

**Healthy Families Indiana  
Administrative Alert**

**DATE:** October 26, 2010

**TO:** HFI CEO's and Program Managers

**FROM:** Audie Gilmer, HFI State Program Coordinator

**SUBJECT:** Administrative Alert #2010-8  
Re: Excess Cost Reports

In past years DCS has required that Healthy Families Indiana grantees submit Excess Cost Reports on "excess funds" when their unit rate payments for the contract year exceed the actual costs of program administration and services.

Grantees no longer need to submit Excess Cost Reports to DCS.

- Section 5.G of the DCS contract agreement requires, as previously, that ...funds identified as excess funds shall be available as program income ... that such program income must be expended for the Project within six months following identification of the funds..... Grantees must expend excess funds or repay them to DCS within 60 days after expiration of the six month period...

Though grantees must continue to maintain records of all program income and actual costs and a record of how any "excess funds" are expended within the six month time limit for audit purposes, DCS no longer requires submission of these reports.