

STATE OF CONNECTICUT
DEPARTMENT OF SOCIAL SERVICES
SBCH PROGRAM - REIMBURSEMENT AND CON
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March 27, 2015

Dear SBCH Program Participating School District:

Attached please find the following items:

- The blank 2014 SBCH Cost Report Template (excel workbook)
- The SBCH Program Cost Report Instruction Guide for Direct & Administrative Cost Claiming (pdf file)
- Your district's Employee Listing; the employee list is used in populating the Register pages for the 2014 Cost Report (excel file)

Please note that the 2014 Cost Report is **due to DSS by June 30, 2015**. Only electronic versions are necessary. You may populate the fields on the Certification page pertaining to name and date completed however a signature is not required by your Superintendent prior to submission. Signatures will be collected during the Settlement & Certification process.

Please make a note of the quoted below federal guidance (OMB Circular A-87) regarding allowable Professional service costs.

“32. Professional service costs.

- a. Costs of professional and consultant services rendered by persons who are members of a particular profession or possess a special skill, and who are not officers or employees of the governmental unit, are allowable, subject to subparagraphs b and c when reasonable in relation to the services rendered and when not contingent upon recovery of the costs from the Federal Government.*

In addition, legal and related services are limited under Attachment B, section 10.

- b. In determining the allowability of costs in a particular case, no single factor or any special combination of factors is necessarily determinative. However, the following factors are relevant:*

(1) The nature and scope of the service rendered in relation to the service required.

(2) The necessity of contracting for the service, considering the governmental unit's capability in the particular area.

(3) The past pattern of such costs, particularly in the years prior to Federal awards.

(4) The impact of Federal awards on the governmental unit's business (i.e., what new problems have arisen).

(5) Whether the proportion of Federal work to the governmental unit's total business is such as to influence the governmental unit in favor of incurring the cost, particularly where the services rendered are not of a continuing nature and have little relationship to work under Federal grants and contracts.

(6) Whether the service can be performed more economically by direct employment rather than contracting.

(7) The qualifications of the individual or concern rendering the service and the customary fees charged, especially on non-Federal awards.

(8) Adequacy of the contractual agreement for the service (e.g., description of the service, estimate of time required, rate of compensation, and termination provisions).

- c. *In addition to the factors in subparagraph b, retainer fees to be allowable must be supported by available or rendered evidence of bona fide services available or rendered.”*

How this pertains to school districts: If your district engaged in a contract for professional services and the fee payable to the contracted entity is contingent on the amount your district will receive from Federal Government (via DSS settlement), the cost of such contract is a non-allowed Medicaid cost and should be recorded on the 2014 report as a **non-Medicaid Cost**.

Please feel free to email or phone with any questions or should you need further assistance.