



State of Connecticut
Department of Developmental Services

DDS

Ned Lamont
Governor

Jordan A. Scheff
Commissioner

Elisa Velardo
Deputy Commissioner

Operations Memo 2022-21

To: Purchase of Service Contracted Private Providers

From: Sean Bannon, Director, Operations Center

CC: Scott McWilliams, Chief of Fiscal/Administrative Services, Regional Directors, Assistant Regional Directors, Resource Administrators

Date: April 19, 2022

RE: FY2022 Eight Month Expense Report

As a requirement of the Purchase of Service (POS) contract with the Department of Developmental Services (DDS), each POS contracted provider is required to submit an Eight Month Expense Report (July 1 – February 28) to DDS each year, typically by March 31.

As there was a delay in notifying providers about the Eight Month Expense report, the due date for submission is May 20, 2022.

Each Eight Month Report is unique to the provider and will be emailed to the provider by the provider's assigned DDS Provider Specialist. Providers will receive their unique FY22 Eight Month Report within the next week. Blank Eight Month Reports will not be made available. If data from the Base Operational Plan needs to be changed, an amended Operation Plan must be sent to the provider's assigned Provider Specialist. See the process listed below for submitting amended Operational Plans.

Extension Requests: Providers should notify their provider specialist if they are unable to submit the Eight Month Report prior to the deadline. Please include the reason precipitating your extension request and the submission date being requested.

As stated in previous fiscal years:

1. Providers should correct any errors or missing data prior to submitting the Eight Month Report to DDS by reviewing the Error Check Tab. DDS will not be able to complete the review process for any Eight Month Reports with "NO" answers on questions 1-9 of the Eight Month Review Tab unless an acceptable explanation is included in the applicable comment section. **Please ensure that any "NO" answers on the Error Check tab are corrected or an explanation is entered in the comment section**

Phone: 860 418-6000 ♦ TDD 860 418-6079 ♦ Fax: 860 418-6001

460 Capitol Avenue ♦ Hartford, Connecticut 06106

www.ct.gov/dds ♦ e-mail: ddsct.co@ct.gov

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under each applicable section prior to submission. See the Eight Month Report Instructions for more information.

2. Since the submission of the FY 2016 Annual Report, the Operations Center staff started requesting a copy of the Cost Allocation Plan (CAP) for any provider with an Administrative & General rate of 18% or greater. This applies to the FY22 Eight Month Report. If the A&G is 18% or greater, the provider should include the reason why and the agency's plan to reduce A&G to below 18% in the future in the comment section of the Eight Month Error Check tab and include a valid copy of the agency's Cost Allocation Plan as an attachment to the Eight Month Report submission email.
3. Please be aware that the Contractor (provider) is allowed to make line category expense changes within major cost categories (salaries, employee benefits, non-salary, administrative and general) of less than 20% without prior DDS approval. Any budget variance that exceeds twenty percent (20%) of the major cost categories but does not increase or decrease the maximum financial commitment, must be approved by DDS through a revised Operational Plan. Failure to receive prior approval from DDS may result in the disallowance of any expense exceeding the 20% variance.

The FY 2022 Eight Month Expense Report uses the same format of comparing the budgeted amount with actual costs for the time period of July – February along with reporting the estimated End of Fiscal Year budget amount based on the actual costs to date plus the projected budget from March 1 – June 30. If the provider does not add a new program with annualized funding of more than \$100,000 between the submission of the Eight Month Report and the end of the fiscal year ending June 30, 2022, the estimated End of Fiscal Year Budget Amount will take the place of the Final Operational Report usually due in July. Providers that add a new program with annualized funding of more than \$100,000 between the submission of the Eight Month Report and the end of the fiscal year ending June 30, 2022 will be required to submit a Final Operational Plan by July 15, 2022.

If additional cost centers or program types with annualized funding of more than \$100,000 were added between July 1, 2021 and February 2022, an amended Operational Plan will need to be submitted. Please notify your Provider Specialist that you will be submitting an amended Operational Plan for that reason prior to the Eight Month Report deadline. When submitting your amended Operational Plan, the Eight Month Report should also be completed unless directed to do otherwise by your Provider Specialist.

If the provider needs to submit an amended Operational Plan for reasons not listed above, the provider must send a request via email to their Provider Specialist prior to the Eight Month Report deadline. Please include the reason(s) that the Operational Plan needs to be amended. Amended Operational Plans will not be accepted by DDS without an explanation for the changes and approval by your Provider Specialist. When submitting your amended Operational Plan, the Eight Month Report should also be completed unless directed to do otherwise by your Provider Specialist.

Please submit the FY 22 Eight Month Report electronically to your assigned DDS Operations Center Provider Specialist by May 20, 2022.

If you have any technical questions regarding the report, please contact your assigned Provider Specialist.