



The Commonwealth of Massachusetts
Executive Office for Administration and Finance
Operational Services Division

Maura Healey, Governor
Kim Driscoll, Lieutenant Governor
Matthew Gorzkowicz, Secretary

Gary J. Lambert

Assistant Secretary for Operational Services

To: Matthew Gorzkowicz, Secretary test edit
Executive Office for Administration and Finance test edit

Commonwealth Superintendents test edit

From: Gary J. Lambert, Assistant Secretary for Operational Services test edit
Operational Services Division test edit

Date: 07/01/2026 test edit

Re: **Estimated Rate of Inflation for Fiscal Year 2026** test edit

test edit The Operational Services Division is required by M.G.L. Chapter 7, Section 22N, to submit an “estimated rate of inflation for social service programs” to the Secretary of the Executive Office for Administration and Finance by October 1st of each year for consideration in preparation of the Governor’s annual budget recommendation.

The Operational Services Division is also required by the above statute to notify Commonwealth Superintendents of this estimated rate of inflation for their use in planning for increases to Approved Private Special Education programs.

Attached is the Operational Services Division’s analysis which results in an estimated rate of inflation of 4.69% for Fiscal Year <Fiscal Year>.

Should you or your staff require further information regarding the estimated rate of inflation, please contact Jacqueline Brown at (617) 720-3371.

cc: Chris Marino, Assistant Secretary for the Budget and Fiscal Operations, Executive Office for Administration and Finance
Danielle Cerny, Chief of Staff, Executive Office for Administration and Finance
Rick Mikulis, Chief Financial Officer
Mark Fine, Assistant Secretary of Administration test edit

EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE
 OPERATIONAL SERVICES DIVISION
 ESTIMATED RATE OF INFLATION - FISCAL YEAR 2026
 7/1/2026

COMPONENT	PERCENTAGE OF TOTAL EXPENSES	FACTOR	SOURCE	REFERENCE	ADJUSTED PERCENTAGE
PERSONNEL		8	TEST	SERVICE OCCUPATIONS	
PERSONNEL	31.87%	1.2	CPI - TEST	BOSTON	38.24%
PAYROLL TAX		9	TEST	SERVICE OCCUPATIONS	
FRINGE BENEFITS		2	TEST	SERVICE OCCUPATIONS	
OCCUPANCY		1	ECI		
DIRECT CARE CONSULTANT/TEMPORARY HELP		3	CPI - TEST		
DIRECT CARE CONSULTANT/TEMPORARY HELP	56.14%	3	TEST	SERVICE OCCUPATIONS	168.42%
CLIENTS & CAREGIVERS REIM.		5	TEST		
CLIENTS & CAREGIVERS REIM.	27.15%	1	ECI	SERVICE OCCUPATIONS	27.15%
SUBCONTRACTED DIRECT CARE			TEST		
STAFF TRAINING			ECI		
STAFF TRAINING	22.46%	1	TEST	BOSTON	22.46%
STAFF MILEAGE / TRAVEL			ECI		
MEALS					
MEALS	0.62%	1.2		BOSTON	0.74%
CLIENT TRANSPORTATION			ECI		
INCID. MEDICAL/MEDICINE/PHAR.				SERVICE OCCUPATIONS	
CLIENT PERSONAL ALLOWANCES		9.999	CPI - TEST	BOSTON	
PROVISION MAT.GOODS /SVS/BEN		5	CPI - TEST	SERVICE OCCUPATIONS	
DIRECT CLIENT WAGES				BOSTON	
OTHER COMM. PROD/SVS		4	ECI	SERVICE OCCUPATIONS	
PROG. SUPPLIES / MATERIALS		2	CPI - TEST	BOSTON	
OTHER EXPENSE		3	ECI	SERVICE OCCUPATIONS	
TOTAL DIRECT ADMIN EXP. (PROG.)		4	TEST	SERVICE OCCUPATIONS	
ADMINISTRATION		5	ECI	BOSTON	
TOTAL	100%				257.01%

Test