



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center  
Financial Management Portfolio  
Cost Allocation Services

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January 14, 2016

Mr. Andrew Pallito, Commissioner  
State of Vermont  
Agency of Administration  
Department of Finance & Management  
109 State Street  
Montpelier, VT 05609

Dear Mr. Pallito:

This is to advise you of the approval for the State of Vermont to claim the Vermont State Retirement Incentive Program to Federal Programs, which was submitted to our office under a letter dated November 3, 2015. The Retirement Incentive Program encouraged eligible State of Vermont employees to retire effective October 1, 2015, and no later than March 1, 2016. The request was submitted in compliance with 2 CFR Part 200, Section 200.431(i)(2)(ii) and ASMB C-10 Implementation Guide for OMB Circular A-87.

Based on our review of your request and communications with your staff, approval is granted to charge the retirement incentive payments at the department level as described in your submission. These costs will be charged to the department's topmost administrative cost pool to be allocated to all programs within the department, both State and Federal.

The billings for the costs covered by this approval are subject to the following conditions:

- A. Limitations: (1) Charges resulting from this approval 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 which are legal obligations of the State and are allowable under 2 CFR Part 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 which was used to establish this approval is not later found to be materially incomplete or inaccurate.

- B. Accounting Changes: This approval is based on the accounting system purported by the State to be in effect during the approval period. Changes to the methods of accounting for costs which affect the amount of reimbursement resulting from the use of this approval require prior approval of the authorized representative of the Cognizant Agency. Such changes include, but are not limited to, changes in the charging of cost from an allocated cost to a billed cost. Failure to obtain approval may result in cost disallowances
  
- C. Use by Other Federal Agencies: This approval was executed in accordance with the authority in 2 CFR Part 200, and should be applied to grants, contracts and other agreements covered by that Code, subject to any limitations in Paragraph A above. The State may provide copies of the Agreement to other Federal agencies to give them early notification of this Agreement.

In addition, please acknowledge your concurrence with the comments and conditions cited by signing this letter in the space provided below, and returning via email to **cas-ny@psc.hhs.gov**. If you have any questions, please contact our office at 212-264-2069.

Sincerely,

Darryl W. Mayes -A

Digitally signed by Darryl W. Mayes -A  
DN: c=US, o=U.S. Government, ou=HHS, ou=PSC, ou=People, 0.9.2342.19200300.100.1.1=2000131669, cn=Darryl W. Mayes -A  
Date: 2016.01.19 12:30:44 -05'00'

Darryl W. Mayes  
Deputy Director  
Cost Allocation Services

Concurrence:

Pallito  
Name

Commissioner  
Title

January 20, 2016  
Date