Program Support Center Financial Management Portfolio Cost Allocation Services

90 7th Street, Suite 4-600 San Francisco, CA 94103-6705 PHONE: (415) 437-7820 EMAIL: <u>CAS-SF@psc.hhs.gov</u>

March 25, 2024

Ashley Retsinas
Deputy State Comptroller
State of Arizona
100 N. 15th Ave., Rm. 302
Phoenix, AZ 85007

Dear Ms. Retsinas:

The negotiation agreement approving the central services cost allocation plan for the fiscal year ending 06/30/20, is enclosed. This agreement reflects an understanding reached between your organization and a member of my staff concerning the central service costs that may be included as indirect costs in your departments and agencies that have Federal grants and/or contracts.

Please have the agreement signed by an authorized representative of your organization and return within ten business days of receipt. The signed agreement should be sent to me by email, while retaining the copy for your files. Only when the signed agreement is returned, will we then reproduce and distribute the agreement to the appropriate awarding organizations of the Federal Government for their use.

A cost allocation plan proposal together with supporting information are required to substantiate your claim for central service costs under grants and contracts awarded by the Federal government. Your proposal based on actual costs for the fiscal year ending 06/30/19 is now due. Please submit your next proposal electronically via email to CAS-SF@psc.hhs.gov.

Sincerely, Darryl W.

Mayes -S

Digitally signed by Darryl W. Mayes -S Date: 2024.03.29 15:10:44 -04'00'

Arif Karim, Director Cost Allocation Services

Enclosure

PLEASE SIGN AND RETURN THE NEGOTIATION AGREEMENT BY EMAIL

COST ALLOCATION AGREEMENT STATE AND LOCAL GOVERNMENTS

STATE OF ARIZONA 100 N. 15th Avenue, Rm. 302 PHOENIX, AZ 85007 DATE: March 25, 2024
FILING REF.: The preceding

agreement was dated:

08/10/21

G16358

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 your fiscal year ended June 30, 2020 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 State/local departments and agencies.

- A. Department of Administration
 - 1) Arizona Strategic Enterprise Technology Division
 - Automation Service
 - Telecommunication Service
 - Strategic Transformation and Innovation
 - 2) General Services Division
 - Motor Pool
 - Special Services (Reproduction, Mail and messenger, Central Supplies)
 - 3) Human Resources Division
 - Personnel Fund
 - Health Insurance Trust Fund
 - 4) Risk Management Division
 - Risk Management Fund
 - Unemployment Compensation
 - 5) General Accounting Office
 - Arizona Financial Information Systems (AFIS) Collections Fund
- B. Department of Law Interagency Services Agreement
- C. Office of the Auditor General Audit Services
- D. Secretary of State Records Services Fund (previously in Section I)
- E. Retirement Fund ASRS

Direct charges from the above centers will be billed in accordance with rates established by the State and included in the records of the operating department/agency responsible for providing services.

STATE/LOCALITY: State of Arizona

AGREEMENT DATE: March 25, 2024

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. <u>LIMITATIONS</u>: (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 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 allocated cost to a billed cost. Failure to obtain approval may result in cost disallowances.
- C. <u>FIXED AMOUNTS</u>: 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. <u>BILLED COSTS</u>: 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. <u>USE BY OTHER FEDERAL AGENCIES</u>: 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 the Agreement to other Federal Agencies to give them early notification of the Agreement.

BY THE STATE/LOCALITY:	BY THE COGNIZANT AGENCY
1	ON BEHALF OF THE FEDERAL GOVERNMENT:
STATE OF ARIZONA	DEPARTMENT OF HEALTH AND HUMAN SERVICES
(STATE/LOCALITY)	Darry W. Mayes -S Digitally signed by Darry W. Mayes -S Date: 2024.03.29 15:08:36 -04'00'
(SIGNATURE)	(SIGNATURE)
Ashleu Retsiras	Arif Karim
(NAME)	(NAME)
Assistant Director, ADON	Director, Cost Allocation Services
(TITLE)	(TITLE)
411/2024	March 25, 2024
(DATE)	(DATE)
	HHS Representative: Karen Wong

Telephone:

(415) 437-7820

STATE OF ARIZONA STATEWIDE COST ALLOCATION PLAN (SWCAP)
SUMMARY OF FIXED CENTRAL SERVICE COSTS FOR THE FISCAL YEAR ENDING JUNE 30, 2020

	GOVERNOR'S OFFICE	'S OFFICE	SOS	TDEACHIDED		DEDADTMENT OF ASSESSED	distributed in			
AGENCY	OSPB	Equal Opportunity	Public Records	Stato Treasurer	General Accounting Office	Stato Procurement Office	Risk Managomont Division	Mall Room	Occupancy	TOTAL ALLOCATED COSTS
Attornoy General Arizona Commerce Authority	15,985	3,056	(47,377)	251	28,990	(19,623)		375	1,508,242	1,591,586
Department of Housing	22,608	198	(2,780)	37	5,583	(24)	25	10 701	196 180	(36,224)
Office of the Governor	436	268	(1,750)	19	3,118	(17,056)	182	(76)	704,918	090,060
Specialty of State (SOS)	2,289	232	, 404 A)	4 }	789	(129)	32	177	150,455	153,668
Supreme Court	767.	982	(6.462)	143	4,9/8 71,9/5	(9,496)	366	15,888	2,405,280	2,417,581
Office of Economic Opportunity	•	54	-	12	1,928	(00+1-)	(25)	737	204,487	2,5/7,817
Arizona Hoalth Caro Cost Containment Systom	85,509	12,538	(5,429)	1,056	253,156	(22,066)	269	•	8.365	331 600
Department of Economic Security	84,360	22,755	8	1,310	293,791	(060'08)	8,967	1,713	3.041.473	3.374.257
Department of Child Safety Department of Environments Oughs	72,318	17,111	(43,321)	266	140,427	(47,328)	73	•	251,482	391,330
Department of Health Services	32,382 88 538	1,548	(3,963)	103	18,194	(46,294)	309	157	1,600,246	1,602,982
Comm for the Doaf & the Hard of Hearing	3,362	88	(10001)	2 10	1.961	(30,452)	2,339	3,796	2,184,291	2,315,144
Arizona Finance Authority	566	55	(19)	6	44	(137)	13	5.42	(96,764)	(95,783)
Veterans' Services	25,011	2,623	(15)	92	16,752	(29,349)	532	•		15,646
Department of Agriculture	54,571	1,279	(298)	94	17,724	(1,311)	320	20,658	925,430	1,018,167
Corporation Commission	(20,550)	(270)	(235)	(13)	(1,256)	(388)	(98)	(8)	(141,567)	(164,352)
industrial Commission	11,038	1,206	(1,138)	109	20.392	(10,602)	175 266	219	760,257	749,882
State Mine Inspector	1,554	22	(65)	4	466	(113)	2 2	788	76,903	79.634
Radiation Regulatory Agency	(11,364)	177	(371)	n	1,618	(278)	21	60	, ,	(10,186)
Structural Pest Control Commission	1,442	216	(2,654)	ş- Č	1,849	(5,415)	18	2,211	393,285	390,963
Department of Liquor Licenses and Control	(525) 10.996	231	' 60	99 \$	(1,503)	(241)	33	(2,480)	(46,090)	(51,037)
Department of Insurance	2,289	240	(2,571)	2 4	5.385	(5.844)	<u>8</u>	4,606 2 929	(343)	17,402
State Board of Pharmacy	13,519	103	•	6	869	(2,695)	7	3,891	78,689	94,221
AZ Commission on the Arts	2,289	•	1	2	1,246	٠	13	•	41.379	44.934
School for the Deaf and the Blind	13,623	2,770	•	109	19,524	(29,950)	623	•	1	669'9
Board of Regents	13.070	979	(2,738)	184	36,205	(3,449)	356	311	662,996	863,220
Arizona State University	13,812	•	(1,354)	- 0	48,234	(57,397)	33,381	E ,	, ,	13,307
Northern Arizona University	2,702	•	(613)	0	27	(16,557)	6,300	•	•	(8,141)
School Facilities Board	8,152 16,773	1 &	. (908)	0 7	32,300	(51,889)	21,266	' ;	•	9,830
Arizona Historical Society	7,361	322	(670)	4 ¢	958	(78L)	14	e (118,101	135,035
Early Childhood Dovelopment & Health Board	1,761	' ;	•	. £	9,351	(46,445)	183	1,308	(1404,03)	(33,800)
Commission for Postsacondary Education	834	58	(7,590)	s)	649	(40)	12	630	,	(5,375)
Department of Corrections A7 Criminal Partice Commission	61,059	48.881	(73,018)	1,468	241,737	(120,436)	17,690	1,450	1,156,964	1,335,794
Dopt of Emorgency Sycs & Military Affairs	3,203	9 45	(172)	7 480	1,037	(72)	ឧ	2,059	84,548	90,676
Department of Public Safety	48,153	10,032	(5.171)	330	69,789	(46,688)	5.177	(0)	2,340	(18,758)
Governor's Office of Highway Safety	1,216	19	•	~	1,411	(68)	•	; . !	140,098	142,711
Juvenile Ceffections Auto Theff Authority	12,972	3,780	(1,487)	42 .	8,715	(49,646)	623	357	364,109	339,448
		•	•	7	667	(48)	م	249	18,066	21,466
Department of Transportation	(10,320)	23,325	(3,810)	1,968	284,271	(89,541)	35,641	1	(51,645)	189,889
Game and Fish Department Arizona Geotonical Survey	7,836	1,400	(66)	117	44,880	(2,201)	828	•	•	52,590
State Land Department	38,330	664	(3.765)	(5)	(1,975) 3.778	(83)	(35)	(156)	(70,468)	(88,935)
State Parks Board	16,025	834	(2,914)	29	13,331	(19,999)	538	(2.048)	18.822	24.658
Arizona State Forestry Division Denartment of Mater Becourses	52,825	636	(142)	43	11,696	(2,142)	(739)	:	218,322	280,500
	200	28	(9,1,6)	OS.	5,456	(10,130)	11	1,285	925,209	929,295
Other Agencies Central Service Agencies	179,051	13,883	(82,245)	(181)	542,552	(488,834)	4,795	119,028	11,723,601	12,011,650
	410,011	7.537	(0,04)	ROC	1,669,363	(242,735)	2,333	30,638	1,748,901	3,375,756
	Office (1979)	600,001	(5,0,3)	3,174	3,590,192	(1,657,261)	149,678	222,634	35,305,246	39,154,772