



**AADD CFO Group
Guidelines for Cost Survey
Issued by Alaska Dept of Health and Social
Services
On September 02, 2011**

**Presented by Michael Bailey to AADD Membership
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Purpose:

The CFO Workgroup of the AADD endorses a common language to align its members for use in reporting expenses on the State of Alaska Cost Survey to rebase rates of reimbursement for services we provide on their behalf to Alaskans with disabilities. The CFO Workgroup offers a common expense classification below.

1. General Service Costs

These costs are allowable costs that apply to the general operations of the business or benefit the organization as a whole. These costs have been incurred for the overall general and administration of the organization and do not solely relate to any particular service or operation of the provider.

1. Personnel Services

1. Management Support costs—an allocation Managers and support staff salaries not directly assigned to the program/project, including
 - a. Agency-wide executive staff
 - b. Agency-wide accounting staff
 - c. Human Resources staff
 - d. Quality Assurance staff
 - e. Training staff for Non-Direct staff
 - f. Executive and agency-wide clerical support
 - g. Information Technology staff
 - h. Property managers and custodians

2. Advertising (allowable only)

1. Per 7 AAC 145.533 (b) (9) is limited to
 - a. Announcement of name change or opening
 - b. Recruitment of personnel
 - c. Purchase or sale of items
 - d. Bids for construction/renovation
 - e. Bond issues
 - f. Listing in telephone directory
 - g. Listing facility hours or operation
 - h. Accreditation process requirements

3. All Other

1. Audit fees: fiscal and compliance, retirement plan
2. Legal fees
3. Consultant fees
4. Information Technology contractors
5. Website fees
6. Outside Contracted Services (for example, interpretive services)
7. Insurance: professional liability, officers and directors, bonding
8. Banking Fees
9. Expendable Supplies
 - a. Office supplies: that are available agency-wide
 - b. Cleaning Supplies
 - c. Training Supplies:
 - i. Library materials
 - ii. CPR mannequins
 - iii. Employee handbooks
10. Durable Supplies
 - a. Furnishings: desks, book cabinets, conference tables, chairs
 - b. Small equipment items, for example, lawn mowers, vacuums, ladders
11. Communications
 - a. Local and Long Distance phone charges
 - b. Internet service provider chargesCommunication devices: phones, cell phones
computers, printers
12. Equipment – valued at over \$5K with a long life
 - a. IT servers
 - b. Central phone equipment
 - c. Agency vehicles, owned or leased, not used for direct services
 - d. Depreciation

4. Building and maintenance – salary/wages/fringe benefits

1. Maintenance personnel salary costs and benefits

5. Building and maintenance – all other

1. Office and Administrative Sites allocation by direct assignment
 - a. Rent or mortgage interest payments
 - b. Property and contents insurance
 - c. Utilities
 - d. Contracted services
 - e. Depreciation

2. Non-Covered Costs

1. Fundraising Services

1. Fundraising Personnel costs
 - a. The employee salary/hourly wage
2. Fringe
 - a. mandatory payroll taxes
 - b. worker's compensation
 - c. health, LTD, STE and life insurance
 - d. retirement
3. Recruitment advertising
4. Background checks
5. Travel
 - a. Business related travel for Fundraising events or conferences

2. Other

1. Lobbying expenses
2. Contingency funds
3. Fines, penalties, bad debts
4. Charitable contributions or donations
5. Entertainment expenses
6. Fundraising or lobbying advertising
7. Other costs restricted by grant funding requirements

3. Direct Care Costs – Waiver Services

1. Salary/Wages/Fringe Benefits

i. Personnel Services

- a. Direct Service Professional (DSP) costs including
 - i. Direct service time hourly wage
 - ii. Paid leave (Vacation, Sick, Family Medical, etc)
 - iii. Required training
 - iv. Staff meetings
 - v. Meetings with supervisor
 - vi. Completing required Medicaid documentation

- b. The cost of replacement providers required to replace the primary while the primary is engaged in non-service related activities such as
 - i. Paid leave
 - ii. Required training
 - iii. Staff meetings
 - iv. Meetings with supervisor
 - v. Completing required Medicaid documentation
- 2. Fringe
 - a. Mandatory payroll taxes
 - b. Worker's compensation
 - c. Health, LTD, STE and life insurance benefits
 - d. Retirement plan contributions
- 3. Recruitment advertising
- 4. Background checks

2. Personnel Supervision & Support Services

- 1. Direct Service Provider Supervisory costs
 - a. The direct service providers immediate supervisor salary/hourly wage
 - b. The cost of replacement providers.
- 2. Direct Service Support costs—an allocation Managers and support staff salaries (for example, Program Director, Care Coordinator, Case Manager) directly assigned to the program/project that produces the unit of service, including
 - a. Administrative assistants & data entry staff who complete required documentation of direct support services
 - b. Intake and scheduling staff
 - c. Training staff
 - d. Crisis staffing costs
 - e. Health and wellness costs (for example, vaccinations required for licensure, or community nursing services)
 - f. Drivers
- 3. Fringe
 - a. Mandatory payroll taxes
 - b. Worker's compensation
 - c. Health, LTD, STE and life insurance benefits
 - d. Retirement plan contributions

4. Recruitment advertising
5. Background checks

2. Building and Maintenance

1. Facilities

Service Delivery Site allocation by direct assignment

- a. Rent or mortgage interest payments
- b. Property and contents insurance
- c. Utilities
- d. Regular maintenance, including maintenance personnel salary costs and benefits
- e. Depreciation

3. All Other

1. Transportation

1. Travel
 - a. Business related travel for training or conferences
 - b. Recipient related travel as approved in the plan of care, or for mandatory face to face visits
2. Gas and oil costs for vehicles used in service delivery
3. Direct recipient-related special travel, including per diem, meal allowance or mileage reimbursement
4. Vehicle Lease costs, Insurance and regular maintenance costs of vehicles used to deliver services

2. Contracted Services

1. Stipends – difficulty of care
 - a. Family habilitation providers
 - b. Foster Care providers
2. Other Contracts
 - a. Therapists
 - b. Contracted trainers
 - c. Interpreter services

3. Program Operating and Supplies

1. Office Supplies: directly related to the service, file folders trash cans, desk calendars
2. Program Supplies
 - a. Cleaning and household supplies
 - b. Other items necessary to carry out approved plans of care

- 3. Durable Supplies
 - a. Furnishings
- 4. Communications
 - a. Local and Long Distance phone charges
 - b. Internet service provider charges
 - c. Communication devices: phones, cell phones computers, printers

4. Other

- 1. Licenses and Taxes
- 2. Seminar and Conference fees

4. PCA Direct Care Costs

1. Salary/Wages/Fringe Benefits

i. Personnel Services

a. Direct Service Professional (DSP) costs including

- i. Direct service time hourly wage
- ii. Paid leave (Vacation, Sick, Family Medical, etc)
- iii. Required training
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b. The cost of replacement providers required to replace the primary while the primary is engaged in non-service related activities such as

- i. Paid leave
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2. Fringe

- a. Mandatory payroll taxes
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5. All Other

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4. Other

1. Licenses and Taxes
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6. Other Healthcare Costs – Non PCA/Waiver

Examples may be direct costs for Physical Therapy, Home Health, Mental Health, Private Duty Nursing services

7. Other Non-Health Care Costs

For any direct expenses for other services not reflected in the above categories, to allow reconciliation of total expenses to Audited Financial Statements.