hhs.gov).

Sincerely,

Darryl W. Mayes  
Deputy Director  
Cost Allocation Services

cc: Barnwell, G., ACF  
Gilbert, F., SSA/DPB  
Lyons, J., SSA/DD  
Parris, R., CMS  
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