#### **1. INCORRECT REDUCTION CLAIM TITLE**

ANIMAL ADOPTION PROGRAM

#### 2. CLAIMANT INFORMATION

City of Los Angeles

Name of Local Agency or School District

Ana Mae Yutan

Claimant Contact

Analyst

Title

150 N Los Angeles Street

Street Address

Los Angeles, CA 90012

City, State, Zip

(213) 978-7682

Telephone Number

(213) 978-7602

Fax Number

AnaMae.Yutan@lacity.org

E-Mail Address

# 3. CLAIMANT REPRESENTATIVE INFORMATION

Claimant designates the following person to act as its sole representative in this incorrect reduction claim. All correspondence and communications regarding this claim shall be forwarded to this representative. Any change in representation must be authorized by the claimant in writing, and sent to the Commission on State Mandates.

1/10/10/00/
Guy Burdick
Claimant Representative Name
Consultant
Title
MGT of America, Inc.
Organization
2001 P Street, Suite 200
Street Address
Sacramento, CA 95811
City, State, Zip
916.833.7775
Telephone Number
916.443.1766
Fax Number

gburdick@mgtamer.com

E-Mail Address



# 4. IDENTIFICATION OF STATUTES OR EXECUTIVE ORDERS

Please specify the subject statute or executive order that claimaint alleges is not being fully reimbursed pursuant to the adopted parameters and guidelines.

Civil Code Sections 1834 and 1846; Food and Agriculture Code Sections 31108, 31752, 31752.5, 31753, 32001, and 32003. As Added or Amended by Statutes of 1998, Chapter 752 AND Amended Pursuant to Statutes 2004, Chapter 313 (AB 2224).

#### 5. AMOUNT OF INCORRECT REDUCTION

*Please specify the fiscal year and amount of reduction. More than one fiscal year may be claimed.* 

Fiscal Year see attch Amount of Reduction

# TOTAL: \$5,425,813.00

6. NOTICE OF INTENT TO CONSOLIDATE

*Please check the box below if there is intent to consolidate this claim.* 

☐ Yes, this claim is being filed with the intent to consolidate on behalf of other claimants.

Sections 7 through 11 are attached as follows:

7. Written Detailed Narrative:	pages to
8. Documentary Evidence and Declarations:	Exhibit
9. Claiming Instructions:	Exhibit
10. Final State Audit Report or Other Written Notice	
of Adjustment:	Exhibit
<b>11. Reimbursement Claims:</b>	Exhibit

(Revised June 2007)

## 7. WRITTEN DETAILED NARRATIVE

Under the heading "7. Written Detailed Narrative," please describe the alleged incorrect reduction(s). The narrative shall include a comprehensive description of the reduced or disallowed area(s) of cost(s).

# 8. DOCUMENTARY EVIDENCE AND DECLARATIONS

If the narrative describing the alleged incorrect reduction(s) involves more than discussion of statutes or regulations or legal argument and utilizes assertions or representations of fact, such assertions or representations shall be supported by testimonial or documentary evidence and shall be submitted with the claim under the heading "8. Documentary Evidence and Declarations." All documentary evidence must be authenticated by declarations under penalty of perjury signed by persons who are authorized and competent to do so and be based upon the declarant's personal knowledge or information or belief.

## 9. CLAIMING INSTRUCTIONS

Under the heading "9. Claiming Instructions," please include a copy of the Office of State Controller's claiming instructions that were in effect during the fiscal year(s) of the reimbursement claim(s).

# 10. FINAL STATE AUDIT REPORT OR OTHER WRITTEN NOTICE OF ADJUSTMENT

Under the heading "10. Final State Audit Report or Other Written Notice of Adjustment," please include a copy of the final state audit report, letter, remittance advice, or other written notice of adjustment from the Office of State Controller that explains the reason(s) for the reduction or disallowance.

#### **11. REIMBURSEMENT CLAIMS**

Under the heading "11. Reimbursement Claims," please include a copy of the subject reimbursement claims the claimant submitted to the Office of State Controller.

### 12. CLAIM CERTIFICATION

Read, sign, and date this section and insert at the end of the incorrect reduction claim submission.\*

This claim alleges an incorrect reduction of a reimbursement claim filed with the State Controller's Office pursuant to Government Code section 17561. This incorrect reduction claim is filed pursuant to Government Code section 17551, subdivision (d). I hereby declare, under penalty of perjury under the laws of the State of California, that the information in this incorrect reduction claim submission is true and complete to the best of my own knowledge or information or belief.

ANA MAE YUTAN Print or Type Name of Authorized Local Agency or School District Official FINANCE SPECIALIST IV Print or Type Title

4/7/2014

Signature of Authorized Local Agency or School District Official

Date

\* If the declarant for this Claim Certification is different from the Claimant contact identified in section 2 of the incorrect reduction claim form, please provide the declarant's address, telephone number, fax number, and e-mail address below.

# Section 4: Identification of Statues or Executive Orders

Civil Code Sections 1834 and 1846; Food and Agriculture Code Sections 31108, 31752, 31752.5, 31753, 32001, and 32003. As Added or Amended by Statutes of 1998, Chapter 752 AND Amended Pursuant to Statutes 2004, Chapter 313 (AB 2224) and request of the State Controller's Office.

IRC: City of Los Angeles Animal Adoption Program

1998-99	\$ 445,154.00	
1999-00	\$ 956,087.00	
2000-01	\$ 835,043.00	
2001-02	\$ 1,629,170.00	
2002-03	\$ 112,613.00	
2005-06	\$ 320,351.00	
2006-07	\$ 760,762.00	
2007-08	\$ 366,633.00	
Total:	\$ 5,425,813.00	

# Section 5: Amount of Incorrect Reduction

IRC: City of Los Angeles Animal Adoption Program Section 5: Amount of Incorrect Reduction

City of Los Angeles - Animal Adotpion IRC

Total:	¢	5,425,813.00
2007-08	\$	366,633.00
2006-07	\$	760,762.00
2005-06	\$	320,351.00
2002-03	\$	112,613.00
2001-02	\$	1,629,170.00
2000-01	\$	835,043.00
1999-00	\$	956,087.00
1998-99	\$	445,154.00

City of Los Angeles - Animal Adoption Claims Summary

Claim Yr	Total Claim	Allowable	l	Unallowable	Offset	]
1998-99	\$ 759,353	\$ 314,199	\$	445,154	\$ 445,154	total claim paid
1999-00	\$ 2,081,935	\$ 1,125,848	\$	956,087	\$ 956,087	total claim paid
2000-01	\$ 2,172,046	\$ 1,337,003	\$	835,043	\$ 835,043	total claim paid
2001-02	\$ 2,670,168	\$ 1,040,998	\$	1,629,170		not paid - amended (late)
2002-03	\$ 978,114	\$ 865,501	\$	112,613		not paid
2005-06	\$ 1,463,827	\$ 1,143,476	\$	320,351	\$ 320,351	total claim paid
2006-07	\$ 1,826,701	\$ 1,065,939	\$	760,762	\$ 760,762	total claim paid
2007-08	\$ 1,416,007	\$ 1,049,374	\$	366,633		not paid
	\$ 13,368,151	\$ 7,942,338	\$	5,425,813	\$ 3,317,397	-

# Section 6: Notice of Intent to Consolidate

Not applicable

IRC: City of Los Angeles Animal Adoption Program

# Section 7: Written Detailed Narrative

IRC: City of Los Angeles Animal Adoption Program

# **INCORRECT REDUCTION CLAIM**

Animal Adoption Program CSM 98-TC-11 Chapter 752, Statutes of 1998

Filed on behalf of The City Of Los Angeles

Annual Reimbursement Claims for Fiscal Years:

1998-99 1999-00 2000-01 2001-02 2002-03 2005-06 2006-07 2007-08

# **BACKGROUND**

On April 6, 2011, the State Controller's Office (hereinafter "SCO") issued its final audit report on the City of Los Angeles' (hereinafter "City") claims for costs incurred based on the Animal Adoption program. The SCO audited the costs claimed by the City for the period July 1, 1998, through June 30, 2008, excluding fiscal years 2003-04 and 2004-05. The SCO's findings are based on this Commission's statement of decision adopted on January 25, 2001; the initial set of parameters and guidelines (Ps & Gs) as corrected on March 20, 2002, which apply to the first six fiscal year claims audited (FY 1998-99 through 2005-06); and the January 26, 2006, amended Ps & Gs that were used to audit the last two fiscal years claims (FY 2006-07 and 2007-08).

The City claimed \$13,368,151 (\$13,390,008 less a \$21,857 penalty for filing late claims) for the Animal Adoption program. In its March 29, 2011, response to the draft audit report, the City provided its primary objections to the audit findings. After review of that letter, the SCO made no revisions. The final audit report concluded that \$7,942,338 is allowable and \$5,425,813 is unallowable. The City contends the SCO erred in the calculation of allowable costs and seeks redress from this Commission.

IRC: City of Los Angeles Animal Adoption Program Section 7. Written Detailed Narrative

#### **SCO FINDINGS AT ISSUE**

The SCO's final audit report contained nine findings. The City contends the SCO erred in the following issues: (1) the SCO's retroactive application of the First District Court of Appeal decision in the matter of *Purifoy v. Howell* (2010)183 Cal.App.4th 166 which affects the allowable cost calculations the unallowable care and maintenance costs (Finding 3), the interpretation of the Ps & Gs as they apply to calculating the staffing requirements for shelters open Saturdays (Finding 4) and the use and application of many of the material and supplies associated with the necessary and prompt veterinary care costs (Finding 7). In addition, the City challenges the SCO's interpretation of the use of Proposition F funds on the construction of eligible new facilities and believes that the SCO's placed an unreasonable time limitation on the City regarding the audit and the release of the audit report.

#### ARGUMENT

#### I. Misapplication Of Purifoy v. Howell

#### Finding 3: Overstated Care and Maintenance Costs

<u>SCO Finding</u>: The city claimed \$3,110,161 for care and maintenance costs during the audit period. We determined that \$2,142,278 is allowable and \$967,883 is unallowable. The costs were unallowable because the city incorrectly reported annual expenditures attributed to the care and maintenance function, incorrectly calculated the yearly census of dogs and cats and other animals, and subsequently overstated the claimed costs per animal per day in each fiscal period. In addition, the city incorrectly calculated the number of eligible stray dogs and cats and other animals that died during the increased holding period or were ultimately euthanized. The city also used an incorrect number of reimbursable days for this component. (Emphasis added.)

During the pendency of the SCO audit, a decision came down from the First District Court of Appeal in the matter of *Purifoy v. Howell, supra*. At issue before the court was the definition of a business day for purposes of the animal holding period under the Hayden Bill. This holding period forms the basis for reimbursable activities under the Animal Adoption mandate. This Commission was silent as to the definition of business day. The court held that although the Hayden Bill requires animal shelters to hold animals longer or be open for business on a weekday evening or Saturday, Saturday is not a business day for the purposes of calculating how long to hold an animal before it can be released for adoption or disposal. While the decision, published on March 26, 2010, is likely applicable to all future claims, the SCO in seeking to apply the court's holding to current audits overlooks whether such application is proper. The City argues that it is not. First, the SCO is jumping the gun. *Purifoy* is not a decision of the Commission nor is it a decision to which the Commission was a party. There has been no change to the Commission's Statement of Decision or Ps & Gs in the Animal Adoption mandate nor has there been any proposed amendment to the Ps & Gs or request for a new test claim decision, under the new test claim process. Thus, the effect of this decision on the Ps & Gs has not been addressed by this Commission and until that is the case, the 2002 and 2006 Ps & Gs remain in full force and effect. Moreover, were such a request brought before this Commission and the decision found applicable, the effective date of any change to the Ps & Gs or Statement of Decision would be the filing date of the request which would, in any case, not be retroactive back to 1998 as the SCO is now attempting.

Second, neither this Commission nor the courts would support retroactivity of *Purifoy*. In 1989, the California Supreme Court set forth the rule for retroactive application of judicial decisions in *Newman v. Emerson Radio Corp*. (1989) 48 Cal.3d 973, 978, which states: "The general rule that judicial decisions are given retroactive effect is basic in our legal tradition." The Court explains that the historic rationale for retroactivity lies in "the idea adhered to by Blackstone that "judges do not 'create,' but instead 'find' the law. A decision interpreting the law, therefore, does no more than declare what the law had always been."

This rule, however, has exceptions which favor prospective application and which reflect considerations of "fairness", "public policy" (*Newman v. Emerson Radio Corp.* (1989) 48 Cal.3d 973, 983-984.), and "hardship" (*Moradi-Shalal v. Fireman's Fund Ins. Companies* (1988) 46 Cal.3d 287, 305.) to the parties. As the Court defined a few years later:

Several factors are relevant in determining whether an exception to the general rule of retroactivity is warranted, including: "the reasonableness of the parties' reliance on the former rule, the nature of the change as substantive or procedural, retroactivity's effect on the administration of justice, and the purposes to be served by the new rule. [Citations.]" (*Camper v. Workers' Comp. Appeals Bd.* (1992) 3 Cal.4th 679, 688 [12 Cal.Rptr. 101].)<sup>1</sup>

The SCO appears to have relied upon the general rule that *Purifoy* should be applied retroactively to the audit. The City argues it falls within the stated exceptions.

<u>The parties' reliance on the old rule was reasonable</u>: The purpose of the Hayden Bill was, in part, to ensure that shelters were open for business outside of normal working hours to allow owners to retrieve their pets. To that end, the Bill required shelters to remain open either later on a weekday or on Saturday. Thus as the shelter was open to

<sup>&</sup>lt;sup>1</sup> See also, *Gentis v. Safeguard Business Systems, Inc.* (1998) 60 Cal.App.4th 1294, *Rose v. Hudson* (2007) 153 Cal.App.4th 641.

transact business, it was reasonable to assume Saturday was a business day. Local governments filed claims for reimbursement based upon this reliance. This Commission saw no issue with the term "business day", the trial court found Saturday was a business day and SCO had presumed as much when beginning its audits. Moreover, trying to recreate what would have happened years ago if the current law had been in existence during the time the claim was filed will cause undue hardship on claimants who relied upon the old rule for calculating the date upon which an animal could be euthanized. Reliance on the old rule and the unforeseeability of change support prospective application.

<u>The change is procedural</u>: This new rule changes the manner in which shelters will do business by altering holding periods. Generally, substantive changes are applied retroactively while procedural changes are applied prospectively. This is due in part because procedural changes can determine the rights of the parties, especially in setting a statute of limitations. (*Camper v. Workers' Comp. Appeals Bd., supra,* at p. 689.)<sup>2</sup> Although the change is substantive on its face, in this case, the retroactive application of the law will affect the rights of claimants as reimbursement can only be had for those animals euthanized after the holding period. Extending the holding period years later means that reimbursement will be unavailable to claimants complying with the law as it was understood at the time. Ensuring recovery to claimants in procedural compliance with a mandate program supports prospective application.

<u>Retroactive application will produce unjust results</u>: Judicial decisions are routinely applied retroactively so as to resolve pending cases where the parties are similarly situated and all unfiled cases. In this instance, however, the decision is being applied retroactively to audits of claims which may date back over a decade. The new rule will not be dispositive as to all claimants and will ensure unequal application of the rule to only those who are being audited. The administration of justice in a consistent manner supports prospective application.

<u>The new rule will extend holding periods</u>: The purpose of the new rule set forth in *Purifoy* is to clarify statutory provisions to ensure that the spirit of the Hayden Bill, adequate time for owner retrieval of pets, is promoted. This objective is not compromised by prospective application of the new rule. (*Woods v. Young* (1991) 53 Cal.3d 315, 331.) The retroactive application will not increase the holding period for animals long ago retrieved.

Although the general rule is a judicial decision is given retroactive effect, the weighing of relevant factors balances in favor of an exception to the general rule and supports a prospective application of the *Purifoy* decision.

<sup>&</sup>lt;sup>2</sup> See also, *Woods v. Young* (1991) 53 Cal.3d 315.

IRC: City of Los Angeles Animal Adoption Program Section 7. Written Detailed Narrative

Were the above-stated analysis not enough to support the City's position, the Legislature has concurred through the enactment of AB 222<sup>3</sup> which, *inter alia*, provided the following addition to Food and Agriculture Code section 31108:

(d) As used in this division, a "business day" includes any day that a public or private shelter is open to the public for at least four hours, excluding state holidays.

The analysis for the Senate Agriculture Committee<sup>4</sup> explained the reason for the statutory change as follows:

According to the author's office, AB 222 clarifies the definition of "business day" when determining how long a shelter holds a dog or cat. A recent court decision on Veena Purifoy, et. al., v. Glenn Howell, et. al., by the First Appellate District, Court of Appeals stated that Saturday is not a "business day" when determining the holding periods. Defining a business day as any day the shelter is open for at least four hours provides clarity to shelters and the public on shelter holding periods of dogs and cats.

The City submits that the above-stated argument provides sufficient reason for the Commission to reverse the SCO as to the retroactive application of the *Purifoy* case to the instant audit and reimburse any and all attendant costs.

# **II.** Misinterpretation Of The Parameters And Guidelines

The City challenges the SCO's interpretation of the Ps & Gs in Finding 4 and 7. The provisions at issue are contained in original March 20, 2002, Ps & Gs which govern the reimbursement of costs for the period from January 1, 1998, to June 30, 2005. The amended Ps & Gs are not at issue here.

# Finding 4: Overstated Holding Period Costs

SCO Finding: The city claimed \$3,886,965 for increased holding period costs for the audit period. We determined that \$1,841,233 is allowable and \$2,045,732 is unallowable. The unallowable costs occurred because the city overstated allowable hours and the number of allowable positions (\$2,172,695) and understated productive hourly rates (\$126,963).

The City objects to the SCO's determination that when the shelter is open to the public on Saturdays, only a portion of its staff time and costs are reimbursable. The City contends that the Animal Adoption mandate requires the local agency to be open on Saturdays for

<sup>&</sup>lt;sup>3</sup> Stats. 2011, ch. 97. <sup>4</sup> See attached.

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normal business operations that are reasonably required by the Hayden Bill which is not limited to the redemption of animals.

In arguing that the City should not be reimbursed for all the staff present on Saturday, the SCO places too much emphasis on the choice of wording in the Ps & Gs concluding that the costs for only those staff members involved with making animals available for redemption should be reimbursable. The SCO mistakes the term "making the animal available for owner redemption" as a limitation on reimbursement rather than as a mere explanation for why the shelter is open for extended hours. Moreover, Food and Agriculture Code sections 31108, 31752 and 31753 set forth the requirement that the shelter be open on a weekday evening or a Saturday without any direction as to how that is to be accomplished. Finally, this Commission in its Statement of Decision left the implementation of this up the shelters. The City should be allowed to staff its shelter as it sees fit to accomplish the goals set forth in statute. If the state wishes to set limits, it should do so not through the SCO but through the Legislature.

#### Finding 7: Overstated Necessary and Prompt Veterinary Care Costs

<u>SCO Finding</u>: The city claimed \$2,193,011 under the cost component of Necessary and Prompt Veterinary Care during the audit period. We determined that \$365,168 is allowable and \$1,827,843 is unallowable. The costs were unallowable because the city claimed estimated materials and supplies costs (\$488,137), claimed unsupported materials and supplies costs (\$608,849), claimed misstated and unallowable hours (\$732,515), and understated productive hourly rates (\$1,658).

The City challenges the SCO's disallowance of some of the costs associated with Necessary and Prompt Veterinary Care in Finding 7. The provisions at issue are contained in original March 20, 2002, Ps & Gs which govern the reimbursement of costs for the period from January 1, 1998, to June 30, 2005. The amended Ps & Gs are not at issue here.

The City objects to the SCO's determination that it did not submit the proper documentation to support the Necessary and Prompt Veterinary Care material and supply cost. During the audit, the SCO requested additional documentation for medical costs incurred and the City submitted expenses within expenditure account 3190 medical supplies (\$2,086,819).

### **III.** Misinterpretation Of The Use Of Proposition F Funds

#### Issue 1: Proposition F and the Construction of New Facilities

<u>SCO Issue</u>: The city provided background information on this project for our review. After reviewing the information provided, we determined that the terms of Proposition F required that the city's taxpayers would fund the construction projects through additional levies made to their property taxes. The city's taxpayers have been and are still currently assessed property taxes in amounts specifically for the purpose of retiring the Proposition F bonds. Therefore, the city's taxpayers are funding both the entire bond principal and interest amounts. Accordingly, we determined that this non-discretionary revenue source was used to build the city's animal shelters and none of the city's discretionary general fund moneys were involved.

While the city performed the required analysis to determine that additional shelter space was needed to provide additional capacity in order to comply with the provisions of the Hayden Bill, restricted resources funded the construction costs for the additional capacity, not the city's general fund. Therefore, the city did not incur any increased costs to construct/remodel its animal shelters under Government Code section 17514.

The SCO's reliance on Government Code section 17514 is misplaced. The section states:

"Costs mandated by the state" means any increased costs which a local agency or school district is required to incur after July 1, 1980, as a result of any statute enacted on or after January 1, 1975, or any executive order implementing any statute enacted on or after January 1, 1975, which mandates a new program or higher level of service of an existing program within the meaning of Section 6 of Article XIII B of the California Constitution.

There is nothing in the statute that would raise any issue as to whether the costs mandated by the state were paid out of the general fund or any other funds.

The SCO is likely relying on the language of *Redevelopment Agency of the City of San Marcos v. Commission on State Mandates* (1997) 55 Cal.App.4<sup>th</sup> 976 in which the court, after much analysis, held:

[W]e conclude the same policies which support exempting tax increment revenues from article XIII B appropriations limits also support denying reimbursement under section 6 for this particular allocation of those revenues to the Housing Fund. Tax increment financing is not within the scope of article XIII B. (Brown v. Community Redevelopment Agency, supra, 168 Cal.App.3d at pp. 1016-1020.) Section 6 "requires subvention only when the costs in question can be recovered solely from tax revenues." (County of Fresno v. State of California, supra, 53 Cal.3d at p. 487, original italics.) No state duty of subvention is triggered where the local agency is not required to expend its proceeds of taxes.

(*Id.* at p. 987.) And while this case, at first blush, appears to support the contentions of the SCO, it is limited in its application.

At issue before the court was whether the Low and Moderate Income Housing Fund program, which required a deposit of the tax increment financing for improving the supply of affordable housing, is a state mandate, that is, as the court partially framed the question (after a discussion on the tax and spend capabilities of redevelopment agencies): are the costs incurred as a result of the state mandate paid from general fund monies? The Animal Adoption program, however, has already been found to be a state mandate. So the issue before this Commission is whether <u>all</u> costs associated with a state mandated program must be paid solely from the general fund. The City argues the answer is, and must be, no.

The Hayden Bill, requiring an extended holding period for shelter animals, forced local government to expand its shelter capacities. The state provide no funding for such expansion and the City, along with other agencies, was required to come up with the funding by the best means available. For funding to cover the sizable expense of construction, the City had a bonding measure placed on the ballot. The City was free to use its general fund for construction; but nothing in the Constitution, statutes or case law says that any local government must exhaust all its general fund monies before seeking funding elsewhere. Moreover, the state legislature passed the unfunded mandate and the state should not be able to shirk its responsibility to reimburse the City simply because the City in its management of its financial obligations chose to have a bond initiative rather than empty its general fund.

# IV. Unreasonable Time Limitation

The City maintains that it was denied necessary time to comply with the requirements of the audit due to the SCO's placing the audit on hold for staffing changes for nine months which left the City having to assemble documentation for a huge operation with less time than was provided by law

The audit began with an entrance conference held on April 28, 2009. The City staff worked closely with the SCO's auditing staff for a period of 7 months providing the requested documents and spending over 200 hours of City staff time. In November 2009, work on the audit was temporarily discontinued by the SCO when their Audit Manager IRC: City of Los Angeles Animal Adoption Program Section 7. Written Detailed Narrative

overseeing the project transferred to another unit within the SCO. The audit was then transferred to another Audit Manager and Auditor-In-Charge.

On July 19, 2010 a second entrance conference was held and the auditing staff resumed their fieldwork. This was a delay of 9 months stemming from the SCO auditor transition. The auditor requested documentation that required a significant amount of City resources in order to locate the information requested. The City provided an additional 250 hours of staff time to address these requests. Due to the size of the City's Animal Services Department, there were millions of line items to go through in order to locate some of the requested information that dated back as far as 12 years.

Adding to the frustration, some of the invoices had been destroyed as they exceeded the time limitation for record retention under the law.<sup>5</sup> The current statute that dictates how long a City must keep their records for mandated claims submitted goes directly against the record retention policies of the City. The City cannot be expected to have to hold on to records from 1998 for an indeterminate amount of time and be forced to retain all detailed expenditures records. Such a record retention requirement would cause a burden that is both inefficient and unnecessary.

While the auditors did make several requests for the same information from the end of July through November, it would not have made any difference in the City's staffing resources that it could lend to review the amount of documents requested for a department the size of the City's Animal Services. The City had already spent over 450 staff hours in total towards this audit during a time when the City was undergoing significant staffing reductions and furloughs. It could not assign any additional resources without having a disruption in the services they provide. The administration of animal care and control services depends on efficiency and any inefficiency of any type leads to fewer adoptions, less revenue, less policing, and more euthanasia.

On January 12, 2011, the SCO held an exit conference with the representatives of the Animal Services Department and addressed each audit finding. During this exit conference, the SCO stated that it would be issuing the final audit report in early April. The Department acted in good faith to comply with all audit material requests. A short time after the exit meeting, the City lost Linda Barth, the Department's Assistant General Manager, who was the main contact person for the audit causing a further setback in the City's attempt to provide the remaining information requested.

The SCO issued their draft report on March 10, 2011. The City requested an additional 30 day extension to submit additional material and was granted only two days so that the State could file their audit report within the two year statute of limitations. The final audit report was issues on April 6, 2011.

<sup>&</sup>lt;sup>5</sup> Government Code section 34090 [requiring a retention period of two years].

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The City maintains that had the audit not been placed on hold for 9 months, it would have had enough time to address all of the auditor's requests for additional information which would have resulted in fewer disallowances.

#### **CONCLUSION**

Based on the arguments presented above, the City requests that the Commission reverse the SCO's retroactive application of case law; correct the misinterpretation of the Ps & Gs in Findings 4, and 7; direct the SCO to recalculate the eligible costs; and award the City the corrected claim amount. In addition, the City requests that the Commission consider the arguments regarding the use of Proposition F funds and allow the City to file for all eligible reimbursable constructions costs retroactively. IRC: City of Los Angeles Animal Adoption Program Section 8. Declarations **RECEIVED** May 19, 2014 **Commission on State Mandates** 

Declaration of Ross Pool In Support of City of Los Angeles

I, Ross Pool, declare as follows:

- I am employed by the City of Los Angeles and hold the position of Commission Secretary/Management Analyst II. I have worked for the City since September 10, 2001. I have personal knowledge of the facts herein and if called upon to testify, I could do so to the best of my knowledge.
- 2. The audit began on April 28, 2009, and for seven months the staff worked diligently on providing whatever the SCO required as part of the audit process. We calculated spending over 200 hours during this time.
- In November 2009, the SCO stopped the audit for staff changes. I was told that their Audit Manager who had been working with the City had been transferred and another Audit Manager and Auditor-In-Charge had to take over.
- 4. The audit did not resume until July 19, 2010, when a second entrance conference was held and the staff began work again. Some of the documents requested were new and some were the same as had been requested before. An additional 250 hours of staff time was spent on the requests for information. Staff had to review thousand of documents, some dating back twelve years, to locate requested information. Even then, we were not able to locate everything as some documents had been destroyed because of document retention policies.
- 5. We were doing the best we could to provide the information for the audit but it was difficult. The City was undergoing significant staffing reductions and furloughs. The City lost Linda Barth, the Department's Assistant General Manager, who was our

1

main contact person for the audit. We couldn't assign any additional resources without having a disruption in the services.

- On January 12, 2011, we met with the SCO for an exit conference. I was told that SCO would be issuing the final audit report in early April.
- 7. The SCO issued their draft report on March 10, 2011. We requested a 30 day extension to submit additional material. But, we were only granted two days because the SCO was running up on their two year statute of limitations.

I declare under penalty of perjury under the laws of the State of California that the information in this declaration is true and complete to the best of my own knowledge or information or belief.

Executed this 19th day of May 2014, at Los Angeles, California.

20 od

Ross Pool, Declarant

# GENERAL CLAIMING INSTRUCTIONS

1. Introduction

The law in the State of California provides for the reimbursement of costs incurred by local agencies and school districts for costs mandated by the State. Costs mandated by the State means any increased costs which a local agency or school district is required to incur after July 1, 1980, as a result of any statute enacted after January 1, 1975, or any executive order implementing such statute which mandates a new program or higher level of service in an existing program.

An estimated claim show the cost to be incurred in the current fiscal year and a reimbursement claim details the cost actually incurred in the prior fiscal year. Both claim types are filed with the State Controller's Office (SCO). Annual claims of on-going programs must be filed by January 15. Claims for new programs must be filed within 120 days from the date on which claiming instructions are issued by the SCO for the program. A penalty is assessed for late claims. The SCO may audit the records of any local agency or school district to verify the actual amount of mandated costs and may reduce any claim, which is excessive or unreasonable.

When a program has been reimbursed for three or more fiscal years, the Commission on State Mandates (COSM) may approve the program for inclusion in the State Mandates Apportionment System (SMAS). For programs included in SMAS, the SCO determines the amount of each claimant's entitlement based on an average of three consecutive fiscal years of actual costs adjusted by any change in the implicit price deflator. Claimants with an established entitlement receive an annual apportionment adjusted by any change in the price deflator and, under certain circumstances, by any change in workload. Claimants receiving an annual apportionment do not file further claims for the program.

The SCO is authorized to make payments for costs of mandated programs from amounts appropriated in the state budget act, in the state mandates claims fund, or in special legislation. In the event the appropriation is insufficient to pay claims in full, claimants will receive prorated payments in proportion to the dollar amount of approved claims for the program. Balances of prorated payments will be made when supplementary funds are made available.

# 2. Types of Claims

There are three types of claims: Reimbursement, estimated, and entitlement. A claimant may file a reimbursement claim for actual mandated costs incurred in the prior fiscal year or may file an estimated claim for mandated costs to be incurred during the current fiscal year. An entitlement claim may be filed for the purposes of establishing a base year entitlement amount for mandated programs included in SMAS. A claimant who has established a base year entitlement for a program would receive automatic annual payments which is reflective of the current cost for the program.

All claims received by the SCO will be reviewed to verify actual costs. An adjustment of the claim will be made if the amount claimed is determined to be excessive, improper or unreasonable. The claim must be filed with sufficient documentation to support the costs claimed. The types of documentation required to substantiate a claim are identified in the instructions for the program. The certification of claim, form FAM-27, must be signed and dated by the entity's authorized officer in order for the SCO to make payment on the claim.

### A. Reimbursement Claim

A reimbursement claim is defined in GC § 17522 as any claim filed with the SCO by a local agency for reimbursement of costs incurred for which an appropriation is made for the purpose of paying the claim. The claim must include supporting documentation to substantiate the costs claimed.

Initial reimbursement claims are first-time claims for reimbursement of costs for one or more prior fiscal years of a program that was previously unfunded. Claims are due 120 days from the date of issuance of the claiming instructions for the program by the SCO. The first statute that appropriates funds for the mandated program will specify the fiscal years for which costs are eligible for reimbursement.

Annual reimbursement claims must be filed by January 15 following the fiscal year in which costs were incurred for the program. A reimbursement claim must detail the costs actually incurred in the prior fiscal year.

Prior to January 1, 1990, if a claimant submitted an otherwise valid reimbursement claim after the filing deadline, the Controller was required to pay the claim in an amount equal to eighty percent (80%) of the amount that would have been paid had the claim been timely filed. Any reimbursement claim submitted more than one year after the deadline could not be paid. After January 1, 1990, the late penalty was changed by Chapter 589, Statutes of 1989. If a claim is filed after the deadline, the claim must be reduced by an amount of 10% of the approved costs, but not to exceed \$1,000. If a claim was filed more than one year after the filing deadline, the claim could not be paid.

As added by Chapter 643/99, on October 10, 1999, all initial claims for all fiscal years required to be filed on their initial filing date for a state-mandated local program shall be considered as one claim for the purpose of computing any late claim penalty.

#### B. Estimated Claim

An estimated claim is defined in GC § 17522 as any claim filed with the SCO, during the fiscal year in which the mandated costs are to be incurred by the local agency, against an appropriation made to the SCO for the purpose of paying those costs.

An estimated claim may be filed in conjunction with an initial reimbursement claim, annual reimbursement claim, or at other times for estimated costs to be incurred during the current fiscal year. Annual estimated claims are due January 15 of the fiscal year in which the costs are to be incurred. Initial estimated claims are due on the date specified in the claiming instructions. Timely filed estimated claims are paid before those filed after the deadline.

After receiving payment for an estimated claim, the claimant must file a reimbursement claim by January 15 following the fiscal year in which costs were incurred. If the claimant fails to file a reimbursement claim, monies received for the estimated claims must be returned to the State.

### C. Entitlement Claim

An entitlement claim is defined in GC § 17522 as any claim filed by a local agency with the SCO for the sole purpose of establishing or adjusting a base year entitlement for a mandated program that has been included in SMAS. An entitlement claim should not contain nonrecurring or initial start-up costs. There is no statutory deadline for the filing of entitlement claims. However, entitlement claims and supporting documents should

be filed by January 15 to permit an orderly processing of claims. When the claims are approved and a base year entitlement amount is determined, the claimant will receive an apportionment reflective of the program's current year costs.

#### 3. Minimum Costs for Claims

GC § 17564 provides that no claim shall be filed pursuant to GC §§ 17551 and 17561, unless such a claim exceeds two hundred dollars (\$200), provided that a county superintendent of schools or county may submit a combined claim on behalf of school districts, direct service districts, or special districts within their county if the combined claim exceeds \$200, even if the individual school district's, direct service district's, or special district's claims do not each exceed \$200. The county superintendent of schools or the county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each school, direct service, or special district. These combined claims may be filed only when the county superintendent of schools or the individual claim costs for each eligible district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a school district, direct service district, or special district provides to the county superintendent of schools or county and to the SCO, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim.

### 4. Filing Deadline for Claims

Initial reimbursement claims (first-time claims) for reimbursement of costs of a previously unfunded mandated program must be filed within 120 days from the date of issuance of the program's claiming instructions by the SCO. If the claim is filed after the deadline, but within one year of the deadline, the approved claim must be reduced by a 10% penalty, but not to exceed \$1,000. A claim filed more than one year after the deadline cannot be accepted for reimbursement.

Annual reimbursement claims for costs incurred during the previous fiscal year and estimated claims for costs to be incurred during the current fiscal year must be **filed with the SCO and postmarked on or before January 15**. Claims must include supporting data to show how the amount claimed was derived. Without this information, the claim cannot be accepted. If a reimbursement claim is filed after the deadline, the approved claim will be reduced by 10%, but not to exceed \$1,000. If a claim is filed more than one year after the deadline, the claim will not be accepted.

As added by Chapter 643/99, on October 10, 1999, all initial claims for all fiscal years required to be filed on their initial filing date for a state-mandated local program shall be considered as one claim for the purpose of computing any late claim penalty.

Entitlement claims do not have a filing deadline. However, entitlement claims and supports documents should be filed by January 15 to permit an orderly processing of claims. Entitlement does not result in the claimant being reimbursed for costs incurred, but rather entitles the claimant to receive automatic payments from SMAS.

Claims should be rounded to the nearest dollar. Submit a signed, original form FAM-27, Claim for Payment, and all other forms and supporting documents (no copies necessary). Use the following mailing addresses:

If delivered by U.S. Postal Service:

Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting P.O. Box 942850 Sacramento, CA 94250 If delivered by Other delivery services:

Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting 3301 C Street, Suite 500 Sacramento, CA 95816

#### 5. Payment of Claims

In order for the SCO to authorize payment for a claim, the Certification of Claim, form FAM-27, must be properly filled out, signed and dated by the entity's authorized representative.

Reimbursement and estimated claims are paid within 60 days of the filing deadline for the claim. A claim is entitled to receive accrued interest at the pooled money investment account rate if the payment was made more than 60 days after the claim filing deadline or the actual date of claim receipt, whichever is later. For an initial claim, interest begins to accrue when the payment is made more than 365 days after the adoption of the program's statewide cost estimate. The SCO may withhold up to 20 percent of the amount of an initial claim until the claim is audited to verify the actual amount of the mandated costs. The 20 percent withhold is not subject to accrued interest.

In the event the amount appropriated by the Legislature is insufficient to pay in full all claims approved for the program, the claimant will receive a prorated payment in proportion to the amount of approved claims timely filed and on hand at the time of proration.

The SCO reports the amounts of insufficient appropriation to the State Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each house of the Legislature which considers appropriations in order to assure appropriation of these funds in the budget act. If these funds cannot be appropriated on a timely basis in the budget act, this information is transmitted to the COSM which will include these amounts in its report to assure that an appropriation sufficient to pay the claims is included in the next local government claims bill or other appropriation bills. When the supplementary funds are made available, the balances of prorata will be paid.

#### 6. State Mandates Apportionment System (SMAS)

Chapter 1534, Statutes of 1985, established SMAS, a method of paying certain mandated programs as apportionments. This method is utilized whenever a program has been approved for inclusion in SMAS by the COSM.

When a mandated program has been included in SMAS, the SCO will determine a base year entitlement amount for each county that has submitted reimbursement claims for three consecutive fiscal years. A base year entitlement amount is determined by averaging the approved reimbursement claims (actual costs) for 1982-83, 1983-84, and 1984-85 years or any three consecutive fiscal years thereafter. The amounts are first adjusted by any change in the implicit deflator. The implicit deflator is applied separately to each year's costs for the three years that comprise the base period. The base period means the three fiscal years immediately succeeding the COSM's approval.

Each county with an established base year entitlement for the program will receive automatic annual payments from the SCO reflective of the program's costs. The amount of apportionment is adjusted annually for any change in the implicit deflator. If the mandated program was included in SMAS after January 1, 1988, the annual apportionments are adjusted for any change in both the implicit deflator and workload.

"Workload" means for cities and counties, change in population within their boundary; for special districts, changes in population of the county in which the largest percentage of the district's population is located.

In the event a county has incurred costs for three consecutive fiscal years but did not file a reimbursement claim in one or more of those fiscal years, the county may file an entitlement claim for each of those missed years to establish a base year entitlement. An "entitlement claim" means any claim filed by a county with the SCO for the sole purpose of establishing a base year entitlement. A base year entitlement shall not include any nonrecurring or initial start-up costs.

Initial apportionments are made on an individual program basis. After the initial year apportionments (programs combined) are made by November 30. The amount to be apportioned is the base year entitlement adjusted by annual changes in the implicit price deflator for costs of goods and services to governmental agencies as determined by the State Department of Finance.

In the event the county determines that the amount of apportionment does not accurately reflect costs incurred to comply with a mandate, the process of adjusting an established base year entitlement upon which the apportionment is based is set forth in section 17615.8 of the Government Code and requires the approval of the COSM.

The following programs are placed in SMAS:

Program Name	Chapter/Statute Program Nu	mber
Coroners	Ch. 498/77	88
Developmentally Disabled Adults:	Ch. 1304/80	67
Conservatorship		
Mentally Retarded Defendants: Diversion	Ch. 1253/80	66
Senior Citizens Property Tax Postponement	Ch. 1242/77	18

Listed are state mandated local programs and counties that are entitled to receive automatic apportionments in those fiscal years in which the program is funded.

Counties of:	Ch. 498/77 Coroners	Ch. 1242/77 Senior Citizens Property Tax Postponement	Ch. 1253/80 Mentally Retarded Defendants: Diversion	Ch. 1304/80 Developmentally Disabled Adults: Conservatorship
Alameda		Х	Х	Х
Butte		Х	Х	Х
Calaveras		Х	Х	Х
Contra Costa		Х	Х	Х
El Dorado		Х	Х	Х
Fresno		Х	х	Х
Humboldt		Х	х	х
Kern		Х	х	Х
Lake		Х	х	Х
Los Angeles	Х	Х	х	Х
Marin		Х	х	Х
Mendocino		Х	Х	Х
Monterey		Х	Х	Х
Napa	Х	Х	х	Х
Nevada		Х	х	Х
Orange	Х	Х	Х	Х
Placer		Х	х	Х
Plumas		Х	Х	Х
Riverside		Х	х	Х
Sacramento		Х	Х	Х
San Bernardino	Х	Х	х	Х
San Diego		Х	Х	Х
San Francisco		Х	х	Х
San Joaquin	Х	Х		
San Luis Obispo	Х	Х	х	Х
San Mateo		Х	х	Х
Santa Barbara		Х	Х	Х
Santa Clara	Х	Х	х	х
Santa Cruz		х	х	х
Shasta		Х	х	х
Solano		Х	х	Х
Sonoma	Х	Х	х	Х
Stanislaus		Х	х	Х
Tulare	Х	Х	х	Х
Tuolumne		Х		
Ventura	Х	Х	х	Х
Yolo		Х	х	Х
Yuba		Х		

#### 7. Direct Costs

# A. Direct Labor - Determine a Productive Hourly Rate

A productive hourly rate may be computed for each job title whose labor is directly related to the claimed reimbursable cost. A local agency has the option of using any of the following:

- Actual annual productive hours for each job title,
- The local agency's average annual productive hours or, for simplicity,
- An annual average of 1,800 \* hours to compute the productive hourly rate.

If actual annual productive hours are chosen, show the factors affecting total hours worked.

The following method is used to convert a biweekly salary to an equivalent productive hourly rate for a 40 hours week.

(Biweekly Salary x 26) / 1,800 \* = Equivalent Productive Hourly Rate

If, for example, the salary for a particular job title was \$935.00 biweekly, the equivalent productive hourly rate would be:

(\$935 x 26) / 1,800 \* = \$13.51 Equivalent Productive Hourly Rate

The same methodology may be used to convert weekly, monthly or other salary periods:

- Convert the salary to an annual rate.
- Divide by the allowable annual productive hours for that position.

\* 1,800 annual productive hours include:

- Paid holidays
- Vacation earned
- Sick leave taken
- Informal time off
- Jury duty
- Military leave taken.

#### **B.** Calculating an Average Productive Hourly Rate

In those instances where the claiming instructions suggest that a unit cost be developed for use as a basis of claiming costs mandated by the State, the direct labor component of the unit cost should be expressed as an average productive hourly rate and can be determined as follows:

	Average <u>Time</u>	Productive Hourly Rate	Total Cost by Employee
Employee A	1.25 hrs	\$6.00	\$7.50
Employee B	0.75 hrs	4.50	3.38
Employee C	3.50 hrs	10.00	35.00
Total	5.50 hrs		\$45.88

# Example: Average Productive Hourly Rate Computation

Average Productive Hourly Rate is \$45.88/5.50 hrs. = \$8.34

# C. Employer's Fringe Benefits Contribution

A local agency has the option of claiming actual employer's fringe benefit contributions or may compute an average fringe benefit cost for the employee's job classification and claim it as a percentage of direct labor. The same time base should be used for both salary and fringe benefits when computing a percentage. For example, if health and dental insurance payments are made annually, use an annual salary. After the percentage of salary for each fringe benefit is computed, total them. For example:

Employer's Contribution	<u>% of</u> Salary
Retirement	15.00%
Social Security	6.30%
Health and Dental Insurance	5.25%
Worker's Compensation	0.75%
Total	27.3%

# D. Materials and Supplies

Only expenses can be claimed for materials and supplies, which were acquired and consumed specifically for the purpose of a mandated program. The claimant must list the materials and supplies that were used to perform the mandated activity, the number of units consumed, the cost per unit, and the dollar amount claimed as cost. Materials and supplies purchased to perform a particular mandated activity are expected to be reasonable in quality, quantity and cost. Purchases in excess of reasonable quality, quantity and cost are not reimbursable. Materials and supplies withdrawn from inventory and charged to the mandated activity must be based on a recognized method of pricing, consistently applied.

# E. Calculating a Unit Cost for Materials and Supplies

In those instances where the claiming instructions suggest that a unit cost be developed for use as a basis of claiming costs mandated by the State, the materials and supplies component of the unit cost should be expressed as a unit cost of materials and supplies as shown in Table 1 or Table 2:

Table	1
-------	---

Table 2

Supplies	<u>Cost Per Unit</u>	Average Amount of Supplies Used <u>Per</u> <u>Activity</u>	Unit Cost of Supplies <u>Per Activity</u>
Paper	0.02	4	\$0.08
Files	0.10	1	0.10
Envelopes	0.03	2	0.06
Photocopies	0.10	4	0.40
			\$0.64

Supplies	Supplies <u>Used</u>	Unit Cost of Supplies <u>Per Activity</u>
Paper (\$10.00 for 500 sheet ream)	250 Sheets	\$5.00
Files (\$2.50 for box of 25)	10 Folders	1.00
Envelopes (\$3.00 for box of 100)	50 Envelopes	1.50
Photocopies (\$0.05 per copy)	40 Copies	2.00
		\$9.50
If the number of cases is 25, then the ur	nit cost of supplies is \$(	).38 per case.

# F. Contract Services

The cost of contract services is allowable if the local agency lacks the staff resources or necessary expertise, or it is more economically feasible to hire a contractor to perform the mandated activity. The claimant must give the name of the contractor; explain the reason for having to hire a contractor; describe the mandated activities performed; give the dates when the activities were performed, the number of hours spent performing the mandate, and hourly billing rate. The hourly billing rate shall not exceed the rate specified in the claiming instructions for the mandated program. The contractor's statement, which includes an itemized list of costs for activities performed, must accompany the claim.

#### G. Equipment Rental Costs

Equipment purchases and leases (with an option to purchase) are not reimbursable as a direct cost unless specifically allowed by the claiming instructions for the particular mandate. Equipment rentals used solely for the mandate is reimbursable to the extent such costs do not exceed the retail purchase price of the equipment plus a finance charge. The claimant must explain the purpose and use for the equipment, the time period for which the equipment was rented and the cost of the rental.

# H. Capital Outlay

Capital outlays for land, building, equipment, furniture and fixtures may be claimed if the claiming instructions specify them as allowable. If they are allowable, the claiming instructions for the program will specify a basis for the reimbursement.

## I. Travel Expenses

Travel expenses are normally reimbursable in accordance with travel rules and regulations of the local jurisdiction. For some programs, however, the claiming instructions may specify certain limitations on expenses, or that expenses can only be reimbursed in accordance with the State Board of Control travel standards. When claiming travel expenses, the claimant must explain the purpose of the trip, identify the name and address of person incurring the expense, the date and time of departure and return for the trip, description of each expense claimed, the cost of transportation, number of private auto mileage traveled, and cost of tolls and parking with receipts required for over \$10.00.

#### J. Documentation

It is the responsibility of the claimant to make available to the SCO, upon request, documentation in the form of general and subsidiary ledgers, purchase orders, invoices, contracts, canceled warrants, equipment usage records, land deeds, receipts, employee time sheets, agency travel guidelines, inventory records, and other relevant documents to support claimed costs. The type of documentation necessary for each claim may differ with the type of mandate.

#### 8. Indirect Costs

GC § 17564(b) provides that claims for indirect costs shall be filed in the manner prescribed by the SCO. Indirect costs (or overhead) are those costs incurred for a common or joint purpose, benefiting more than one program and are not directly assignable to a particular program without efforts disproportionate to the result achieved. Indirect costs may include both (1) the overhead costs for the unit performing the mandate and (2) the costs of central government services distributed through the central service cost allocation plan and not otherwise treated as a direct cost.

Previously, the costs of elected officials were considered "expenses related to general government" and, thus, were unallowable for reimbursement purposes. Recent interpretation has moved in the opposite direction, except for those items of cost, which are unallowable in the cost principles set forth in Office of Management and Budget Circular (OMB) Circular A-87. A cost that is necessary for proper and efficient administration of a program and is identifiable to that program is eligible for consideration as allocable indirect costs. Allocable costs for time spent on programs must be supported by time records.

If indirect costs are claimed, local agencies have the option of using 10% of direct labor as indirect costs or claiming indirect costs through a department's Indirect Cost Rate Proposal (ICRP) for the program prepared in accordance with the provisions of OMB Circular A-87 (Refer to the Appendix-Costs Computation:Indirect Costs). An ICRP must be prepared if the claim for indirect costs is in excess of 10% of direct salaries; the ICRP must be submitted with the claim.

# A. Fixed 10% Rate Method

Indirect costs may be computed as 10% of direct labor costs (excluding fringe benefits) of employees, provided their services are required by a program. The use of the 10% rate may benefit small agencies where few supportive services are provided.

Direct costs are defined as "...those that can readily be identified with a single program or activity." Normally direct costs will include the salaries, benefits, and supplies that can be directly identified with a particular function.

For example, if a county auditor prepares warrants for other county departments, the direct costs of providing the service would include the salary and benefits of the persons in the auditor's office who actually work on the warrants, the cost of the paper on which warrants are written, and the salaries and benefits of a first-line supervisor. Indirect costs of the warrant writing service would include the cost of space, equipment, utilities, maintenance, supervision above first-line and administration of the auditor's office.

Direct Costs Incurred By	On Be	half of
	Welfare	Health
Auditor	Administration	<u>Department</u>
Warrant Writing:		
A. Salary of employee working	\$5,000	\$1,000
B. Benefits of above	800	200
C. Cost of paper	350	100
D. First-line supervision	3,000	500
(salaries)		
E. Indirect cost 10% of A + D	800	150
Total amount charged to benefited departments for warrant writing services	\$9,950	\$1,950
		half of
Direct Costs Incurred By	Welfare	Health
Building & Grounds Department	Administration	Department
Maintenance of Buildings:		
A. Salary of employees	\$1,000	\$500
performing maintenance		
B. Benefits of above	200	100
C. Cleaning supplies	250	150
D. First-line supervision	500	200
(salaries)		
E. Indirect cost 10% of A + D	150	70
Total amount charged to benefited departments for building maintenance services	\$2,100	\$1,020
building maintenance services	ψ2,100	ψ1,020

Any local agency using this method for claiming costs must submit a statement similar to the example above and with supporting data. The cost data required for desk audit purposes are described in the claiming instructions for that mandated program under Salaries and Employee Benefits, Materials and Supplies, Contract Services, Travel Expense, etc.

### B. Indirect Cost Rate Proposal Method

If a local agency elects not to utilize the 10% fixed rate method but wants to claim indirect costs, it must prepare an ICRP for the program. The proposal must follow the provisions of the OMB circular No. A-87, *Cost Principles for Grants to State and Local Governments*. The development of the indirect cost rate proposal requires that the indirect cost pool include only those costs which are incurred for a common or joint purpose that benefit more than one cost objective. The indirect cost pool may only include those costs that can be shown to provide benefits to the program. In addition, total allocable indirect costs may only include costs, which cannot be directly charged to an identifiable cost center (i.e., program).

A method for preparing a departmental indirect cost rate proposal for programs is presented as Exhibit 1. Only this format is acceptable under the SCO reimbursement requirements. If more than one department is involved in the reimbursement program, each department must have their own indirect cost rate for the program.

#### INDIRECT COST RATE PROPOSAL PUBLIC DEFENDER'S OFFICE INVESTIGATION PROGRAM FISCAL YEAR 20\_\_\_20\_\_

					(B)		(C)		(D)			Identifiable P	rogram	Costs
(A) Description of Costs			Total Costs		xcludable nallowable Costs		Allowable Indirect Costs		Allowable Direct Costs			estigation C 987.9		All Others
Salaries & Benefits										_				
Salaries & Wages		\$	1,150,000	\$	50,000 (F)	\$	150,000	\$		(F) 3	\$	100,000	\$	850,000
Overtime Benefits			20,000		0		20,000		0			0		0
Total		\$	230,000	\$	<u>10,000</u> 60,000	\$	<u>30,000</u> 200,000	\$	<u>190,000</u> 1,140,000	_	\$	20,000	\$	170,000
TOLAI		φ	1,400,000	φ	00,000	φ	200,000	φ	1,140,000	_	φ	120,000	<u> </u>	1,020,000
Services & Supplies														
Office Expense		\$	200,000	\$	10,000	\$	20,000	\$	170,000	:	\$	10,000	\$	160,000
Communications			100,000		2,000		10,000		88,000			1,000		87,000
Transportation			120,000		5,000		0		115,000			5,000		110,000
Special Dept Expense (	Contracts)		250,000		0		0		250,000			0		250,000
Other, Pass Through Pr	rogram		800,000		800,000		0		0			0		0
Total		\$	1,470,000	\$	817,000	\$	30,000	\$	623,000	_	\$	16,000	\$	607,000
Capital Expenditures		\$	100,000	\$	100,000									
Total Budgetary Expenditu	res	\$	2,970,000	\$	977,000	\$	230,000	\$	1,763,000	_;	\$	136,000	\$	1,627,000
Dis	tribution Base													
Cost Plan Costs														
Building Use (Ea	ach line item should	\$	50,000	\$	2,000	\$	6,000	\$	42,000	:	\$	2,000	\$	40,000
	reviewed to see if it		30,000		1,000		3,000		26,000			1,000		25,000
Dutur roccooning	nefits the mandate		50,000		5,000		30,000		15,000			0		15,000
Auditor	nsure a fair and		20,000		0		20,000		0			0		0
Personnel equ	uitable distribution.)		10,000		1,000		1,000		8,000			1,000		7,000
Roll Forward			10,000		0		10,000		0			0		0
Total		\$	<u>170,000</u> (E	=)_\$	9,000	\$	70,000	\$	91,000		\$	4,000	\$	87,000
Total Allocable Indirect Cos	sts					\$	300,000 (F	-)						
Distribution of Allocable Inc	direct Costs													
Based on Salaries & Wa				\$	15,000	\$	(300,000)	\$	285,000	_	\$	30,000	\$	255,000
Totals		\$	3,140,000	\$	1,001,000	\$	0	\$	2,139,000	<u>.</u>	\$	170,000	\$	1,969,000

- (1) Notes to Exhibit 1
  - (a) The department's ICRP plan for the distribution of costs to programs must follow the same format as shown on Exhibit 1. Specifically, there must be columns as follows: Description of Costs, Total Cost, Excludable and Unallowable Costs (may be combined or separated), Allowable Indirect Costs, and Allowable Direct Costs (which are further allocated to identifiable programs and other). No other format will be accepted.
  - (b) Excluded costs are all costs that are unallowable and unallocable according to specific guidelines (OMB A-87 and state laws).

Examples:

Contributions and donations: Costs of amusements; social activities and incidental costs relating thereto, such as meals, beverages, lodging, rentals, transportation and gratuities; and pass through revenues to another unit or organization.

- (c) Allocable indirect costs are costs that are not identifiable to a specific program or cost pool and indirectly benefit all cost pools.
- (d) Direct costs are costs that benefit a specific program or cost pool.
- (e) Overhead costs are distributed to the department in the cost allocation plan, which was prepared in accordance with the OMB circular A-87. Use the same year's cost allocation plan for developing the ICRP as the year for which the ICRP is being prepared. Do not include a roll forward adjustment when the program is in its initial year.
- (f) Distribution base for the computation of the indirect cost rate is total salaries and wages.

Total allocable Direct Costs (direct S&W)	\$950,000
Excluded and Unallowable Costs (direct S&W)	50,000
Distribution Base	\$1,000,000

Therefore, the Indirect Cost Rate for Penal Code 987.9 Program is:

 $ICRP = \frac{Allowable Indirect Costs}{Total Salaries and Wages} = \frac{\$300,000}{\$1,000,000} = 30.00\%$ 

#### 9. Offset Against State Mandated Claims

When part or all the costs of a mandated program are specifically reimbursable from nonlocal agency sources (e.g., state, federal, foundation, etc.), only that portion of any increased costs payable from local agency funds is eligible for reimbursement under the provisions of section 17561.

#### A. Example 1

This example shows how the offset against state mandated claims is determined for local agencies receiving block grant revenues not based on a formula allocation. Listed below are six situations, which may occur at a local agency level. For hypothetical program costs of \$100,000: (1) through (4) show intended funding at 100% from non-local agency

A.

sources and (5) through (6) show cost sharing on a 50/50 basis with the local agency. Of the \$100,000 program cost, \$2,500 is the cost of state mandated activity. Offset against state mandated claims is the amount of actual non-local agency funding which exceeds the difference between program costs and state mandated costs. The offset against state mandated claims cannot exceed the amount of state mandated costs. In (4), non-local revenues were fully realized to cover the entire cost of the program, including the state mandate activity; therefore, the offset against state mandated claims is \$2,500. In (1), non-local revenues were less than expected. Non-local agency funding was not in excess of the difference between program costs and state mandated costs. As a result, the offset against state mandated claims is zero and \$2,500 is claimable as mandated costs. In (5), the local agency is sharing 50% of the program cost. Since non-local revenues of \$50,000 were fully realized, the offset against state mandated claims is \$1,250.

Program <u>Costs</u>	Actual Non-Local Agency <u>Funding</u>	State Mandated <u>Costs</u>	Offset Against State Mandated <u>Claims</u>	Claimable Mandated <u>Costs</u>
Block Grants	s (funding not b	ased on a for	mula allocation	i)

1.	\$100,000	\$95,000	\$2,500	\$-0-	\$2,500
2.	100,000	97,000	2,500	-0-	2,500
3.	100,000	98,000	2,500	500	2,000
4.	100,000	100,000	2,500	2,500	-0-
5.	100,000 *	50,000	2,500	1,250	1,250

6. If in (5) the non-local matching share is less than the amount expected, for example \$49,000, the offset against state mandated claims is \$250. Therefore, the claimable mandated costs are \$2,250.

\* Local agency share is \$50,000 of the program costs.

# B. Example 2

This example shows how the offset against state mandated claims is determined for local agencies receiving special project funds based on approved actual costs. Non-local revenues for special projects must be applied proportionately to approved costs. In (2), the entire program cost was approved. Since the non-local agency source covers 75% of the program cost, it also proportionately covered 75% of the \$2,500 state mandated costs, or \$1,875.

	Program <u>Costs</u>	Actual Non-Local Agency <u>Funding</u>	State Mandated <u>Costs</u>	Offset Against State Mandated <u>Claims</u>	Claimable Mandated <u>Costs</u>
В.	Special Project	ts (funding bas	sed on approv	ed actual costs	5)
1.	\$100,000	\$100,000	\$2,500	\$2,500	\$-0-
2.	100,000 **	75,000	2,500	1,875	625

- 3. If in (2) the non-local matching share is less than the amount expected, because only \$60,000 of the program costs were determined to be valid by the contracting agency, then a proportionate share of state mandated costs is likewise reduced to \$1,500. The offset against state mandated claims is \$1,125. Therefore, the claimable mandated costs are \$375.
- \*\* Local agency share is \$25,000 of the program costs.

With respect to local agencies, the offset against state mandated claims for applicable federal and state local assistance programs includes, but is not limited to, the following funding sources:

#### **Federal Programs**

CETA, PL 93-203	Federal-Health – Administration
Federal Aid for Construction	Federal-Public Assistance – Administration
Federal Aid for Disaster	
State	e Programs
State Aid for Agriculture	State-Health – Administration
State Aid for Construction	State-Public Assistance - Administration
State Aid for Corrections	

#### 10. Audit of Costs

All claims submitted to the SCO are reviewed to determine if the costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the claiming instructions. If any adjustments are made to a claim, the claimant will receive a "Notice of Claim Adjustment" within 30 days after payment of the claim. The notice will specify the claim component adjusted, the amounts adjusted, and the reason for the adjustment.

On-site audits will be conducted by the SCO as deemed necessary. Accordingly, documentation to support actual costs claimed must be retained for a period of two years after the end of the calendar year in which the reimbursement claim is filed or last amended.

In those instances where no funds are appropriated for the program for the fiscal year in which the claim is made, the time for the SCO to initiate an audit commences from the date of the initial payment of the claim.

#### 11. Reimbursable State Mandated Cost Programs

Local agencies may file claims with the SCO for the cost of complying with the following state mandated programs. An "x" indicates the agencies that are eligible to file claims for the given program. For your convenience, the programs are listed in alphabetical order by program name.

Program Number	Program Name	Counties	Cities	Special Districts
2	Absentee Ballots	х	х	x
1	AIDS Testing	х		
178	Airport Land Use Commission/Plans	х	х	х
152	Allocation of Property Tax Revenue			
213	Animal Adoption	х	х	х
6	Brendon Maguire Act	х	х	х
13	Child Abduction and Recovery	х		
196	Child Abuse Treatment Services Authorization and Case Management	x		
67	Conservatorship: Developmentally Disabled Adults	x		
88	Coroners	х		
207	County Treasury Oversight Committees	х		
158	Crime Victims' Rights	х		
87	Developmentally Disabled: Attorneys' Services	x		
167	Domestic Violence Arrest Policies and Standards	x	х	
177	Domestic Violence Treatment Services Authorization and Case Management	x	Х	
205	Elder Abuse, Law Enforcement Training	х	х	
204	Extended Commitment, Youth Authority	х		
23	Firefighters' Cancer Presumption	х	х	x
197	Health Benefits for Survivors of Peace Officers and Firefighters	x	Х	x
161	Investment Reports	х	х	x
193	Law Enforcement Sexual Harassment Training	х	х	x
41	Mandate Reimbursement Process	х	х	х
43	Medi-Cal Beneficiary Death Notices	х		
203	Mentally Disordered Offenders' Extended Commitment Proceedings	x		
39	Mentally Disordered Sex Offenders: Extended Commitments	х		
66	Mentally Retarded Defendants: Diversion	х		
138	Misdemeanors: Booking and Fingerprinting	х	х	

Program Number	Program Name	Counties	Cities	Special Districts
200	Not Guilty by Reason of Insanity II	х		
202	Open Meetings Act II	х	х	х
219	Open Meetings Act/Brown Act Reform	х	х	х
122	122 Pacific Beach Safety		х	
118	Peace Officers' Cancer Presumption	х	х	х
187	Peace Officers Procedural Bill of Rights	х	х	х
124	Perinatal Services	х		
83	Permanent Absent Voters	х		
121	Pesticide Use Reports	х		
215	Photographic Record of Evidence	х	х	х
128	Prisoner Parental Rights	х	х	
127	Rape Victim Counseling Center Notices	х	х	
55	Regional Housing Need Determination	х	х	х
73	Search Warrant: AIDS	х	х	
18	Senior Citizens Property Tax Postponement	х		
191	Seriously Emotionally Disturbed Pupils:	х		
	Out of-State Mental Health Services			
111	Services to Handicapped Students	х		
220	Sex Crime Confidentiality	х	х	
217	Sex Offenders: Disclosure by Law	x	х	x
	Enforcement Officers	^	^	^
175	Sexually Violent Predators	х		
110	SIDS: Autopsy Protocols	х		
125	SIDS: Contact By Local Health Officers	х		
180	SIDS Training for Firefighters	X	х	х
120	Stolen Vehicle Notification	х	х	
163	Threats Against Peace Officers	х	х	х
90	Unitary Countywide Tax Rates	х		
181	Very High Fire Hazard Severity Zones	х	х	х

## STATE OF CALIFORNIA TRAVEL EXPENSE GUIDELINES

#### Travel Program Effective January 31, 2002

The travel reimbursement program continues to be subject to the Internal Revenue Service (IRS) requirements for an accountable plan. There are no flat rate reimbursements. All items are to be claimed for the actual amount of expense, up to the maximum allowed. If the provisions below do not require submission of a receipt for a given item of expense, it is the employee's responsibility to retain receipts and other records of the expense and have them available for audit.

Lodging and meals that are provided by the State; included in hotel expenses, conference fees, or transportation costs such as airline tickets; or otherwise provided shall not be claimed for reimbursement.

Employees may be reimbursed for actual expenses for breakfast, lunch, dinner, and incidentals for each 24 hours of travel, as follows:

Breakfast	up to	\$6.00
Lunch	up to	10.00
Dinner	up to	18.00
Incidentals	up to	6.00

Incidental expenses include, but are not limited to, expenses for laundering and pressing of clothing and tips for services such as porters and baggage handlers. Incidentals do not include taxicab fares, lodging taxes, or the cost of telegrams or telephone calls.

#### Lodging

All lodging reimbursements require a receipt from a commercial lodging establishment such as a hotel, motel, bed and breakfast inn, or campground that caters to the general public. No lodging will be reimbursed without a valid receipt. Employees who stay with friends or relatives are not eligible for lodging reimbursement, but may claim their actual expenses for meals and incidentals.

#### Short-Term Travel

- **A.** For continuous short-term travel of more than 24 hours but less than 31 days, the employee will be reimbursed for actual costs up to the maximum for each meal, incidental, and lodging expense for each completed 24 hours of travel, beginning with the traveler's time of departure and return as follows:
  - 1. On the first day of travel at the beginning of a trip of more than 24 hours:

Trip begins at or before 6 a.m. - Breakfast may be claimedTrip begins at or before 11 a.m. - Lunch may be claimedTrip begins at or before 5 p.m. - Dinner may be claimed

2. On the fractional day of travel at the end of a trip of more than 24 hours:

Trip ends at or after 8 a.m.	- Breakfast may be claimed
Trip ends at or after 2 p.m.	- Lunch may be claimed
Trip ends at or after 7 p.m.	- Dinner may be claimed

If the fractional day includes an overnight stay, receipted lodging may be claimed. No meal or lodging expenses may be claimed or reimbursed more than once on any given date or during any 24-hour period.

**A.** For continuous travel of less than 24 hours, the employee will be reimbursed for actual expenses, up to a maximum as follows:

Travel begins at or before 6 a.m. and ends at or after 9 a.m. - Breakfast may be claimed

Travel begins at or before 4 p.m. and ends at or after 7 p.m. - Dinner may be claimed

If the trip extends overnight, receipted lodging may be claimed. No lunch or incidentals may be claimed on a trip of less than 24 hours.

## Short-Term Travel Maximum Lodging Reimbursement Rate

- A. Statewide except as in (B) and (C) below, actual receipted lodging up to \$84 plus tax.
- **B.** When required to conduct state business and obtain lodging in the counties of Los Angeles and San Diego, reimbursement will be for actual receipted lodging, to a maximum of \$110 plus tax.
- **C.** When required to conduct state business and obtain lodging in the counties of Alameda, San Francisco, San Mateo, and Santa Clara, reimbursement will be for actual receipted lodging, to a maximum of \$140 plus tax.

## Long-Term Travel

Actual expenses for long-term meals and receipted lodging will be reimbursed when the employee incurs expenses in one location comparable to those arising from the use of establishments catering to long-term visitors.

## A. Full Long-Term Travel

To qualify for full long-term travel reimbursement, the employee on long-term field assignment must meet the following criteria:

- a) The employee continues to maintain a permanent residence at the primary headquarters, and either,
- b) The permanent residence is occupied by the employee's dependents, or
- c) The permanent residence is maintained at a net expense to the employee exceeding \$200 per month.

The employee who is living at the long-term location may claim either:

- 1. Reimbursement for actual individual expense, substantiated by receipts for lodging, water, sewer, gas, and electricity, up to a maximum of \$1,130 per calendar month while on the long-term assignment, and actual expenses up to \$10 for meals and incidentals, for each period of 12 to 24 hours and up to \$5 for actual meals and incidentals for each period of less than 12 hours at the long-term location, or
- 2. Long-term subsistence rates of \$24 for actual meals and incidentals, \$24 for receipted lodging for travel of 12 hours up to 24 hours, and either \$24 for actual meals or \$24 for receipted lodging for travel less than 12 hours when the employee incurs expenses in one location comparable to those arising from the use of establishments catering to long-term visitors.

## B. Partial Long-Term Travel

An employee on long-term field assignment who does not maintain a separate residence in the headquarters area may claim long-term subsistence rates of up to \$12 for actual meals and incidentals and \$12 for receipted lodging for travel of 12 hours up to 24 hours at the long-term location, and either \$12 for actual meals or \$12 for receipted lodging for travel less than 12 hours at the long-term location.

## Receipts

Receipts or vouchers shall be submitted for every item of expense of \$25 or more.

- **B.** Receipts are required for every item of transportation and business expense incurred as a result of conducting state business except for actual expenses as follows:
  - 1. Railroad and bus fares of less than \$25, when travel is wholly within the State of California.
  - 2. Street car, ferry fares, bridge and road tolls, local rapid transit system, taxi, shuttle, or hotel bus fares, and parking fees of \$10 or less for each continuous period of parking or each separate transportation expense noted in this item.
  - 3. Telephone, telegraph, tax, or other business charges related to state business of \$5 or less.
  - 4. In the absence of a receipt, reimbursement will be limited to the non-receipted amount above.
- C. Reimbursement will be claimed only for the actual and necessary expenses noted above. Regardless of the above exceptions, the approving officer may require additional certification and/or explanation in order to determine that an expense was actually and reasonably incurred. In the absence of a satisfactory explanation, the expense shall not be allowed.

#### Mileage

When an employee is authorized by his/her appointing authority or designee to operate a privately owned vehicle on state business, the employee will be allowed to claim and be reimbursed 34 cents per mile. An employee who is required to use a specialized vehicle that has been modified to accommodate disabilities may claim 37 cents per mile.

## **GOVERNMENT CODE SECTIONS 17500-17616**

### GC §17500: Legislative findings and declarations

The Legislature finds and declares that the existing system for reimbursing local agencies and school districts for the costs of state-mandated local programs has not provided for the effective determination of the state's responsibilities under Section 6 of Article XIIIB of the California Constitution. The Legislature finds and declares that the failure of the existing process to adequately and consistently resolve the complex legal questions involved in the determination of state-mandated costs has led to an increasing reliance by local agencies and school districts on the judiciary and, therefore, in order to relieve unnecessary congestion of the judicial system, it is necessary to create a mechanism which is capable of rendering sound quasi-judicial decisions and providing an effective means of resolving disputes over the existence of state-mandated local programs. It is the intent of the Legislature in enacting this part to provide for the implementation of Section 6 of Article XIIIB of the California Constitution and to consolidate the procedures for reimbursement of statutes specified in the Revenue and Taxation Code with those identified in the Constitution. Further, the Legislature intends that the Commission on State Mandates, as a quasi-judicial body, will act in a deliberative manner in accordance with the requirements of Section 6 of Article XIIIB of the California Constitution.

#### GC §17510: Construction of part

Unless the context otherwise requires, the definitions contained in this chapter govern the construction of this part. The definition of a word applies to any variants thereof and the singular tense of a word includes the plural.

## GC §17511: "City"

"City" means any city whether general law or charter, except a city and county.

#### GC §17512: "Commission"

"Commission" means the Commission on State Mandates.

#### GC §17513: "Cost Mandated by the federal government"

"Costs mandated by the federal government" means any increased costs incurred by a local agency or school district after January 1, 1973, in order to comply with the requirements of a federal statute or regulation. "Costs mandated by the federal government" includes costs resulting from enactment of a state law or regulation where failure to enact that law or regulation to meet specific federal program or service requirements would result in substantial monetary penalties or loss of funds to public or private persons in the state. "Costs mandated by the federal government" does not include costs that are specifically reimbursed or funded by the federal or state government or programs or services, which may be implemented at the option of the state, local agency, or school district.

#### GC §17514: "Costs mandated by the State"

"Costs mandated by the state" means any increased costs which a local agency or school district is required to incur after July 1, 1980, as a result of any statute enacted on or after January 1, 1975, or any executive order implementing any statute enacted on or after January 1, 1975, which mandates a new program or higher level of service of an existing program within the meaning of Section 6 of Article XIIIB of the California Constitution.

#### GC §17515: "County"

"County" means any chartered or general law county. "County" includes a city and county.

### GC §17516: "Executive Order"

"Executive order" means any order, plan, requirement, rule, or regulation issued by any of the following:

(a)The Governor. (b) Any officer or official serving at the pleasure of the Governor. (c) Any agency, department, board, or commission of state government. "Executive order" does not include any order, plan, requirement, rule, or regulation issued by the State Water Resources Control Board or by any regional water quality control board pursuant to Division 7 (commencing with Section 13000) of the Water Code. It is the intent of the Legislature that the State Water Resources Control Board and regional water quality control boards will not adopt enforcement orders against publicly owned dischargers which mandate major waste water treatment facility construction costs unless federal financial assistance and state financial assistance pursuant to the Clean Water Bond Act of 1970 and 1974, is simultaneously made available. "Major" means either a new treatment facility or an addition to an existing facility, the cost of which is in excess of 20 percent of the cost of replacing the facility.

## GC §17517: "Fund"

"Fund" means the State Mandates Claims Fund.

## GC §17518: "Local agency"

"Local agency" means any city, county, special district, authority, or other political subdivision of the state.

## GC §17519: "School district"

"School district" means any school district, community college district, or county superintendent of schools.

#### GC §17520: "Special district"

"Special district" means any agency of the state, which performs governmental or proprietary functions within limited boundaries. "Special district" includes a redevelopment agency, a joint powers agency or entity, a county service area, a maintenance district or area, an improvement district or improvement zone, or any other zone or area. "Special district" does not include a city, a county, a school district, or a community college district. County free libraries established pursuant to Chapter 2 (commencing with Section 27151) of Division 20 of the Education Code, areas receiving county fire protection services pursuant to Section 25643 of the Government Code, and county road districts established pursuant to Chapter 7 (commencing with Section 1550) of Division 2 of the Streets and Highways Code shall be considered "special districts" for all purposes of this part.

#### GC §17521: "Test claim"

"Test claim" means the first claim, including claims joined or consolidated with the first claim, filed with the commission alleging that a particular statute or executive order imposes costs mandated by the state.

#### GC §17522: Definitions

(a) "Initial reimbursement claim" means a claim filed with the Controller by a local agency or school district for costs to be reimbursed for the fiscal years specified in the first statute that appropriates funds for reimbursement of the mandate. (b) "Annual reimbursement claim" means a claim for actual costs incurred in a prior fiscal year filed with the Controller by a local agency or school district for which appropriations are made to the Controller for this purpose. (c)

"Estimated reimbursement claim" means a claim filed with the Controller by a local agency or school district in conjunction with an initial reimbursement claim, annual reimbursement claim, or at other times, for estimated costs to be reimbursed during the current or future fiscal years, for which appropriations are made to the Controller for this purpose. (d) "Entitlement claim" means a claim filed by a local agency or school district with the Controller for the purpose of establishing or adjusting a base year entitlement. All entitlement claims are subject to Section 17616.

## GC §17523: "Deflator"

"Deflator" means the Implicit Price Deflator for the Costs of Goods and Services to Governmental Agencies, as determined by the Department of Finance.

#### GC §17524: "Base year entitlement"

"Base year entitlement" means that amount determined to be the average for the approved reimbursement claims of each local agency or school district for the three preceding fiscal years adjusted by the change in the deflator. A base year entitlement shall not include any nonrecurring or initial startup costs incurred by a local agency or school district in any of those three fiscal years. For those mandates which become operative on January 1 of any year, the amount of the "approved reimbursement claim" for the first of the three years may be computed by annualizing the amount claimed for the six-month period of January through June in that first year, excluding nonrecurring or startup costs.

## GC §17525: Members: Term and per diem for specified members

There is hereby created the Commission on State Mandates, which shall consist of seven members as follows: (1) The Controller. (2) The Treasurer. (3) The Director of Finance. (4) The Director of the Office of Planning and Research. (5) A public member with experience in public finance appointed by the Governor and approved by the Senate. (6) Two members from the following three categories appointed by the Governor and approved by the Senate, provided that no more than one member shall come from the same category: (A) A city council member. (B) A member of a county or city and county board of supervisors. (C) A governing board member of school district as defined in Section 17519. (b) Each member appointed pursuant to paragraph (5) or (6) of subdivision (a) shall be subject to both of the following: (1) The member shall serve for a term of four years subject to renewal. (2) The member shall receive per diem of one hundred dollars (\$100) for each day actually spent in the discharge of official duties and shall be reimbursed for any actual and necessary expenses incurred in connection with the performance of duties as a member of the commission.

## GC §17526: Open Meetings: Executive sessions

(a) All meetings of the commission shall be open to the public, except that the commission may meet in executive session to consider the appointment or dismissal of officers or employees of the commission or to hear complaints or charges brought against a member, officer, or employee of the commission. (b) The commission shall meet at least once every month. (c) The time and place of meetings may be set by resolution of the commission, by written petition of a majority of the members, or by written call of the chairperson. The chairperson may, for good cause, change the starting time or place, reschedule, or cancel any meeting. (d) This section shall become operative on July 1, 1996.

#### GC §17527: Powers of Commission

In carrying out its duties and responsibilities, the commission shall have the following powers: (a) To examine any document, report, or data, including computer programs and data files, held by any local agency or school district. (b) To meet at times and places as it may deem proper. (c) As a body or, on the authorization of the commission, as a committee composed of one or more members, to hold hearings at any time and place it may deem proper. (d) Upon a majority vote of the commission, to issue subpoenas to compel the attendance of witnesses and the production of books, records, papers, accounts, reports, and documents. (e) To administer oaths. (f) To contract with other agencies or individuals, public or private, as it deems necessary, to provide or prepare services, facilities, studies, and reports to the commission as will assist it in carrying out its duties and responsibilities. (g) To adopt, promulgate, amend, and rescind rules and regulations, which shall not be subject to the review and approval of the Office of Administrative Law pursuant to the provisions of the Administrative Procedure Act provided for in Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2. (h) To do any and all other actions necessary or convenient to enable it fully and adequately to perform its duties and to exercise the powers expressly granted to it.

## GC §17528: Election of Officers

The members of the commission shall elect a chairperson and a vice-chairperson of the commission.

## GC §17529: Appointment of Attorney: Duties

The commission may appoint as attorney to the commission an attorney at law of this state, who shall hold office at the pleasure of the commission. The attorney shall represent and appear for the commission in all actions and proceedings involving any question under this part or under any order or act of the commission. The attorney shall advise the commission and each member of the commission, when so requested, in regard to all matters in connection with the powers and duties of the commission and the members thereof. The attorney shall generally perform all duties and services as attorney to the commission, which the commission may require.

## GC §17530: Appointment of executive director: Duties

The commission shall appoint an executive director, who shall be exempt from civil service and shall hold office at the pleasure of the commission. The executive director shall be responsible for the executive and administrative duties of the commission and shall organize, coordinate, supervise, and direct the operations and affairs of the commission and expedite all matters within the jurisdiction of the commission. The executive director shall keep a full and true record of all proceedings of the commission, issue all necessary process, writs, warrants, and notices, and perform other duties as the commission prescribes.

#### GC §17531: Authority of executive director to employ necessary staff

The executive director may employ those officers, examiners, experts, statisticians, accountants, inspectors, clerks, and employees as the executive director deems necessary to carry out the provisions of this part or to perform the duties and exercise the powers conferred upon the commission by law.

#### GC §17532: Quorum: Investigations, inquiries, and hearing

A majority of the commissioners shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power of the commission. Any investigation, inquiry, or hearing which the commission has power to undertake or to hold may be undertaken or held by or before any commissioner or commissioners designated for the purpose by the commission. The evidence in any investigation, inquiry, or hearing may be taken by the commissioner or commissioners to whom the investigation, inquiry, or hearing has been assigned or, in his or her or their behalf, by an examiner designated for that purpose. Every finding, opinion, and order made by the commissioner or commissioners so designated,

pursuant to the investigation, inquiry, or hearing, when approved or confirmed by the commission and ordered filed in its office, shall be deemed to be the finding, opinion, and order of the commission.

## GC §17533: Provisions not applicable to hearing by commission

Notwithstanding Section 11425.10, Chapter 4.5 (commencing with Section 11400) of Part 1 of Division 3 does not apply to a hearing by the commission under this part.

## GC §17550: Reimbursements of local agencies and school districts

Reimbursement of local agencies and school districts for costs mandated by the state shall be provided pursuant to this chapter.

#### GC §17551: Commission hearing and decision upon claims

(a) The commission, pursuant to the provisions of this chapter, shall hear and decide upon a claim by a local agency or school district that the local agency or school district is entitled to be reimbursed by the state for costs mandated by the state as required by Section 6 of Article XIIIB of the California Constitution. (b) The commission, pursuant to the provisions of this chapter, shall hear and decide upon a claim by a local agency or school district filed on or after January 1, 1985, that the Controller has incorrectly reduced payments to the local agency or school district pursuant to paragraph (2) of subdivision (d) of Section 17561.

## GC §17552: Exclusivity of procedure by chapter

This chapter shall provide the sole and exclusive procedure by which a local agency or school district may claim reimbursement for costs mandated by the state as required by Section 6 of Article XIIIB of the California Constitution.

# GC §17553: Adoption of procedure for receiving claims and providing hearings: Postponement of hearings

(a) The commission shall adopt procedures for receiving claims pursuant to this article and for providing a hearing on those claims. The hearing procedure shall provide for presentation of evidence by the claimant, the Department of Finance and any other affected department or agency, and any other interested person. The procedures shall ensure that a statewide cost estimate is adopted within 12 months after receipt of a test claim, when a determination is made by the commission that a mandate exists. This deadline may be extended for up to six months upon the request of either the claimant or the commission. Hearing of a claim may be postponed at the request of the claimant, without prejudice, until the next scheduled hearing. (b) The procedures adopted by the commission pursuant to subdivision (a) shall include the following: (1) Provisions for acceptance of more than one claim on the same statute or executive order relating to the same statute or executive order filed with the commission, and, absent agreement by the test claimants to the contrary, to designate the first to file as the lead test claimant. (2) Provisions for consolidating test claims relating to the same statute or executive order filed with the commission with time limits that do not exceed 90 days from the initial filing for consolidating the test claims and for claimants to designate a single contact for information regarding the test claim. (3) Provisions for claimants to designate a single claimant for a test claim relating to the same statute or executive order filed with the commission, with time limits that do not exceed 90 days from the initial filing for making that designation. (c) If a completed test claim is not received by the commission within 30 calendar days from the date that an incomplete test claim was returned by the commission, the original test claim filing date may be disallowed, and a new test claim may be accepted on the same statute or executive order. (d) In addition, the commission shall determine whether an incorrect reduction claim is

complete within 10 days after the date that the incorrect reduction claim is filed. If the commission determines that an incorrect reduction claim is not complete, the commission shall notify the local agency and school district that filed the claim stating the reasons that the claim is not complete. The local agency or school district shall have 30 days to complete the claim. The commission shall serve a copy of the complete incorrect reduction claim is delivered or mailed to file any rebuttal to an incorrect reduction claim. The failure of the Controller to file a rebuttal to an incorrect reduction claim shall not serve to delay the consideration of the claim by the commission.

## GC §17554: Commission's authority to expedite claim

With the agreement of all parties to the claim, the commission may waive the application of any procedural requirement imposed by this chapter or pursuant to Section 17553 in order to expedite action on the claim. The authority granted by this section includes the consolidation of claims and the shortening of time periods.

## GC §17555: Date for public hearing: Test claim form and procedure

(a) The commission, within 10 days after receipt of a test claim based upon a statute or executive order, shall set a date for a public hearing on the claim within 75 days. The test claim may be based upon estimated costs that a local agency or school district may incur as a result of the statute or executive order and may be filed at any time after the statute is enacted or the executive order is adopted. The claim shall be submitted in a form prescribed by the commission. After a hearing in which the claimant and any other interested organization or individual may participate, the commission shall determine if there are costs mandated by the state. (b) This section shall become operative on July 1, 1996.

## GC §17556: Criteria for not finding costs mandated by the state

The commission shall not find costs mandated by the state as defined in Section 17514, in any claim submitted by a local agency or school district, if, after a hearing, the commission finds that: (a) The claim is submitted by a local agency or school district, which requested legislative authority for that local agency or school district to implement the program specified in the statute, and that statute imposes costs upon that local agency or school district requesting the legislative authority. A resolution from the governing body or a letter from a delegated representative of the governing body of a local agency or school district which requests authorization for that local agency or school district to implement a given program shall constitute a request within the meaning of this paragraph. (b) The statute or executive order affirmed for the state that which had been declared existing law or regulation by action of the courts. (c) The statute or executive order implemented a federal law or regulation and resulted in costs mandated by the federal government, unless the statute or executive order mandates costs which exceed the mandate in that federal law or regulation. (d) The local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the mandated program or increased level of service. (e) The statute or executive order provides for offsetting savings to local agencies or school districts which result in no net costs to the local agencies or school districts, or includes additional revenue that was specifically intended to fund the costs of the state mandate in an amount sufficient to fund the cost of the state mandate. (f) The statute or executive order imposed duties that were expressly included in a ballot measure approved by the voters in a statewide election. (g) The statute created a new crime or infraction, eliminated a crime or infraction, or changed the penalty for a crime or infraction, but only for that portion of the statute relating directly to the enforcement of the crime or infraction.

# GC §17557: Determination of amount to be subvened for reimbursement: Parameters and Guidelines

(a) If the commission determines there are costs mandated by the state pursuant to Section 17555, it shall determine the amount to be subvened to local agencies and school districts for reimbursement. In so doing it shall adopt parameters and guidelines for reimbursement of any claims relating to the statute or executive order. The successful test claimants shall submit proposed parameters and guidelines within 30 days of adoption of a statement of decision on a test claim. At the request of a successful test claimant, the commission may provide for one or more extensions of this 30-day period at any time prior to its adoption of the parameters and guidelines. If proposed parameters and guidelines are not submitted within the 30-day period and the commission has not granted an extension, then the commission shall notify the test claimant that the amount of reimbursement the test claimant is entitled to for the first 12 months of incurred costs will be reduced by 20 percent, unless the test claimant can demonstrate to the commission why an extension of the 30-day period is justified. A local agency, school district, and the state may file a claim or request with the commission to amend, modify, or supplement the parameters or guidelines. The commission may, after public notice and hearing, amend, modify, or supplement the parameters and guidelines. (b) In adopting parameters and guidelines, the commission may adopt an allocation formula or uniform allowance that would provide for reimbursement of each local agency or school district of a specified amount each year. (c) The parameters and guidelines adopted by the commission shall specify the fiscal years for which local agencies and school districts shall be reimbursed for costs incurred, provided, however, that the commission shall not specify therein any fiscal year for which payment could be provided in the annual Budget Act. A test claim shall be submitted on or before June 30 following a fiscal year in order to establish eligibility for reimbursement for that fiscal year. The claimant may thereafter amend the test claim at any time prior to a commission hearing on the claim without affecting the original filing date as long as the amendment substantially relates to the original test claim.

# GC §17558: Submission of parameters and guidelines to Controller: Transfer of claims; claiming instructions

(a) The commission shall submit the adopted parameters and guidelines to the Controller. All claims relating to a statute or executive order that are filed after the determination of the test claim pursuant to Section 17557 shall be transferred to the Controller who shall pay and audit the claims from funds made available for that purpose. (b) Not later than 60 days after receiving the adopted parameters and guidelines from the commission, the Controller shall issue claiming instructions for each mandate that requires state reimbursement, to assist local agencies and school districts in claiming costs to be reimbursed. In preparing claiming instructions, the Controller may request the assistance of other state agencies. The claiming instructions shall be derived from the statute or executive order creating the mandate and the parameters and guidelines adopted by the commission. (c) The Controller shall, within 60 days after receiving revised adopted parameters and guidelines from the commission or other information necessitating a revision of the claiming instructions, prepare and issue revised claiming instructions for mandates that require state reimbursement that have been established by commission action pursuant to Section 17555 or after any decision or order of the commission pursuant to Section 17551. In preparing revised claiming instructions, the Controller may request the assistance of other state agencies. (d) This section shall become operative on July 1, 1996.

# GC §17558.5: Reimbursement claim: Audit; remittance advice and other notices of payment

(a) A reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to audit by the Controller no later than two years after the end of the calendar year in which the reimbursement claim is filed or last amended. However, if no funds are appropriated for the program for the fiscal year for which the claim is made, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim.
(b) The Controller shall notify the claimant in writing within 30 days after issuance of a remittance advice of any adjustment to a claim for reimbursement that results from an audit or review. The notification shall specify the claim components adjusted, the amounts adjusted, and the reason for the adjustment. Remittance advises and other notices of payment action shall not constitute notice of adjustment of payments when inaccuracies are determined to be the result of the intent to defraud, or when a delay in the completion of an audit is the result of willful acts by the claimant or inability to reach agreement on terms of final settlement. (d) This section shall become operative on July 1, 1996.

## GC §17558.6: Legislative intent

It is the intent of the Legislature that the Commission on State Mandates review its process by which local agencies may appeal the reduction of reimbursement claims on the basis that the reduction is incorrect in order to provide for a more expeditious and less costly process.

## GC §17559: Judicial Review

(a) The commission may order a reconsideration of all or part of a test claim or incorrect reduction claim on petition of any party. The power to order reconsideration or amend a test claim decision shall expire 30 days after the statement of decision is delivered or mailed to the claimant. If additional time is needed to evaluate a petition for reconsideration filed prior to the expiration of the 30-day period, the commission may grant a stay of that expiration for no more than 30 days, solely for the purpose of considering the petition. If no action is taken on a petition within the time allowed for ordering reconsideration, the petition shall be deemed denied. (b) A claimant or the state may commence a proceeding in accordance with the provisions of Section 1094.5 of the Code of Civil Procedure to set aside a decision of the commission on the ground that the commission's decision is not supported by substantial evidence. The court may order the commission to hold another hearing regarding the claim and may direct the commission on what basis the claim is to receive a rehearing.

## GC §17560: Deadlines for filing reimbursement claims

Reimbursement for state-mandated costs may be claimed as follows: (a) A local agency or school district may file an estimated reimbursement claim by January 15 of the fiscal year in which costs are to be incurred, and, by January 15 following that fiscal year shall file an annual reimbursement claim that details the costs actually incurred for that fiscal year; or it may comply with the provisions of subdivision (b). (b) A local agency or school district may, by January 15 following the fiscal year in which costs are incurred, file an annual reimbursement claim that detail the costs actually incurred for that fiscal year. (c) In the event revised claiming instructions are issued by the Controller pursuant to subdivision (c) of Section 17558 between October 15 and January 15, a local agency or school district filing an annual reimbursement claim shall have 120 days following the issuance date of the revised claiming instructions to file a claim.

## GC §17561: Reimbursement of costs for state mandated programs

(a) The state shall reimburse each local agency and school district for all "costs mandated by the state," as defined in Section 17514. (b) (1) For the initial fiscal year during which these costs are incurred, reimbursement funds shall be provided as follows: (A) Any statute mandating these costs shall provide an appropriation therefor. (B) Any executive order mandating these costs shall be accompanied by a bill appropriating the funds therefor, or alternatively, an appropriation for these costs shall be included in the Budget Bill for the next succeeding fiscal year. The executive order shall cite that item of appropriation in the Budget Bill or that appropriation in any other bill which is intended to serve as the source from which the Controller may pay the claims of local agencies and school districts. (2) In subsequent fiscal years appropriations for these costs shall be included in the annual Governor's Budget and in the accompanying Budget Bill. In addition, appropriations to reimburse local agencies and school districts for continuing costs resulting from chaptered bills or executive orders for which claims have been awarded pursuant to subdivision (a) of Section 17551 shall be included in the annual Governor's Budget and in the accompanying Budget Bill subsequent to the enactment of the local government claims bill pursuant to Section 17600 that includes the amounts awarded relating to these chaptered bills or executive orders. (c) The amount appropriated to reimburse local agencies and school districts for costs mandated by the state shall be appropriated to the Controller for disbursement. (d) The Controller shall pay any eligible claim pursuant to this section within 60 days after the filing deadline for claims for reimbursement or 15 days after the date the appropriation for the claim is effective, whichever is later. The Controller shall disburse reimbursement funds to local agencies or school districts if the costs of these mandates are not payable to state agencies, or to state agencies who would otherwise collect the costs of these mandates from local agencies or school districts in the form of fees, premiums, or payments. When disbursing reimbursement funds to local agencies or school districts, the Controller shall disburse them as follows: (1) For initial reimbursement claims, the Controller shall issue claiming instructions to the relevant local agencies pursuant to Section 17558. Issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the commission. (A) When claiming instructions are issued by the Controller pursuant to Section 17558 for each mandate determined pursuant to Section 17555 that requires state reimbursement, each local agency or school district to which the mandate is applicable shall submit claims for initial fiscal year costs to the Controller within 120 days of the issuance date for the claiming instructions. (B) When the commission is requested to review the claiming instructions pursuant to Section 17571, each local agency or school district to which the mandate is applicable shall submit a claim for reimbursement within 120 days after the commission reviews the claiming instructions for reimbursement issued by the Controller. (C) If the local agency or school district does not submit a claim for reimbursement within the 120-day period, or submits a claim pursuant to revised claiming instructions, it may submit its claim for reimbursement as specified in Section 17560. The Controller shall pay these claims from the funds appropriated therefor, provided that the Controller (i) may audit the records of any local agency or school district to verify the actual amount of the mandated costs, and (ii) may reduce any claim that the Controller determines is excessive or unreasonable. (2) In subsequent fiscal years each local agency or school district shall submit its claims as specified in Section 17560. The Controller shall pay these claims from funds appropriated therefor, provided that the Controller (A) may audit the records of any local agency or school district to verify the actual amount of the mandated costs, (B) may reduce any claim that the Controller determines is excessive or unreasonable, and (C) shall adjust the payment to correct for any underpayments or overpayments which occurred in previous fiscal years. (3) When paying a timely filed claim for initial reimbursement, the Controller shall withhold 20 percent of the amount of the claim until the claim is audited to verify the actual amount of the mandated costs. All initial reimbursement claims for all fiscal years required to be filed on their initial filing date for a state-mandated local program shall be considered as one claim for the purpose of computing any late claim penalty. Any claim for initial reimbursement filed after the filing deadline shall be reduced by 10 percent of the amount that would have been allowed had the claim been timely filed, provided that the amount of this reduction shall not exceed one thousand dollars (\$1,000). The Controller may withhold payment of any late claim for initial reimbursement until the next deadline for funded claims unless sufficient funds are available to pay the claim after all timely filed claims have been paid. In no case shall a reimbursement claim be paid if submitted more than one year after the filing deadline specified in the Controller's claiming instructions on funded mandates contained in a claims bill.

## GC §17561.5: Payment of claim with interest

(a) The payment of an initial reimbursement claim by the Controller shall include accrued interest at the Pooled Money Investment Account rate, if the payment is being made more than 365 days after adoption of the statewide cost estimate for an initial claim or, in the case of payment of a subsequent claim relating to that same statute or executive order, if payment is being made more than 60 days after the filing deadline for, or the actual date of receipt of, the subsequent claim, whichever is later. In those instances, interest shall begin to accrue as of the 366th day after adoption of the statewide cost estimate for an initial claim and as of the 61st day after the filing deadline for, or actual date of receipt of, the subsequent claim, whichever is later. (b) This section shall become operative on July 1, 1996.

## GC §17561.6: Payment

(a) A budget act item or appropriation pursuant to this part for reimbursement of claims shall include an amount necessary to reimburse any interest due pursuant to Section 17561.5. (b) This section shall become operative on July 1, 1996.

## GC §17562: Review of costs of state-mandated local program

(a) The Legislature hereby finds and declares that the increasing revenue constraints on state and local government and the increasing costs of financing state-mandated local programs make evaluation of the cumulative effects of state-mandated local programs imperative. Accordingly, it is the intent of the Legislature to establish a method for regularly reviewing the costs of state-mandated local programs, by evaluating the benefit of previously enacted mandates. (b) (1) A statewide association of local agencies or a Member of the Legislature may submit a proposal to the Legislature recommending the elimination or modification of a statemandated local program. To make such a proposal, the association or member shall submit a letter to the Chairs of the Assembly Committee on Local Government and the Senate Committee on Local Government specifying the mandate and the concerns and recommendations regarding the mandate. The association or member shall include in the proposal all information relevant to the conclusions. If the chairs of the committees desire additional analysis of the submitted proposal, the chairs may refer the proposal to the Legislative Analyst for review and comment. The chairs of the committees may refer up to a total of 10 of these proposals to the Legislative Analyst for review in any year. Referrals shall be submitted to the Legislative Analyst by December 1 of each year. (2) The Legislative Analyst shall review and report to the Legislature with regard to each proposal that is referred to the office pursuant to paragraph (1). The Legislative Analyst shall recommend that the Legislature adopt, reject, or modify the proposal. The report and recommendations shall be submitted annually to the Legislature by March 1 of the year subsequent to the year in which referrals are submitted to the Legislative Analyst. (3) The Department of Finance shall review all statutes enacted each year that contain provisions making inoperative Section 2229 or Section 2230 of the Revenue and Taxation Code or Section 17561 or Section 17565 that have resulted in costs or revenue losses mandated by the state that were not identified when the statute was enacted. The review shall identify the costs or revenue losses involved in complying with the provisions of the statutes. The Department of Finance shall also review all statutes enacted each year that may result in cost savings authorized by the state. The Department of Finance shall submit an annual report of the review required by this subdivision, together with the recommendations as it may deem appropriate, by December 1 of each year. (c) It is the intent of the Legislature that the Assembly Committee on Local Government and the Senate Committee on Local Government hold a joint hearing each year regarding the following: (1) The reports and recommendations submitted pursuant to subdivision (b). (2) The reports submitted pursuant to Sections 17570, 17600, and 17601. (3) Legislation to continue, eliminates, or modifies any provision of law reviewed pursuant to this subdivision. The legislation may be by subject area or by year or years of enactment. (d) This section shall become operative on July 1, 1996.

## GC §17563: Use of funds received for public purpose

Any funds received by a local agency or school district pursuant to the provisions of this chapter may be used for any public purpose.

## GC §17564: Filing of claims: Threshold amount

(a) No claim shall be made pursuant to Sections 17551 and 17561, nor shall any payment be made on claims submitted pursuant to Sections 17551 and 17561, unless these claims exceed two hundred dollars (\$200), provided that a county superintendent of schools or county may submit a combined claim on behalf of school districts, direct service districts, or special districts within their county if the combined claim exceeds two hundred dollars (\$200) even if the individual school district's, direct service district's, or special district's claims do not each exceed two hundred dollars (\$200). The county superintendent of schools or the county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each school, direct service, or special district. These combined claims may be filed only when the county superintendent of schools or the county is the fiscal agent for the districts. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a school district, direct service district, or special district provides to the county superintendent of schools or county and to the Controller, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim. (b) Claims for direct and indirect costs filed pursuant to Section 17561 shall be filed in the manner prescribed in the parameters and guidelines.

## GC §17565: Reimbursement of subsequently mandated costs

If a local agency or a school district, at its option, has been incurring costs, which are subsequently mandated by the state, the state shall reimburse the local agency or school district for those costs incurred after the operative date of the mandate.

## GC §17567: Insufficiency of appropriation: Proration of claims

In the event that the amount appropriated for reimbursement purposes pursuant to Section 17561 is not sufficient to pay all of the claims approved by the Controller, the Controller shall prorate claims in proportion to the dollar amount of approved claims timely filed and on hand at the time of proration. The Controller shall adjust prorated claims if supplementary funds are appropriated for this purpose. In the event that the Controller finds it necessary to prorate claims as provided by this section, the Controller shall immediately report this action to the Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each house of the Legislature which considers appropriations in order to assure appropriation of these funds in the Budget Act. If these funds cannot be

appropriated on a timely basis in the Budget Act, the Controller shall transmit this information to the commission which shall include these amounts in its report to the Legislature pursuant to Section 17600 to assure that an appropriation sufficient to pay the claims is included in the local government claims bills or other appropriation bills. If the local government claims bills required by Section 17612 have been introduced in the Legislature, the Controller shall report directly to the chairperson of the respective committee in each house of the Legislature, which considers appropriations to assure inclusion of a sufficient appropriation in the claims bills.

## GC §17568: Payment of claims submitted after deadline

If a local agency or school district submits an otherwise valid reimbursement claim to the Controller after the deadline specified in Section 17560, the Controller shall reduce the reimbursement claim in an amount equal to 10 percent of the amount which would have been allowed had the reimbursement claim been timely filed, provided that the amount of this reduction shall not exceed one thousand dollars (\$1,000). In no case shall a reimbursement claim be paid which is submitted more than one year after the deadline specified in Section 17560. Estimated claims that were filed by the deadline specified in that section shall be paid in full before payments are made on estimated claims filed after the deadline. In the event the amount appropriated to the Controller for reimbursement purposes is not sufficient to pay the estimated claims approved by the Controller, the Controller shall prorate those claims in proportion to the dollar amount of approved claims filed after the deadline and shall report to the commission or the Legislature in the same manner as described in Section 17566 in order to assure appropriation of funds sufficient to pay those claims.

## GC §17570: Annual report to Legislature

The Legislative Analyst shall review each unfunded statutory or regulatory mandate for which claims have been approved by the Legislature pursuant to a claims bill during the preceding fiscal year. Any recommendations by the Legislative Analyst to eliminate or modify the mandates shall be contained in the annual analysis of the Budget Bill prepared by the Legislative Analyst.

## GC §17571: Review and modification of claiming instructions

The commission, upon request of a local agency or school district, shall review the claiming instructions issued by the Controller or any other authorized state agency for reimbursement of mandated costs. If the commission determines that the claiming instructions do not conform to the parameters and guidelines, the commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the commission.

#### GC §17575: Review of bills

When a bill is introduced in the Legislature, and each time a bill is amended, on and after January 1, 1985, the Legislative Counsel shall determine whether the bill mandates a new program or higher level of service pursuant to Section 6 of Article XIIIB of the California Constitution. The Legislative Counsel shall make this determination known in the digest of the bill and shall describe in the digest the basis for this determination. The determination by the Legislative Counsel shall not be binding on the commission in making its determination pursuant to Section 17555.

#### GC §17576: Amendment of bills on floor: Notification by Legislative Counsel

Whenever the Legislative Counsel determines that a bill will mandate a new program or higher level of service pursuant to Section 6 of Article XIII B of the California Constitution, the Department of Finance shall prepare an estimate of the amount of reimbursement which will be

required. This estimate shall be prepared for the respective committees of each house of the Legislature which consider taxation measures and appropriation measures and shall be prepared prior to any hearing on the bill by any such committee.

## GC §17577: Amount of estimates

The estimate required by Section 17576 shall be the amount estimated to be required during the first fiscal year of a bill's operation in order to reimburse local agencies and school districts for costs mandated by the state by the bill.

## GC §17578: Amendment of bills on floor: Notification by Legislative Counsel

In the event that a bill is amended on the floor of either house, whether by adoption of the report of a conference committee or otherwise, in such a manner as to mandate a new program or higher level of service pursuant to Section 6 of Article XIIIB of the California Constitution, the Legislative Counsel shall immediately inform, respectively, the Speaker of the Assembly and the President of the Senate of that fact. Notification from the Legislative Counsel shall be published in the journal of the respective houses of the Legislature.

# GC §17579: Requirement for new mandates to specify reimbursement requirements: Appropriations

(a) Any bill introduced or amended on and after January 1, 1985, for which the Legislative Counsel has determined the bill will mandate a new program or higher level of service pursuant to Section 6 of Article XIII B of the California Constitution, shall contain a section specifying that reimbursement shall be made from the fund pursuant to Section 17610 when the amount of the claim has been determined pursuant to Article 1 (commencing with Section 17550) of this chapter or that there is no mandate or that the mandate is being disclaimed and the reason therefor. (b) Any bill introduced or amended on and after January 1, 1985, may, but is not required to, contain an appropriation to provide reimbursement of costs mandated by the state.

# GC §17581: Conditions for exemption from implementation of statute or executive order

(a) No local agency shall be required to implement or give effect to any statute or executive order, or portion thereof, during any fiscal year and for the period immediately following that fiscal year for which the Budget Act has not been enacted for the subsequent fiscal year if all of the following apply: (1) The statute or executive order, or portion thereof, has been determined by the Legislature, the commission, or any court to mandate a new program or higher level of service requiring reimbursement of local agencies pursuant to Section 6 of Article XIIIB of the California Constitution. (2) The statute or executive order, or portion thereof, has been specifically identified by the Legislature in the Budget Act for the fiscal year as being one for which reimbursement is not provided for that fiscal year. For purposes of this paragraph, a mandate shall be considered to have been specifically identified by the Legislature only if it has been included within the schedule of reimbursable mandates shown in the Budget Act and it is specifically identified in the language of a provision of the item providing the appropriation for mandate reimbursements. (b) Notwithstanding any other provision of law, if a local agency elects to implement or give effect to a statute or executive order described in subdivision (a), the local agency may assess fees to persons or entities that benefit from the statute or executive order. Any fee assessed pursuant to this subdivision shall not exceed the costs reasonably borne by the local agency. (c) This section shall not apply to any state-mandated local program for the trial courts, as specified in Section 77203. (d) This section shall not apply to any statemandated local program for which the reimbursement funding counts toward the minimum General Fund requirements of Section 8 of Article XVI of the Constitution.

## GC §17600: Report on number of mandates and their costs

At least twice each calendar year the commission shall report to the Legislature on the number of mandates it has found pursuant to Article 1 (commencing with Section 17550) and the estimated statewide costs of these mandates. This report shall identify the statewide costs estimated for each mandate and the reasons for recommending reimbursement.

## GC §17601: Report on claims denied

The commission shall report to the Legislature on January 15, 1986, and each January 15 thereafter, on the number of claims it denied during the preceding calendar year and the basis on which the particular claims were denied.

## GC §17610: Costs paid from fund: Limit on costs

(a) The costs arising from a statute containing a statement that the statute mandates a new program or higher level of service and specifying that reimbursement shall be made from the fund shall, upon certification of the estimated statewide cost by the commission to the Controller, be paid from the fund, provided that the estimated statewide cost of the claim does not exceed one million dollars (\$1,000,000). The Controller shall receive, review, and pay reimbursement claims from the fund as the claims are received. Claims for initial reimbursement shall be filed with the Controller within 120 days from the date that the Controller issued claiming instructions on mandates funded by the fund. When paying a timely filed claim for initial reimbursement, the Controller shall withhold 20 percent of the amount of the claim until the claim is audited to verify the actual amount of the mandated cost. Any claim for initial reimbursement filed after the filing deadline shall be reduced by 10 percent of the amount which would have been allowed had the claim been timely filed, provided that the amount of this reduction shall not exceed one thousand dollars (\$1,000). The Controller may withhold payment of any initial reimbursement claim filed after the filing deadline until the next deadline for funding claims unless sufficient funds are available to pay the claim after all timely filed claims have been paid. (b) For purposes of this section, "estimated statewide cost" means the total amount of funds estimated to be necessary to reimburse all eligible local agencies and school districts for costs incurred as a result of the mandate during the first 12-month period following the operative date of the mandate. (c) For purposes of this section, "costs arising from a statute" means the total amount of funds necessary to reimburse eligible local agencies and school districts for costs incurred as a result of complying with a mandate for the fiscal years specified in the parameters and guidelines in accordance with Section 17557.

## GC §17612: Local government claims bills: Judicial review of funding deletions

(a) Immediately upon receipt of the report submitted by the commission pursuant to Section 17600, local government claims bill shall be introduced in the Legislature. The local government claims bill, at the time of its introduction, shall provide for an appropriation sufficient to pay the estimated costs of these mandates except where the costs have been or will be paid pursuant to Section 17610. (b)The Legislature may amend, modify, or supplement the parameters and guidelines for mandates contained in the local government claims bill. If the Legislature amends, modifies, or supplements the parameters and guidelines, it shall make a declaration in the local government claims bill specifying the basis for the amendment, modification, or supplement. (c) If the Legislature deletes from a local government claims bill funding for a mandate, the local agency or school district may file in the Superior Court of the County of Sacramento an action in declaratory relief to declare the mandate unenforceable and enjoin its enforcement.

## GC §17613: Authorization of augmentation for mandated costs

(a) The Director of Finance may, upon receipt of any report submitted pursuant to Section 17567, authorize the augmentation of the amount available for expenditure to reimburse costs mandated by the state, as defined in Section 17514, as follows: (1) For augmentation of (A) any schedule in any item to reimburse costs mandated by the state in any budget act, or (B) the amount appropriated in a local government claims bill for reimbursement of the claims of local agencies, as defined by Section 17518, from the unencumbered balance of any other item to reimburse costs mandated by the state in that budget act or another budget act or in an appropriation for reimbursement of the claims of local agencies in another local government claims bill. (2) For augmentation of (A) any schedule in any budget act item, or (B) any amount appropriated in a local government claims bill, when either of these augmentations is for reimbursement of mandated claims of school districts, as defined in Section 17519, when the source of this augmentation is (A) the unencumbered balance of any other scheduled amount in that budget act or another budget act, or (B) an appropriation in another local government claims bill, when either of these appropriations is for reimbursement of mandate claims of school districts. This paragraph applies only to appropriations that are made for the purpose of meeting the minimum funding guarantee for educational programs pursuant to Section 8 of Article XVI of the California Constitution. (b) No authorization for an augmentation pursuant to this section may be made sooner than 30 days after the notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time as the chairperson of the joint committee, or his or her designee, may in each instance determine.

## GC §17614: State Mandates Claims Fund

There is hereby created the State Mandates Claims Fund. Notwithstanding Section 13340, money in the fund is continuously appropriated without regard to fiscal years for the sole purpose of paying claims pursuant to Section 17610.

## GC §17615: Legislative findings and intent

The Legislature finds and declares that the existing system for reimbursing local agencies and school districts for actual costs mandated by the state on an annual claim basis is time consuming, cumbersome, and expensive at both the local and state levels. The Controller must process voluminous claims with all claims subject to a desk audit and selected claims also subject to a field audit. Local agencies are required to maintain extensive documentation of all claims in anticipation of such an audit. The volume of these records is substantial and will continue to grow with no relief in sight as new programs are mandated. The cost to local agencies and school districts for filing claims and for maintaining documentation and responding to the Controller's audits is substantial. The current administrative cost to both state and local governments represents a significant expenditure of public funds with no apparent benefit to the taxpayers. It is the intent of the Legislature to streamline the reimbursement process for costs mandated by the state by creating a system of state mandate apportionment to fund the costs of certain programs mandated by the state.

## GC §17615.1: Review of programs for inclusion in system

Notwithstanding the provisions of Section 2231 of the Revenue and Taxation Code, the commission shall establish a procedure for reviewing, upon request, mandated cost programs for which appropriations have been made by the Legislature for the 1982-83, 1983-84, and 1984-85 fiscal years, or any three consecutive fiscal years thereafter. At the request of the Department of Finance, the Controller, or any local agency or school district receiving

reimbursement for the mandated program, the commission shall review the mandated cost program to determine whether the program should be included in the State Mandates Apportionment System. If the commission determines that the State Mandates Apportionment System would accurately reflect the costs of the state mandated program, the commission shall direct the Controller to include the program in the State Mandates Apportionment System.

## GC §17615.2: Calculation of disbursement amounts

(a) Notwithstanding Section 17561, after November 30, 1985, for those programs included in the State Mandates Apportionment System, after approval by the commission, there shall be disbursed by the Controller to each local agency and school district which has submitted a reimbursement claim for costs mandated by the state in the 1982-83, 1983-84, and the 1984-85 fiscal years, or any three consecutive fiscal years thereafter, an amount computed by averaging the approved reimbursement claims for this three-year period. The amount shall first be adjusted according to any changes in the deflator. The deflator shall be applied separately to each year's costs for the three years, which comprise the base period. Funds for these purposes shall be available to the extent they are provided for in the Budget Act of 1985 and the Budget Act for any subsequent fiscal year thereafter. For purposes of this article, "base period" means the three fiscal years immediately succeeding the commission's approval. (b) When the Controller has made payment on claims prior to commission approval of the program for inclusion in the State Mandates Apportionment System, the payment shall be adjusted in the next apportionment to the amount which would have been subvened to the local agency or school district for that fiscal year had the State Mandates Apportionment System been in effect at the time of the initial payment.

## GC §17615.3: Annual recalculation of allocation

Notwithstanding Section 17561, by November 30, 1986, and by November 30 of each year thereafter, for those programs included in the State Mandates Apportionment System, the Controller shall recalculate each allocation for each local agency and school district for the 1985-86 fiscal year, by using the actual change in the deflator for that year. That recalculated allocation shall then be adjusted by the estimated change in the deflator for the 1986 -87 fiscal vear, and each fiscal year thereafter, to establish the allocation amount for the 1986-87 fiscal year, and each fiscal year thereafter. Additionally, for programs approved by the commission for inclusion in the State Mandates Apportionment System on or after January 1, 1988, the allocation for each year succeeding the three-year base period shall be adjusted according to any changes in both the deflator and workload. The Controller shall then subvene that amount after adjusting it by any amount of overpayment or underpayment in the 1985-86 fiscal year, and each fiscal year thereafter, due to a discrepancy between the actual change and the estimated change in the deflator or workload. Funds for these purposes shall be available to the extent they are provided for in the Budget Act of 1986 and the Budget Act for any subsequent fiscal year thereafter. For purposes of this article, "workload" means, for school districts and county offices of education, changes in the average daily attendance; for community colleges, changes in the number of full-time equivalent students; for cities and counties, changes in the population within their boundaries; and for special districts, changes in the population of the county in which the largest percentage of the district's population is located.

## GC §17615.4: Procedure for newly mandated program

(a) When a new mandate imposes costs which are funded either by legislation, in local government claims bills, or from the State Mandates Claim Fund, local agencies and school districts may file reimbursement claims as required by Section 17561, for a minimum of three years after the initial funding of the new mandate. (b) After actual cost claims are submitted for three fiscal years against such a new mandate, the commission shall determine, upon request

of the Controller or a local entity or school district receiving reimbursement for the program, whether the amount of the base year entitlement adjusted by changes in the deflator and workload accurately reflects the costs incurred by the local agency or school district. If the commission determines that the base year entitlement, as adjusted, does accurately reflect the costs of the program, the commission shall direct the Controller to include the program in the State Mandates Apportionment System. (c) The Controller shall make recommendations to the commission and the commission shall consider the Controller's recommendations for each new mandate submitted for inclusion in the State Mandates Apportionment System. All claims included in the State Mandates Apportionment System pursuant to this section are also subject to the audit provisions of Section 17616.

## GC §17615.5: Procedure where no base year entitlement has been established

(a) If any local agency or school district has an established base year entitlement which does not include costs for a particular mandate, that local agency or school district may submit reimbursement claims for a minimum of three consecutive years, adjusted pursuant to Section 17615.3 by changes in the deflator and workload, or entitlement claims covering a minimum of three consecutive years, after which time its base year entitlement may be adjusted by an amount necessary to fund the costs of that mandate. (b) If any local agency or school district has no base year entitlement, but wishes to begin claiming costs of one or more of the mandates included in the State Mandates Apportionment System, that local agency or school district may submit reimbursement claims for a minimum of three consecutive years, or entitlement claims covering the preceding three consecutive years, which shall be adjusted pursuant to Sections 17615.2 and 17615.3 by changes in the deflator and workload, after which time a base year entitlement may be established in an amount necessary to fund the costs of the mandate or mandates.

## GC §17615.6: Procedure where program is no longer mandatory

If a local agency or school district realizes a decrease in the amount of costs incurred because a mandate is discontinued, or made permissive, the Controller shall determine the amount of the entitlement attributable to that mandate by determining the base year amount for that mandate for the local agency or school district plus the annual adjustments. This amount shall be subtracted from the annual subvention which would otherwise have been allocated to the local agency or school district.

#### GC §17615.7: Procedure where program is modified

If a mandated program included in the State Mandates Apportionment System is modified or amended by the Legislature or by executive order, and the modification or amendment significantly affects the costs of the program, as determined by the commission, the program shall be removed from the State Mandate Apportionment System, and the payments reduced accordingly. Local entities or school districts may submit actual costs claims for a period of three years, after which the program may be considered for inclusion in the State Mandates Apportionment System, pursuant to the provisions of Section 17615.4.

#### GC §17615.8: Review of base year entitlement

(a) The commission shall establish a procedure for reviewing, upon request, any apportionment or base year entitlement of a local agency or school district. (b) Local agencies and school districts which request such a review shall maintain and provide those records and documentation as the commission or its designee determines are necessary for the commission or its designee to make the required determinations. With the exception of records required to verify base year entitlements, the records may not be used to adjust current or prior apportionment, but may be used to adjust future apportionment. (c) If the commission determines that an apportionment or base year entitlement for funding costs mandated by the state does not accurately reflect the costs incurred by the local agency or school district for all mandates upon which that apportionment is based, the commission shall direct the Controller to adjust the apportionment accordingly. For the purposes of this section, an apportionment or a base year entitlement does not accurately reflect the costs incurred by a local agency or school district if it falls short of reimbursing, or overreimburses, that local agency's or school district's actual costs by 20 percent or by one thousand dollars (\$1,000), whichever is less. (d) If the commission determines that an apportionment or base year entitlement for funding costs mandated by the state accurately reflects the costs incurred by the local agency or school district for all mandates upon which that apportionment is based, the commission may, in its discretion, direct the Controller to withhold, and, if so directed, the Controller shall withhold the costs of the commission review was requested by the local agency or school district.

## GC §17615.9: Review of programs under SMAS

The commission shall periodically review programs funded under the State Mandate Apportionment System to evaluate the effectiveness or continued statewide need for each such mandate.

## GC §17616: Audits and verification by Controller

Notwithstanding the provisions of Section 2231 of the Revenue and Taxation **Code**, the Controller shall have the authority to do either or both of the following: (a) Audit the fiscal years comprising the base year entitlement no later than three years after the year in which the base year entitlement is established. The results of such audits shall be used to adjust the base year entitlements and any subsequent apportionment based on that entitlement, in addition to adjusting actual cost payments made for the base years audited. (b) Verify that any local agency or school district receiving funds pursuant to this article is providing the reimbursed activities.

### OFFICE OF THE STATE CONTROLLER

#### STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2002-06A

### ANIMAL ADOPTION

### MAY 7, 2002

In accordance with Government Code Section (GC §) 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of costs incurred for state mandated cost programs. The following are claiming instructions and forms that eligible claimants will use for the filing of claims for the Animal Adoption (AA) program. These claiming instructions are issued subsequent to adoption of the program's parameters and guidelines (P's & G's) by the Commission on State Mandates (COSM).

The test claim legislation was enacted in an attempt to end the euthanasia of adoptable and treatable animals. It increased the holding period for stray and abandoned dogs, cats, and other specified animals; required the verification of the temperament of feral cats; required the posting of lost and found lists; required the maintenance of records for impounded animals; and required that impounded animals receive necessary and prompt veterinary care.

On January 25, 2001, the COSM determined that Chapter 752/98 established costs mandated by the State according to the provisions listed in the attached P's & G's. For your reference, the P's & G's are included as an integral part of the claiming instructions.

#### **Eligible Claimants**

Any city, county, city and county, dependent special district, and joint powers authority comprised of a city, county, and/or city and county that incurs increased costs as a direct result of this mandate, is eligible to claim reimbursement of these costs.

#### Filing Deadlines

#### A. Initial Claims

Initial reimbursement claims must be filed within 120 days from the issuance date of claiming instructions. All claims must be filed with the SCO and be delivered or postmarked on or before **September 4, 2002**. Estimated claims for the 2001-02 fiscal year must also be delivered or postmarked on or before **September 4, 2002**. Thereafter, having received payment for an estimated claim, the claimant must file an annual reimbursement claim by January 15 of the following fiscal year. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$1,000. The claiming period for the reimbursable activities listed in **IV**, beginning on page 3 of the P's and G's, are as follows:

#### • IV. A. 1., 2., 3. - One Time Activities

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

• IV. B. 1. - Acquisition of Additional Space and/or Construction of New Facilities (Food and Agriculture Code Sections {F & AC §§} 31108, 31752, and 31753).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

• IV. B. 2. - Remodeling/Renovating Existing Facilities (F & AC §§ 31108, 31752, and 31753).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

• IV. B. 3. - Care and Maintenance of Impounded Stray or Abandoned Dogs and Cats (F & AC §§ 31108 and 31752).

Claiming Period - Fiscal years 1999-00 to 2000-01<sup>1</sup>.

• IV. B. 4. - Care and Maintenance of Impounded Stray or Abandoned Animals (F & AC § 31753).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

• IV. B. 5. - Agencies Using the Holding Period of Four Business Days after the Day of Impoundment (F & AC §§ 31108, 31752, and 31753).

**Animals Other than Cats and Dogs** 

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

#### **Impounded Dogs and Cats**

Claiming Period - Fiscal year 1999-00 to 2000-01.

• IV. B. 6. - Feral Cats (F & AC § 31752.5).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

• IV. B. 7. - Lost and Found Lists (F & AC § 32001).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 and 2000-01.

• IV. B. 8. - Maintaining Non-Medical Records (F & AC § 32003).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 and 2000-01.

• IV. B. 9. - Necessary and Prompt Veterinary Care (Civil Code §§ 1834 and 1846).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 and 2000-01.

<sup>&</sup>lt;sup>1</sup> Claiming period was previously listed as January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

## • IV. B. 10. - Procurement of Medical, Kennel, and Computer Equipment

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

Costs for all initial reimbursement claims must be filed separately according to the fiscal year in which the costs were incurred. However, the initial claims will be considered as one claim for the purpose of computing the late claim penalty. Do not prorate the penalty among fiscal years. If the claims are late, the penalty should be applied to a single fiscal year.

In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. Claims filed more than one year after the deadline will not be accepted.

#### **B.** Estimated Claims

Unless otherwise specified in the claiming instructions, local agencies are not required to provide cost schedules and supporting documents with an estimated claim if the estimated amount does not exceed the previous fiscal year's actual costs by more than 10%. Claimants can simply enter the estimated amount on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, claimants must complete supplemental claim forms to support their estimated costs as specified for the program to explain the reason for the increased costs. If no explanation supporting the higher estimate is provided with the claim, it will automatically be adjusted to 110% of the previous fiscal year's actual costs will be incurred. Claims filed timely will be paid before late claims.

#### **Minimum Claim Cost**

GC Section 17564 provides that no claim shall be filed pursuant to Sections 17551 and 17561, unless such a claim exceeds two hundred dollars (\$200), provided that a county superintendent of schools or county may submit a combined claim on behalf of school districts, direct service districts, or special districts within their county if the combined claim exceeds \$200, even if the individual school district's, direct service district's, or special district's claims do not each exceed \$200. The county superintendent of schools or the county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each school, direct service, or special district. These combined claims may be filed only when the county superintendent of schools or the county is the fiscal agent for the districts. A combined claim must show the individual claim costs for each eligible district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a school district, direct service district, or special district provides to the county superintendent of schools or county and to the SCO, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim.

#### **Reimbursement of Claims**

Initial reimbursement claims will only be reimbursed to the extent that expenditures can be supported and, if such information is unavailable, claims will be reduced. In addition, ongoing reimbursement claims must be supported by documentation as evidence of the expenditures. Examples of documentation may include, but are not limited to, employee time records that identify mandate activities, payroll records, invoices, receipts, contracts, travel expense vouchers, purchase orders, and caseload statistics.

If a documented time study is the basis for claimed time spent in implementing the provisions of **IV.** B. 3. of the P's and G's, attach the time records with the claim. The Controller's Office will review the documented time study for precision and reliability. For information on the Time Study Method, refer to pages 7 and 8 of the P's and G's.

## Audit of Costs

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the P's & G's adopted by the COSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment," specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Accordingly, all documentation to support actual costs claimed must be retained for a period of two years after the end of the calendar year in which the reimbursement claim was filed or amended regardless of the year of costs incurred. When no funds are appropriated for initial claims at the time the claim is filed, supporting documents must be retained for two years from the date of initial payment of the claim. Claim documentation shall be made available to the SCO on request.

#### **Retention of Claiming Instructions**

The claiming instructions and forms in this package should be retained permanently in your Mandated Cost Manual for future reference and use in filing claims. These forms should be duplicated to meet your filing requirements. You will be notified of updated forms or changes to claiming instructions as necessary.

For your reference, these and future mandated costs claiming instructions and forms can be found on the Internet at **www.sco.ca.gov/ard/local/locreim/index.htm**.

#### **Address for Filing Claims**

Submit a signed, original form FAM-27, Claim for Payment, and all other forms and supporting documents (no copies necessary) to:

If delivered by U.S. Postal Service:

Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting P.O. Box 942850 Sacramento, CA 94250 If delivered by other delivery services:

Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting 3301 C Street, Suite 500 Sacramento, CA 95816

## PARAMETERS AND GUIDELINES

Civil Code Sections 1834 and 1846; Food and Agriculture Code Sections 31108, 31752, 31752.5, 31753, 32001, and 32003 As Added or Amended by Statutes of 1998, Chapter 752

## Animal Adoption

## I. Summary of the Mandate

The test claim legislation was enacted in an attempt to end the euthanasia of adoptable and treatable animals. Generally, the test claim legislation increased the holding period for stray and abandoned dogs, cats, and other specified animals; required the verification of the temperament of feral cats; required the posting of lost and found lists; required the maintenance of records for impounded animals; and required that impounded animals receive "necessary and prompt veterinary care."

The Commission partially approved this test claim, pursuant to article XIII B, section 6 of the California Constitution and Government Code section 17514, for the *increased costs* in performing the following activities only:

- 1. Providing care and maintenance during the increased holding period for impounded dogs and cats that are ultimately euthanized. The increased holding period shall be measured by calculating the difference between three days from the day of capture and four business days from the day after impoundment, as specified below in 3 (a) and 3 (b), or six business days from the day after impoundment (Food & Agr. Code, §§ 31108, 31752);
- 2. Providing care and maintenance for four business days from the day after impoundment, as specified below in 3 (a) and 3 (b), or six business days from the day after impoundment, for impounded rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles, or tortoises legally allowed as personal property that are ultimately euthanized (Food & Agr. Code, § 31753);
- 3. For dogs, cats, and other specified animals held for four business days after the day of impoundment, either:

(a) Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or

(b) For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed (Food & Agr., Code §§ 31108, 31752, and 31753);

- 4. Verifying whether a cat is feral or tame by using a standardized protocol (Food & Agr. Code, § 31752.5);
- 5. Posting lost and found lists (Food & Agr. Code, § 32001);
- 6. Maintaining records on animals that are not medically treated by a veterinarian, but are either taken up, euthanized after the holding period, or impounded (Food & Agr. Code, § 32003); and
- 7. Providing "necessary and prompt veterinary care" for abandoned animals, other than injured cats and dogs given emergency treatment, that are ultimately euthanized (Civ.Code, §§ 1834 and 1846).

## **II.** Eligible Claimants

Any city, county, city and county, dependent special district, and joint powers authority comprised of a city, county, and/or city and county that incurs increased costs as a result of this reimbursable state mandated program is eligible to claim reimbursement of those costs.

## III. Period of Reimbursement

Government Code section 17557, as amended by Statutes of 1998, Chapter 681 (which became effective on September 22, 1998), states that a test claim shall be submitted on or before June 30 following a fiscal year in order to establish eligibility for reimbursement for that fiscal year. On December 22, 1998, the County of Los Angeles filed the test claim for this mandated program, establishing eligibility for reimbursement beginning on or after July 1, 1997.

However, except for the amendments to Food and Agriculture Code sections 31108 and 31752, Statutes of 1998, Chapter 752 became operative and effective on January 1, 1999. Therefore, except for the amendments to Food and Agriculture Code sections 31108 and 31752, the costs incurred for Statutes of 1998, Chapter 752 are eligible for reimbursement on or after January 1, 1999.

Section 21 of Statutes of 1998, Chapter 752 establishes an operative date of July 1, 1999 for the amendments to Food and Agriculture Code section 31108 (holding period for stray dogs) and Food and Agriculture Code sections 31752 (holding period for stray cats). Therefore, costs incurred for Food and Agriculture Code sections 31108 and 31752, as amended by Statutes of 1998, Chapter 752, are eligible for reimbursement on or after July 1, 1999.

Actual costs for one fiscal year shall be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to section 17561, subdivision (d)(1) of the Government Code, all claims for reimbursement of initial years' costs shall be submitted within 120 days of notification by the State Controller of the issuance of claiming instructions.

If the total costs for a given year do not exceed \$200, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

### IV. Reimbursable Activities

For each eligible claimant, all direct and indirect costs of labor, materials, supplies, fixed assets, contracted services, training and travel for the performance of the activities listed below are eligible for reimbursement.

Except as specified in Component (B)(3) and (4), reimbursement claims for the performance of the activities listed below shall be based on actual or estimated costs as provided in Government Code section 17560.

## A. One Time Activities

- 1. Develop policies and procedures to implement the reimbursable activities listed in Section IV (B) of these parameters and guidelines.
- 2. Train staff on the reimbursable activities listed in Section IV (B) of these parameters and guidelines. (One-time per employee.)
- 3. Develop or procure computer software for the maintenance of records on animals specified in Section IV (B) (8) of these parameters and guidelines to the extent these costs are not claimed as an indirect cost under Section V (B) of these parameters and guidelines. If the computer software is utilized in some way that is not directly related to the maintenance of records specified in Section IV (B) (8), only the pro rata portion of the activity that is used for compliance with Section IV (B) (8) is reimbursable.
- B. Ongoing Activities
  - 1. Acquisition of Additional Space and/or Construction of New Facilities

Beginning January 1, 1999 - Acquiring additional space by purchase or lease and/or construction of new facilities to provide appropriate or adequate shelter necessary to comply with the mandated activities during the increased holding period for impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that die during the increased holding period or are ultimately euthanized.

Eligible claimants are only entitled to reimbursement for the proportionate share of actual costs required to plan, design, acquire, and/or build facilities in a given fiscal year based on the pro rata representation of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that are held during the *increased* holding period specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines and die during the increased holding period or are ultimately euthanized, to the total population of animals housed in the facility (including those animals that are excluded from

reimbursement, as specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines) during the entire holding period required by Food and Agriculture Code sections 31108, 31752 and 31753.

### Supporting Documentation Submitted with the Initial and Subsequent Reimbursement Claims

Acquiring additional space and/or construction of new facilities is reimbursable only to the extent that an eligible claimant submits, with the initial and/or subsequent reimbursement claim, documentation reflecting the following:

A determination by the governing board that acquiring additional space and/or constructing new facilities is necessary for the increased holding period required by Statutes of 1998, Chapter 752 because the existing facilities do not reasonably accommodate impounded stray or abandoned dogs, cats and other specified animals that are ultimately euthanized. The determination by the governing board shall include all of the following findings:

- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in 1998. Average Daily Census is defined as the average number of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 housed on any given day, in a 365-day period;
- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in a given year under the holding periods required by Food and Agriculture Code sections 31108, 31752, and 31753, as added or amended by Statutes of 1998, Chapter 752;
- Existing facilities are not appropriately configured and/or equipped to comply with the increased holding period required by Statutes of 1998, Chapter 752;
- Remodeling existing facilities is not feasible or is more expensive than acquiring additional space and/or constructing new facilities; and
- Contracting with existing private or public shelters in the area to house the increase of impounded stray or abandoned dogs, cats, or other animals specified in Statutes of 1998, Chapter 752 is not feasible or is more expensive than acquiring additional space and/or constructing new facilities.

Documentation requirements may be satisfied in whole or in part by staff agenda items, staff reports, minutes of governing board meetings, transcripts of governing board meetings, certification by the governing board describing the findings and determination, and/or a resolution adopted by the governing board pursuant to Food and Agriculture Code section 31755, as added by Statutes of 1999, Chapter 81 (Assembly Bill 1482).

2. Remodeling/Renovating Existing Facilities

Beginning January 1, 1999 - Remodeling/renovating existing facilities to provide appropriate or adequate shelter necessary to comply with the mandated activities during the increased holding period for impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that die during the increased holding period or are ultimately euthanized.

Eligible claimants are only entitled to reimbursement for the proportionate share of actual costs required to plan, design, remodel and/or renovate existing facilities in a given fiscal year based on the pro rata representation of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that are held during the *increased* holding period specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines and die during the increased holding period or are ultimately euthanized, to the total population of animals housed in the facility (including those animals that are excluded from reimbursement, as specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines) during the entire holding period required by Food and Agriculture Code sections 31108, 31752 and 31753.

### Supporting Documentation Submitted with the Initial and Subsequent Reimbursement Claims

Remodeling/renovating existing facilities is reimbursable only to the extent that an eligible claimant submits, with the initial and/or subsequent reimbursement claim, documentation reflecting the following:

A determination by the governing board or a delegated representative that remodeling/renovating existing facilities is necessary because the existing facilities do not reasonably accommodate impounded stray or abandoned dogs, cats and other specified animals that are ultimately euthanized for the increased holding period required by Statutes of 1998, Chapter 752. The determination by the governing board or delegated representative shall include all of the following findings:

• The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in 1998. Average Daily Census is defined as the average number of impounded stray or

abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 housed on any given day, in a 365-day period;

- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 in a given year under the holding periods required by Food and Agriculture Code sections 31108, 31752, and 31753, as added or amended by Statutes of 1998, Chapter 752;
- Existing facilities are not appropriately configured and/or equipped to comply with the increased holding period required by Statutes of 1998, Chapter 752;
- Contracting with existing private or public shelters in the area to house the increase of impounded stray or abandoned dogs, cats, or other animals specified in Statutes of 1998, Chapter 752 is not feasible or is more expensive than remodeling/renovating existing facilities.

Documentation requirements may be satisfied in whole or in part by staff agenda items, staff reports, minutes of governing board meetings, transcripts of governing board meetings, certification by the governing board or declaration from the delegated representative describing the findings and determination, and/or a resolution adopted by the governing board pursuant to Food and Agriculture Code section 31755, as added by Statutes of 1999, Chapter 81 (Assembly Bill 1482).

3. Care and Maintenance for Impounded Stray or Abandoned Dogs and Cats that Die During the Increased Holding Period or are Ultimately Euthanized (Food & Agr. Code, §§ 31108, 31752)

Beginning July 1, 1999 - Providing care and maintenance during the increased holding period for impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized. The increased holding period shall be measured by calculating the difference between three days from the day of capture, and four or six business days from the day after impoundment.

#### **Exclusions**

Eligible claimants are *not* entitled to reimbursement for the care and maintenance of the following population of dogs and cats:

- a. Stray or abandoned dogs and cats that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);
- b. Newborn stray or abandoned dogs and cats that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);

- c. Stray or abandoned dogs and cats too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- d. Owner relinquished dogs and cats; and
- e. Stray or abandoned dogs and cats that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

#### Methods for Claiming Costs

Eligible claimants may elect one of following two methods to claim costs for the care and maintenance of impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized:

- Actual Cost Method Under the actual cost method, actual reimbursable care and maintenance costs per animal per day are computed for an annual claim period.
  - a) Determine the total annual cost of care and maintenance for all dogs and cats impounded at a facility. Total cost of care and maintenance includes labor, materials, supplies, indirect costs, and contract services.
  - b) Determine the average daily census of dogs and cats.
  - c) Multiply the average daily census of dogs and cats by 365 = yearly census of dogs and cats.
  - d) Divide the total annual cost of care by the yearly census of dogs and cats = cost per animal per day.
  - e) Multiply the cost per animal per day, by the number of impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized, by each reimbursable day (the difference between three days from the day of capture, and four or six business days from the day after impoundment).
- Time Study Method Under the time study method, a random sample of impounded stray or abandoned dogs and cats are observed to determine the amount of time to provide care and maintenance during a reimbursable day.

The time study shall be developed using one representative month each quarter and be supported with actual source documentation. Time studies shall be conducted on a more frequent basis if there are significant variations of time expended from month to month. The time study shall identify hours devoted to each specific category. If the time study supports a fixed-cost approach such as an animal day (i.e., dogday, cat-day, etc.), the eligible claimant shall document the analysis supporting the method used.

Time records used to support the time study shall:

- i. Reflect an after-the-fact distribution of each employee's actual activity;
- ii. Account for the total activity for which each employee is compensated;
- iii. Account for the total labor hours of the month;
- iv. Be signed and dated by the employee not later than the end of the pay period that follows the pay period covered by the report; and
- v. Document, by signature or initials and date, supervisor approval.
- Care and Maintenance for Impounded Stray or Abandoned Animals Specified in Food and Agriculture Code Section 31753 that Die During the Increased Holding Period or are Ultimately Euthanized (Food & Agr. Code, § 31753)

Beginning January 1, 1999 - Providing care and maintenance for four or six business days from the day after impoundment for impounded stray or abandoned rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles, and tortoises legally allowed as personal property that die during the increased holding period or are ultimately euthanized.

#### **Exclusions**

Eligible claimants are *not* entitled to reimbursement for the care and maintenance of the following population of animals:

- a. Stray or abandoned animals that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);
- Newborn animals that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- c. Stray or abandoned animals too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- d. Owner relinquished animals; and

e. Stray or abandoned animals that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

## Methods for Claiming Costs

Eligible claimants may elect one of following two methods to claim costs for the care and maintenance of impounded stray or abandoned animals specified in Food and Agriculture Code section 31753 that die during the increased holding period or are ultimately euthanized:

- Actual Cost Method –Under the actual cost method, actual reimbursable care and maintenance costs per animal per day are computed for an annual claim period.
  - a) Determine the total annual cost of care and maintenance for all animals specified in Food and Agriculture Code section 31753 that are impounded at a facility. Total cost of care and maintenance includes labor, materials, supplies, indirect costs, and contract services.
  - b) Determine the average daily census of the animals specified in Food and Agriculture Code section 31753.
  - Multiply the average daily census of the animals specified in Food and Agriculture Code section 31753 by 365 = yearly census of animals specified in Food and Agriculture Code section 31753.
  - d) Divide the total annual cost of care by the yearly census of animals specified in Food and Agriculture Code section 31753 = cost per animal per day.
  - e) Multiply the cost per animal per day, by the number of impounded stray or abandoned animals specified in Food and Agriculture Code section 31753 that die during the increased holding period or are ultimately euthanized, by each reimbursable day (four or six business days from the day after impoundment).
- Time Study Method Under the time study method, a random sample of impounded stray or abandoned animals are observed to determine the amount of time to provide care and maintenance during a reimbursable day.

The time study shall be developed using one representative month each quarter and be supported with actual source documentation. Time studies shall be conducted on a more frequent basis if there are significant variations of time expended from month to month. The time study shall identify hours devoted to each specific category. If the time study supports a fixed-cost approach such as an animal day, the eligible claimant shall document the analysis supporting the method used.

Time records used to support the time study shall:

- i. Reflect an after-the-fact distribution of each employee's actual activity;
- ii. Account for the total activity for which each employee is compensated;
- iii. Account for the total labor hours of the month;
- iv. Be signed and dated by the employee not later than the end of the pay period that follows the pay period covered by the report; and
- v. Document, by signature or initials and date, supervisor approval.
- 5. Agencies Using the Holding Period of Four Business Days After the Day of Impoundment (Food & Agr. Code, §§ 31108, 31752, 31753)

Beginning January 1, 1999 - For impounded animals specified in Food and Agriculture Code section 31753, either:

- Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or
- For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.

Beginning July 1, 1999 - For impounded dogs and cats, either:

- Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or
- For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.
- 6. Feral Cats (Food & Agr. Code, § 31752.5)

Beginning January 1, 1999 - Verifying whether a cat is feral or tame by using a standardized protocol within the first three days of the required holding period if an apparently feral cat has not been reclaimed by its owner or caretaker. 7. Lost and Found Lists (Food & Agr. Code, § 32001)

Beginning January 1, 1999 - Providing owners of lost animals and those who find lost animals with all of the following:

- Ability to list the animals they have lost or found on "lost and found" lists maintained by the local agency;
- Referrals to animals listed that may be the animals the owner or finders have lost or found;
- The telephone numbers and addresses of other pounds and shelters in the same vicinity;
- Advice as to means of publishing and disseminating information regarding lost animals; and
- The telephone numbers and addresses of volunteer groups that may be of assistance in locating lost animals.
- 8. Maintaining *Non-Medical* Records (Food & Agr. Code, § 32003)

Beginning January 1, 1999 - Maintaining non-medical records on animals that are either taken up, euthanized after the holding period, or impounded. Such records shall include the following:

- The date the animal was taken up, euthanized, or impounded;
- The circumstances under which the animal is taken up, euthanized, or impounded;
- The names of the personnel who took up, euthanized, or impounded the animal; and
- The final disposition of the animal, including the name of the person who euthanized the animal or the name and address of the adopting party.

The cost of software license renewal contracts, to the extent these costs are not claimed as an indirect cost under these parameters and guidelines, is eligible for reimbursement under Section V (A) (2) of these parameters and guidelines. If the computer software is utilized in some way that is not directly related to the maintenance of records specified in this section, only the pro rata portion of the software license renewal contract that is used for compliance with this section is reimbursable.

9. "Necessary and Prompt Veterinary Care" (Civ. Code, §§ 1834 and 1846)

Beginning January 1, 1999 - Providing "necessary and prompt veterinary care" for stray and abandoned animals, other than injured cats and dogs given emergency treatment, that die during the holding

period or are ultimately euthanized, during the holding periods specified in Statutes of 1998, Chapter 752.

"Necessary and prompt veterinary care" means all reasonably necessary medical procedures performed by a veterinarian or someone under the supervision of a veterinarian to make stray or abandoned animals "adoptable." The following veterinary procedures, if conducted, are eligible for reimbursement:

- An initial physical examination of the animal to determine the animal's baseline health status and classification as "adoptable," "treatable," or "non-rehabilitatable."
- A wellness vaccine administered to "treatable" or "adoptable" animals.
- Veterinary care to stabilize and/or relieve the suffering of a "treatable" animal.
- Veterinary care intended to remedy any applicable disease, injury, or congenital or hereditary condition that adversely affects the health of a "treatable" animal or that is likely to adversely affect the animal's health in the future, until the animal becomes "adoptable."

#### Population Exclusions

Eligible claimants are *not* entitled to reimbursement for providing "necessary and prompt veterinary care" to the following population of animals:

- a. Animals that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);
- Newborn animals that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- c. Animals too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal. (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- d. Owner relinquished animals; and
- e. Stray or abandoned animals that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

## Veterinary Care Exclusions

Eligible claimants are *not* entitled to reimbursement for providing the following veterinary procedures:

• Emergency treatment given to injure cats and dogs (Pen. Code, § 597f, subd. (b));

- Administration of rabies vaccination to dogs (Health & Saf. Code, § 121690);
- Implantation of microchip identification;
- Spay or neuter surgery and treatment;
- Euthanasia.
- 10. Beginning January 1, 1999 Procuring medical, kennel, and computer equipment necessary to comply with the reimbursable activities listed in Section IV (B) of these parameters and guidelines, to the extent these costs are not claimed as an indirect cost under Section V (B) of these parameters and guidelines. If the medical, kennel, and computer equipment is utilized in some way not directly related to the mandated program or the population of animals listed in Section IV (B), only the pro rata portion of the activity that is used for the purposes of the mandated program is reimbursable.

## V. Claim Preparation and Submission

Each claim for reimbursement must be timely filed and identify each cost element for which reimbursement is claimed under this mandate. Claimed costs must be identified to each reimbursable activity identified in Section IV. of these Parameters and Guidelines.

A. Direct Costs

Direct costs are defined as costs that can be traced to specific goods, services, programs, activities, or functions and shall be supported by the following cost element information:

1. Salaries and Benefits

Identify the employee(s), and/or show the classification of the employee(s) involved. Describe the reimbursable activities performed, specify the actual time devoted to each activity by each employee, and the productive hourly rate, and related fringe benefits.

Reimbursement for personnel services includes compensation paid for salaries, wages, and employee fringe benefits. Employee fringe benefits include regular compensation paid to an employee during periods of authorized absences (e.g., annual leave, sick leave) and the employer's contributions to social security, pension plans, insurance, and worker's compensation insurance. Fringe benefits are eligible for reimbursement when distributed equitably to all job activities performed by the employee.

2. Materials and Supplies

Only expenditures that can be identified as direct costs of this mandate may be claimed. List the cost of the materials and supplies consumed specifically for the purposes of this mandate. Purchases shall be claimed at the actual price after deducting cash discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged based on a recognized method of costing, consistently applied.

3. Contract Services

Provide the name(s) of the contractor(s) who performed the services, including any fixed contracts for services. Describe the reimbursable activity(ies) performed by each named contractor and give the number of actual hours spent on the activities, if applicable. Show the inclusive dates when services were performed and itemize all costs for those services. Attach consultant invoices to the claim.

4. Travel

Travel expenses for mileage, per diem, lodging, and other employee entitlements are eligible for reimbursement in accordance with the rules of the local jurisdiction. Provide the name(s) of traveler(s), purpose of travel, inclusive dates and times of travel, destination point(s), and travel costs.

5. Training

The cost of training an employee to perform the mandated activities, as specified in Section IV (A) of these Parameters and Guidelines, is eligible for reimbursement. Identify the employee(s) by name and job classification. Provide the title and subject of the training session, the date(s) attended, and the location. Reimbursable costs may include salaries and benefits, registration fees, transportation, lodging, and per diem.

6. Fixed Assets

List the costs of the fixed assets that have been acquired specifically for the purpose of this mandate. If the fixed asset is utilized in some way not directly related to the mandated program, only the pro-rata portion of the asset that is used for the purposes of the mandated program is reimbursable.

**B.** Indirect Costs

Compensation for indirect costs is eligible for reimbursement. Indirect costs are those that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. After direct costs have been determined and assigned to other activities, as appropriate, indirect costs are those remaining to be allocated to benefited cost objectives. A cost may not be allocated as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been claimed as a direct cost. Indirect costs include (a) the indirect costs originating in each department or agency of the governmental unit carrying out state mandated programs and (b) the costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.

Claimants have the option of using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal (ICRP) pursuant to the Office of Management and Budget (OMB) Circular A-87.

## VI. Supporting Data

For auditing purposes, all costs claimed shall be traceable to source documents (e.g., employee time records, cost allocation reports, invoices, receipts, purchase orders, contracts, worksheets, calendars, declarations, time studies, etc.) that show evidence of the validity of such costs and their relationship to this mandate. All documentation in support of claimed costs shall be made available to the State Controller's Office, as may be requested. Pursuant to Government Code section 17558.5, these documents must be kept on file by the agency submitting the claim for a period of no less than two years after the later of (1) the end of the calendar year in which the reimbursement claim is filed or last amended, or (2) if no funds are appropriated for the fiscal year for which the claim is made, the date of initial payment of the claim.

## VII. Offsetting Savings and Other Reimbursements

Any offsetting savings that the claimant experiences as a direct result of this mandate must be deducted from the costs claimed. Additionally, reimbursement for this mandate received from any source shall be identified and deducted from this claim. These sources shall include, but not be limited to, rewards received under the authority of Civil Code section 1845; licensing fees and fines received and applied pursuant to Food and Agriculture Code section 30652, Government Code section 28502, and Penal Code section 597f; other state funds, and federal funds. The fees and fines received pursuant to Food and Agriculture Code section 30652 shall be deducted from the claim according to the priority specified in the statute and stated below:

- First, to pay fees for the issuance of dog license tags pursuant to Food and Agriculture Code section 30652, subdivision (a);
- Second, in accordance with Food and Agriculture Code section 30652, subdivision (b), any excess revenue held after the payment of dog license tags shall be applied to the fees, salaries, costs, expenses, or any or all of them for the enforcement of Division 14 of the Food and Agriculture Code, including Food and Agriculture Code section 31108, and all ordinances that are made pursuant to Division 14. Costs incurred under Food and Agriculture Code section 31108 are specified in Section IV (B) (1), (2), (3), and (5), and Section IV (A) of these parameters and guidelines. Any or all excess revenue must be applied to the costs incurred under Food and Agriculture Code section

31108 before any revenue can be applied to subdivisions (c) and (d) of Food and Agriculture Code section 30652.

## VIII. State Controller's Office Required Certification

An authorized representative of the claimant shall be required to provide a certification of the claim, as specified in the State Controller's Office claiming instructions, for those costs mandated by the state contained herein.

## IX. Parameters and Guidelines Amendments

Pursuant to title 2, California Code of Regulations, section 1183.2, Parameters and Guidelines amendments filed before the deadline for initial claims as specified in the Claiming Instructions shall apply to all years eligible for reimbursement as defined in the original Parameters and Guidelines. A Parameters and Guidelines amendment filed after the initial claiming deadline must be submitted on or before January 15, following a fiscal year in order to establish eligibility for reimbursement for the fiscal year.

## State Controller's Office

Mandated Cost Manual

State Controller's On	lice		Ivia	ndated Cost Manual
	CLAIM FOR PAYMEN		For State Controller Us	
Pursuan	t to Government Code S	ection 17561	(19) Program Number 002	
	ANIMAL ADOPTION	(20) Date Filed/ (21) LRS Input/	/_ <mark>213</mark>	
(01) Claimant Identification Nur	mber			ent Claim Data
(02) Claimant Name			(22) AA-1, (04)(A)(1)(g)	
County of Location			(23) AA-1, (04)(A)(2)(g)	
Street Address or P.O. Box		Suite	(24) AA-1, (04)(A)(3)(g)	
City	State	Zip Code		
			(25) AA-1, (04)(B)(1)(g)	
Type of Claim	Estimated Claim	Reimbursement Claim	(26) AA-1, (04)(B)(2)(g)	
	(03) Estimated	(09) Reimbursement	(27) AA-1, (04)(B)(3)(g)	
	(04) Combined	(10) Combined	(28) AA-1, (04)(B)(4)(g)	
	(05) Amended	(11) Amended	(29) AA-1, (04)(B)(5)(g)	
Fiscal Year of Cost	(06) 20_/20	(12) <b>19_/20_</b>	(30) AA-1, (04)(B)(6)(g)	
Total Claimed Amount	(07)	(13)	(31) AA-1, (04)(B)(7)(g)	
Less: 10% Late Penalty	, not to exceed \$1,000	(14)	(32) AA-1, (04)(B)(8)(g)	
Less: Prior Claim Paym	ent Received	(15)	(33) AA-1, (04)(B)(9)(g)	
Net Claimed Amount		(16)	(34) AA-1, (04)(B)(10)(g)	
Due from State	(08)	(17)	(35) AA-1, (06)	
Due to State		(18)	(36)	
(37) CERTIFICATION	OF CLAIM	<u>.</u>		
with the State of California violated any of the provisi I further certify that there costs claimed herein; and	a for costs mandated by Chapt ions of Government Code Sect was no application other than	§ 17561, I certify that I am the o er 752, Statutes of 1998, and c ions 1090 to 1096, inclusive. from the claimant, nor any gra yram or increased level of servi	ertify under penalty of per nt or payment received, fo	jury that I have not r reimbursement of
		t Claim are hereby claimed fro s of 1998 set forth on the attac		f estimated and/or actua
Signature of Authorized Offi	cer		Date	
Type or Print Name			Title	
(38) Name of Contact Person for	or Claim	Telephone Number	() -	Ext.
		E-Mail Address		

Form FAM-27 (New 5/02)

Chapter 752/98

Program

#### Mandated Cost Manual

## ANIMAL ADOPTION Certification Claim Form Instructions

(01) Leave blank.

- (02) A set of mailing labels with the claimant's I.D. number and address was enclosed with the letter regarding the claiming instructions. Affix a label in the space shown. If you did not receive labels, print or type your agency's mailing address.
- (03) If filing an original estimated claim, enter an "X" in the box on line (03) Estimated.
- (04) If filing an original estimated claim on behalf of districts within the county, enter an "X" in the box on line (04) Combined.
- (05) If filing an amended or combined claim, enter an "X" in the box on line (05) Amended. Leave boxes (03) and (04) blank.
- (06) Enter the fiscal year in which costs are to be incurred.
- (07) Enter the amount of estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete form AA-1 and enter the amount from line (11).
- (08) Enter the same amount as shown on line (07).
- (09) If filing an original reimbursement claim, enter an "X" in the box on line (09) Reimbursement.
- (10) If filing an original reimbursement claim on behalf of districts within the county, enter an "X" in the box on line (10) Combined.
- (11) If filing an amended or a combined claim on behalf of districts within the county, enter an "X" in the box on line (11) Amended.
- (12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 for each fiscal year.
- (13) Enter the amount of reimbursement claim from form AA-1, line (11).
- (14) Filing Deadline. Initial Claims of Ch. 752/98. If the reimbursement claims for the period January 1, 1999, to June 30, 1999, and fiscal years 1999-00 through 2000-01 are filed after September 4, 2002, the claims must be reduced by a late penalty. Costs for all initial reimbursement claims must be filed separately according to the fiscal year in which the costs were incurred. However, the initial claims will be considered as one claim for the purpose of computing the late claim penalty. Do not prorate the penalty among the fiscal years. If the claims are late, the penalty should be applied to a single fiscal year. Enter either the product of multiplying the sum total of line (13) for all applicable FAM-27's by the factor 0.10 (10% penalty) or \$1,000, whichever is less.

In subsequent years, reimbursement claims must be filed by January 15 of the following fiscal year in which costs were incurred or the claims shall be reduced by a late penalty. Enter either the product of multiplying line (13) by the factor 0.10 (10% penalty) or \$1,000, whichever is less.

- (15) If filing a reimbursement claim and an estimated claim was previously filed for the same fiscal year, enter the amount received for the claim. Otherwise, enter a zero.
- (16) Enter the result of subtracting line (14) and line (15) from line (13).
- (17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17) Due from State.
- (18) If line (16), Net Claimed Amount, is negative, enter that amount in line (18) Due to State.
- (19) to (21) Leave blank.
- (22) to (36) Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim, e.g., AA-1, (04)(A)(1)(f), means the information is located on form AA-1, line (04)(A)(1), column (f). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 34.19% should be shown as 34. Completion of this data block will expedite the payment process.
- (37) Read the statement "Certification of Claim." If it is true, the claim must be dated, signed by the agency's authorized officer, and must include the person's name and title, typed or printed. Claims cannot be paid unless accompanied by a signed certification.
- (38) Enter the name, telephone number, and e-mail address of the person to contact if additional information is required.

SUBMIT A SIGNED, ORIGINAL FORM FAM-27 WITH ALL OTHER FORMS AND SUPPORTING DOCUMENTS (NO COPIES NECESSARY) TO:

Address, if delivered by U.S. Postal Service:

OFFICE OF THE STATE CONTROLLER ATTN: Local Reimbursements Section Division of Accounting and Reporting P.O. Box 942850 Sacramento, CA 94250 Address, if delivered by other delivery service:

OFFICE OF THE STATE CONTROLLER ATTN: Local Reimbursements Section Division of Accounting and Reporting 3301 C Street, Suite 500 Sacramento, CA 95816

State Controller's Office Mandated C						Cost Manual		
Program 213		AN	NDATED IMAL AD .AIM SUN	OP1	ΓΙΟΝ			FORM AA-1
(01) Claimant				(02)	Type of Cl	aim		Fiscal Year
	Reimbursement						4.0 /00	
					Estimated			19/20
(03) Department								
Direct Costs				Ob	ject Accou	nts		
(04) Reimbursable Components	(a)	(b)	(c)	0	(d)	(e) Transla	(f)	(g)
A. One-Time Costs	Salaries	Benefits	Materials Supplie		Contract Services	Travel & Training	Fixed Assets	Total
1. Policies and Procedures								
2. Training								
3. Computer Software								
B. Ongoing Costs								
1 Acquiring Space/Facilities								
2. Renovating Facilities								
3. Care of Dogs & Cats								
4. Care of Other Animals								
5. Holding Period								
6. Feral Cats								
7. Lost and Found Lists								
8. Non-Medical Records								
9. Veterinary Care								
10. Procuring Equipment								
(05) Total Direct Costs								
Indirect Costs								
(06) Indirect Cost Rate					[From ICRP	']		%
(07) Total Indirect Costs		[Line ((	06) x line (0	5)(a)]	or [Line (06) x	{line (05)(a) + l	ine (05)(b)}]	
(08) Total Direct and Indirect Costs [Line (05)(g) + line (07)]								
Cost Reduction								
(09) Less: Offsetting Savings								
(10) Less: Other Reimburse	ements							
(11) Total Claimed Amount [Line (08) - {line (09) + line (10)}]						+ line (10)}]		

Progra		FORM AA-1
(01)	Enter the name of the claimant.	
(02)	Type of Claim. Check a box, Reimbursement or Estimated, to identify the type of claim Enter the fiscal year of costs.	being filed.
	Form AA-1 must be filed for a reimbursement claim. Do not complete form AA-1 if you a estimated claim and the estimate does not exceed the previous fiscal year's actual costs by 10%. Simply enter the amount of the estimated claim on form FAM-27, line (07). How estimated claim exceeds the previous fiscal year's actual costs by more than 10%, form AA completed and a statement attached explaining the increased costs. Without this informat estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs actual costs of the previous fiscal year's actual costs.	y more than vever, if the A-1 must be ion the high
(03)	Department. If more than one department has incurred costs for this mandate, give the na department. A separate form AA-1 should be completed for each department.	me of each
(04)	Reimbursable Components. For each reimbursable component, enter the total from form (05), columns (d) through (i) to form AA-1, block (05), columns (a) through (f) in the approximate total each row.	
(05)	Total Direct Costs. Total columns (a) through (g).	
(06)	Indirect Cost Rate. Indirect costs may be computed as 10% of direct labor costs, exclu benefits. If an indirect cost rate of greater than 10% is used, include the Indirect Cost Ra (ICRP) with the claim. If more than one department is reporting costs, each must have its for the program.	te Proposal
(07)	Total Indirect Costs. Multiply Total Salaries, line (05)(a), by the Indirect Cost Rate, line ( salaries and benefits were used in the distribution base for the computation of the indirect then multiply the sum of Total Salaries, line (05)(a), and Total Benefits, line (05)(b), by Cost Rate, line (06).	ct cost rate,
(08)	Total Direct and Indirect Costs. Enter the sum of Total Direct Costs, line (05)(g), and T Costs, line (07).	otal Indirect
(09)	Less: Offsetting Savings. If applicable, enter the total savings experienced by the claiman result of this mandate. Submit a detailed schedule of savings with the claim.	t as a direct
(10)	Less: Other Reimbursements. Reimbursement received from any source shall be ide deducted from this claim. Sources shall include, but are not limited to, rewards rece authority of Civil Code § 1845, licensing fees and fines received and applied pursuant to Agriculture Code Section (F & AC §) 30652, Government Code Section 28502, and F Section 597f, and other state funds, and federal funds. Fees and fines received pursuant to 30652 shall be deducted according to the priority specified on page 15 of the P's and G's.	eived under o Food and Penal Code
(11)	Total Claimed Amount. From Total Direct and Indirect Costs, line (08), subtract the sum of Savings, line (09), and Other Reimbursements, line (10). Enter the remainder on this line the amount forward to form FAM-27, line (07) for the Estimated Claim or line (10). Reimbursement Claim.	e and carry

			State Controller's Office Mandated Cost Manual								
Program 213	MANDATED COSTS ANIMAL ADOPTION COMPONENT/ACTIVITY COST DETAIL							FORM AA-2			
(01) Claimant	(01) Claimant (02) Fiscal Year										
(03) Reimbursable Components: Check only <b>one</b> box per form to identify the component being claimed.          One-Time       Policies and Procedures       Training       Computer Software											
Care of Other Anim	Acquiring Space/Facilities       Renovating Facilities       Care of Dogs & 0         Care of Other Animals       Holding Period       Feral Cats         Lost and Found Lists       Non-Medical Records       Veterinary Care						S				
(04) Description of Expenses	ent				Object A	ccounts					
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(C) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f) Materials and Supplies	(g) Contract Services	(h) Fixed Assets	(i) Travel and Training				
(05) Total Subtotal	Page:	of									

Program 213	ANIMAL ADOPTION COMPONENT/ACTIVITY COST DETAIL Instructions	FORM AA-2
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- (01) Claimant. Enter the name of the claimant. If more than one department has incurred costs for this mandate, give the name of each department. A separate form AA-2 should be completed for each department.
- (02) Fiscal Year. Enter the fiscal year for which costs were incurred.
- (03) Reimbursable Components. Check the box which indicates the cost component being claimed. Check only one box per form. A separate form AA-2 shall be prepared for each applicable component.
- (04) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the component activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, travel and training expenses. The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed. For audit purposes, all supporting documents must be retained by the claimant for a period of not less than two years after the end of the calendar year in which the reimbursement claim was filed or last amended, whichever is later. If no funds are appropriated for the initial payment at the time the claims are filed, supporting documents must be retained for two years from the date of initial payment of the claim. Such documents shall be made available to the State Controller's Office on request.

Object/ Sub object	Columns							Submit supporting documents	
Accounts	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	with the claim
Salaries	Employee Name/Title	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked					
Benefits	Activities Performed	Benefit Rate		Benefits = Benefit Rate x Salaries					
Materials and Supplies	Description of Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used				
Contract Services	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service			Itemized Cost of Services Performed			Copy of Contract
Fixed Assets	Description of Equipment Purchased	Unit Cost	Usage				Itemized Cost of Equipment Purchased		Supporting Documentation
Travel and Training Travel	Purpose of Trip Name and Title Departure and Return Date	Per Diem Rate Mileage Rate Travel Cost	Days Miles Travel Mode					Cost = Rate x Days or Miles or Total Travel Cost	
Training	Employee Name/Title Name of Class		Dates Attended					Registration Fee	

(05) Total line (04), columns (d) through (i) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the component/activity costs, number each page. Enter totals from line (05), columns (d) through (i) to form AA-1, block (05), columns (a) through (f) in the appropriate row.

## GENERAL CLAIMING INSTRUCTIONS

#### **Reimbursable State Mandated Cost Programs**

RECEIVED May 19, 2014 Commission on State Mandates

Local agencies may file claims with the SCO for the cost of complying with the following state mandated programs. An "x" indicates the agencies that are eligible to file claims for the given program. For your convenience, the programs are listed in alphabetical order by program name.

Program Number	Program Name	Counties	Cities	Special Districts
2	Absentee Ballots	х	х	х
1	AIDS Testing	х		
178	Airport Land Use Commission/Plans	Х	х	х
152	Allocation of Property Tax Revenue	х		
213	Animal Adoption	х	х	х
6	Brendon Maguire Act	Х	х	х
13	Child Abduction and Recovery	х		
196	Child Abuse Treatment Services Authorization and Case Management	x		
67	Conservatorship: Developmentally Disabled Adults	x		
88	Coroners	х		
207	County Treasury Oversight Committees	Х		
158	Crime Victims' Rights	x		
87	Developmentally Disabled: Attorneys' Services	x		
167	Domestic Violence Arrest Policies and Standards	x	х	
177	Domestic Violence Treatment Services Authorization and Case Management	x	х	
205	Elder Abuse, Law Enforcement Training	х	х	
204	Extended Commitment, Youth Authority	х		
23	Firefighters' Cancer Presumption	х	х	х
197	Health Benefits for Survivors of Peace Officers and Firefighters	x	х	x
161	Investment Reports	х	х	х
193	Law Enforcement Sexual Harassment Training	x	х	x
41	Mandate Reimbursement Process	x	х	x
43	Medi-Cal Beneficiary Death Notices	х		
203	Mentally Disordered Offenders' Extended Commitment Proceedings	x		

Program Number	Program Name	Counties	Cities	Special Districts
39	Mentally Disordered Sex Offenders: Extended	х		
	Commitments			
66	Mentally Retarded Defendants: Diversion	x		
138	Misdemeanors: Booking and Fingerprinting	х	х	
200	Not Guilty by Reason of Insanity II	x		
219	Open Meetings Act/Brown Act Reform	x	х	х
122	Pacific Beach Safety	x	х	
118	Peace Officers' Cancer Presumption	х	х	х
187	Peace Officers Procedural Bill of Rights	x	х	х
124	Perinatal Services	Х		
83	Permanent Absent Voters	x		
121	Pesticide Use Reports	Х		
215	Photographic Record of Evidence	x	х	х
128	Prisoner Parental Rights	Х	Х	
127	Rape Victim Counseling Center Notices	x	х	
55	Regional Housing Need Determination	x	х	х
73	Search Warrant: AIDS	х	х	
18	Senior Citizens Property Tax Postponement	Х		
191	Seriously Emotionally Disturbed Pupils: Out of-State Mental Health Services	x		
111	Services to Handicapped Students	Х		
220	Sex Crime Confidentiality	Х	х	
217	Sex Offenders: Disclosure by Law Enforcement Officers (Megan's Law)	x	х	x
175	Sexually Violent Predators	х		
110	SIDS: Autopsy Protocols	x		
125	SIDS: Contact By Local Health Officers	Х		
180	SIDS Training for Firefighters	Х	х	х
120	Stolen Vehicle Notification	Х	х	
163	Threats Against Peace Officers	Х	Х	х
90	Unitary Countywide Tax Rates	Х		
181	Very High Fire Hazard Severity Zones	Х	х	х

# APPROPRIATIONS FOR STATE MANDATED COST PROGRAMS 2003-04 FISCAL YEAR

#### Source of State Mandated Cost Appropriations

	M	Mandated Programs	Amounts Appropriated	1
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## 2003 State Budget Act (Chapter 157/03)

## Item 0820-295-0001 Department of Justice

Chapter 1399/76 Chapter 337/90 Chapter 1105/92 Chapter 485/98	Child Abduction and Recovery Stolen Vehicle Notification Misdemeanors: Booking and Fingerprinting Sex Offenders; Disclosure by Law Enforcement Officers	
Item 0890-295-0001	Secretary of State	
Chapter 77/78 Chapter 391/88 Chapter 704/75 Chapter 1422/82	Absentee Ballots Brendon Maguire Act Voters Registration Procedures Permanent Absent Voters	1,000 1,000 1,000 1,000
Item 0950-295-0001	State Treasurer	
Chapter 783/95 Chapter 784/95	Investment Reports County Treasury Oversight Committee	$\begin{array}{c} 0^1 \\ 0^1 \end{array}$
Item 1880-295-0001	State Personnel Board	
Chapter 675/90	Peace Officers Procedural Bill of Rights	1,000
Item 2240-295-0001	Department of Housing and Community Development	
Chapter 1143/80	Regional Housing Need Determination	1,000
Item 2660-295-0001	Department of Transportation	
Chapter 644/94	Airport Land Use	2,000
Item 3540-295-0001	Department of Forestry and Fire Protection	
Chapter 1188/92	Very High Fire Hazard Severity Zones	$0^1$
Item 3930-295-0001	Department of Pesticide Regulations	
Chapter 1200/89	Pesticide Use Reports	1,000
Item 4260-295-0001	Department of Health Services	
Chapter 268/91 Chapter 453/74	Sudden Infant Death Syndrome: Contact By Health Services Sudden Infant Death Syndrome: Notices	$\begin{array}{c} 0^1 \\ 0^1 \end{array}$

<sup>&</sup>lt;sup>1</sup> The 2003-04 Budget Act suspended all mandates with a \$0 appropriation for the 2003-04 fiscal year.

Chapter Chapter Chapter	955/89 1088/88	Pacific Beach Safety Sudden Infant Death Syndrome: Autopsies AIDS Search Warrants Medi-Cal Beneficiary Death Notices AIDS Testing Perinatal Services SIDS Training for Firefighters	$1,000 \\ 1,000 \\ 1,000 \\ 1,000 \\ 0^{1} \\ 1,000 \\ 0^{1}$
Item 4300-	295-0001	Department of Developmental Services	
Chapter Chapter Chapter Chapter	694/75 1253/80	Judicial Proceedings Developmentally Disabled: Attorneys' Services Mentally Retarded Defendants: Diversion Conservatorship: Developmentally Disabled Adults	1,000 1,000 1,000 1,000
Item 4440-	295-0001	Department of Mental Health	
Chapter	1036/78 1114/79 1747/84 762/95	Coroners Mentally Disordered Sex Offenders: Extended Commitments Not Guilty by Reason of Insanity Services to Handicapped Students Sexually Violent Predators Seriously Emotionally Disturbed Pupils	1,000 1,000 1,000 1,000 1,000 1,000
Item 5180-	295-0001	Department of Social Services	
Chapter	1090/96	Child Abuse Treatment Services Authorization and Case Management	$0^1$
Item 5240-	295-0001	Department of Corrections	
Chapter	820/91	Prisoner Parental Rights	1,000
Item 5430-	295-0001	Board of Corrections	
Chapter	183/92	Domestic Violence Treatment Services Authorization and Case Management	1,000
Chapter	221/93	Domestic Violence Treatment Program Approvals	1,000
Item 7350-	295-0001	Department of Industrial Relations	
-	1171/89 1568/82	Peace Officers' Cancer Presumption Firefighters' Cancer Presumption	1,000 1,000
Item 8100-	295-0001	Office of Criminal Justice Planning	
Chapter Chapter	1249/92 411/95	Threats Against Peace Officers Crime Victims' Rights	1,000 1,000
Item 8120-	295-0001	Commission on Peace Officer Standards and Training	
Chapter Chapter		Law Enforcement Sexual Harassment Training Domestic Violence Arrest Policies and Standards	0 <sup>1</sup> 1,000

<sup>&</sup>lt;sup>1</sup> The 2003-04 Budget Act suspended all mandates with a \$0 appropriation for the 2003-04 fiscal year.

Chapter 444/97	Elder Abuse Law Enforcement Training	$0^1$
Item 8570-295-000	1 Department of Food and Agriculture	
Chapter 752/98	Animal Adoption	$0^{1}$
Item 9100-295-000	1 Tax Relief	
Chapter 1242/77	Senior Citizens' Property Tax Postponement	1,000
Chapter 921/87	Unitary Countywide Tax Rates	1,000
Chapter 697/92	Allocation of Property Tax Revenue	1,000
Item 9210-295-000	1 Local Government Financing	
Chapter 486/75	Mandate Reimbursement Process	1,000
Chapter 641/86	Open Meetings Act/Brown Act Reform	1,000
Chapter 999/91	Rape Victims Counseling Center Notices	1,000
TOTAL - Funding f	or the 2003-04 Fiscal Year	\$39,000

## FILING A CLAIM

#### 1. Introduction

The law in the State of California, (Government Code Sections 17500 through 17616), provides for the reimbursement of costs incurred by school districts for costs mandated by the State. Costs mandated by the State means any increased costs which a school district is required to incur after July 1, 1980, as a result of any statute enacted after January 1, 1975, or any executive order implementing such statute which mandates a new program or higher level of service of an existing program.

Estimated claims that show costs to be incurred in the current fiscal year and reimbursement claims that detail the costs actually incurred for the prior fiscal year may be filed with the State Controller's Office (SCO). Claims for on-going programs are filed annually by January 15. Claims for new programs are filed within 120 days from the date claiming instructions are issued for the program. A 10 percent penalty, (up to \$1,000 for continuing claims, no limit for initial claims), is assessed for late claims. The SCO may audit the records of any school district to verify the actual amount of mandated costs and may reduce any claim that is excessive or unreasonable.

When a program has been reimbursed for three or more years, the COSM may approve the program for inclusion in the State Mandates Apportionment System (SMAS). For programs included in SMAS, the SCO determines the amount of each claimant's entitlement based on an average of three consecutive fiscal years of actual costs adjusted by any changes in the Implicit Price Deflator (IPD). Claimants with an established entitlement receive an annual apportionment adjusted by any changes in the IPD and, under certain circumstances, by any changes in workload. Claimants with an established entitlement do not file further claims for the program.

The SCO is authorized to make payments for costs of mandated programs from amounts appropriated by the State Budget Act, by the State Mandates Claims Fund, or by specific legislation. In the event the appropriation is insufficient to pay claims in full, claimants will receive prorated payments in proportion to the dollar amount of approved claims for the program. Balances of prorated payments will be made when supplementary funds are made available.

The instructions contained in this manual are intended to provide general guidance for filing a mandated cost claim. Since each mandate is administered separately, it is important to refer to the specific program for information relating to established policies on eligible reimbursable costs.

#### 2. Types of Claims

There are three types of claims: Reimbursement, Estimated, and Entitlement. A claimant may file a reimbursement claim for actual mandated costs incurred in the prior fiscal year or may file an estimated claim for mandated costs to be incurred during the current fiscal year. An entitlement claim may be filed for the purpose of establishing a base year entitlement amount for mandated programs included in SMAS. A claimant who has established a base year entitlement for a program would receive an automatic annual payment which is reflective of the current costs for the program.

All claims received by the SCO will be reviewed to verify actual costs. An adjustment of the claim will be made if the amount claimed is determined to be excessive, improper, or unreasonable. The claim must be filed with sufficient documentation to support the costs claimed. The types of documentation required to substantiate a claim are identified in the instructions for the program. The certification of claim, form FAM-27, must be signed and dated by the entity's authorized officer in order for the SCO to make payment on the claim.

#### A. Reimbursement Claim

A reimbursement claim is defined in GC Section 17522 as any claim filed with the SCO by a local agency for reimbursement of costs incurred for which an appropriation is made for the purpose of paying the claim. The claim must include supporting documentation to substantiate the costs claimed.

Initial reimbursement claims are first-time claims for reimbursement of costs for one or more prior fiscal years of a program that was previously unfunded. Claims are due 120 days from the date of issuance of the claiming instructions for the program by the SCO. The first statute that appropriates funds for the mandated program will specify the fiscal years for which costs are eligible for reimbursement.

Annual reimbursement claims must be filed by January 15 following the fiscal year in which costs were incurred for the program. A reimbursement claim must detail the costs actually incurred in the prior fiscal year.

An actual claim for the 2002-03 fiscal year may be filed by January 15, 2004, without a late penalty. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$1,000. However, initial reimbursement claims will be reduced by a late penalty of 10% with no limitation. In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. Claims filed more than one year after the deadline or without the requested supporting documentation will not be accepted.

#### B. Estimated Claim

An estimated claim is defined in GC Section 17522 as any claim filed with the SCO, during the fiscal year in which the mandated costs are to be incurred by the local agency, against an appropriation made to the SCO for the purpose of paying those costs.

An estimated claim may be filed in conjunction with an initial reimbursement claim, annual reimbursement claim, or at other times for estimated costs to be incurred during the current fiscal year. Annual estimated claims are due January 15 of the fiscal year in which the costs are to be incurred. Initial estimated claims are due on the date specified in the claiming instructions. Timely filed estimated claims are paid before those filed after the deadline.

After receiving payment for an estimated claim, the claimant must file a reimbursement claim by January 15 following the fiscal year in which costs were incurred. If the claimant fails to file a reimbursement claim, monies received for the estimated claims must be returned to the State.

#### C. Entitlement Claim

An entitlement claim is defined in GC Section 17522 as any claim filed by a local agency with the SCO for the sole purpose of establishing or adjusting a base year entitlement for a mandated program that has been included in SMAS. An entitlement claim should not contain nonrecurring or initial start-up costs. There is no statutory deadline for the filing of entitlement claims. However, entitlement claims and supporting documents should be filed by January 15 to permit an orderly processing of claims. When the claims are approved and a base year entitlement amount is determined, the claimant will receive an apportionment reflective of the program's current year costs. Local mandates included in SMAS are listed in Section 2, number 6.

Once a mandate has been included in SMAS and the claimant has established a base year entitlement, the claimant will receive automatic payments from the SCO for the mandate. The automatic apportionment is determined by adjusting the claimant's base year entitlement for changes in the implicit price deflator of costs of goods and services to governmental agencies, as determined by the State Department of Finance. For programs approved by the COSM for inclusion in SMAS on or after January 1, 1988, the payment for each year succeeding the three year base period is adjusted according to any changes by both the deflator and average daily attendance. Annual apportionments for programs included in the system are paid on or before November 30 of each year.

A base year entitlement is determined by computing an average of the claimant's costs for any three consecutive years after the program has been approved for the SMAS process. The amount is first adjusted according to any changes in the deflator. The deflator is applied separately to each year's costs for the three years, which comprise the base year. The SCO will perform this computation for each claimant who has filed claims for three consecutive years. If a claimant has incurred costs for three consecutive years but has not filed a claim in each of those years, the claimant may file an entitlement claim, form FAM-43, to establish a base year entitlement. An entitlement claim does not result in the claimant being reimbursed for the costs incurred, but rather entitles the claimant to receive automatic payments from SMAS.

#### 3. Minimum Claim Amount

For initial claims and annual claims filed on or after September 30, 2002, if the total costs for a given year do not exceed \$1,000, no reimbursement shall be allowed except as otherwise allowed by GC Section 17564. Combined claims may be filed only when the county is the fiscal agent for the special districts. The county shall determine if the submission of a combined claim is economically feasible and shall be responsible for disbursing the funds to each special district. A combined claim must show the individual claim costs for each eligible school district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a special district, provides to the county and to the Controller, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim.

GC Section 17564(a) provides that no claim shall be filed pursuant to Sections 17551 and 17561, unless such a claim exceeds one thousand dollars (\$1,000), provided that a county may submit a combined claim on behalf of direct service districts or special districts within their county if the combined claim exceeds \$1,000, even if the individual direct service district's or special district's claim does not each exceed \$1,000. The county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each direct service district or special district. These combined claims may be filed only when the county is the fiscal agent for the districts. A combined claim must show the individual claim costs for each eligible district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a direct service district or special district provides a written notice of its intent to file a separate claim to the county and to the SCO at least 180 days prior to the deadline for filing the claim.

#### 4. Filing Deadline for Claims

Initial reimbursement claims (first-time claims) for reimbursement of costs of a previously unfunded mandated program must be filed within 120 days from the date of issuance of the program's claiming instructions by the SCO. If the initial reimbursement claim is filed after the deadline, but within one year of the deadline, the approved claim must be reduced by a 10% penalty. A claim filed more than one year after the deadline cannot be accepted for reimbursement.

Annual reimbursement claims for costs incurred during the previous fiscal year and estimated claims for costs to be incurred during the current fiscal year must be filed with the SCO and postmarked on or before January 15. If the annual or estimated reimbursement claim is filed after the deadline, but within one year of the deadline, the approved claim must be reduced by a 10% late penalty, not to exceed \$1,000. Claims must include supporting data to show how the amount claimed was derived. Without this information, the claim cannot be accepted.

Entitlement claims do not have a filing deadline. However, entitlement claims and supporting documents should be filed by January 15 to permit an orderly processing of claims. Entitlement claims are used to establish a base year entitlement amount for calculating automatic annual payments. Entitlement does not result in the claimant being reimbursed for costs incurred, but rather entitles the claimant to receive automatic payments from SMAS.

#### 5. Payment of Claims

In order for the SCO to authorize payment of a claim, the Certification of Claim, form FAM-27, must be properly filled out, signed, and dated by the entity's authorized officer.

Reimbursement and estimated claims are paid within 60 days of the filing deadline for the claim. A claimant is entitled to receive accrued interest at the pooled money investment account rate if the payment was made more than 60 days after the claim filing deadline or the actual date of claim receipt, whichever is later. For an initial claim, interest begins to accrue when the payment is made more than 365 days after the adoption of the program's statewide cost estimate. The SCO may withhold up to 20 percent of the amount of an initial claim until the claim is audited to verify the actual amount of the mandated costs. The 20 percent withheld is not subject to accrued interest.

In the event the amount appropriated by the Legislature is insufficient to pay the approved amount in full for a program, claimants will receive a prorated payment in proportion to the amount of approved claims timely filed and on hand at the time of proration.

The SCO reports the amounts of insufficient appropriations to the State Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each house of the Legislature which considers appropriations in order to assure appropriation of these funds in the Budget Act. If these funds cannot be appropriated on a timely basis in the Budget Act, this information is transmitted to the COSM which will include these amounts in its report to assure that an appropriation sufficient to pay the claims is included in the next local government claims bill or other appropriation bills. When the supplementary funds are made available, the balance of the claims will be paid.

Unless specified in the statutes, regulations, or parameters and guidelines, the determination of allowable and unallowable costs for mandates is based on the Parameters and Guidelines adopted by the COSM. The determination of allowable reimbursable mandated costs for unfunded mandates is made by the COSM. The SCO determines allowable reimbursable costs, subject to amendment by the COSM, for mandates funded by special legislation. Unless specified, allowable costs are those direct and indirect costs, less applicable credits, considered to be eligible for reimbursement. In order for costs to be allowable and thus eligible for reimbursement, the costs must meet the following general criteria:

- 1. The cost is necessary and reasonable for proper and efficient administration of the mandate and not a general expense required to carry out the overall responsibilities of government.
- 2. The cost is allocable to a particular cost objective identified in the Parameters and Guidelines.
- The cost is net of any applicable credits that offset or reduce expenses of items allocable to the mandate.

The SCO has identified certain costs that, for the purpose of claiming mandated costs, are unallowable and should not be claimed on the claim forms unless specified as reimbursable under the program. These expenses include, but are not limited to, subscriptions, depreciation, memberships, conferences, workshops general education, and travel costs.

#### 6. State Mandates Apportionment System (SMAS)

Chapter 1534, Statutes of 1985, established SMAS, a method of paying certain mandated programs as apportionments. This method is utilized whenever a program has been approved for inclusion in SMAS by the COSM.

When a mandated program has been included in SMAS, the SCO will determine a base year entitlement amount for each county that has submitted reimbursement claims, (or entitlement claims), for three consecutive fiscal years. A base year entitlement amount is determined by averaging the approved reimbursement claims, (or entitlement claims), for 1982-83, 1983-84, and 1984-85 years or any three consecutive fiscal years thereafter. The amounts are first adjusted by any change in IPD, which is applied separately to each year's costs for the three years that

comprise the base period. The base period means the three fiscal years immediately succeeding the COSM's approval.

Each county with an established base year entitlement for the program will receive automatic annual payments from the SCO reflective of the program's current year costs. The amount of apportionment is adjusted annually for any change in the IPD. If the mandated program was included in SMAS after January 1, 1988, the annual apportionment is adjusted for any change in both the IPD and workload.

For cities and counties, "workload" means a change in population within their boundaries; for special districts, a change in population of the county in which the largest percentage of the district's population is located.

In the event a county has incurred costs for three consecutive fiscal years but did not file a reimbursement claim in one or more of those fiscal years, the county may file an entitlement claim for each of those missed years to establish a base year entitlement. An "entitlement claim" means any claim filed by a county with the SCO for the sole purpose of establishing a base year entitlement. A base year entitlement shall not include any nonrecurring or initial start-up costs.

Initial apportionments are made on an individual program basis. After the initial year, all apportionments are made by November 30. The amount to be apportioned is the base year entitlement adjusted by annual changes in the IPD for the cost of goods and services to governmental agencies as determined by the State Department of Finance.

In the event the county determines that the amount of apportionment does not accurately reflect costs incurred to comply with a mandate, the process of adjusting an established base year entitlement upon which the apportionment is based, is set forth in GC Section 17615.8 and requires the approval of the COSM.

The following programs are placed in SMAS:

Program Name	Chapter/Statute	Program Number
Conservatorship: Developmentally Disabled Adults	Ch. 1304/80	67
Coroners	Ch. 498/77	88
Mentally Retarded Defendants: Diversion	Ch. 1253/80	66
Senior Citizens Property Tax Postponement	Ch. 1242/77	18

Listed are state mandated local programs and counties that are entitled to receive automatic apportionments in those fiscal years in which the program is funded.

Counties of:	Ch. 498/77 Coroners	Ch. 1242/77 Senior Citizens Property Tax Postponement	Ch. 1253/80 Mentally Retarded Defendants: Diversion	Ch. 1304/80 Developmentally Disabled Adults: Conservatorship
Alameda		Х	Х	Х
Butte		Х	Х	Х
Calaveras		Х	Х	Х
Contra Costa		Х	Х	Х
El Dorado		Х	Х	Х
Fresno		Х	х	х
Humbolt		Х	х	Х
Kern		Х	х	Х
Lake		х	х	Х
Los Angeles	Х	х	х	Х
Marin		Х	х	Х
Mendocino		Х	х	Х
Monterey		Х	х	Х
Napa	х	Х	х	Х
Nevada		Х	х	Х
Orange	х	Х	х	Х
Placer		Х	х	Х
Plumas		Х	х	Х
Riverside		Х	х	Х
Sacramento		Х	х	Х
San Bernardino	х	Х	х	Х
San Diego		Х	х	Х
San Francisco		Х	х	Х
San Joaquin	Х	Х		
San Luis Obispo	х	Х	х	Х
San Mateo		Х	х	Х
Santa Barbara		х	х	х
Santa Clara	х	х	х	х
Santa Cruz		Х	х	Х
Shasta		Х	х	Х
Solano		Х	х	Х
Sonoma	Х	х	х	Х
Stanislaus		Х	х	Х
Tulare	Х	х	х	Х
Tuolumne		х		
Ventura	х	Х	х	Х
Yolo		Х	х	Х
Yuba		Х		

#### 7. Direct Costs

A direct cost is a cost that can be identified specifically with a particular program or activity. Each claimed reimbursable cost must be supported by documentation as described in Section 12. Costs that are typically classified as direct costs are:

#### (1) Employee Wages, Salaries, and Fringe Benefits

For each of the mandated activities performed, the claimant must list the names of the employees who worked on the mandate, their job classification, hours worked on the mandate, and rate of pay. The claimant may, in-lieu of reporting actual compensation and fringe benefits, use a productive hourly rate:

#### (a) Productive Hourly Rate Options

A local agency may use one of the following methods to compute productive hourly rates:

- Actual annual productive hours for each employee
- The weighted-average annual productive hours for each job title, or
- 1,800\* annual productive hours for all employees

If actual annual productive hours or weighted-average annual productive hours for each job title is chosen, the claim must include a computation of how these hours were computed.

- \* 1,800 annual productive hours excludes the following employee time:
- o Paid holidays
- o Vacation earned
- o Sick leave taken
- o Informal time off
- o Jury duty
- o Military leave taken.

#### (b) Compute a Productive Hourly Rate

1. Compute a productive hourly rate for salaried employees to include actual fringe benefit costs. The methodology for converting a salary to a productive hourly rate is to compute the employee's annual salary and fringe benefits and divide by the annual productive hours.

#### Table 1 Productive Hourly Rate, Annual Salary + Benefits Method

Formula:	Description:
[(EAS + Benefits) ÷ APH] = PHR	EAS = Employee's Annual Salary
	APH = Annual Productive Hours
[(\$26,000 + \$8,099)] ÷ 1,800 hrs = 18.94	PHR = Productive Hourly Rate

As illustrated in Table 1, if you assume an employee's compensation was \$26,000 and \$8,099 for annual salary and fringe benefits, respectively, using the "Salary + Benefits Method," the productive hourly rate would be \$18.94. To convert a biweekly salary to EAS, multiply the biweekly salary by 26. To convert a monthly salary to EAS, multiply the monthly salary by 12. Use the same methodology to convert other salary periods.

2. A claimant may also compute the productive hourly rate by using the "Percent of Salary Method."

Example:		
<b>Step 1:</b> Fringe Benefits as a Percent of Salary		Step 2: Productive Hourly Rate
Retirement	15.00 %	Formula:
Social Security & Medicare	7.65	[(EAS x (1 + FBR)) ÷ APH] = PHR
Health & Dental Insurance	5.25	
Workers Compensation	3.25	[(\$26,000 x (1.3115)) ÷ 1,800 ] = \$18.94
Total	31.15 %	
Description:		
EAS = Employee's Annual Salary		APH = Annual Productive Hours
FBR = Fringe Benefit Rate		PHR = Productive Hourly Rate

• As illustrated in Table 3, both methods produce the same productive hourly rate.

Reimbursement for personnel services includes, but is not limited to, compensation paid for salaries, wages and employee fringe benefits. Employee fringe benefits include employer's contributions for social security, pension plans, insurance, workmen's compensation insurance and similar payments. These benefits are eligible for reimbursement as long as they are distributed equitably to all activities. Whether these costs are allowable is based on the following presumptions:

- The amount of compensation is reasonable for the service rendered.
- The compensation paid and benefits received are appropriately authorized by the governing board.
- Amounts charged for personnel services are based on payroll documents that are supported by time and attendance or equivalent records for individual employees.
- The methods used to distribute personnel services should produce an equitable distribution of direct and indirect allowable costs.

For each of the employees included in the claim, the claimant must use reasonable rates and hours in computing the wage cost. If a person of a higher-level job position performs an activity which normally would be performed by a lower-level position, reimbursement for time spent is allowable at the average salary range for the lower-level position. The salary rate of the person at the higher level position may be claimed if it can be shown that it was more cost effective in comparison to the performance by a person at the lower-level position under normal circumstances and conditions. The number of hours charged to an activity should reflect the time expected to complete the activity under normal circumstances and conditions. The numbers of hours in excess of normal expected hours are not reimbursable.

#### (c) Calculating an Average Productive Hourly Rate

In those instances where the claiming instructions allow a unit as a basis of claiming costs, the direct labor component of the unit cost should be expressed as an average productive hourly rate and can be determined as follows:

Table 4 Calculating an Average Productive Hourly Rate						
	<u>Time</u> Spent	Productive Hourly Rate	Total Cost by Employee			
Employee A	1.25 hrs	\$6.00	\$7.50			
Employee B	0.75 hrs	4.50	3.38			
Employee C	3.50 hrs	10.00	35.00			
Total 5.50 hrs \$45.88						
Average Productive Hourly Rate is \$45.88/5.50 hrs. = \$8.34						

#### (d) Employer's Fringe Benefits Contribution

A local agency has the option of claiming actual employer's fringe benefit contributions or may compute an average fringe benefit cost for the employee's job classification and claim it as a percentage of direct labor. The same time base should be used for both salary and fringe benefits when computing a percentage. For example, if health and dental insurance payments are made annually, use an annual salary. After the percentage of salary for each fringe benefit is computed, total them.

For example:

Employer's Contribution	<u>% of Salary</u>
Retirement	15.00%
Social Security	7.65%
Health and Dental	5.25%
Insurance	5.2576
Worker's Compensation	0.75%
Total	28.65%

#### (e) Materials and Supplies

Only actual expenses can be claimed for materials and supplies, which were acquired and consumed specifically for the purpose of a mandated program. The claimant must list the materials and supplies that were used to perform the mandated activity, the number of units consumed, the cost per unit, and the total dollar amount claimed. Materials and supplies purchased to perform a particular mandated activity are expected to be reasonable in quality, quantity and cost. Purchases in excess of reasonable quality, quantity and cost are not reimbursable. Materials and supplies withdrawn from inventory and charged to the mandated activity must be based on a recognized method of pricing, consistently applied. Purchases shall be claimed at the actual price after deducting discounts, rebates and allowances received by local agencies.

#### (f) Calculating a Unit Cost for Materials and Supplies

In those instances where the claiming instructions suggest that a unit cost be developed for use as a basis of claiming costs mandated by the State, the materials and supplies component of the unit cost should be expressed as a unit cost of materials and supplies as shown in Table 1 or Table 2:

## Table 1 Calculating a Unit Cost for Materials and Supplies

Supplies	<u>Cost Per Unit</u>	Amount of Supplies Used <u>Per Activity</u>	Unit Cost of Supplies <u>Per Activity</u>
Paper	0.02	4	\$0.08
Files	0.10	1	0.10
Envelopes	0.03	2	0.06
Photocopies	0.10	4	0.40
			<u>\$0.64</u>

## Table 2 Calculating a Unit Cost for Materials and Supplies

Supplies	Supplies <u>Used</u>	Unit Cost of Supplies <u>Per Activity</u>
Paper (\$10.00 for 500 sheet ream)	250 Sheets	\$5.00
Files (\$2.50 for box of 25)	10 Folders	1.00
Envelopes (\$3.00 for box of 100)	50 Envelopes	1.50
Photocopies (\$0.05 per copy)	40 Copies	2.00
		\$9.50
If the number of reimbursable instances, is per reimbursable instance (\$9.50 / 25).	25, then the unit cost of s	upplies is \$0.38

#### (g) Contract Services

The cost of contract services is allowable if the local agency lacks the staff resources or necessary expertise, or it is economically feasible to hire a contractor to perform the mandated activity. The claimant must give the name of the contractor; explain the reason for having to hire a contractor; describe the mandated activities performed; give the dates when the activities were performed, the number of hours spent performing the mandate, the hourly billing rate, and the total cost. The hourly billing rate shall not exceed the rate specified in the claiming instructions for the mandated program. The contractor's invoice, or statement, which includes an itemized list of costs for activities performed, must accompany the claim.

#### (h) Equipment Rental Costs

Equipment purchases and leases (with an option to purchase) are not reimbursable as a direct cost unless specifically allowed by the claiming instructions for the particular mandate. Equipment rentals used solely for the mandate are reimbursable to the extent such costs do not exceed the retail purchase price of the equipment plus a finance charge. The claimant must explain the purpose and use for the equipment, the time period for which the equipment was rented and the total cost of the rental. If the equipment is used for purposes other than reimbursable activities, only the prorata portion of the rental costs can be claimed.

#### (i) Capital Outlay

Capital outlays for land, buildings, equipment, furniture and fixtures may be claimed if the claiming instructions specify them as allowable. If they are allowable, the claiming instructions for the program will specify a basis for the reimbursement. If the fixed asset or equipment is also used for purposes other than reimbursable activities for a specific mandate, only the prorata portion of the purchase price used to implement the reimbursable activities can be claimed.

#### (j) Travel Expenses

Travel expenses are normally reimbursable in accordance with travel rules and regulations of the local jurisdiction. For some programs, however, the claiming instructions may specify certain limitations on expenses, or that expenses can only be reimbursed in accordance with the State Board of Control travel standards. When claiming travel expenses, the claimant must explain the purpose of the trip, identify the name and address of the persons incurring the expense, the date and time of departure and return for the trip, description of each expense claimed, the cost of transportation, number of private auto mileage traveled, and the cost of tolls and parking with receipts required for charges over \$10.00.

#### (k) Documentation

It is the responsibility of the claimant to make available to the SCO, upon request, documentation in the form of general and subsidiary ledgers, purchase orders, invoices, contracts, canceled warrants, equipment usage records, land deeds, receipts, employee time sheets, agency travel guidelines, inventory records, and other relevant documents to support claimed costs. The type of documentation necessary for each claim may differ with the type of mandate.

#### 8. Indirect Costs

GC Section 17564(b) provides that claims for indirect costs shall be filed in the manner prescribed by the SCO. Indirect costs (or overhead) are those costs incurred for a common or joint purpose, benefiting more than one program and are not directly assignable to a particular program without efforts disproportionate to the result achieved. Indirect costs may include both (1) the overhead costs for the unit performing the mandate and (2) the costs of central government services distributed through the central service cost allocation plan and not otherwise treated as a direct cost.

Previously, the costs of elected officials were considered "expenses related to general government" and, thus, were unallowable for reimbursement purposes. Recent interpretation has moved in the opposite direction, except for those items of cost, which are unallowable in the cost principles set forth in Office of Management and Budget Circular (OMB) Circular A-87. A cost that is necessary for proper and efficient administration of a program and is identifiable to that program is eligible for consideration as allocable indirect costs. Allocable costs for time spent on programs must be supported by time records.

Local agencies have the option of using 10% of direct labor as indirect costs or claiming indirect costs through a department's Indirect Cost Rate Proposal (ICRP) for the program prepared in accordance with the provisions of OMB Circular A-87 (Refer to the Appendix-Costs Computation: Indirect Costs). An ICRP must be prepared if the claim for indirect costs is in excess of 10% of direct salaries; the ICRP must be submitted with the claim.

#### A. Fixed 10% Rate Method

Indirect costs may be computed as 10% of direct labor costs (excluding fringe benefits) of employees, provided their services are required by a program. The use of the 10% rate may benefit small agencies where few supportive services are provided.

Direct costs are defined as "those that can readily be identified with a single program or activity." Normally direct costs will include the salaries, benefits, and supplies that can be directly identified with a particular function.

For example, if a county auditor prepares warrants for other county departments, the direct costs of providing the service would include the salary and benefits of the persons in the auditor's office who actually work on the warrants, the cost of the paper on which warrants are written, and the salaries and benefits of a first-line supervisor. Indirect costs of the warrant writing service would include the cost of space, equipment, utilities, maintenance, supervision above first-line and administration of the auditor's office.

Direct Costs Incurred By	On Behalf of			
	Welfare	Health		
Auditor	Administration	Department		
Warrant Writing:				
A. Salary of employee working	\$5,000	\$1,000		
B. Benefits of above	800	200		
C. Cost of paper	350	100		
D. First-line supervision	3,000	500		
(salaries)				
E. Indirect cost 10% of A + D	800	150		
Total amount charged to benefited departments for warrant writing services	\$9,950	\$1,950		
Direct Costs Incurred By	On Be			
Building & Grounds Department	Welfare Administration	Health <u>Department</u>		
Maintenance of Buildings:				
A. Salary of employees	\$1,000	\$500		
performing maintenance				
B. Benefits of above	200	100		
C. Cleaning supplies	250	150		
D. First-line supervision	500	200		
(salaries)				
E. Indirect cost 10% of A + D	150	70		
Total amount charged to benefited departments for building maintenance services	\$2,100	\$1,020		
	$\psi_{-}, \psi_{-}$	ψ1,020		

Any local agency using this method for claiming costs must submit a statement similar to the example above and with supporting data. The cost data required for desk audit purposes are

described in the claiming instructions for that mandated program under Salaries and Employee Benefits, Materials and Supplies, Contract Services, Travel Expenses, etc.

#### B. Indirect Cost Rate Proposal Method

If a local agency elects not to utilize the 10% fixed rate method but wants to claim indirect costs, it must prepare an ICRP for the program. The proposal must follow the provisions of the OMB circular No. A-87, *Cost Principles for State, Local and Indian Tribal Governments*. The development of the indirect cost rate proposal requires that the indirect cost pool include only those costs which are incurred for a common or joint purpose that benefit more than one cost objective. The indirect cost pool may only include costs that can be shown to provide benefits to the program. In addition, total allocable indirect costs may only include costs, which cannot be directly charged to an identifiable cost center (i.e., program).

A method for preparing a departmental indirect cost rate proposal for programs is presented as Exhibit 1. Only this format is acceptable under the SCO reimbursement requirements. If more than one department is involved in the reimbursement program, each department must have their own indirect cost rate proposal for the program.

#### INDIRECT COST RATE PROPOSAL PUBLIC DEFENDER'S OFFICE INVESTIGATION PROGRAM FISCAL YEAR 20\_\_\_-20\_\_\_

				(B)		(C)		(D)		Identifiable P	rogram	Costs
(A) Description of Costs		Total Costs		xcludable nallowable Costs		Ilowable Indirect Costs		Allowable Direct Costs		vestigation PC 987.9		All Others
Salaries & Benefits								/				
Salaries & Wages	\$	1,150,000	\$	50,000 (F)	\$	150,000	\$	-	)\$	100,000	\$	850,000
Overtime		20,000		0		20,000		0		0		0
Benefits Total	\$	230,000	\$	10,000	\$	30,000	\$	190,000	\$	20,000	\$	170,000
TOTAL	Ð	1,400,000	Þ	60,000	Φ	200,000	Þ	1,140,000	Φ	120,000	Ð	1,020,000
Services & Supplies												
Office Expense	\$	200,000	\$	10,000	\$	20,000	\$	170,000	\$	10,000	\$	160,000
Communications		100,000		2,000		10,000		88,000		1,000		87,000
Transportation		120,000		5,000		0		115,000		5,000		110,000
Special Dept Expense (Contracts)		250,000		0		0		250,000		0		250,000
Other, Pass Through Program		800,000		800,000		0		0		0		0
Total	\$	1,470,000	\$	817,000	\$	30,000	\$	623,000	\$	16,000	\$	607,000
Capital Expenditures	\$	100,000	\$	100,000								
Total Budgetary Expenditures	\$	2,970,000	\$	977,000	\$	230,000	\$	1,763,000	\$	136,000	\$	1,627,000
Distribution Base												
Cost Plan Costs												
Building Use (Each line item should	\$	50,000	\$	2,000	\$	6,000	\$	42,000	\$	2,000	\$	40,000
Equipment Use be reviewed to see if it		30,000		1,000		3,000		26,000		1,000		25,000
Data Processing benefits the mandate		50,000		5,000		30,000		15,000		0		15,000
Auditor to insure a fair and equitable distribution.)		20,000		0		20,000		0		0		0
i eraonner		10,000		1,000		1,000		8,000		1,000		7,000
Roll Forward		10,000		0		10,000		0		0		0
Total	\$	<u>170,000</u> (E	=) \$	9,000	\$	70,000	\$	91,000	\$	4,000	\$	87,000
Total Allocable Indirect Costs					\$	300,000 (F	-)					
Distribution of Allocable Indirect Costs												
Based on Salaries & Wages			\$	15,000	\$	(300,000)	\$	285,000	\$	30,000	\$	255,000
Totals	\$	3,140,000	\$	1,001,000	\$	0	\$	2,139,000	\$	170,000	\$	1,969,000

- (1) Notes to Exhibit 1
  - (a) The department's ICRP plan for the distribution of costs to programs must follow the same format as shown on Exhibit 1. Specifically, there must be columns as follows: Description of Costs, Total Cost, Excludable and Unallowable Costs (may be combined or separated), Allowable Indirect Costs, and Allowable Direct Costs (which are further allocated to identifiable programs and other). No other format will be accepted.
  - (b) Excluded costs are all costs that are unallowable and unallocable according to specific guidelines (OMB A-87 and state laws).

Examples:

Contributions and donations: Cost of amusement; social activities and related incidental costs such as meals, beverages, lodging, rentals, transportation and gratuities; and pass through revenues to another unit or organization.

- (c) Allocable indirect costs are costs that are not identifiable to a specific program or cost pool and indirectly benefit all cost pools.
- (d) Direct costs are costs that benefit a specific program or cost pool.
- (e) Overhead costs are distributed to the department in the cost allocation plan, which was prepared in accordance with the OMB circular A-87. Use the same year's cost allocation plan for developing the ICRP as the year for which the ICRP is being prepared. Do not include a roll forward adjustment when the program is in its initial year.
- (f) Distribution base for the computation of the indirect cost rate is total salaries and wages.

Total Allocable Direct Costs (direct S&W)	\$950,000
Excluded and Unallowable Costs (direct S&W)	50,000
Distribution Base	\$1,000,000

Therefore, the Indirect Cost Rate for Penal Code 987.9 Program is:

$$ICRP = \frac{Allowable Indirect Costs}{Total Salaries and Wages} = \frac{\$300,000}{\$1,000,000} = 30.00\%$$

## 9. Offset Against State Mandated Claims

When part or all the costs of a mandated program are specifically reimbursable from non-local agency sources (e.g., state, federal, foundation, etc.), only that portion of any increased costs payable from local agency funds is eligible for reimbursement under the provisions of Government Code Section 17561.

#### A. Example 1

This example shows how the offset against state mandated claims is determined for local agencies receiving block grant revenues not based on a formula allocation. Listed below are six situations, which may occur at a local agency level. For hypothetical program costs of \$100,000: (1) through (4) show intended funding at 100% from non-local agency sources and (5) through (6) show cost sharing on a 50/50 basis with the local agency. Of the \$100,000 program cost, \$2,500 is the cost of state mandated activity. Offset against state mandated claims is the amount of actual non-local agency funding which exceeds the difference between

program costs and state mandated costs. The offset against state mandated claims cannot exceed the amount of state mandated costs. In (4), non-local revenues were fully realized to cover the entire cost of the program, including the state mandate activity; therefore, the offset against state mandated claims is \$2,500. In (1), non-local revenues were less than expected. Non-local agency funding was not in excess of the difference between program costs and state mandated costs. As a result, the offset against state mandated claims is zero and \$2,500 is claimable as mandated costs. In (5), the local agency is sharing 50% of the program cost. Since non-local revenues of \$50,000 were fully realized, the offset against state mandated claims is \$1,250.

	Actual		Offset Against	
	Non-Local	State	State	Claimable
Program	Agency	Mandated	Mandated	Mandated
<u>Costs</u>	Funding	<u>Costs</u>	<u>Claims</u>	<u>Costs</u>

A. Block Grants (funding not based on a formula allocation)

1.	\$100,000	\$95,000	\$2,500	\$-0-	\$2,500
2.	100,000	97,000	2,500	-0-	2,500
3.	100,000	98,000	2,500	500	2,000
4.	100,000	100,000	2,500	2,500	-0-
5.	100,000 *	50,000	2,500	1,250	1,250

6. If in (5) the non-local matching share is less than the amount expected, for example \$49,000, the offset against state mandated claims is \$250. Therefore, the claimable mandated costs are \$2,250.

\* Local agency share is \$50,000 of the program costs.

#### B. Example 2

This example shows how the offset against state mandated claims is determined for local agencies receiving special project funds based on approved actual costs. Non-local revenues for special projects must be applied proportionately to approved costs. In (2), the entire program cost was approved. Since the non-local agency source covers 75% of the program cost, it also proportionately covered 75% of the \$2,500 state mandated costs, or \$1,875.

	Actual	Actual Offset Against		
	Non-Local	State	State	Claimable
Program	Agency	Mandated	Mandated	Mandated
Costs	Funding	<u>Costs</u>	<u>Claims</u>	<u>Costs</u>

B. Special Projects (funding based on approved actual costs)

1.	\$100,000	\$100,000	\$2,500	\$2,500	\$-0-
2.	100,000 **	75,000	2,500	1,875	625

3. If in (2) the non-local matching share is less than the amount expected, because only \$60,000 of the program costs were determined to be valid by the contracting agency, then a proportionate share of state mandated costs is likewise reduced to \$1,500. The offset against state mandated claims is \$1,125. Therefore, the claimable mandated costs are \$375.

\*\* Local agency share is \$25,000 of the program costs.

With respect to local agencies, the offset against state mandated claims for applicable federal

and state local assistance programs includes, but is not limited to, the following funding sources:

Federal Programs				
CETA, PL 93-203	Federal-Health – Administration			
Federal Aid for Construction	Federal-Public Assistance – Administration			
Federal Aid for Disaster				
State Programs				
State Aid for Agriculture	State-Health – Administration			
State Aid for Construction	State-Public Assistance - Administration			
State Aid for Corrections				

#### Federal and State Funding Sources

The listing in Appendix C is not inclusive of all funding sources that should be offset against mandated claims but contains some of the more common ones. State school fund apportionments and federal aid for education, which are based on average daily attendance and are part of the general system of financing public schools as well as block grants which do not provide for specific reimbursement of costs (i.e., allocation formulas not tied to expenditures), should not be included as reimbursements from local assistance revenue sources.

#### **Governing Authority**

The costs of salaries and expenses of the governing authority, such as the school superintendent and governing board, are not reimbursable. These are costs of general government as described in the Office of Management and Budget Circular A-87, "Cost Principles for State, Local and Indian Tribal Governments".

#### 10. Notice of Claim Adjustment

All claims submitted to the SCO are reviewed to determine if the claim was prepared in accordance with the claiming instructions. If any adjustments are made to a claim, the claimant will receive a "Notice of Claim Adjustments" detailing adjustments made by the SCO.

#### 11. Audit of Costs

All claims submitted to the State Controller's Office (SCO) are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the Parameters and Guidelines (P's & G's) adopted by the Commission on State Mandates (COSM). If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

Pursuant to Government Code (GC) Section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. All documents used to support the reimbursable activities, must be retained during the period subject to audit. If an audit has been initiated by the Controller during the

period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

On-site audits will be conducted by the SCO as deemed necessary. Accordingly, all documentation to support actual costs claimed must be retained for a period of three years after the end of the calendar year in which the reimbursement claim was filed or amended regardless of the year of costs incurred. When no funds are appropriated for initial claims at the time the claim is filed, supporting documents must be retained for three years from the date of initial payment of the claim. Claim documentation shall be made available to the SCO on request.

## 12. Source Documents

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct based upon personal knowledge." Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

## **13.** Claim Forms and Instructions

A claimant may submit a computer generated report in substitution for Form-1 and Form-2, provided the format of the report and data fields contained within the report are identical to the claim forms included with these instructions. The claim forms provided with these instructions should be duplicated and used by the claimant to file an estimated or reimbursement claim. The SCO will revise the manual and claim forms as necessary.

#### A. Form-2, Component/Activity Cost Detail

This form is used to segregate the detail costs by claim component. In some mandates, specific reimbursable activities have been identified for each component. The expenses reported on this form must be supported by the official financial records of the claimant and copies of supporting documentation, as specified in the claiming instructions, must be submitted with the claims. All supporting documents must be retained for a period of not less than three years after the reimbursement claim was filed or last amended.

#### B. Form-1, Claim Summary

This form is used to summarize direct costs by component and compute allowable indirect costs for the mandate. The direct costs summarized on this form are derived from Form-2 and are carried forward to form FAM-27.

Community colleges have the option of using a federally approved rate (i.e., utilizing the cost accounting principles from the Office of Management and Budget Circular A-21) or form FAM-29C.

#### C. Form FAM-27, Claim for Payment

This form contains a certification that must be signed by an authorized officer of the county. All applicable information from Form-1 must be carried forward onto this form in order for the SCO to process the claim for payment. An original and one copy of the FAM-27 is required.

Claims should be rounded to the nearest dollar. Submit a signed original and one copy of form FAM-27, Claim for Payment, and all other forms and supporting documents (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.) Use the following mailing addresses:

If delivered by	If delivered by
U.S. Postal Service:	Other delivery services:

Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting P.O. Box 942850 Sacramento, CA 94250 Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting 3301 C Street, Suite 500 Sacramento, CA 95816

#### 14. RETENTION OF CLAIMING INSTRUCTIONS

For your convenience, the revised claiming instructions in this package have been arranged in alphabetical order by program name. These revisions should be inserted in the School Mandated Cost Manual and the old forms they replace should be removed. The instructions should then be retained permanently for future reference, and the forms should be duplicated to meet your filing requirements. Annually, updated forms and any other information or instructions claimants may need to file claims, as well as instructions and forms for all new programs released throughout the year will be placed on the SCO's web site at www.sco.ca.gov/ard/local/locreim/index/shtml.

If you have any questions concerning mandated cost reimbursements, please write to us at the address listed for filing claims, send e-mail to Irsdar@sco.ca.gov, or call the Local Reimbursements Section at (916) 324-5729.

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the COSM's P's and G's. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Pursuant to GC Section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a school district is subject to audit by the State Controller no later than three years after the date the actual reimbursement claim was filed or last amended, whichever is later. However, if no funds were appropriated or no payment was made to a claimant for the program for the fiscal year for which the claim was filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. Therefore, all documentation to support actual costs claimed must be retained for the same period, and shall be made available to the SCO on request.

## A. STATE OF CALIFORNIA TRAVEL EXPENSE GUIDELINES

Travel Program Effective January 31, 2002

The travel reimbursement program continues to be subject to the Internal Revenue Service (IRS) requirements for an accountable plan. There are no flat rate reimbursements. All items are to be claimed for the actual amount of expense, up to the maximum allowed. If the provisions below do not require submission of a receipt for a given item of expense, it is the employee's responsibility to retain receipts and other records of the expense and have them available for audit.

Lodging and meals that are provided by the State, included in hotel expenses, conference fees, or transportation costs such as airline tickets; or otherwise provided shall not be claimed for reimbursement.

Employees may be reimbursed for actual expenses for breakfast, lunch, dinner, and incidentals for each 24 hours of travel, as follows:

Breakfast	up to	\$6.00
Lunch	up to	10.00
Dinner	up to	18.00
Incidentals	up to	6.00

Incidental expenses include, but are not limited to, expenses for laundering and pressing of clothing and tips for services such as porters and baggage handlers. Incidentals do not include taxicab fares, lodging taxes, or the cost of telegrams or telephone calls.

#### Lodging

All lodging reimbursements require a receipt from a commercial lodging establishment such as a hotel, motel, bed and breakfast inn, or campground that caters to the general public. No lodging will be reimbursed without a valid receipt. Employees who stay with friends or relatives are not eligible for lodging reimbursement, but may claim their actual expenses for meals and incidentals.

#### Short-Term Travel

- **A.** For continuous short-term travel of more than 24 hours but less than 31 days, the employee will be reimbursed for actual costs up to the maximum for each meal, incidental, and lodging expense for each completed 24 hours of travel, beginning with the traveler's time of departure and return as follows:
  - 1. On the first day of travel at the beginning of a trip of more than 24 hours:

Trip begins at or before 6 a.m. - Breakfast may be claimed

Trip begins at or before 11 a.m Lunch ma	ay be claimed
--	---------------

Trip begins at or before 5 p.m.	<ul> <li>Dinner may be claimed</li> </ul>
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2. On the fractional day of travel at the end of a trip of more than 24 hours:

Trip ends at or after 8 a.m.	- Breakfast may be claimed
------------------------------	----------------------------

Trip ends at or after 2 p.m. - Lunch may be claimed

Trip ends at or after 7 p.m. - Dinner may be claimed

If the fractional day includes an overnight stay, receipted lodging may be claimed. No meal or lodging expenses may be claimed or reimbursed more than once on any given date or during any 24-hour period.

(I) For continuous travel of less than 24 hours, the employee will be reimbursed for actual expenses, up to a maximum as follows:

Travel begins at or before 6 a.m. and ends at or after 9 a.m. - Breakfast may be claimed Travel begins at or before 4 p.m. and ends at or after 7 p.m. - Dinner may be claimed

If the trip extends overnight, receipted lodging may be claimed. No lunch or incidentals may be claimed on a trip of less than 24 hours.

#### Short-Term Travel Maximum Lodging Reimbursement Rate

- A. Statewide except as in (B) and (C) below, actual receipted lodging up to \$84 plus tax.
- **B.** When required to conduct state business and obtain lodging in the counties of Los Angeles and San Diego, reimbursement will be for actual receipted lodging, to a maximum of \$110 plus tax.
- **C.** When required to conduct state business and obtain lodging in the counties of Alameda, San Francisco, San Mateo, and Santa Clara, reimbursement will be for actual receipted lodging, to a maximum of \$140 plus tax.

#### Long-Term Travel

Actual expenses for long-term meals and receipted lodging will be reimbursed when the employee incurs expenses in one location comparable to those arising from the use of establishments catering to long-term visitors.

## A. Full Long-Term Travel

To qualify for full long-term travel reimbursement, the employee on long-term field assignment must meet the following criteria:

- a) The employee continues to maintain a permanent residence at the primary headquarters, and either,
- b) The permanent residence is occupied by the employee's dependents, or
- c) The permanent residence is maintained at a net expense to the employee exceeding \$200 per month.

The employee who is living at the long-term location may claim either:

- Reimbursement for actual individual expense, substantiated by receipts for lodging, water, sewer, gas, and electricity, up to a maximum of \$1,130 per calendar month while on the long-term assignment, and actual expenses up to \$10 for meals and incidentals, for each period of 12 to 24 hours and up to \$5 for actual meals and incidentals for each period of less than 12 hours at the long-term location, or
- 2. Long-term subsistence rates of \$24 for actual meals and incidentals, \$24 for receipted lodging for travel of 12 hours up to 24 hours, and either \$24 for actual meals or \$24 for receipted lodging for travel less than 12 hours when the employee incurs expenses in one location comparable to those arising from the use of establishments catering to long-term visitors.

#### B. Partial Long-Term Travel

An employee on long-term field assignment who does not maintain a separate residence in the headquarters area may claim long-term subsistence rates of up to \$12 for actual meals and incidentals and \$12 for receipted lodging for travel of 12 hours up to 24 hours at the long-term location, and either \$12 for actual meals or \$12 for receipted lodging for travel less than 12 hours at the long-term location.

#### Receipts

Receipts or vouchers shall be submitted for every item of expense of \$25 or more.

- **A.** Receipts are required for every item of transportation and business expense incurred as a result of conducting state business except for actual expenses as follows:
  - 1. Railroad and bus fares of less than \$25, when travel is wholly within the State of California.
  - 2. Street car, ferry fares, bridge and road tolls, local rapid transit system, taxi, shuttle, or hotel bus fares, and parking fees of \$10 or less for each continuous period of parking or each separate transportation expense noted in this item.
  - 3. Telephone, telegraph, tax, or other business charges related to state business of \$5 or less.
  - 4. In the absence of a receipt, reimbursement will be limited to the non-receipted amount above.
- **B.** Reimbursement will be claimed only for the actual and necessary expenses noted above. Regardless of the above exceptions, the approving officer may require additional certification and/or explanation in order to determine that an expense was actually and reasonably incurred. In the absence of a satisfactory explanation, the expense shall not be allowed.

#### Mileage

When an employee is authorized by his/her appointing authority or designee to operate a privately owned vehicle on state business, the employee will be allowed to claim and be reimbursed 34 cents per mile. An employee who is required to use a specialized vehicle that has been modified to accommodate disabilities may claim 37 cents per mile.

## **B. GOVERNMENT CODE SECTIONS 17500-17616**

#### GC §17500: Legislative Findings and Declarations

The Legislature finds and declares that the existing system for reimbursing local agencies and school districts for the costs of state-mandated local programs has not provided for the effective determination of the state's responsibilities under Section 6 of Article XIIIB of the California Constitution. The Legislature finds and declares that the failure of the existing process to adequately and consistently resolve the complex legal questions involved in the determination of state-mandated costs has led to an increasing reliance by local agencies and school districts on the judiciary and, therefore, in order to relieve unnecessary congestion of the judicial system, it is necessary to create a mechanism which is capable of rendering sound quasi-judicial decisions and providing an effective means of resolving disputes over the existence of state-mandated local programs. It is the intent of the Legislature in enacting this part to provide for the implementation of Section 6 of Article XIIIB of the California Constitution and to consolidate the procedures for reimbursement of statutes specified in the Revenue and Taxation Code with those identified in the Constitution. Further, the Legislature intends that the Commission on State Mandates, as a quasi-judicial body, will act in a deliberative manner in accordance with the requirements of Section 6 of Article XIIIB of the California Constitution.

#### GC §17510: Construction of Part

Unless the context otherwise requires, the definitions contained in this chapter govern the construction of this part. The definition of a word applies to any variants thereof and the singular tense of a word includes the plural.

#### GC §17511: "City"

"City" means any city whether general law or charter, except a city and county.

#### GC §17512: "Commission"

"Commission" means the Commission on State Mandates.

#### GC §17513: "Cost Mandated by the Federal Government"

"Costs mandated by the federal government" means any increased costs incurred by a local agency or school district after January 1, 1973, in order to comply with the requirements of a federal statute or regulation. "Costs mandated by the federal government" includes costs resulting from enactment of a state law or regulation where failure to enact that law or regulation to meet specific federal program or service requirements would result in substantial monetary penalties or loss of funds to public or private persons in the state. "Costs mandated by the federal government" does not include costs which are specifically reimbursed or funded by the federal or state government or programs or services which may be implemented at the option of the state, local agency, or school district.

## GC §17514: "Costs Mandated by the State"

"Costs mandated by the state" means any increased costs which a local agency or school district is required to incur after July 1, 1980, as a result of any statute enacted on or after January 1, 1975, or any executive order implementing any statute enacted on or after January 1, 1975, which mandates a new program or higher level of service of an existing program within the meaning of Section 6 of Article XIIIB of the California Constitution.

## GC §17515: "County"

"County" means any chartered or general law county. "County" includes a city and county.

#### GC §17516: "Executive Order"

"Executive order" means any order, plan, requirement, rule, or regulation issued by any of the following: (a) The Governor. (b) Any officer or official serving at the pleasure of the Governor. (c) Any agency, department, board, or commission of state government. "Executive order" does not include any order, plan, requirement, rule, or regulation issued by the State Water Resources Control Board or by any regional water quality control board pursuant to Division 7 (commencing with Section 13000) of the Water Code. It is the intent of the Legislature that the State Water Resources Control Board and regional water quality control boards will not adopt enforcement orders against publicly owned dischargers which mandate major waste water treatment facility construction costs unless federal financial assistance and state financial assistance pursuant to the Clean Water Bond Act of 1970 and 1974, is simultaneously made available. "Major" means either a new treatment facility or an addition to an existing facility, the cost of which is in excess of 20 percent of the cost of replacing the facility.

#### GC §17517: "Fund"

"Fund" means the State Mandates Claims Fund.

#### GC §17518: "Local Agency"

"Local agency" means any city, county, special district, authority, or other political subdivision of the state.

#### GC §17519: "School District"

"School district" means any school district, community college district, or county superintendent of schools.

#### GC §17520: "Special District"

"Special district" means any agency of the state which performs governmental or proprietary functions within limited boundaries. "Special district" includes a redevelopment agency, a joint powers agency or entity, a county service area, a maintenance district or area, an improvement district or improvement zone, or any other zone or area. "Special district" does not include a city, a county, a school district, or a community college district. County free libraries established pursuant to Chapter 2 (commencing with Section 27151) of Division 20 of the Education Code, areas receiving county fire protection services pursuant to Section 25643 of the Government Code, and county road districts established pursuant to Chapter 7 (commencing with Section 1550) of Division 2 of the Streets and Highways Code shall be considered "special districts" for all purposes of this part.

#### GC §17521: "Test Claim"

"Test claim" means the first claim, including claims joined or consolidated with the first claim, filed with the commission alleging that a particular statute or executive order imposes costs mandated by the state.

#### GC §17522: Definitions

(a) "Initial reimbursement claim" means a claim filed with the Controller by a local agency or school district for costs to be reimbursed for the fiscal years specified in the first statute that appropriates funds for reimbursement of the mandate. (b) "Annual reimbursement claim" means a claim for actual costs incurred in a prior fiscal year filed with the Controller by a local agency or school district for which appropriations are made to the Controller for this purpose. (c) "Estimated reimbursement claim" means a claim filed with the Controller by a local agency or school district in conjunction with an initial reimbursement claim, annual reimbursement claim, or at other times, for estimated costs to be reimbursed during the current or future fiscal years, for which appropriations are made to the Controller for this purpose. (d) "Entitlement claim" means a claim filed by a local agency or school district with the Controller for the purpose of establishing or adjusting a base year entitlement. All entitlement claims are subject to Section 17616.

## GC §17523: "Deflator"

"Deflator" means the Implicit Price Deflator for the Costs of Goods and Services to Governmental Agencies, as determined by the Department of Finance.

#### GC §17524: "Base Year Entitlement"

"Base year entitlement" means that amount determined to be the average for the approved reimbursement claims of each local agency or school district for the three preceding fiscal years adjusted by the change in the deflator. A base year entitlement shall not include any nonrecurring or initial startup costs incurred by a local agency or school district in any of those three fiscal years. For those mandates which become operative on January 1 of any year, the amount of the "approved reimbursement claim" for the first of the three years may be computed by annualizing the amount claimed for the six-month period of January through June in that first year, excluding nonrecurring or startup costs.

#### GC §17525: Members: Term and Per Diem for Specified Members

(a) There is hereby created the Commission on State Mandates, which shall consist of seven members as follows: (1) The Controller. (2) The Treasurer. (3) The Director of Finance. (4) The Director of the Office of Planning and Research. (5) A public member with experience in public finance, appointed by the Governor and approved by the Senate. (6) Two members from the following three categories appointed by the Governor and approved by the Senate, provided that no more than one member shall come from the same category: (A) A city council member. (B) A member of a county or city and county board of supervisors. (C) A governing board member of a school district as defined in Section 17519. (b) Each member appointed pursuant to paragraph (5) or (6) of subdivision (a) shall be subject to both of the following: (1) The member shall serve for a term of four years subject to renewal. (2) The member shall receive per diem of one hundred dollars (\$100) for each day actually spent in the discharge of official duties and shall be reimbursed for any actual and necessary expenses incurred in connection with the performance of duties as a member of the commission.

## GC §17526: Open Meetings: Executive Sessions

(a) All meetings of the commission shall be open to the public, except that the commission may meet in executive session to consider the appointment or dismissal of officers or employees of the commission or to hear complaints or charges brought against a member, officer, or employee of the commission. (b) The commission shall meet at least once every month. (c) The time and place of meetings may be set by resolution of the commission, by written petition of a majority of the members, or by written call of the chairperson. The chairperson may, for good cause, change the starting time or place, reschedule, or cancel any meeting. (d) This section shall become operative on July 1, 1996.

## GC §17527: Powers of Commission

In carrying out its duties and responsibilities, the commission shall have the following powers: (a) To examine any document, report, or data, including computer programs and data files, held by any local agency or school district. (b) To meet at times and places as it may deem proper. (c) As a body or, on the authorization of the commission, as a committee composed of one or more members, to hold hearings at any time and place it may deem proper. (d) Upon a majority vote of the commission, to issue subpoenas to compel the attendance of witnesses and the production of books, records, papers, accounts, reports, and documents. (e) To administer oaths. (f) To contract with other agencies or individuals, public or private, as it deems necessary, to provide or prepare services, facilities, studies, and reports to the commission as will assist it in carrying out its duties and responsibilities. (g) To adopt, promulgate, amend, and rescind rules and regulations, which shall not be subject to the review and approval of the Office of Administrative Law pursuant to the provisions of the Administrative Procedure Act provided for in Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2. (h) To do any and all other actions necessary or convenient to enable it fully and adequately to perform its duties and to exercise the powers expressly granted to it.

## GC §17528: Election of Officers

The members of the commission shall elect a chairperson and a vice chairperson of the commission.

#### GC §17529: Appointment of Attorney: Duties

The commission may appoint as attorney to the commission an attorney at law of this state, who shall hold office at the pleasure of the commission. The attorney shall represent and appear for the commission in all actions and proceedings involving any question under this part or under any order or act of the commission. The attorney shall advise the commission and each member of the commission, when so requested, in regard to all matters in connection with the powers and duties of the commission and the members thereof. The attorney shall generally perform all duties and services as attorney to the commission which the commission may require.

#### GC §17530: Appointment of Executive Director: Duties

The commission shall appoint an executive director, who shall be exempt from civil service and shall hold office at the pleasure of the commission. The executive director shall be responsible for the executive and administrative duties of the commission and shall organize, coordinate, supervise, and direct the operations and affairs of the commission and expedite all matters within the jurisdiction of the commission. The executive director shall keep a full and true record of all proceedings of the commission, issue all necessary process, writs, warrants, and notices, and perform other duties as the commission prescribes.

#### GC §17531: Authority of Executive Director to Employ Necessary Staff

The executive director may employ those officers, examiners, experts, statisticians, accountants, inspectors, clerks, and employees as the executive director deems necessary to carry out the provisions of this part or to perform the duties and exercise the powers conferred upon the commission by law.

#### GC §17532: Quorum: Investigations, Inquiries, and Hearing

A majority of the commissioners shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power of the commission. Any investigation, inquiry, or hearing which the commission has power to undertake or to hold may be undertaken or held by or before any commissioner or commissioners designated for the purpose by the commission. The evidence in any investigation, inquiry, or hearing may be taken by the commissioner or commissioners to whom the investigation, inquiry, or hearing has been assigned or, in his or her or their behalf, by an examiner designated for that purpose. Every finding, opinion, and order made by the commissioner or commissioners so designated, pursuant to the investigation, inquiry, or hearing, when approved or confirmed by the commission and ordered filed in its office, shall be deemed to be the finding, opinion, and order of the commission.

#### GC §17533: Provisions not Applicable to Hearing by Commission

Notwithstanding Section 11425.10, Chapter 4.5 (commencing with Section 11400) of Part 1 of Division 3 does not apply to a hearing by the commission under this part.

#### GC §17550: Reimbursements of Local Agencies and Special Districts

Reimbursement of local agencies and school districts for costs mandated by the state shall be provided pursuant to this chapter.

#### GC §17551: Commission Hearing and Decision Upon Claims

(a) The commission, pursuant to the provisions of this chapter, shall hear and decide upon a claim by a local agency or school district that the local agency or school district is entitled to be reimbursed by the

state for costs mandated by the state as required by Section 6 of Article XIIIB of the California Constitution. (b) Commission review of claims may be had pursuant to subdivision (a) only if the test claim is filed within the time limits specified in this section. (c) Local agency and school district test claims shall be filed not later than three years following the date the mandate became effective, or in the case of mandates that became effective before January 1, 2002, the time limit shall be one year from the effective date of this subdivision. (d) The commission, pursuant to the provisions of this chapter, shall hear and decide upon a claim by a local agency or school district filed on or after January 1, 1985, that the Controller has incorrectly reduced payments to the local agency or school district pursuant to paragraph (2) of subdivision (d) of Section 17561.

## GC §17552: Exclusivity of Procedure by Chapter

This chapter shall provide the sole and exclusive procedure by which a local agency or school district may claim reimbursement for costs mandated by the state as required by Section 6 of Article XIIIB of the California Constitution.

# GC §17553: Adoption of Procedure for Receiving Claims and Providing Hearings: Postponement of Hearings

(a) The commission shall adopt procedures for receiving claims pursuant to this article and for providing a hearing on those claims. The hearing procedure shall provide for presentation of evidence by the claimant, the Department of Finance and any other affected department or agency, and any other interested person. The procedures shall ensure that a statewide cost estimate is adopted within 12 months after receipt of a test claim, when a determination is made by the commission that a mandate exists. This deadline may be extended for up to six months upon the request of either the claimant or the commission. Hearing of a claim may be postponed at the request of the claimant, without prejudice, until the next scheduled hearing. (b) The procedures adopted by the commission pursuant to subdivision (a) shall include the following: (1) Provisions for acceptance of more than one claim on the same statute or executive order relating to the same statute or executive order filed with the commission, and, absent agreement by the test claimants to the contrary, to designate the first to file as the lead test claimant. (2) Provisions for consolidating test claims relating to the same statute or executive order filed with the commission with time limits that do not exceed 90 days from the initial filing for consolidating the test claims and for claimants to designate a single contact for information regarding the test claim. (3) Provisions for claimants to designate a single claimant for a test claim relating to the same statute or executive order filed with the commission, with time limits that do not exceed 90 days from the initial filing for making that designation. (c) If a completed test claim is not received by the commission within 30 calendar days from the date that an incomplete test claim was returned by the commission, the original test claim filing date may be disallowed, and a new test claim may be accepted on the same statute or executive order. (d) In addition, the commission shall determine whether an incorrect reduction claim is complete within 10 days after the date that the incorrect reduction claim is filed. If the commission determines that an incorrect reduction claim is not complete, the commission shall notify the local agency and school district that filed the claim stating the reasons that the claim is not complete. The local agency or school district shall have 30 days to complete the claim. The commission shall serve a copy of the complete incorrect reduction claim on the Controller. The Controller shall have no more than 90 days after the date the claim is delivered or mailed to file any rebuttal to an incorrect reduction claim. The failure of the Controller to file a rebuttal to an incorrect reduction claim shall not serve to delay the consideration of the claim by the commission.

## GC §17554: Commission's Authority to Expedite Claim

With the agreement of all parties to the claim, the commission may waive the application of any procedural requirement imposed by this chapter or pursuant to Section 17553 in order to expedite action on the claim. The authority granted by this section includes the consolidation of claims and the shortening of time periods.

#### GC §17555: Date for Public Hearing: Test Claim Form and Procedure

(a) The commission, within 10 days after receipt of a test claim based upon a statute or executive order, shall set a date for a public hearing on the claim within 75 days. The test claim may be based upon estimated costs that a local agency or school district may incur as a result of the statute or executive order and may be filed at any time after the statute is enacted or the executive order is adopted. The claim shall be submitted in a form prescribed by the commission. After a hearing in which the claimant and any other interested organization or individual may participate, the commission shall determine if there are costs mandated by the state. (b) This section shall become operative on July 1, 1996.

#### GC §17556: Criteria for not Finding Costs Mandated by the State

The commission shall not find costs mandated by the state, as defined in Section 17514, in any claim submitted by a local agency or school district, if, after a hearing, the commission finds that: (a) The claim is submitted by a local agency or school district which requested legislative authority for that local agency or school district to implement the program specified in the statute, and that statute imposes costs upon that local agency or school district requesting the legislative authority. A resolution from the governing body or a letter from a delegated representative of the governing body of a local agency or school district which requests authorization for that local agency or school district to implement a given program shall constitute a request within the meaning of this paragraph. (b) The statute or executive order affirmed for the state that which had been declared existing law or regulation by action of the courts. (c) The statute or executive order implemented a federal law or regulation and resulted in costs mandated by the federal government, unless the statute or executive order mandates costs which exceed the mandate in that federal law or regulation. (d) The local agency or school district has the authority to levy service charges. fees, or assessments sufficient to pay for the mandated program or increased level of service. (e) The statute or executive order provides for offsetting savings to local agencies or school districts which result in no net costs to the local agencies or school districts, or includes additional revenue that was specifically intended to fund the costs of the state mandate in an amount sufficient to fund the cost of the state mandate. (f) The statute or executive order imposed duties which were expressly included in a ballot measure approved by the voters in a statewide election. (g) The statute created a new crime or infraction, eliminated a crime or infraction, or changed the penalty for a crime or infraction, but only for that portion of the statute relating directly to the enforcement of the crime or infraction.

## GC §17557: Determination of Amount to be Subvened for Reimbursement: Parameters and Guidelines

(a) If the commission determines there are costs mandated by the state pursuant to Section 17555, it shall determine the amount to be subvened to local agencies and school districts for reimbursement. In so doing it shall adopt parameters and guidelines for reimbursement of any claims relating to the statute or executive order. The successful test claimants shall submit proposed parameters and guidelines within 30 days of adoption of a statement of decision on a test claim. At the request of a successful test claimant, the commission may provide for one or more extensions of this 30-day period at any time prior to its adoption of the parameters and guidelines. If proposed parameters and guidelines are not submitted within the 30-day period and the commission has not granted an extension, then the commission shall notify the test claimant that the amount of reimbursement the test claimant is entitled to for the first 12 months of incurred costs will be reduced by 20 percent, unless the test claimant can demonstrate to the commission why an extension of the 30-day period is justified. A local agency, school district, and the state may file a claim or request with the commission to amend, modify, or supplement the parameters or guidelines. The commission may, after public notice and hearing, amend, modify, or supplement the parameters and guidelines. (b) In adopting parameters and guidelines, the commission may adopt an allocation formula or uniform allowance which would provide for reimbursement of each local agency or school district of a specified amount each year. (c) The parameters and guidelines adopted by the commission shall specify the fiscal years for which local agencies and school districts shall be reimbursed for costs incurred, provided, however, that the commission shall not specify therein any fiscal year for which payment could be provided in the annual Budget Act. A test claim shall be submitted on or before June 30 following a fiscal year in order to establish eligibility for reimbursement for that fiscal year. The

claimant may thereafter amend the test claim at any time prior to a commission hearing on the claim without affecting the original filing date as long as the amendment substantially relates to the original test claim.

# GC §17558: Submission of Parameters and Guidelines to Controller: Transfer of Claims; Claiming Instructions

(a) The commission shall submit the adopted parameters and guidelines to the Controller. All claims relating to a statute or executive order that are filed after the determination of the test claim pursuant to Section 17557 shall be transferred to the Controller who shall pay and audit the claims from funds made available for that purpose. (b) Not later than 60 days after receiving the adopted parameters and guidelines from the commission, the Controller shall issue claiming instructions for each mandate that requires state reimbursement, to assist local agencies and school districts in claiming costs to be reimbursed. In preparing claiming instructions, the Controller may request the assistance of other state agencies. The claiming instructions shall be derived from the statute or executive order creating the mandate and the parameters and guidelines adopted by the commission. (c) The Controller shall, within 60 days after receiving revised adopted parameters and guidelines from the commission or other information necessitating a revision of the claiming instructions, prepare and issue revised claiming instructions for mandates that require state reimbursement that have been established by commission action pursuant to Section 17555 or after any decision or order of the commission pursuant to Section 17551. In preparing revised claiming instructions, the Controller may request the assistance of other state agencies. (d) This section shall become operative on July 1, 1996.

#### GC §17558.5: Reimbursement Claim: Audit; Remittance Advice and Other Notices of Payment

(a) A reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. (b) The Controller shall notify the claimant in writing within 30 days after issuance of a remittance advice of any adjustment to a claim for reimbursement that results from an audit or review. The notification shall specify the claim components adjusted, the amounts adjusted, interest charges on claims adjusted to reduce the overall reimbursement to the local agency or school district, and the reason for the adjustment. Remittance advices and other notices of payment action shall not constitute notice of adjustment from an audit or review. (c) The interest rate charged by the Controller on reduced claims shall be set at the Pooled Money Investment Account rate and shall be imposed on the dollar amount of the overpaid claim from the time the claim was paid until overpayment is satisfied. (d) Nothing in this section shall be construed to limit the adjustment of payments when inaccuracies are determined to be the result of the intent to defraud, or when a delay in the completion of an audit is the result of willful acts by the claimant or inability to reach agreement on terms of final settlement.

#### GC §17558.6: Legislative Intent

It is the intent of the Legislature that the Commission on State Mandates review its process by which local agencies may appeal the reduction of reimbursement claims on the basis that the reduction is incorrect in order to provide for a more expeditious and less costly process.

#### GC §17559: Judicial Review

(a) The commission may order a reconsideration of all or part of a test claim or incorrect reduction claim on petition of any party. The power to order a reconsideration or amend a test claim decision shall expire 30 days after the statement of decision is delivered or mailed to the claimant. If additional time is needed to evaluate a petition for reconsideration filed prior to the expiration of the 30-day period, the commission may grant a stay of that expiration for no more than 30 days, solely for the purpose of considering the petition. If no action is taken on a petition within the time allowed for ordering reconsideration, the petition shall be deemed denied. (b) A claimant or the state may commence a proceeding in accordance with the provisions of Section 1094.5 of the Code of Civil Procedure to set aside a decision of the commission on the ground that the commission's decision is not supported by substantial evidence. The court may order the commission to hold another hearing regarding the claim and may direct the commission on what basis the claim is to receive a rehearing.

## GC §17560: Deadlines for Filing Reimbursement Claims

Reimbursement for state-mandated costs may be claimed as follows: (a) A local agency or school district may file an estimated reimbursement claim by January 15 of the fiscal year in which costs are to be incurred, and, by January 15 following that fiscal year shall file an annual reimbursement claim that details the costs actually incurred for that fiscal year; or it may comply with the provisions of subdivision (b). (b) A local agency or school district may, by January 15 following the fiscal year in which costs are incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year; or it may comply with the provisions of subdivision (b). (b) A local agency or school district may, by January 15 following the fiscal year in which costs are incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year. (c) In the event revised claiming instructions are issued by the Controller pursuant to subdivision (c) of Section 17558 between October 15 and January 15, a local agency or school district filing an annual reimbursement claim shall have 120 days following the issuance date of the revised claiming instructions to file a claim.

## GC §17561: Reimbursement of Costs for State Mandated Programs

(a) The state shall reimburse each local agency and school district for all "costs mandated by the state." as defined in Section 17514. (b) (1) For the initial fiscal year during which these costs are incurred, reimbursement funds shall be provided as follows: (A) Any statute mandating these costs shall provide an appropriation therefor. (B) Any executive order mandating these costs shall be accompanied by a bill appropriating the funds therefor, or alternatively, an appropriation for these costs shall be included in the Budget Bill for the next succeeding fiscal year. The executive order shall cite that item of appropriation in the Budget Bill or that appropriation in any other bill which is intended to serve as the source from which the Controller may pay the claims of local agencies and school districts. (2) In subsequent fiscal years appropriations for these costs shall be included in the annual Governor's Budget and in the accompanying Budget Bill. In addition, appropriations to reimburse local agencies and school districts for continuing costs resulting from chaptered bills or executive orders for which claims have been awarded pursuant to subdivision (a) of Section 17551 shall be included in the annual Governor's Budget and in the accompanying Budget Bill subsequent to the enactment of the local government claims bill pursuant to Section 17600 that includes the amounts awarded relating to these chaptered bills or executive orders. (c) The amount appropriated to reimburse local agencies and school districts for costs mandated by the state shall be appropriated to the Controller for disbursement. (d) The Controller shall pay any eligible claim pursuant to this section within 60 days after the filing deadline for claims for reimbursement or 15 days after the date the appropriation for the claim is effective, whichever is later. The Controller shall disburse reimbursement funds to local agencies or school districts if the costs of these mandates are not payable to state agencies, or to state agencies that would otherwise collect the costs of these mandates from local agencies or school districts in the form of fees, premiums, or payments. When disbursing reimbursement funds to local agencies or school districts, the Controller shall disburse them as follows: (1) For initial reimbursement claims, the Controller shall issue claiming instructions to the relevant local agencies pursuant to Section 17558. Issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the commission. (A) When claiming instructions are issued by the Controller pursuant to Section 17558 for each mandate determined pursuant to Section 17555 that requires state reimbursement, each local agency or school district to which the mandate is applicable shall submit claims for initial fiscal year costs to the Controller within 120 days of the issuance date for the claiming instructions. (B) When the commission is requested to review the claiming instructions pursuant to Section 17571, each local agency or school district to which the mandate is applicable shall submit a claim for reimbursement within 120 days after the commission reviews the claiming instructions for reimbursement issued by the Controller. (C) If the local agency or school district does not submit a claim for reimbursement within the 120-day period, or submits a claim pursuant to revised claiming instructions, it may submit its claim for reimbursement as specified in Section 17560. The Controller shall pay these claims from the funds appropriated therefor, provided that the Controller (i) may audit the records of any

local agency or school district to verify the actual amount of the mandated costs, and (ii) may reduce any claim that the Controller determines is excessive or unreasonable. (2) In subsequent fiscal years each local agency or school district shall submit its claims as specified in Section 17560. The Controller shall pay these claims from funds appropriated therefor, provided that the Controller (A) may audit the records of any local agency or school district to verify the actual amount of the mandated costs, (B) may reduce any claim that the Controller determines is excessive or unreasonable, and (C) shall adjust the payment to correct for any underpayments or overpayments which occurred in previous fiscal years. (3) When paying a timely filed claim for initial reimbursement, the Controller shall withhold 20 percent of the amount of the claim until the claim is audited to verify the actual amount of the mandated costs. All initial reimbursement claims for all fiscal years required to be filed on their initial filing date for a state-mandated local program shall be considered as one claim for the purpose of computing any late claim penalty. Any claim for initial reimbursement filed after the filing deadline shall be reduced by 10 percent of the amount that would have been allowed had the claim been timely filed. The Controller may withhold payment of any late claim for initial reimbursement until the next deadline for funded claims unless sufficient funds are available to pay the claim after all timely filed claims have been paid. In no case shall a reimbursement claim be paid if submitted more than one year after the filing deadline specified in the Controller's claiming instructions on funded mandates contained in a claims bill.

#### GC §17561.5: Payment of Claim with Interest

(a) The payment of an initial reimbursement claim by the Controller shall include accrued interest at the Pooled Money Investment Account rate, if the payment is being made more than 365 days after adoption of the statewide cost estimate for an initial claim or, in the case of payment of a subsequent claim relating to that same statute or executive order, if payment is being made more than 60 days after the filing deadline for, or the actual date of receipt of, the subsequent claim, whichever is later. In those instances, interest shall begin to accrue as of the 366th day after adoption of the statewide cost estimate for an initial claim or, or actual date of receipt of, the subsequent claim, whichever is later. (b) This section shall become operative on July 1, 1996.

#### GC §17561.6: Payment

(a) A budget act item or appropriation pursuant to this part for reimbursement of claims shall include an amount necessary to reimburse any interest due pursuant to Section 17561.5. (b) This section shall become operative on July 1, 1996.

## GC §17562: Review of Costs of State-Mandated Local Programs

(a) The Legislature hereby finds and declares that the increasing revenue constraints on state and local government and the increasing costs of financing state-mandated local programs make evaluation of state-mandated local programs imperative. Accordingly, it is the intent of the Legislature to increase information regarding state mandates and establish a method for regularly reviewing the costs and benefits of state-mandated local programs. (b) The Controller shall submit a report to the Joint Legislative Budget Committee and fiscal committees by January 1 of each year. This report shall summarize, by state mandate, the total amount of claims paid per fiscal year and the amount, if any, of mandate deficiencies or surpluses. This report shall be made available in an electronic spreadsheet format. The report shall compare the annual cost of each mandate to the statewide cost estimate adopted by the commission. (c) After the commission submits its second semiannual report to the Legislature pursuant to Section 17600, the Legislative Analyst shall submit a report to the Joint Legislative Budget Committee and legislative fiscal committees on the mandates included in the commission's reports. The report shall make recommendations as to whether the mandate should be repealed, funded, suspended, or modified. (d) In its annual analysis of the Budget Bill and based on information provided pursuant to subdivision (b). the Legislative Analyst shall identify mandates that significantly exceed the statewide cost estimate adopted by the commission. The Legislative Analyst shall make recommendations on whether the mandate should be repealed, funded, suspended, or modified. (e) (1) A statewide association of local agencies or a Member of the Legislature may submit a proposal to the Legislature recommending the elimination or modification of a state-mandated local program. To make such a proposal, the association or member shall submit a letter to the Chairs of the Assembly Committee on Local Government and the Senate Committee on Local Government specifying the mandate and the concerns and recommendations regarding the mandate. The association or member shall include in the proposal all information relevant to the conclusions. If the chairs of the committees desire additional analysis of the submitted proposal, the chairs may refer the proposal to the Legislative Analyst for review and comment. The chairs of the committees may refer up to a total of 10 of these proposals to the Legislative Analyst for review in any year. Referrals shall be submitted to the Legislative Analyst by December 1 of each year. (2) The Legislative Analyst shall review and report to the Legislature with regard to each proposal that is referred to the office pursuant to paragraph (1). The Legislative Analyst shall recommend that the Legislature adopt, reject, or modify the proposal. The report and recommendations shall be submitted annually to the Legislature by March 1 of the year subsequent to the year in which referrals are submitted to the Legislative Analyst. (3) The Department of Finance shall review all statutes enacted each year that contain provisions making inoperative Section 2229 or Section 2230 of the Revenue and Taxation Code or Section 17561 or Section 17565 that have resulted in costs or revenue losses mandated by the state that were not identified when the statute was enacted. The review shall identify the costs or revenue losses involved in complying with the statutes. The Department of Finance shall also review all statutes enacted each year that may result in cost savings authorized by the state. The Department of Finance shall submit an annual report of the review required by this subdivision, together with the recommendations as it may deem appropriate, by December 1 of each year. (f) It is the intent of the Legislature that the Assembly Committee on Local Government and the Senate Committee on Local Government hold a joint hearing each year regarding the following: (1) The reports and recommendations submitted pursuant to subdivision (e). (2) The reports submitted pursuant to Sections 17570, 17600, and 17601. (3) Legislation to continue, eliminate, or modify any provision of law reviewed pursuant to this subdivision. The legislation may be by subject area or by year or years of enactment.

## GC §17563: Use of Funds Received for Public Purpose

Any funds received by a local agency or school district pursuant to the provisions of this chapter may be used for any public purpose.

## GC §17564: Filing of Claims: Threshold Amount

(a) No claim shall be made pursuant to Sections 17551 and 17561, nor shall any payment be made on claims submitted pursuant to Sections 17551 and 17561, unless these claims exceed one thousand dollars (\$1,000), provided that a county superintendent of schools or county may submit a combined claim on behalf of school districts, direct service districts, or special districts within their county if the combined claim exceeds one thousand dollars (\$1,000) even if the individual school district's, direct service district's, or special district's claims do not each exceed one thousand dollars (\$1,000). The county superintendent of schools or the county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each school, direct service, or special district. These combined claims may be filed only when the county superintendent of schools or the districts. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a school district, direct service district, or special district provides to the county superintendent of schools or county and to the Controller, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim. (b) Claims for direct and indirect costs filed pursuant to Section 17561 shall be filed in the manner prescribed in the parameters and guidelines.

## GC §17565: Reimbursement of Subsequently Mandated Costs

If a local agency or a school district, at its option, has been incurring costs which are subsequently mandated by the state, the state shall reimburse the local agency or school district for those costs incurred after the operative date of the mandate.

#### GC §17567: Insufficiency of Appropriation: Proration of Claims

In the event that the amount appropriated for reimbursement purposes pursuant to Section 17561 is not sufficient to pay all of the claims approved by the Controller, the Controller shall prorate claims in proportion to the dollar amount of approved claims timely filed and on hand at the time of proration. The Controller shall adjust prorated claims if supplementary funds are appropriated for this purpose. In the event that the Controller finds it necessary to prorate claims as provided by this section, the Controller shall immediately report this action to the Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each house of the Legislature which considers appropriated on a timely basis in the Budget Act, the Controller shall transmit this information to the commission which shall include these amounts in its report to the Legislature pursuant to Section 17600 to assure that an appropriation sufficient to pay the claims is included in the local government claims bills or other appropriation bills. If the local government claims bills required by the chairperson of the Legislature, the Controller shall report directly to the chairperson of the respective committee in each house of the sequired by Section 17612 have been introduced in the Legislature, the Controller shall report directly to the chairperson of a sufficient appropriation in the claims bills.

#### GC §17568: Payment of Claims Submitted After Deadline

If a local agency or school district submits an otherwise valid reimbursement claim to the Controller after the deadline specified in Section 17560, the Controller shall reduce the reimbursement claim in an amount equal to 10 percent of the amount which would have been allowed had the reimbursement claim been timely filed, provided that the amount of this reduction shall not exceed one thousand dollars (\$1,000). In no case shall a reimbursement claim be paid which is submitted more than one year after the deadline specified in Section 17560. Estimated claims which were filed by the deadline specified in that section shall be paid in full before payments are made on estimated claims filed after the deadline. In the event the amount appropriated to the Controller for reimbursement purposes is not sufficient to pay the dollar amount of approved by the Controller, the Controller shall prorate those claims in proportion to the dollar amount of approved claims filed after the deadline and shall report to the commission or the Legislature in the same manner as described in Section 17566 in order to assure appropriation of funds sufficient to pay those claims.

#### GC §17570: Annual Report to Legislature

The Legislative Analyst shall review each unfunded statutory or regulatory mandate for which claims have been approved by the Legislature pursuant to a claims bill during the preceding fiscal year. Any recommendations by the Legislative Analyst to eliminate or modify the mandates shall be contained in the annual analysis of the Budget Bill prepared by the Legislative Analyst.

#### GC §17571: Review and Modification of Claiming Instructions

The commission, upon request of a local agency or school district, shall review the claiming instructions issued by the Controller or any other authorized state agency for reimbursement of mandated costs. If the commission determines that the claiming instructions do not conform to the parameters and guidelines, the commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the commission.

#### GC §17575: Review of Bills

When a bill is introduced in the Legislature, and each time a bill is amended, on and after January 1, 1985, the Legislative Counsel shall determine whether the bill mandates a new program or higher level of service pursuant to Section 6 of Article XIIIB of the California Constitution. The Legislative Counsel shall make this determination known in the digest of the bill and shall describe in the digest the basis for this determination. The determination by the Legislative Counsel shall not be binding on the commission in making its determination pursuant to Section 17555.

#### GC §17576: Amendment of Bills on Floor: Notification by Legislative Counsel

Whenever the Legislative Counsel determines that a bill will mandate a new program or higher level of service pursuant to Section 6 of Article XIII B of the California Constitution, the Department of Finance shall prepare an estimate of the amount of reimbursement which will be required. This estimate shall be prepared for the respective committees of each house of the Legislature which consider taxation measures and appropriation measures and shall be prepared prior to any hearing on the bill by any such committee.

#### GC §17577: Amount of Estimates

The estimate required by Section 17576 shall be the amount estimated to be required during the first fiscal year of a bill's operation in order to reimburse local agencies and school districts for costs mandated by the state by the bill.

#### GC §17578: Amendment of Bills on Floor: Notification by Legislative Counsel

In the event that a bill is amended on the floor of either house, whether by adoption of the report of a conference committee or otherwise, in such a manner as to mandate a new program or higher level of service pursuant to Section 6 of Article XIIIB of the California Constitution, the Legislative Counsel shall immediately inform, respectively, the Speaker of the Assembly and the President of the Senate of that fact. Notification from the Legislative Counsel shall be published in the journal of the respective houses of the Legislature.

# GC §17579: Requirement for New Mandates to Specify Reimbursement Requirements: Appropriations

(a) Any bill introduced or amended on and after January 1, 1985, for which the Legislative Counsel has determined the bill will mandate a new program or higher level of service pursuant to Section 6 of Article XIII B of the California Constitution, shall contain a section specifying that reimbursement shall be made from the fund pursuant to Section 17610 when the amount of the claim has been determined pursuant to Article 1 (commencing with Section 17550) of this chapter or that there is no mandate or that the mandate is being disclaimed and the reason therefor. (b) Any bill introduced or amended on and after January 1, 1985, may, but is not required to, contain an appropriation to provide reimbursement of costs mandated by the state.

#### GC §17581: Conditions for Exemption From Implementation of Statute or Executive Order

(a) No local agency shall be required to implement or give effect to any statute or executive order, or portion thereof, during any fiscal year and for the period immediately following that fiscal year for which the Budget Act has not been enacted for the subsequent fiscal year if all of the following apply: (1) The statute or executive order, or portion thereof, has been determined by the Legislature, the commission, or any court to mandate a new program or higher level of service requiring reimbursement of local agencies pursuant to Section 6 of Article XIIIB of the California Constitution. (2) The statute or executive order, or portion thereof, has been specifically identified by the Legislature in the Budget Act for the fiscal year as being one for which reimbursement is not provided for that fiscal year. For purposes of this paragraph, a mandate shall be considered to have been specifically identified by the Legislature only if it has been included within the schedule of reimbursable mandates shown in the Budget Act and it is specifically identified in the language of a provision of the item providing the appropriation for mandate reimbursements. (b) Notwithstanding any other provision of law, if a local agency elects to implement or give effect to a statute or executive order described in subdivision (a), the local agency may assess fees to persons or entities which benefit from the statute or executive order. Any fee assessed pursuant to this subdivision shall not exceed the costs reasonably borne by the local agency. (c) This section shall not apply to any state-mandated local program for the trial courts, as specified in Section 77203. (d) This section shall not apply to any state-mandated local program for which the reimbursement funding counts toward the minimum General Fund requirements of Section 8 of Article XVI of the Constitution.

# GC §17581.5 Exemption From Provisions of School Bus Safety II Mandate and School Crimes Reporting II Mandate

(a) A school district shall not be required to implement or give effect to the statutes, or portion thereof, identified in subdivision (b) during any fiscal year and for the period immediately following that fiscal year for which the Budget Act has not been enacted for the subsequent fiscal year if all of the following apply: (1) The statute or portion thereof, has been determined by the Legislature, the commission, or any court to mandate a new program or higher level of service requiring reimbursement of local agencies pursuant to Section 6 of Article XIIIB of the California Constitution. (2) The statute, or portion thereof, has been specifically identified by the Legislature in the Budget Act for the fiscal year as being one for which reimbursement is not provided for that fiscal year. For purposes of this paragraph, a mandate shall be considered to have been specifically identified by the Legislature only if it has been included within the schedule of reimbursable mandates shown in the Budget Act and it is specifically identified in the language of a provision of the item providing the appropriation for mandate reimbursements. (b) This section applies only to the following mandates: (1) The School Bus Safety II mandate (Chapter 642 of the Statutes of 1992; Chapter 831 of the Statutes of 1994; and Chapter 739 of the Statutes of 1997). (2) The School Crimes Reporting II mandate (Chapter 759 of the Statutes of 1992 and Chapter 410 of the Statutes of 1995).

## GC §17600: Report on Number of Mandates and Their Costs

At least twice each calendar year the commission shall report to the Legislature on the number of mandates it has found pursuant to Article 1 (commencing with Section 17550) and the estimated statewide costs of these mandates. This report shall identify the statewide costs estimated for each mandate and the reasons for recommending reimbursement.

#### GC §17601: Report on Claims Denied

The commission shall report to the Legislature on January 15, 1986, and each January 15 thereafter, on the number of claims it denied during the preceding calendar year and the basis on which the particular claims were denied.

## GC §17610: Costs Paid From Fund: Limit on Costs

(a) The costs arising from a statute containing a statement that the statute mandates a new program or higher level of service and specifying that reimbursement shall be made from the fund shall, upon certification of the estimated statewide cost by the commission to the Controller, be paid from the fund, provided that the estimated statewide cost of the claim does not exceed one million dollars (\$1,000,000). The Controller shall receive, review, and pay reimbursement claims from the fund as the claims are received. Claims for initial reimbursement shall be filed with the Controller within 120 days from the date that the Controller issued claiming instructions on mandates funded by the fund. When paying a timely filed claim for initial reimbursement, the Controller shall withhold 20 percent of the amount of the claim until the claim is audited to verify the actual amount of the mandated cost. Any claim for initial reimbursement filed after the filing deadline shall be reduced by 10 percent of the amount which would have been allowed had the claim been timely filed, provided that the amount of this reduction shall not exceed one thousand dollars (\$1,000). The Controller may withhold payment of any initial reimbursement claim filed after the filing deadline until the next deadline for funding claims unless sufficient funds are available to pay the claim after all timely filed claims have been paid. (b) For purposes of this section, "estimated statewide cost" means the total amount of funds estimated to be necessary to reimburse all eligible local agencies and school districts for costs incurred as a result of the mandate during the first 12month period following the operative date of the mandate. (c) For purposes of this section, "costs arising from a statute" means the total amount of funds necessary to reimburse eligible local agencies and school districts for costs incurred as a result of complying with a mandate for the fiscal years specified in the parameters and guidelines in accordance with Section 17557.

#### GC §17612: Local Government Claims Bills: Judicial Review of Funding Deletions

(a) Immediately upon receipt of the report submitted by the commission pursuant to Section 17600, a local government claims bill shall be introduced in the Legislature. The local government claims bill, at the time of its introduction, shall provide for an appropriation sufficient to pay the estimated costs of these mandates except where the costs have been or will be paid pursuant to Section 17610. (b) The Legislature may amend, modify, or supplement the parameters and guidelines for mandates contained in the local government claims bill. If the Legislature amends, modifies, or supplements the parameters and guidelines, it shall make a declaration in the local government claims bill specifying the basis for the amendment, modification, or supplement. (c) If the Legislature deletes from a local government claims bill funding for a mandate, the local agency or school district may file in the Superior Court of the County of Sacramento an action in declaratory relief to declare the mandate unenforceable and enjoin its enforcement.

#### GC §17613: Authorization of Augmentation for Mandated Costs

(a) The Director of Finance may, upon receipt of any report submitted pursuant to Section 17567, authorize the augmentation of the amount available for expenditure to reimburse costs mandated by the state, as defined in Section 17514, as follows: (1) For augmentation of (A) any schedule in any item to reimburse costs mandated by the state in any budget act, or (B) the amount appropriated in a local government claims bill for reimbursement of the claims of local agencies, as defined by Section 17518. from the unencumbered balance of any other item to reimburse costs mandated by the state in that budget act or another budget act or in an appropriation for reimbursement of the claims of local agencies in another local government claims bill. (2) For augmentation of (A) any schedule in any budget act item. or (B) any amount appropriated in a local government claims bill, when either of these augmentations is for reimbursement of mandated claims of school districts, as defined in Section 17519, when the source of this augmentation is (A) the unencumbered balance of any other scheduled amount in that budget act or another budget act, or (B) an appropriation in another local government claims bill, when either of these appropriations is for reimbursement of mandate claims of school districts. This paragraph applies only to appropriations that are made for the purpose of meeting the minimum funding guarantee for educational programs pursuant to Section 8 of Article XVI of the California Constitution. (b) No authorization for an augmentation pursuant to this section may be made sooner than 30 days after the notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time as the chairperson of the joint committee, or his or her designee, may in each instance determine.

#### GC §17614: State Mandates Claims Fund

There is hereby created the State Mandates Claims Fund. Notwithstanding Section 13340, money in the fund is continuously appropriated without regard to fiscal years for the sole purpose of paying claims pursuant to Section 17610.

## GC §17615: Legislative Findings and Intent

The Legislature finds and declares that the existing system for reimbursing local agencies and school districts for actual costs mandated by the state on an annual claim basis is time consuming, cumbersome, and expensive at both the local and state levels. The Controller must process voluminous claims with all claims subject to a desk audit and selected claims also subject to a field audit. Local agencies are required to maintain extensive documentation of all claims in anticipation of such an audit. The volume of these records is substantial and will continue to grow with no relief in sight as new programs are mandated. The cost to local agencies and school districts for filing claims, and for maintaining documentation and responding to the Controller's audits is substantial. The current administrative cost to both state and local governments represents a significant expenditure of public funds with no apparent benefit to the taxpayers. It is the intent of the Legislature to streamline the reimbursement process for costs mandated by the state by creating a system of state mandate apportionments to fund the costs of certain programs mandated by the state.

## GC §17615.1: Review of Programs for Inclusion in System

Notwithstanding the provisions of Section 2231 of the Revenue and Taxation Code, the commission shall establish a procedure for reviewing, upon request, mandated cost programs for which appropriations have been made by the Legislature for the 1982-83, 1983-84, and 1984-85 fiscal years, or any three consecutive fiscal years thereafter. At the request of the Department of Finance, the Controller, or any local agency or school district receiving reimbursement for the mandated program, the commission shall review the mandated cost program to determine whether the program should be included in the State Mandates Apportionment System. If the commission determines that the State Mandates Apportionment System would accurately reflect the costs of the state mandated program, the commission shall direct the Controller to include the program in the State Mandates Apportionment System.

## GC §17615.2: Calculation of Disbursement Amounts

(a) Notwithstanding Section 17561, after November 30, 1985, for those programs included in the State Mandates Apportionment System, after approval by the commission, there shall be disbursed by the Controller to each local agency and school district which has submitted a reimbursement claim for costs mandated by the state in the 1982-83, 1983-84, and the 1984-85 fiscal years, or any three consecutive fiscal years thereafter, an amount computed by averaging the approved reimbursement claims for this three-year period. The amount shall first be adjusted according to any changes in the deflator. The deflator shall be applied separately to each year's costs for the three years which comprise the base period. Funds for these purposes shall be available to the extent they are provided for in the Budget Act of 1985 and the Budget Act for any subsequent fiscal year thereafter. For purposes of this article, "base period" means the three fiscal years immediately succeeding the commission's approval. (b) When the Controller has made payment on claims prior to commission approval of the program for inclusion in the State Mandates Apportionment System, the payment shall be adjusted in the next apportionment to the amount which would have been subvened to the local agency or school district for that fiscal year had the State Mandates Apportionment System been in effect at the time of the initial payment.

## GC §17615.3: Annual Recalculation of Allocation

Notwithstanding Section 17561, by November 30, 1986, and by November 30 of each year thereafter, for those programs included in the State Mandates Apportionment System, the Controller shall recalculate each allocation for each local agency and school district for the 1985-86 fiscal year, by using the actual change in the deflator for that year. That recalculated allocation shall then be adjusted by the estimated change in the deflator for the 1986 -87 fiscal year, and each fiscal year thereafter, to establish the allocation amount for the 1986-87 fiscal year, and each fiscal year thereafter. Additionally, for programs approved by the commission for inclusion in the State Mandates Apportionment System on or after January 1, 1988, the allocation for each year succeeding the three-year base period shall be adjusted according to any changes in both the deflator and workload. The Controller shall then subvene that amount after adjusting it by any amount of overpayment or underpayment in the 1985-86 fiscal year, and each fiscal year thereafter, due to a discrepancy between the actual change and the estimated change in the deflator or workload. Funds for these purposes shall be available to the extent they are provided for in the Budget Act of 1986 and the Budget Act for any subsequent fiscal year thereafter. For purposes of this article, "workload" means, for school districts and county offices of education, changes in the average daily attendance; for community colleges, changes in the number of full-time equivalent students; for cities and counties, changes in the population within their boundaries; and for special districts, changes in the population of the county in which the largest percentage of the district's population is located.

## GC §17615.4: Procedure for Newly Mandated Program

(a) When a new mandate imposes costs which are funded either by legislation, in local government claims bills, or from the State Mandates Claim Fund, local agencies and school districts may file reimbursement claims as required by Section 17561, for a minimum of three years after the initial funding of the new mandate. (b) After actual cost claims are submitted for three fiscal years against such a new mandate, the commission shall determine, upon request of the Controller or a local entity or school district receiving reimbursement for the program, whether the amount of the base year entitlement adjusted by

changes in the deflator and workload accurately reflects the costs incurred by the local agency or school district. If the commission determines that the base year entitlement, as adjusted, does accurately reflect the costs of the program, the commission shall direct the Controller to include the program in the State Mandates Apportionment System. (c) The Controller shall make recommendations to the commission and the commission shall consider the Controller's recommendations for each new mandate submitted for inclusion in the State Mandates Apportionment System. All claims included in the State Mandates Apportionment System pursuant to this section are also subject to the audit provisions of Section 17616.

#### GC §17615.5: Procedure Where No Base Year Entitlement Has Been Established

(a) If any local agency or school district has an established base year entitlement which does not include costs for a particular mandate, that local agency or school district may submit reimbursement claims for a minimum of three consecutive years, adjusted pursuant to Section 17615.3 by changes in the deflator and workload, or entitlement claims covering a minimum of three consecutive years, after which time its base year entitlement may be adjusted by an amount necessary to fund the costs of that mandate. (b) If any local agency or school district has no base year entitlement, but wishes to begin claiming costs of one or more of the mandates included in the State Mandates Apportionment System, that local agency or school district may submit reimbursement claims for a minimum of three consecutive years, or entitlement claims covering the preceding three consecutive years, which shall be adjusted pursuant to Sections 17615.2 and 17615.3 by changes in the deflator and workload, after which time a base year entitlement may be established in an amount necessary to fund the costs of the mandates.

#### GC §17615.6: Procedure Where Program is No Longer Mandatory

If a local agency or school district realizes a decrease in the amount of costs incurred because a mandate is discontinued, or made permissive, the Controller shall determine the amount of the entitlement attributable to that mandate by determining the base year amount for that mandate for the local agency or school district plus the annual adjustments. This amount shall be subtracted from the annual subvention which would otherwise have been allocated to the local agency or school district.

#### GC §17615.7: Procedure Where Program is Modified

If a mandated program included in the State Mandates Apportionment System is modified or amended by the Legislature or by executive order, and the modification or amendment significantly affects the costs of the program, as determined by the commission, the program shall be removed from the State Mandate Apportionment System, and the payments reduced accordingly. Local entities or school districts may submit actual costs claims for a period of three years, after which the program may be considered for inclusion in the State Mandates Apportionment System, pursuant to the provisions of Section 17615.4.

#### GC §17615.8: Review of Base Year Entitlement

(a) The commission shall establish a procedure for reviewing, upon request, any apportionment or base year entitlement of a local agency or school district. (b) Local agencies and school districts which request such a review shall maintain and provide those records and documentation as the commission or its designee determines are necessary for the commission or its designee to make the required determinations. With the exception of records required to verify base year entitlements, the records may not be used to adjust current or prior apportionments, but may be used to adjust future apportionments. (c) If the commission determines that an apportionment or base year entitlement for funding costs mandated by the state does not accurately reflect the costs incurred by the local agency or school district for all mandates upon which that apportionment is based, the commission shall direct the Controller to adjust the apportionment accordingly. For the purposes of this section, an apportionment or a base year entitlement does not accurately reflect the costs incurred by a local agency or school district if it falls short of reimbursing, or overreimburses, that local agency's or school district's actual costs by 20 percent or by one thousand dollars (\$1,000), whichever is less. (d) If the commission determines that an apportionment or base year entitlement for funding costs mandated by the state accurately reflects the costs incurred by the tocat agency or school district is based, the local agency or school district if or base year entitlement for funding costs mandated by the state accurately reflects the costs incurred by the locat agency or school district if the sportionment or base year entitlement for funding costs mandated by the state accurately reflects the costs incurred by the local agency or school district for all mandates upon which that apportionment is based, the

commission may, in its discretion, direct the Controller to withhold, and, if so directed, the Controller shall withhold the costs of the commission's review from the next apportionment to the local agency or school district, if the commission review was requested by the local agency or school district.

#### GC §17615.9: Review of Programs Under SMAS

The commission shall periodically review programs funded under the State Mandate Apportionments System to evaluate the effectiveness or continued statewide need for each such mandate.

#### GC §17616: Audits and Verification by Controller

Notwithstanding the provisions of Section 2231 of the Revenue and Taxation Code, the Controller shall have the authority to do either or both of the following: (a) Audit the fiscal years comprising the base year entitlement no later than three years after the year in which the base year entitlement is established. The results of such audits shall be used to adjust the base year entitlements and any subsequent apportionments based on that entitlement, in addition to adjusting actual cost payments made for the base years audited. (b) Verify that any local agency or school district receiving funds pursuant to this article is providing the reimbursed activities.

## OFFICE OF THE STATE CONTROLLER

## STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2002-06A

## ANIMAL ADOPTION

## MAY 7, 2002

In accordance with Government Code Section (GC §) 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of costs incurred for state mandated cost programs. The following are claiming instructions and forms that eligible claimants will use for the filing of claims for the Animal Adoption (AA) program. These claiming instructions are issued subsequent to adoption of the program's parameters and guidelines (P's & G's) by the Commission on State Mandates (COSM).

The test claim legislation was enacted in an attempt to end the euthanasia of adoptable and treatable animals. It increased the holding period for stray and abandoned dogs, cats, and other specified animals; required the verification of the temperament of feral cats; required the posting of lost and found lists; required the maintenance of records for impounded animals; and required that impounded animals receive necessary and prompt veterinary care.

On January 25, 2001, the COSM determined that Chapter 752/98 established costs mandated by the State according to the provisions listed in the attached P's & G's. For your reference, the P's & G's are included as an integral part of the claiming instructions.

## **Eligible Claimants**

Any city, county, city and county, dependent special district, and joint powers authority comprised of a city, county, and/or city and county that incurs increased costs as a direct result of this mandate, is eligible to claim reimbursement of these costs.

## Filing Deadlines

## A. Initial Claims

Initial reimbursement claims must be filed within 120 days from the issuance date of claiming instructions. All claims must be filed with the SCO and be delivered or postmarked on or before **September 4, 2002**. Estimated claims for the 2001-02 fiscal year must also be delivered or postmarked on or before **September 4, 2002**. Thereafter, having received payment for an estimated claim, the claimant must file an annual reimbursement claim by January 15 of the following fiscal year. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$1,000. The claiming period for the reimbursable activities listed in **IV**, beginning on page 3 of the P's and G's, are as follows:

## • IV. A. 1., 2., 3. - One Time Activities

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

• IV. B. 1. - Acquisition of Additional Space and/or Construction of New Facilities (Food and Agriculture Code Sections {F & AC §§} 31108, 31752, and 31753).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

• IV. B. 2. - Remodeling/Renovating Existing Facilities (F & AC §§ 31108, 31752, and 31753).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

• IV. B. 3. - Care and Maintenance of Impounded Stray or Abandoned Dogs and Cats (F & AC §§ 31108 and 31752).

Claiming Period - Fiscal years 1999-00 to 2000-01<sup>1</sup>.

• IV. B. 4. - Care and Maintenance of Impounded Stray or Abandoned Animals (F & AC § 31753).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

• IV. B. 5. - Agencies Using the Holding Period of Four Business Days after the Day of Impoundment (F & AC §§ 31108, 31752, and 31753).

**Animals Other than Cats and Dogs** 

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

## **Impounded Dogs and Cats**

Claiming Period - Fiscal year 1999-00 to 2000-01.

• IV. B. 6. - Feral Cats (F & AC § 31752.5).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

• IV. B. 7. - Lost and Found Lists (F & AC § 32001).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 and 2000-01.

• IV. B. 8. - Maintaining Non-Medical Records (F & AC § 32003).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 and 2000-01.

• IV. B. 9. - Necessary and Prompt Veterinary Care (Civil Code §§ 1834 and 1846).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 and 2000-01.

<sup>&</sup>lt;sup>1</sup> Claiming period was previously listed as January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

## • IV. B. 10. - Procurement of Medical, Kennel, and Computer Equipment

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

Costs for all initial reimbursement claims must be filed separately according to the fiscal year in which the costs were incurred. However, the initial claims will be considered as one claim for the purpose of computing the late claim penalty. Do not prorate the penalty among fiscal years. If the claims are late, the penalty should be applied to a single fiscal year.

In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. Claims filed more than one year after the deadline will not be accepted.

## **B.** Estimated Claims

Unless otherwise specified in the claiming instructions, local agencies are not required to provide cost schedules and supporting documents with an estimated claim if the estimated amount does not exceed the previous fiscal year's actual costs by more than 10%. Claimants can simply enter the estimated amount on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, claimants must complete supplemental claim forms to support their estimated costs as specified for the program to explain the reason for the increased costs. If no explanation supporting the higher estimate is provided with the claim, it will automatically be adjusted to 110% of the previous fiscal year's actual costs will be incurred. Claims filed timely will be paid before late claims.

## **Minimum Claim Cost**

GC Section 17564 provides that no claim shall be filed pursuant to Sections 17551 and 17561, unless such a claim exceeds two hundred dollars (\$200), provided that a county superintendent of schools or county may submit a combined claim on behalf of school districts, direct service districts, or special districts within their county if the combined claim exceeds \$200, even if the individual school district's, direct service district's, or special district's claims do not each exceed \$200. The county superintendent of schools or the county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each school, direct service, or special district. These combined claims may be filed only when the county superintendent of schools or the county is the fiscal agent for the districts. A combined claim must show the individual claim costs for each eligible district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a school district, direct service district, or special district provides to the county superintendent of schools or county and to the SCO, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim.

## **Reimbursement of Claims**

Initial reimbursement claims will only be reimbursed to the extent that expenditures can be supported and, if such information is unavailable, claims will be reduced. In addition, ongoing reimbursement claims must be supported by documentation as evidence of the expenditures. Examples of documentation may include, but are not limited to, employee time records that identify mandate activities, payroll records, invoices, receipts, contracts, travel expense vouchers, purchase orders, and caseload statistics.

If a documented time study is the basis for claimed time spent in implementing the provisions of **IV.** B. 3. of the P's and G's, attach the time records with the claim. The Controller's Office will review the documented time study for precision and reliability. For information on the Time Study Method, refer to pages 7 and 8 of the P's and G's.

## Audit of Costs

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the P's & G's adopted by the COSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment," specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Accordingly, all documentation to support actual costs claimed must be retained for a period of two years after the end of the calendar year in which the reimbursement claim was filed or amended regardless of the year of costs incurred. When no funds are appropriated for initial claims at the time the claim is filed, supporting documents must be retained for two years from the date of initial payment of the claim. Claim documentation shall be made available to the SCO on request.

## **Retention of Claiming Instructions**

The claiming instructions and forms in this package should be retained permanently in your Mandated Cost Manual for future reference and use in filing claims. These forms should be duplicated to meet your filing requirements. You will be notified of updated forms or changes to claiming instructions as necessary.

For your reference, these and future mandated costs claiming instructions and forms can be found on the Internet at **www.sco.ca.gov/ard/local/locreim/index.htm**.

## **Address for Filing Claims**

Submit a signed, original form FAM-27, Claim for Payment, and all other forms and supporting documents (no copies necessary) to:

If delivered by U.S. Postal Service:

Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting P.O. Box 942850 Sacramento, CA 94250 If delivered by other delivery services:

Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting 3301 C Street, Suite 500 Sacramento, CA 95816

## PARAMETERS AND GUIDELINES

Civil Code Sections 1834 and 1846; Food and Agriculture Code Sections 31108, 31752, 31752.5, 31753, 32001, and 32003 As Added or Amended by Statutes of 1998, Chapter 752

## Animal Adoption

## I. Summary of the Mandate

The test claim legislation was enacted in an attempt to end the euthanasia of adoptable and treatable animals. Generally, the test claim legislation increased the holding period for stray and abandoned dogs, cats, and other specified animals; required the verification of the temperament of feral cats; required the posting of lost and found lists; required the maintenance of records for impounded animals; and required that impounded animals receive "necessary and prompt veterinary care."

The Commission partially approved this test claim, pursuant to article XIII B, section 6 of the California Constitution and Government Code section 17514, for the *increased costs* in performing the following activities only:

- 1. Providing care and maintenance during the increased holding period for impounded dogs and cats that are ultimately euthanized. The increased holding period shall be measured by calculating the difference between three days from the day of capture and four business days from the day after impoundment, as specified below in 3 (a) and 3 (b), or six business days from the day after impoundment (Food & Agr. Code, §§ 31108, 31752);
- 2. Providing care and maintenance for four business days from the day after impoundment, as specified below in 3 (a) and 3 (b), or six business days from the day after impoundment, for impounded rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles, or tortoises legally allowed as personal property that are ultimately euthanized (Food & Agr. Code, § 31753);
- 3. For dogs, cats, and other specified animals held for four business days after the day of impoundment, either:

(a) Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or

(b) For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed (Food & Agr., Code §§ 31108, 31752, and 31753);

- 4. Verifying whether a cat is feral or tame by using a standardized protocol (Food & Agr. Code, § 31752.5);
- 5. Posting lost and found lists (Food & Agr. Code, § 32001);
- 6. Maintaining records on animals that are not medically treated by a veterinarian, but are either taken up, euthanized after the holding period, or impounded (Food & Agr. Code, § 32003); and
- 7. Providing "necessary and prompt veterinary care" for abandoned animals, other than injured cats and dogs given emergency treatment, that are ultimately euthanized (Civ.Code, §§ 1834 and 1846).

## **II.** Eligible Claimants

Any city, county, city and county, dependent special district, and joint powers authority comprised of a city, county, and/or city and county that incurs increased costs as a result of this reimbursable state mandated program is eligible to claim reimbursement of those costs.

## III. Period of Reimbursement

Government Code section 17557, as amended by Statutes of 1998, Chapter 681 (which became effective on September 22, 1998), states that a test claim shall be submitted on or before June 30 following a fiscal year in order to establish eligibility for reimbursement for that fiscal year. On December 22, 1998, the County of Los Angeles filed the test claim for this mandated program, establishing eligibility for reimbursement beginning on or after July 1, 1997.

However, except for the amendments to Food and Agriculture Code sections 31108 and 31752, Statutes of 1998, Chapter 752 became operative and effective on January 1, 1999. Therefore, except for the amendments to Food and Agriculture Code sections 31108 and 31752, the costs incurred for Statutes of 1998, Chapter 752 are eligible for reimbursement on or after January 1, 1999.

Section 21 of Statutes of 1998, Chapter 752 establishes an operative date of July 1, 1999 for the amendments to Food and Agriculture Code section 31108 (holding period for stray dogs) and Food and Agriculture Code sections 31752 (holding period for stray cats). Therefore, costs incurred for Food and Agriculture Code sections 31108 and 31752, as amended by Statutes of 1998, Chapter 752, are eligible for reimbursement on or after July 1, 1999.

Actual costs for one fiscal year shall be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to section 17561, subdivision (d)(1) of the Government Code, all claims for reimbursement of initial years' costs shall be submitted within 120 days of notification by the State Controller of the issuance of claiming instructions.

If the total costs for a given year do not exceed \$200, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

## IV. Reimbursable Activities

For each eligible claimant, all direct and indirect costs of labor, materials, supplies, fixed assets, contracted services, training and travel for the performance of the activities listed below are eligible for reimbursement.

Except as specified in Component (B)(3) and (4), reimbursement claims for the performance of the activities listed below shall be based on actual or estimated costs as provided in Government Code section 17560.

## A. One Time Activities

- 1. Develop policies and procedures to implement the reimbursable activities listed in Section IV (B) of these parameters and guidelines.
- 2. Train staff on the reimbursable activities listed in Section IV (B) of these parameters and guidelines. (One-time per employee.)
- 3. Develop or procure computer software for the maintenance of records on animals specified in Section IV (B) (8) of these parameters and guidelines to the extent these costs are not claimed as an indirect cost under Section V (B) of these parameters and guidelines. If the computer software is utilized in some way that is not directly related to the maintenance of records specified in Section IV (B) (8), only the pro rata portion of the activity that is used for compliance with Section IV (B) (8) is reimbursable.
- B. Ongoing Activities
  - 1. Acquisition of Additional Space and/or Construction of New Facilities

Beginning January 1, 1999 - Acquiring additional space by purchase or lease and/or construction of new facilities to provide appropriate or adequate shelter necessary to comply with the mandated activities during the increased holding period for impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that die during the increased holding period or are ultimately euthanized.

Eligible claimants are only entitled to reimbursement for the proportionate share of actual costs required to plan, design, acquire, and/or build facilities in a given fiscal year based on the pro rata representation of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that are held during the *increased* holding period specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines and die during the increased holding period or are ultimately euthanized, to the total population of animals housed in the facility (including those animals that are excluded from

reimbursement, as specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines) during the entire holding period required by Food and Agriculture Code sections 31108, 31752 and 31753.

## Supporting Documentation Submitted with the Initial and Subsequent Reimbursement Claims

Acquiring additional space and/or construction of new facilities is reimbursable only to the extent that an eligible claimant submits, with the initial and/or subsequent reimbursement claim, documentation reflecting the following:

A determination by the governing board that acquiring additional space and/or constructing new facilities is necessary for the increased holding period required by Statutes of 1998, Chapter 752 because the existing facilities do not reasonably accommodate impounded stray or abandoned dogs, cats and other specified animals that are ultimately euthanized. The determination by the governing board shall include all of the following findings:

- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in 1998. Average Daily Census is defined as the average number of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 housed on any given day, in a 365-day period;
- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in a given year under the holding periods required by Food and Agriculture Code sections 31108, 31752, and 31753, as added or amended by Statutes of 1998, Chapter 752;
- Existing facilities are not appropriately configured and/or equipped to comply with the increased holding period required by Statutes of 1998, Chapter 752;
- Remodeling existing facilities is not feasible or is more expensive than acquiring additional space and/or constructing new facilities; and
- Contracting with existing private or public shelters in the area to house the increase of impounded stray or abandoned dogs, cats, or other animals specified in Statutes of 1998, Chapter 752 is not feasible or is more expensive than acquiring additional space and/or constructing new facilities.

Documentation requirements may be satisfied in whole or in part by staff agenda items, staff reports, minutes of governing board meetings, transcripts of governing board meetings, certification by the governing board describing the findings and determination, and/or a resolution adopted by the governing board pursuant to Food and Agriculture Code section 31755, as added by Statutes of 1999, Chapter 81 (Assembly Bill 1482).

2. Remodeling/Renovating Existing Facilities

Beginning January 1, 1999 - Remodeling/renovating existing facilities to provide appropriate or adequate shelter necessary to comply with the mandated activities during the increased holding period for impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that die during the increased holding period or are ultimately euthanized.

Eligible claimants are only entitled to reimbursement for the proportionate share of actual costs required to plan, design, remodel and/or renovate existing facilities in a given fiscal year based on the pro rata representation of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that are held during the *increased* holding period specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines and die during the increased holding period or are ultimately euthanized, to the total population of animals housed in the facility (including those animals that are excluded from reimbursement, as specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines) during the entire holding period required by Food and Agriculture Code sections 31108, 31752 and 31753.

## Supporting Documentation Submitted with the Initial and Subsequent Reimbursement Claims

Remodeling/renovating existing facilities is reimbursable only to the extent that an eligible claimant submits, with the initial and/or subsequent reimbursement claim, documentation reflecting the following:

A determination by the governing board or a delegated representative that remodeling/renovating existing facilities is necessary because the existing facilities do not reasonably accommodate impounded stray or abandoned dogs, cats and other specified animals that are ultimately euthanized for the increased holding period required by Statutes of 1998, Chapter 752. The determination by the governing board or delegated representative shall include all of the following findings:

• The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in 1998. Average Daily Census is defined as the average number of impounded stray or

abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 housed on any given day, in a 365-day period;

- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 in a given year under the holding periods required by Food and Agriculture Code sections 31108, 31752, and 31753, as added or amended by Statutes of 1998, Chapter 752;
- Existing facilities are not appropriately configured and/or equipped to comply with the increased holding period required by Statutes of 1998, Chapter 752;
- Contracting with existing private or public shelters in the area to house the increase of impounded stray or abandoned dogs, cats, or other animals specified in Statutes of 1998, Chapter 752 is not feasible or is more expensive than remodeling/renovating existing facilities.

Documentation requirements may be satisfied in whole or in part by staff agenda items, staff reports, minutes of governing board meetings, transcripts of governing board meetings, certification by the governing board or declaration from the delegated representative describing the findings and determination, and/or a resolution adopted by the governing board pursuant to Food and Agriculture Code section 31755, as added by Statutes of 1999, Chapter 81 (Assembly Bill 1482).

3. Care and Maintenance for Impounded Stray or Abandoned Dogs and Cats that Die During the Increased Holding Period or are Ultimately Euthanized (Food & Agr. Code, §§ 31108, 31752)

Beginning July 1, 1999 - Providing care and maintenance during the increased holding period for impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized. The increased holding period shall be measured by calculating the difference between three days from the day of capture, and four or six business days from the day after impoundment.

## **Exclusions**

Eligible claimants are *not* entitled to reimbursement for the care and maintenance of the following population of dogs and cats:

- a. Stray or abandoned dogs and cats that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);
- b. Newborn stray or abandoned dogs and cats that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);

- c. Stray or abandoned dogs and cats too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- d. Owner relinquished dogs and cats; and
- e. Stray or abandoned dogs and cats that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

#### Methods for Claiming Costs

Eligible claimants may elect one of following two methods to claim costs for the care and maintenance of impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized:

- Actual Cost Method Under the actual cost method, actual reimbursable care and maintenance costs per animal per day are computed for an annual claim period.
  - a) Determine the total annual cost of care and maintenance for all dogs and cats impounded at a facility. Total cost of care and maintenance includes labor, materials, supplies, indirect costs, and contract services.
  - b) Determine the average daily census of dogs and cats.
  - c) Multiply the average daily census of dogs and cats by 365 = yearly census of dogs and cats.
  - d) Divide the total annual cost of care by the yearly census of dogs and cats = cost per animal per day.
  - e) Multiply the cost per animal per day, by the number of impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized, by each reimbursable day (the difference between three days from the day of capture, and four or six business days from the day after impoundment).
- Time Study Method Under the time study method, a random sample of impounded stray or abandoned dogs and cats are observed to determine the amount of time to provide care and maintenance during a reimbursable day.

The time study shall be developed using one representative month each quarter and be supported with actual source documentation. Time studies shall be conducted on a more frequent basis if there are significant variations of time expended from month to month. The time study shall identify hours devoted to each specific category. If the time study supports a fixed-cost approach such as an animal day (i.e., dogday, cat-day, etc.), the eligible claimant shall document the analysis supporting the method used.

Time records used to support the time study shall:

- i. Reflect an after-the-fact distribution of each employee's actual activity;
- ii. Account for the total activity for which each employee is compensated;
- iii. Account for the total labor hours of the month;
- iv. Be signed and dated by the employee not later than the end of the pay period that follows the pay period covered by the report; and
- v. Document, by signature or initials and date, supervisor approval.
- Care and Maintenance for Impounded Stray or Abandoned Animals Specified in Food and Agriculture Code Section 31753 that Die During the Increased Holding Period or are Ultimately Euthanized (Food & Agr. Code, § 31753)

Beginning January 1, 1999 - Providing care and maintenance for four or six business days from the day after impoundment for impounded stray or abandoned rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles, and tortoises legally allowed as personal property that die during the increased holding period or are ultimately euthanized.

## **Exclusions**

Eligible claimants are *not* entitled to reimbursement for the care and maintenance of the following population of animals:

- a. Stray or abandoned animals that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);
- Newborn animals that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- c. Stray or abandoned animals too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- d. Owner relinquished animals; and

e. Stray or abandoned animals that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

## Methods for Claiming Costs

Eligible claimants may elect one of following two methods to claim costs for the care and maintenance of impounded stray or abandoned animals specified in Food and Agriculture Code section 31753 that die during the increased holding period or are ultimately euthanized:

- Actual Cost Method –Under the actual cost method, actual reimbursable care and maintenance costs per animal per day are computed for an annual claim period.
  - a) Determine the total annual cost of care and maintenance for all animals specified in Food and Agriculture Code section 31753 that are impounded at a facility. Total cost of care and maintenance includes labor, materials, supplies, indirect costs, and contract services.
  - b) Determine the average daily census of the animals specified in Food and Agriculture Code section 31753.
  - Multiply the average daily census of the animals specified in Food and Agriculture Code section 31753 by 365 = yearly census of animals specified in Food and Agriculture Code section 31753.
  - d) Divide the total annual cost of care by the yearly census of animals specified in Food and Agriculture Code section 31753 = cost per animal per day.
  - e) Multiply the cost per animal per day, by the number of impounded stray or abandoned animals specified in Food and Agriculture Code section 31753 that die during the increased holding period or are ultimately euthanized, by each reimbursable day (four or six business days from the day after impoundment).
- Time Study Method Under the time study method, a random sample of impounded stray or abandoned animals are observed to determine the amount of time to provide care and maintenance during a reimbursable day.

The time study shall be developed using one representative month each quarter and be supported with actual source documentation. Time studies shall be conducted on a more frequent basis if there are significant variations of time expended from month to month. The time study shall identify hours devoted to each specific category. If the time study supports a fixed-cost approach such as an animal day, the eligible claimant shall document the analysis supporting the method used.

Time records used to support the time study shall:

- i. Reflect an after-the-fact distribution of each employee's actual activity;
- ii. Account for the total activity for which each employee is compensated;
- iii. Account for the total labor hours of the month;
- iv. Be signed and dated by the employee not later than the end of the pay period that follows the pay period covered by the report; and
- v. Document, by signature or initials and date, supervisor approval.
- 5. Agencies Using the Holding Period of Four Business Days After the Day of Impoundment (Food & Agr. Code, §§ 31108, 31752, 31753)

Beginning January 1, 1999 - For impounded animals specified in Food and Agriculture Code section 31753, either:

- Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or
- For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.

Beginning July 1, 1999 - For impounded dogs and cats, either:

- Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or
- For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.
- 6. Feral Cats (Food & Agr. Code, § 31752.5)

Beginning January 1, 1999 - Verifying whether a cat is feral or tame by using a standardized protocol within the first three days of the required holding period if an apparently feral cat has not been reclaimed by its owner or caretaker. 7. Lost and Found Lists (Food & Agr. Code, § 32001)

Beginning January 1, 1999 - Providing owners of lost animals and those who find lost animals with all of the following:

- Ability to list the animals they have lost or found on "lost and found" lists maintained by the local agency;
- Referrals to animals listed that may be the animals the owner or finders have lost or found;
- The telephone numbers and addresses of other pounds and shelters in the same vicinity;
- Advice as to means of publishing and disseminating information regarding lost animals; and
- The telephone numbers and addresses of volunteer groups that may be of assistance in locating lost animals.
- 8. Maintaining *Non-Medical* Records (Food & Agr. Code, § 32003)

Beginning January 1, 1999 - Maintaining non-medical records on animals that are either taken up, euthanized after the holding period, or impounded. Such records shall include the following:

- The date the animal was taken up, euthanized, or impounded;
- The circumstances under which the animal is taken up, euthanized, or impounded;
- The names of the personnel who took up, euthanized, or impounded the animal; and
- The final disposition of the animal, including the name of the person who euthanized the animal or the name and address of the adopting party.

The cost of software license renewal contracts, to the extent these costs are not claimed as an indirect cost under these parameters and guidelines, is eligible for reimbursement under Section V (A) (2) of these parameters and guidelines. If the computer software is utilized in some way that is not directly related to the maintenance of records specified in this section, only the pro rata portion of the software license renewal contract that is used for compliance with this section is reimbursable.

9. "Necessary and Prompt Veterinary Care" (Civ. Code, §§ 1834 and 1846)

Beginning January 1, 1999 - Providing "necessary and prompt veterinary care" for stray and abandoned animals, other than injured cats and dogs given emergency treatment, that die during the holding

period or are ultimately euthanized, during the holding periods specified in Statutes of 1998, Chapter 752.

"Necessary and prompt veterinary care" means all reasonably necessary medical procedures performed by a veterinarian or someone under the supervision of a veterinarian to make stray or abandoned animals "adoptable." The following veterinary procedures, if conducted, are eligible for reimbursement:

- An initial physical examination of the animal to determine the animal's baseline health status and classification as "adoptable," "treatable," or "non-rehabilitatable."
- A wellness vaccine administered to "treatable" or "adoptable" animals.
- Veterinary care to stabilize and/or relieve the suffering of a "treatable" animal.
- Veterinary care intended to remedy any applicable disease, injury, or congenital or hereditary condition that adversely affects the health of a "treatable" animal or that is likely to adversely affect the animal's health in the future, until the animal becomes "adoptable."

#### Population Exclusions

Eligible claimants are *not* entitled to reimbursement for providing "necessary and prompt veterinary care" to the following population of animals:

- a. Animals that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);
- Newborn animals that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- c. Animals too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal. (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- d. Owner relinquished animals; and
- e. Stray or abandoned animals that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

#### Veterinary Care Exclusions

Eligible claimants are *not* entitled to reimbursement for providing the following veterinary procedures:

• Emergency treatment given to injure cats and dogs (Pen. Code, § 597f, subd. (b));

- Administration of rabies vaccination to dogs (Health & Saf. Code, § 121690);
- Implantation of microchip identification;
- Spay or neuter surgery and treatment;
- Euthanasia.
- 10. Beginning January 1, 1999 Procuring medical, kennel, and computer equipment necessary to comply with the reimbursable activities listed in Section IV (B) of these parameters and guidelines, to the extent these costs are not claimed as an indirect cost under Section V (B) of these parameters and guidelines. If the medical, kennel, and computer equipment is utilized in some way not directly related to the mandated program or the population of animals listed in Section IV (B), only the pro rata portion of the activity that is used for the purposes of the mandated program is reimbursable.

# V. Claim Preparation and Submission

Each claim for reimbursement must be timely filed and identify each cost element for which reimbursement is claimed under this mandate. Claimed costs must be identified to each reimbursable activity identified in Section IV. of these Parameters and Guidelines.

A. Direct Costs

Direct costs are defined as costs that can be traced to specific goods, services, programs, activities, or functions and shall be supported by the following cost element information:

1. Salaries and Benefits

Identify the employee(s), and/or show the classification of the employee(s) involved. Describe the reimbursable activities performed, specify the actual time devoted to each activity by each employee, and the productive hourly rate, and related fringe benefits.

Reimbursement for personnel services includes compensation paid for salaries, wages, and employee fringe benefits. Employee fringe benefits include regular compensation paid to an employee during periods of authorized absences (e.g., annual leave, sick leave) and the employer's contributions to social security, pension plans, insurance, and worker's compensation insurance. Fringe benefits are eligible for reimbursement when distributed equitably to all job activities performed by the employee.

2. Materials and Supplies

Only expenditures that can be identified as direct costs of this mandate may be claimed. List the cost of the materials and supplies consumed specifically for the purposes of this mandate. Purchases shall be claimed at the actual price after deducting cash discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged based on a recognized method of costing, consistently applied.

3. Contract Services

Provide the name(s) of the contractor(s) who performed the services, including any fixed contracts for services. Describe the reimbursable activity(ies) performed by each named contractor and give the number of actual hours spent on the activities, if applicable. Show the inclusive dates when services were performed and itemize all costs for those services. Attach consultant invoices to the claim.

4. Travel

Travel expenses for mileage, per diem, lodging, and other employee entitlements are eligible for reimbursement in accordance with the rules of the local jurisdiction. Provide the name(s) of traveler(s), purpose of travel, inclusive dates and times of travel, destination point(s), and travel costs.

5. Training

The cost of training an employee to perform the mandated activities, as specified in Section IV (A) of these Parameters and Guidelines, is eligible for reimbursement. Identify the employee(s) by name and job classification. Provide the title and subject of the training session, the date(s) attended, and the location. Reimbursable costs may include salaries and benefits, registration fees, transportation, lodging, and per diem.

6. Fixed Assets

List the costs of the fixed assets that have been acquired specifically for the purpose of this mandate. If the fixed asset is utilized in some way not directly related to the mandated program, only the pro-rata portion of the asset that is used for the purposes of the mandated program is reimbursable.

**B.** Indirect Costs

Compensation for indirect costs is eligible for reimbursement. Indirect costs are those that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. After direct costs have been determined and assigned to other activities, as appropriate, indirect costs are those remaining to be allocated to benefited cost objectives. A cost may not be allocated as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been claimed as a direct cost. Indirect costs include (a) the indirect costs originating in each department or agency of the governmental unit carrying out state mandated programs and (b) the costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.

Claimants have the option of using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal (ICRP) pursuant to the Office of Management and Budget (OMB) Circular A-87.

# VI. Supporting Data

For auditing purposes, all costs claimed shall be traceable to source documents (e.g., employee time records, cost allocation reports, invoices, receipts, purchase orders, contracts, worksheets, calendars, declarations, time studies, etc.) that show evidence of the validity of such costs and their relationship to this mandate. All documentation in support of claimed costs shall be made available to the State Controller's Office, as may be requested. Pursuant to Government Code section 17558.5, these documents must be kept on file by the agency submitting the claim for a period of no less than two years after the later of (1) the end of the calendar year in which the reimbursement claim is filed or last amended, or (2) if no funds are appropriated for the fiscal year for which the claim is made, the date of initial payment of the claim.

#### VII. Offsetting Savings and Other Reimbursements

Any offsetting savings that the claimant experiences as a direct result of this mandate must be deducted from the costs claimed. Additionally, reimbursement for this mandate received from any source shall be identified and deducted from this claim. These sources shall include, but not be limited to, rewards received under the authority of Civil Code section 1845; licensing fees and fines received and applied pursuant to Food and Agriculture Code section 30652, Government Code section 28502, and Penal Code section 597f; other state funds, and federal funds. The fees and fines received pursuant to Food and Agriculture Code section 30652 shall be deducted from the claim according to the priority specified in the statute and stated below:

- First, to pay fees for the issuance of dog license tags pursuant to Food and Agriculture Code section 30652, subdivision (a);
- Second, in accordance with Food and Agriculture Code section 30652, subdivision (b), any excess revenue held after the payment of dog license tags shall be applied to the fees, salaries, costs, expenses, or any or all of them for the enforcement of Division 14 of the Food and Agriculture Code, including Food and Agriculture Code section 31108, and all ordinances that are made pursuant to Division 14. Costs incurred under Food and Agriculture Code section 31108 are specified in Section IV (B) (1), (2), (3), and (5), and Section IV (A) of these parameters and guidelines. Any or all excess revenue must be applied to the costs incurred under Food and Agriculture Code section

31108 before any revenue can be applied to subdivisions (c) and (d) of Food and Agriculture Code section 30652.

### VIII. State Controller's Office Required Certification

An authorized representative of the claimant shall be required to provide a certification of the claim, as specified in the State Controller's Office claiming instructions, for those costs mandated by the state contained herein.

### IX. Parameters and Guidelines Amendments

Pursuant to title 2, California Code of Regulations, section 1183.2, Parameters and Guidelines amendments filed before the deadline for initial claims as specified in the Claiming Instructions shall apply to all years eligible for reimbursement as defined in the original Parameters and Guidelines. A Parameters and Guidelines amendment filed after the initial claiming deadline must be submitted on or before January 15, following a fiscal year in order to establish eligibility for reimbursement for the fiscal year.

#### ш ...

State Controller's Off	lice		Mand	ated Cost Manual			
	CLAIM FOR PAYMEN	For State Controller Use C	Only Program				
Pursuan	t to Government Code Se	(19) Program Number 00213					
	ANIMAL ADOPTION	(20) Date Filed//_	<b>213</b>				
			(21) LRS Input//_				
(01) Claimant Identification Nur	nber		Reimbursement	Claim Data			
(02) Claimant Name			(22) AA-1, (04)(A)(1)(g)				
County of Location			(23) AA-1, (04)(A)(2)(g)				
Street Address or P.O. Box		Suite	(24) AA-1, (04)(A)(3)(g)				
Citv	State	Zip Code	(25) AA-1, (04)(B)(1)(g)				
Type of Claim	Estimated Claim	Reimbursement Claim	(26) AA-1, (04)(B)(2)(g)				
	(03) Estimated	(09) Reimbursement	(27) AA-1, (04)(B)(3)(g)				
	(04) Combined	(10) Combined	(28) AA-1, (04)(B)(4)(g)				
	(05) Amended	(11) Amended	(29) AA-1, (04)(B)(5)(g)				
Fiscal Year of Cost	(06) 20_/20	(12) 20_/20	(30) AA-1, (04)(B)(6)(g)				
Total Claimed Amount	(07)	(13)	(31) AA-1, (04)(B)(7)(g)				
Less: 10% Late Penalty	, not to exceed \$1,000	(14)	(32) AA-1, (04)(B)(8)(g)				
Less: Prior Claim Paym	ent Received	(15)	(33) AA-1, (04)(B)(9)(g)				
Net Claimed Amount		(16)	(34) AA-1, (04)(B)(10)(g)				
Due from State	(08)	(17)	(35) AA-1, (06)				
Due to State		(18)	(36)				
(37) CERTIFICATION OF CLAIM In accordance with the provisions of Government Code §17561, I certify that I am the officer authorized by the local agency to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.							
costs claimed herein, and and reimbursements set for	such costs are for a new prog	from the claimant, nor any gran ram or increased level of servic delines are identified, and all co	es of an existing program.	All offsetting savings			
	he attached statements. I certif	ment Claim are hereby claimed y under penalty of perjury unde					
Signature of Authorized Offi	cer		Date				

Type or Print Name		Title			
(38) Name of Contact Person for Claim	Telephone Number	(	)	-	Ext.
	E-Mail Address				

Form FAM-27 (Revised 09/03)

Program 213	ANIMAL ADOPTION Certification Claim Form Instructions	FORM FAM-2
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- (02)Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.
- (03) If filing an estimated claim, enter an "X" in the box on line (03) Estimated.
- (04) If filing a combined estimated claim on behalf of districts within the county, enter an "X" in the box on line (04) Combined.
- (05)If filing an amended estimated claim, enter an "X" in the box on line (05) Amended.
- (06) Enter the fiscal year in which costs are to be incurred.
- (07) Enter the amount of the estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete form AA-1 and enter the amount from line (11).
- (08) Enter the same amount as shown on line (07).
- (09) If filing a reimbursement claim, enter an "X" in the box on line (09) Reimbursement.
- (10)If filing a combined reimbursement claim on behalf of districts within the county, enter an "X" in the box on line (10) Combined.
- (11)If filing an amended reimbursement claim, enter an "X" in the box on line (11) Amended.
- (12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 for each fiscal year.
- (13)Enter the amount of the reimbursement claim from form AA-1, line (11). The total claimed amount must exceed \$1,000.
- Reimbursement claims must be filed by January 15 of the following fiscal year in which costs were incurred or the claims shall be (14)reduced by a late penalty. Enter zero if the claim was timely filed, otherwise, enter the product of multiplying line (13) by the factor 0.10 (10% penalty), or \$1,000, whichever is less.
- If filing a reimbursement claim and an estimated claim was previously filed for the same fiscal year, enter the amount received for (15) the claim. Otherwise, enter a zero.
- (16) Enter the result of subtracting line (14) and line (15) from line (13).
- (17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17), Due from State.
- (18) If line (16), Net Claimed Amount, is negative, enter that amount on line (18), Due to State.
- (19) to (21) Leave blank.
- Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for (22) to (36) the reimbursement claim, e.g., AA-1, (04)(A)(1)(g), means the information is located on form AA-1, line (04)(A)(1), column (g). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 34.19% should be shown as 34. Completion of this data block will expedite the payment process.
- Read the statement "Certification of Claim." If it is true, the claim must be dated, signed by the agency's authorized officer, and (37)must include the person's name and title, typed or printed. Claims cannot be paid unless accompanied by an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)
- (38) Enter the name, telephone number, and e-mail address of the person to contact if additional information is required.

SUBMIT A SIGNED ORIGINAL, AND A COPY OF FORM FAM-27, WITH ALL OTHER FORMS AND SUPPORTING DOCUMENTS TO:

Address, if delivered by U.S. Postal Service:

Address, if delivered by other delivery service:

OFFICE OF THE STATE CONTROLLER **ATTN: Local Reimbursements Section Division of Accounting and Reporting** P.O. Box 942850 Sacramento, CA 94250

OFFICE OF THE STATE CONTROLLER **ATTN: Local Reimbursements Section Division of Accounting and Reporting** 3301 C Street, Suite 500 Sacramento, CA 95816

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State Controller's Office Mandated C						ost Manual		
Program 213		AN	NDATED IMAL AD LAIM SUN	OPT	ION			FORM AA-1
(01) Claimant				(02)	Type of Cl	aim		Fiscal Year
					Reimburse Estimated	ement	20	/20
(03) Department					LStimated			
Direct Costs				Obj	ject Accou	nts		
(04) Reimbursable	(a)	(b)	(c)		(d)	(e)	(f)	(g)
Components A. One-Time Costs	Salaries	Benefits	Materials Supplies		Contract Services	Travel & Training	Fixed Assets	Total
1. Policies and Procedures								
2. Training								
3. Computer Software								
B. Ongoing Costs		•		<u> </u>				
1 Acquiring Space/Facilities								
2. Renovating Facilities								
3. Care of Dogs & Cats								
4. Care of Other Animals								
5. Holding Period								
6. Feral Cats								
7. Lost and Found Lists								
8. Non-Medical Records								
9. Veterinary Care								
10. Procuring Equipment								
(05) Total Direct Costs								
Indirect Costs								
(06) Indirect Cost Rate					[From ICRP	']		%
(07) Total Indirect Costs [Line (06) x line (05)(a)] or [Line (06) x {line (05)(a) + line (05)(b)}]								
(08) Total Direct and Indirect Costs [Line (05)(g) + line (07)]								
Cost Reduction								
(09) Less: Offsetting Savings								
(10) Less: Other Reimbursements								
(11) Total Claimed Amount [Line (08) - {line (09) + line (10)}]								

Revised 09/03

Progra		FORM AA-1
(01)	Enter the name of the claimant.	
(02)	Type of Claim. Check a box, Reimbursement or Estimated, to identify the type of claim Enter the fiscal year of costs.	being filed.
	Form AA-1 must be filed for a reimbursement claim. Do not complete form AA-1 if you a estimated claim and the estimate does not exceed the previous fiscal year's actual costs by 10%. Simply enter the amount of the estimated claim on form FAM-27, line (07). How estimated claim exceeds the previous fiscal year's actual costs by more than 10%, form AA completed and a statement attached explaining the increased costs. Without this informatic estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs.	more than ever, if the -1 must be on the high
(03)	Department. If more than one department has incurred costs for this mandate, give the nate department. A separate form AA-1 should be completed for each department.	me of each
(04)	Reimbursable Components. For each reimbursable component, enter the total from form (05), columns (d) through (i) to form AA-1, block (05), columns (a) through (f) in the approximate Total each row.	
(05)	Total Direct Costs. Total columns (a) through (g).	
(06)	Indirect Cost Rate. Indirect costs may be computed as 10% of direct labor costs, exclu benefits, without preparing an ICRP. If an indirect cost rate of greater than 10% is used, Indirect Cost Rate Proposal (ICRP) with the claim.	
(07)	Total Indirect Costs. If the 10% flat rate is used for indirect costs, multiply Total Salaries, I by the Indirect Cost Rate, line (06). If an ICRP is submitted and both salaries and benefits in the distribution base for the computation of the indirect cost rate, then multiply the su Salaries, line (05)(a), and Total Benefits, line (05)(b), by the Indirect Cost Rate, line (06). If one department is reporting costs, each must have its own ICRP for the program.	were used im of Total
(08)	Total Direct and Indirect Costs. Enter the sum of Total Direct Costs, line (05)(g), and To Costs, line (07).	otal Indirect
(09)	Less: Offsetting Savings. If applicable, enter the total savings experienced by the claimant result of this mandate. Submit a detailed schedule of savings with the claim.	as a direct
(10)	Less: Other Reimbursements. Reimbursement received from any source shall be ide deducted from this claim. Sources shall include, but are not limited to, rewards rece authority of Civil Code § 1845, licensing fees and fines received and applied pursuant to Agriculture Code Section (F & AC §) 30652, Government Code Section 28502, and F Section 597f, and other state funds, and federal funds. Fees and fines received pursuant to 30652 shall be deducted according to the priority specified on page 15 of the P's and G's.	ived under Food and Penal Code
(11)	Total Claimed Amount. From Total Direct and Indirect Costs, line (08), subtract the sum o Savings, line (09), and Other Reimbursements, line (10). Enter the remainder on this line the amount forward to form FAM-27, line (07) for the Estimated Claim or line (1 Reimbursement Claim.	and carry

State Controller's Office Mandated Cost Manual								
Program 213	СОМРО		ATED COS L ADOPTI CTIVITY C	ON	AIL			FORM AA-2
(01) Claimant			(02) F	Fiscal Yea	r			
(03) Reimbursable Components: One-Time Policies and Proce		-	x per form	to identify	the comp		ng claime r Software	d.
Ongoing Acquiring Space/F			enovating Fa	acilities			ogs & Cats	
Care of Other Anir	nals	н	lolding Perio	d		Feral Cat	s	
Lost and Found List	sts	N	lon-Medical F	Records		Veterinar	y Care	
Procuring Equipme	ent							
(04) Description of Expenses					Object A	ccounts		
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(C) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f) Materials and Supplies	(g) Contract Services	(h) Fixed Assets	(i) Travel and Training
(05) Total Subtotal	Page:	of						

#### State Controller's Office

#### Mandated Cost Manual

Program 213	ANIMAL ADOPTION COMPONENT/ACTIVITY COST DETAIL Instructions	FORM AA-2	
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- (01) Claimant. Enter the name of the claimant. If more than one department has incurred costs for this mandate, give the name of each department. A separate form AA-2 should be completed for each department.
- (02) Fiscal Year. Enter the fiscal year for which costs were incurred.
- (03) Reimbursable Components. Check the box which indicates the cost component being claimed. Check only one box per form. A separate form AA-2 shall be prepared for each applicable component.
- (04) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the component activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, travel and training expenses. The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed. For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the date the claim was filed or last amended, whichever is later. If no funds were appropriated and no payment was made at the time the claim was filed, the time for the Controller to initiate an audit shall be from the date of initial payment of the claim. Such documents shall be made available to the State Controller's Office on request.

Object/ Sub object							Submit supporting documents		
Accounts	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	with the claim
Salaries	Employee Name/Title	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked					
Benefits	Activities Performed	Benefit Rate		Benefits = Benefit Rate x Salaries					
Materials and Supplies	Description of Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used				
Contract Services	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service			Cost = Hourly Rate x Hours Worked			Copy of Contract
Fixed Assets	Description of Equipment Purchased	Unit Cost	Usage				Cost = Unit Cost x Usage		Supporting Documentation
Travel and Training Travel	Purpose of Trip Name and Title Departure and Return Date	Per Diem Rate Mileage Rate Travel Cost	Days Miles Travel Mode					Cost = Rate x Days or Miles or Total Travel Cost	
Training	Employee Name/Title Name of Class		Dates Attended					Registration Fee	

(05) Total line (04), columns (d) through (i) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the component/activity costs, number each page. Enter totals from line (05), columns (d) through (i) to form AA-1, block (04), columns (a) through (f) in the appropriate row.

#### **GENERAL CLAIMING INSTRUCTIONS**

RECEIVED May 19, 2014 Commission on State Mandates

# **Reimbursable State Mandated Cost Programs**

Local agencies may file claims with the SCO for the cost of complying with the following state mandated programs. An "x" indicates the agencies that are eligible to file claims for the given program. For your convenience, the programs are listed in alphabetical order by program name.

Program Number	Program Name	Counties	Cities	Special Districts
2	Absentee Ballots	х	х	х
248	Absentee Ballots-Tabulation by Precinct	Х		
246	Administrative License Suspension	Х	х	
73	AIDS: Search Warrants	Х	х	
178	Airport Land Use Commission/Plans	Х	х	х
152	Allocation of Property Tax Revenue	Х		
213	Animal Adoption	Х	х	х
6	Brendon Maguire Act	x	х	х
13	Child Abduction and Recovery	x		
67	Conservatorship: Developmentally Disabled Adults	x		
88	Coroners	x		
90	Countywide Tax Rates - Unitary	Х		
158	Crime Victims' Rights	Х		
87	Developmentally Disabled: Attorneys' Services	x		
167	Domestic Violence Arrest Policies and Standards	x	х	
177	Domestic Violence Treatment Services Authorization and Case Management	x	х	
23	Firefighters' Cancer Presumption	х	х	x
227	Grand Jury Proceedings	Х	х	х
197	Health Benefits for Survivors of Peace Officers and Firefighters	x	х	x
35	Judicial Proceeding	Х		
41	Mandate Reimbursement Process	Х	х	х
43	Medi-Cal Beneficiary Death Notices	Х		
203	Mentally Disordered Offenders' Extended Commitment Proceedings	x		
39	Mentally Disordered Sex Offenders: Extended Commitments	x		
66	Mentally Retarded Defendants: Diversion	х		
200	Not Guilty by Reason of Insanity II	х		
219	Open Meetings Act/Brown Act Reform	х	х	х

Program Number	Program Name	Counties	Cities	Special Districts
122	Pacific Beach Safety	х		
118	Peace Officers' Cancer Presumption	х	х	х
187	Peace Officers Procedural Bill of Rights	х	х	х
124	Perinatal Services	х		
83	Permanent Absent Voters	х		
121	Pesticide Use Reports	х		
215	Photographic Record of Evidence	х	х	х
128	Prisoner Parental Rights	х	х	
127	Rape Victims Counseling Center Notices	x	х	
245	Redevelopment Agencies-Tax Disbursement Reporting	x	х	
55	Regional Housing Need Determination	х	х	х
18	Senior Citizens Property Tax Postponement	х		
191	Seriously Emotionally Disturbed Pupils:	x		
	Out of-State Mental Health Services			
111	Services to Handicapped Students	x		
175	Sexually Violent Predators	х		
163	Threats Against Peace Officers	x	х	х

#### OFFICE OF THE STATE CONTROLLER

#### STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2005-11

#### ANNUAL REVISIONS- LOCAL AGENCIES

#### **SEPTEMBER 30, 2005**

Government Code Section (GC §) 17561 provides for the reimbursement of state mandated costs. Enclosed is information for updating the Mandated Cost Manual for Cities, Counties, and Special Districts. The manual contains all forms and instructions that are necessary for local agencies to file 2005-06 annual claims with the State Controller's Office (SCO).

Estimated claims for costs to be incurred during the 2005-06 fiscal year and reimbursement claims that detail the costs actually incurred in the 2004-05 fiscal year must be filed with the SCO. **Claims must be delivered or postmarked on or before January 17, 2006**. If the claim is filed after the deadline, but by January 15, 2007, the approved claim will be reduced by a late penalty of 10% not to exceed a maximum of \$1,000 for on-going claims. In order for a claim to be considered properly filed, the claim must include supporting documentation specified in the instructions to substantiate the costs claimed. In addition, the claims will not be accepted if filed more than one year after the deadline or without supporting documentation.

Amounts appropriated for the payment of program costs are shown beginning on page 6 under "Appropriations for the State Mandated Cost Programs for the 2004-05 and 2005-06 Fiscal Years." The fiscal years for which costs can be claimed for a mandated cost program are shown beginning on page 9 under "Reimbursable State Mandated Cost Programs." To prepare 2005-06 estimated claims and 2004-05 reimbursement claims, forms in the manual should be duplicated to meet the local agency's filing requirements. Claim amounts should be rounded to the nearest dollar.

Submit a signed original and a copy of form FAM-27, Claim for Payment, and all other forms and supporting documents. (To expedite the payment process, please sign the form in blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)

Use the following mailing addresses:

If delivered by U.S. Postal Service:

Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting P.O. Box 942850 Sacramento, CA 94250 If delivered by other delivery services:

Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting 3301 C Street, Suite 500 Sacramento, CA 95816

# MINIMUM CLAIM COST

GC §17564(a) provides that no claim shall be filed pursuant to Sections 17551 and 17561, unless such a claim exceeds one thousand dollars (\$1,000), provided that a county may submit a combined claim on behalf of special districts within their county if the combined claim exceeds \$1,000, even if the individual special district's claim does not each exceed \$1,000. The county shall determine if the submission of a combined claim is economically feasible and shall be responsible for disbursing the funds to each special district. Combined claims may be filed only when the county is the fiscal agent for the special district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a special district provides a written notice of its intent to file a separate claim to the county and to the SCO at least 180 days prior to the deadline for filing the claim.

# **ESTIMATED CLAIMS**

Unless otherwise specified in the claiming instructions, claimants do not have to provide cost schedules and supporting documents with the estimated claim if the estimated amount does not exceed the prior fiscal year's actual costs by more than 10%. The claimant can simply enter the estimated amount on form FAM-27, line (07). However, if the estimated claim exceeds the prior fiscal year's actual costs by more than 10%, the claimant must complete claim forms as specified in the claiming instructions for the program and explain the reason for the increased costs. If the explanation to support the higher estimate is not provided with the claim, the claim will automatically be adjusted to 110% of the prior fiscal year's actual costs.

# PROGRAM UPDATES FOR 2004-05 FISCAL YEAR

### Ch. 486/75 Mandate Reimbursement Process

Ch. 486/75, Mandate Reimbursement Process, provides reimbursement for the cost of: (1) preparing and presenting successful test claims, and (2) preparing and submitting successful reimbursement claims to the SCO. With respect to preparing and submitting claims to the SCO, the 2004 State Budget Act (Ch. 208, Statutes of 2004), imposed in the 2004-05 fiscal year the same limitations as those imposed in the prior fiscal years. Claiming instructions and forms for Chapter 486/75, Mandate Reimbursement Process, were issued separately and are not included in this revision. Limitations on reimbursement for independent contractor costs are as follows:

"If a local agency contracts with an independent contractor for the preparation and submission of reimbursement claims, the costs reimbursable by the state for that purpose shall not exceed the lesser of (1) 10 percent of the amount of the claims prepared and submitted by the independent contractor, or (2) the actual costs that would necessarily have been incurred for that purpose if performed by employees of the local agency.

The maximum amount of reimbursement provided (in the above provision) may be exceeded only if the local agency establishes, by appropriate documentation, that the preparation and submission of these claims could not have been accomplished without the incurring of the additional costs claimed by the local agency."

# **Updates of Rates and Factors**

The following rates are to be used for filing 2004-05 reimbursement claims. The 2004-05 rates are computed by adjusting the 2003-04 rate by the change in the Implicit Price Deflator (IPD) as determined by the State Department of Finance's report of April 2005, *National Deflators, State and Local Purchases*. The estimated change in the IPD for 2004-05 is 4.5%. For preparing the 2005-06 estimated claims, local agencies may use the program's 2004-05 rate or increase the 2004-05 rate by the estimated 2005-06 IPD change of 3.5% to determine 2005-06 estimated claim amounts. In the subsequent fiscal year, the estimated amount must be adjusted to actual cost.

• Ch. 39/98, Redevelopment Agencies Tax Disbursement Reporting (Program No. 245)

The uniform cost allowance per statement for the 2004-05 fiscal year is \$26.14.

• Ch. 641/86, Open Meetings/Brown Act Reform (Program No. 219)

The uniform cost allowance for the 2004-05 fiscal year is \$124.64.

• Ch. 1242/77, Senior Citizens' Property Tax Postponement (Program No. 18)

Counties with an established base year entitlement will receive an automatic payment through the State Mandate Apportionment System (SMAS) (See page 5 of the manual). The amount of increase for the 2004-05 apportionment is 4.5%. Counties without an established base year entitlement may file a 2004-05 reimbursement claim. The 2004-05 unit cost reimbursement rate for each document processed is \$13.08.

• Ch. 921/87, Unitary Countywide Tax Rate (Program No. 90)

The 2004-05 Implicit Price Deflator factor for adjusting the 1987-88 base year cost is 1.630.

• Ch. 704/75, Voters Registration Procedures (Program No. 056)

2004-05 Reimbursement Factors by County

#### Amount Per Affidavit Processed

<u>County</u>	Amount Per Affidavit	County	Amount Per Affidavit
Alameda	0.451	Orange	0.406
Alpine	2.794	Placer	0.887
Amador	2.794	Plumas	2.794
Butte	0.989	Riverside	0.451
Calaveras	2.794	Sacramento	0.451
Colusa	2.794	San Benito	2.794
Contra Costa	0.451	San Bernardino	0.451

# 2004-05 Reimbursement Factors by County (Ctd.)

# Amount Per Affidavit Processed

<u>County</u>	Amount Per Affidavit	<u>County</u>	Amount Per Affidavit
Del Norte	2.794	San Diego	0.406
El Dorado	1.041	San Francisco	0.451
Fresno	0.989	San Joaquin	0.887
Glenn	2.794	San Luis Obispo	0.887
Humboldt	1.041	San Mateo	0.887
Imperial	2.794	Santa Barbara	0.887
Inyo	2.794	Santa Clara	0.406
Kern	0.989	Santa Cruz	0.887
Kings	2.794	Shasta	1.041
Lake	2.794	Sierra	2.794
Lassen	2.794	Siskiyou	2.794
Los Angeles	0.406	Solano	0.887
Madera	2.794	Sonoma	0.887
Marin	0.887	Stanislaus	0.887
Mariposa	2.794	Sutter	2.794
Mendocino	2.794	Tehama	2.794
Merced	1.041	Trinity	2.794
Modoc	2.794	Tulare	0.887
Mono	2.794	Tuolumne	2.794
Monterey	0.887	Ventura	0.887
Napa	1.041	Yolo	1.041
Nevada	1.041	Yuba	2.794

# FINAL FILING DEADLINE FOR 2004-05 FISCAL YEAR CLAIMS

The final filing deadline for 2004-05 reimbursement claims is **January 17, 2006**. A late penalty of 10% up to a maximum of \$1,000 for on-going claims of the approved claim will be applied to 2004-05 claims filed after January 17, 2006. **Claims filed after January 15, 2007, will not be accepted**.

#### **APPROPRIATIONS FOR THE 2004-05 AND 2005-06 FISCAL YEARS**

#### Source of the State Mandated Cost Appropriations - 2005 State Budget Act (Ch. 38/05) Mandated Programs Amounts Appropriated 2004-05 2005-06 Item 4440-295-0001 Department of Mental Health \$60,000,000 \$60,000,000 1747/84 Services to Handicapped Students (1)Chapter 654/96 Seriously Emotionally Disturbed Pupils (2)Chapter <u>\$60,000,000<sup>1</sup></u> \$60,000,000<sup>1</sup> Total Item 8885-295-0001 Commission on State Mandates (1) For payment of the following mandate claims for the 2004-05 $$73,156,000^2$ fiscal year: 411/95 Crime Victim Rights (a) Chapter **Threats Against Peace Officers** (b) Chapter 1249/92 1399/76 Child Abduction and Recovery (c) Chapter 337/90 Stolen Vehicle Notification<sup>3</sup> (d) Chapter (e) Chapter 77/78 Absentee Ballots (f) Chapter 1422/82 Permanent Absent Voters Voter Registration Procedures Chapter 704/75 (g) Chapter 697/99 Absentee Ballots II-Tabulation by (h) Precinct (i) 391/88 Brendan McGuire Act Chapter (k) Chapter Medi-Cal Beneficiary Death Notices 102/81 (1) Chapter 961/92 Pacific Beach Safety (m) Chapter 1603/90 Perinatal Services (n) Chapter 1088/88 AIDS/Search Warrant Chapter 1253/80 Mentally Retarded Defendants (0)Representation Judicial Proceedings Chapter 644/80 (p) 1304/80 Conservatorship: Developmentally (q) Chapter **Disabled Adults** (r) Chapter 694/75 Developmentally Disabled Attorneys Services (s) Chapter 498/77 Coroners Costs Chapter 1114/79 Not Guilty by Reason of Insanity (t) 1038/78 Mentally Disordered Offenders' (u) Chapter **Extended** Commitments Chapter 762/95 Sexually Violent Predators (v) 106/78 Mentally Disordered Sex Offenders Chapter (w) **Recommitments** 183/92 Domestic Violence Treatment Services (x) Chapter

<sup>&</sup>lt;sup>2</sup> 2005-06 State Budget Act (Chapter 38/39, Statutes of 2005) Item 8885-295-0001 and Provision 3

<sup>&</sup>lt;sup>3</sup> 2004-05 State Budget Act (Chapter 208, Statutes of 2004, Item 0820-295-0001) program suspended.

# APPROPRIATIONS FOR THE 2004-05 AND 2005-06 FISCAL YEARS (Cont'd.)

Source	of the Stat	Amounts Apj <b>2004-05</b>	propriated <b>2005-06</b>		
Item 88	85-295-00	01 Comm	ission on State Mandates (Con'td.)		
(1) For	payment of	of the follo	owing (Cont'd.)		
(y)	Chapter	1171/89	Police Officers Cancer Presumption		
(z)	Chapter	1568/82	Firefighters Cancer Presumption		
(aa)	Chapter	246/95	Domestic Violence Arrest Policies		
(bb)	Chapter	752/98	Animal Adoption		
(cc)	Chapter	921/87	Unitary Countywide Tax Rates		
(dd)	Chapter	1242/77	Senior Citizens Property Tax Deferral		
(ee)	Chapter	697/92	Allocation of Property Tax Revenues		
(ff)	Chapter	875/85	Photographic Record of Evidence		
(gg)	Chapter	999/91	Rape Victims Counseling		
(hh)	Chapter	1120/96	Health Benefits for Survivors-Peace		
			Officers Firefighters		
(ii)	Chapter	641/86	Open Meetings Act/Brown Act Reform <sup>4</sup>		
Total	T			\$73,156,000	
				. , ,	

#### Item 8885-295-0001 Commission on State Mandates

Item	8992-772-000	1 Commis	sion on State Mandates	
(2) Fo	or payment of	f the follov	ving mandate claims for the 2005-06 fiscal year:	\$46,208,000 <sup>5</sup>
(a)	Chapter	411/95	Crime Victims Rights	
(b)	Chapter	1249/92	Threats Against Peace Officers	
(c)	Chapter	1399/76	Child Abduction and Recovery	
(d)	Chapter	337/90	Stolen Vehicle Notification	
(e)	Chapter	77/78	Absentee Ballots	
(f)	Chapter	1422/82	Permanent Absentee Voters	
(g)	Chapter	704/75	Voter Registration Procedures	
(h)	Chapter	697/99	Absentee Ballots – Tabulation by Precinct	
(i)	Chapter	391/88	Brendan McGuire Act	
(j)	Chapter	102/81	Medi-Cal Benificiary Death Notices	
(k)	Chapter	961/92	Pacific Beach Safety	
(1)	Chapter	1603/90	Perinatal Services	
(m)	Chapter	1088/88	AIDS/Search Warrant	
(n)	Chapter	1253/80	Mentally Retarded Defendants	
			Representation	
(0)	Chapter	644/80	Judicial Proceedings	
(p)	Chapter	1304/80	Conservatorship: Developmentally	
			Disabled Adults	
(q)	Chapter	694/75	Developmentally Disabled Attorneys	
			Services	
(r)	Chapter	498/77	Coroners Costs	

<sup>&</sup>lt;sup>4</sup> Commission on State Mandates set aside the Parameters and Guidelines as directed by AB 138, Statute of 2005. <sup>5</sup> 2005-06 State Budget Act (Chapter 38/39, Statutes of 2005) Item 8885-295-0001 and Provision 1.

# APPROPRIATIONS FOR THE 2004-05 AND 2005-06 FISCAL YEAR (Cont'd.)

Sourc	e of the State	e Mandate	d Cost Appropriations (Cont'd.)		
Mandated Programs				ppropriated	
				2004-05	2005-06
			sion on State Mandates (Cont'd.)		
			ving (Cont'd.)		
(s)	Chapter		Not Guilty by Reason of Insanity II		
(t)	Chapter	1038/78	Mentally Disordered Offenders Extended		
	~		Commitment		
(u)	Chapter	762/95	Sexually Violent Predators		
(v)	Chapter	1036/78	Mentally Disordered Sex Offenders		
	~	100/00	Recommitments		
(w)	Chapter	183/92	Domestic Violence Treatment Services		
(x)	Chapter	1171/89	1		
(y)	Chapter	1568/82	Firefighters Cancer Presumption		
(z)	Chapter	246/95	Domestic Violence Arrest Policies		
(aa)	Chapter	752/98	Animal Adoption		
(bb)	Chapter	924/87	5		
(cc)	Chapter	1242/77	Senior Citizens Property Tax Deferral		
(dd)	Chapter	697/92	Allocation of Property Tax Revenues		
(ee)	Chapter	875/85	6 1		
(ff)	Chapter	999/91	Rape Victims Counseling		
(gg)	Chapter	1120/96	Health Benefits for Survivors-Peace		
			Officers and Firefighters		
Total					\$46,208,000
Item 8	885-295-000	)1 Commis	sion on State Mandates, Provision 1		
(a)	Chapter	675/90	Peace Officers Procedural Bill of Rights (POBOR) <sup>6</sup>		
Item 8	885-295-004	4 Commis	sion on State Mandates		
(1)	Chapter	1460/89	Administrative License Suspension		\$1,506,000
Item 8	885-295-010	)6 Departn	nent of Pesticide Regulation		
(1)	Chapter	1200/89	Pesticide Use Reports		157,000
Grand	l Total			\$133,156,000	\$107,871,00

<sup>&</sup>lt;sup>6</sup> 2005-06 State Budget Act (Chapter 38/39, Statutes of 2005), specifically identify POBOR for deferral of payment of costs for the 2004-05 and 2005-06 fiscal years.

#### **REIMBURSABLE STATE MANDATED COST PROGRAMS**

Local agencies may file claims with the SCO for costs incurred for the following programs. These programs are listed in alphabetical order by program name. The letters "a", "b", and "c", indicate the agencies eligible to file claims for the given program and fiscal year, as follows:

Letter	Eligible Local Agency
--------	-----------------------

- Counties, Cities, and Special Districts a
- b **Counties and Cities**
- с Counties only

2004-05	2005-06			
Reimburse-		Local Agencies		
ment Claim	Claim			
a	а	Chapter		Absentee Ballots
с	с	Chapter		Absentee Ballots: Tabulation by Precinct
b	b	Chapter		Administrative License Suspension
b	b	Chapter	1088/88	AIDS Search Warrants
a	N/A <sup>1</sup>	Chapter		Airport Land Use Commissions/Plans
с	с	Chapter		Allocation of Property Tax Revenue
a	а	Chapter	752/98	Animal Adoption
a	а	Chapter	391/88	Brendon Maguire Act
С	с	Chapter	1399/76	Child Abduction and Recovery
С	с	Chapter	1304/80	Conservatorship: Developmentally Disabled Adults
С	с	Chapter	498/77	Coroners Costs
с	с	Chapter	921/87	Countywide Tax Rates - Unitary
с	с	Chapter	411/95	Crime Victims Rights
с	с	Chapter	694/75	Developmentally Disabled: Attorneys Services
b	b	Chapter	246/95	Domestic Violence Arrest Policies and Standards
b	b	Chapter	183/92	Domestic Violence Treatment Services
a	а	Chapter	1568/82	Firefighters Cancer Presumption
a	$N/A^2$	Chapter	1170/96	Grand Jury Proceedings
a	а	Chapter	1120/96	Health Benefits for Survivors of Peace Officers and
				Firefighters
с	с	Chapter	644/80	Judicial Proceedings
a	$N/A^2$	Chapter	486/75	Mandate Reimbursement Process
с	с	Chapter	102/81	Medi-Cal Beneficiary Death Notices
с	с	Chapter	435/93	Mentally Disordered Offenders Extended
		-		Commitment Proceedings
с	с	Chapter	1036/78	Mentally Disordered Sex Offenders: Extended
		1		Commitments
с	с	Chapter	1253/80	Mentally Retarded Defendants: Diversion
с	с	Chapter		Not Guilty by Reason of Insanity II
		•		

<sup>&</sup>lt;sup>1</sup> The 2005-06 State Budget Act (Chapter 38/39, Statutes of 2005) Item 8885-295-0042, Provision 1, suspends this program for the 2005-06 fiscal year. <sup>2</sup> The 2005-06 State Budget Act (Chapter 38/39, Statutes of 2005) Item 8885-295-0001, Provision 3, suspends this

program for the 2005-06 fiscal year.

# **REIMBURSABLE STATE MANDATED COST PROGRAMS** (Continued)

2004-05 Reimburse- ment Claim	2005-06 Estimated Claim			Local Agencies
а	N/A <sup>3</sup>	Chapter	641/86	Open Meetings Act/Brown Act Reform
с	с	Chapter	961/92	Pacific Beach Safety
a	а	Chapter	1171/89	Peace Officers Cancer Presumption
а	а	Chapter	675/90	Peace Officers Procedural Bill of Rights
с	С	Chapter	1603/90	Perinatal Services for Alcohol/Drug Exposed Infants
с	с	Chapter	1422/82	Permanent Absentee Voters
с	с	Chapter	1200/89	Pesticide Use Reports
а	а	Chapter	875/85	Photographic Record of Evidence
b	b	Chapter	284/00	Postmortem Examinations: Unidentified Bodies,
				Human Remains
с	N/A <sup>4</sup>	Chapter	18/99	Presidential Primaries
b	$N/A^4$	Chapter		Prisoner Parental Rights
b	b	Chapter	999/91	Rape Victims Counseling Center Notices
b	$N/A^4$	Chapter	39/98	Redevelopment Agencies – Tax Disbursement
				Reporting
а	N/A <sup>5</sup>	Chapter	1143/80	Regional Housing Needs Assessment
с	с	Chapter	1242/77	Senior Citizens Property Tax Deferral Program
с	с	Chapter	654/96	Seriously Emotionally Disturbed Pupils: Out of
				State Mental Health Services
с	с	Chapter	1747/84	Services to Handicapped Students
с	с	Chapter	762/95	Sexually Violent Predators
N/A <sup>6</sup>	b	Chapter	337/90	Stolen Vehicle Notification
а	а	Chapter	1249/92	Threats Against Peace Officers
а	a	Chapter	704/75	Voter Registration Procedures

 <sup>&</sup>lt;sup>3</sup> Commission on State Mandates set aside this program as directed by AB 138, Statutes of 2005.
 <sup>4</sup> The 2005-06 State Budget Act (Chapter 38/39, Statutes of 2005) Item 8885-295-0001, Provision 3, suspends this program for the 2005-06 fiscal year.
 <sup>5</sup> Commission on State Mandates set aside the Parameters and Guidelines on May 26, 2005.
 <sup>6</sup> This program was suspended for the 2005-06 fiscal year.

# **PROGRAMS SUSPENDED FOR THE 2005-06 FISCAL YEAR**

Pursuant to Government Code Section 17581, the following state mandated programs are identified in the 2005 State Budget Act, with a \$0 appropriation by the Legislature. Therefore, the following state mandated programs have been suspended for the 2005-06 fiscal year, and no 2005-06 claim shall be filed.

### Item 8885-295-0001, Provision 3

Chapter	1123/77	Adult Felony Restitution
Chapter	1334/87	CPR Pocket Masks
Chapter	1032/80	Deaf Teletype Equipment
Chapter	1609/84	Domestic Violence Information
Chapter	444/97	Elder Abuse Law Enforcement Training
Chapter	267/98	Extended Commitment - Youth Authority
Chapter	845/78	Filipino Employee Surveys
Chapter	1170/96	Grand Jury Proceedings
Chapter	1357/86	Guardian/Conservatorship Filings
Chapter	494/79	Handicapped Voter Access
Chapter	1597/88	Inmate AIDS Testing
Chapter	126/93	Law Enforcement Sexual Harassment Training
Chapter	1330/76	Local Coastal Plans
Chapter	486/75	Mandate Reimbursement Process
Chapter	1456/88	Missing Persons Report
Title	8	Personal Alarm Devices
Chapter	18/99	Presidential Primaries
Chapter	820/91	Prisoner Parental Rights
Chapter	39/98	Redevelopment Agencies
Chapter	36/94	Sex Crime Confidentiality
Chapter	485/98	Sex Offenders: Disclosure by Law Enforcement Officers
Chapter	955/89	SIDS Autopsies
Chapter	268/91	SIDS Contacts by Local Health Officers
Chapter	453/74	SIDS Notices
Chapter	1111/89	SIDS Training for Firefighters
CCR	Title 8	Structural and Wildlife Firefighter Safety Clothing and Equipment
Chapter	238/74	Substandard Housing
Chapter	1188/92	Very High Fire Hazard Severity Zones
Chapter	332/81	Victims Statements

#### Item 8885-295-0042

Chapter 644/94 Airport Land Use Commissions/Plans

# **Commission on State Mandates set aside Parameters and Guidelines for the following programs:**

Chapter	156/96	County Treasury Oversight Committees
Chapter	783/95	Investment Reports
Chapter	1281/80	Involuntary Lien Notices
Chapter	1105/92	Misdemeanors: Booking and Fingerprinting
Chapter	1051/83	Mobilehome Property Tax Deferral Program
Chapter	641/86	Open Meetings/Brown Act Reform
Chapter	48/87	Property Tax: Family Transfers
Chapter	39/98	Redevelopment Agencies – Tax Disbursement Reporting
Chapter	1143/80	Regional Housing Needs Determination
Chapter	1297/94	Two-Way Traffic Signal Communications

# AUDIT OF COSTS

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and that the claim was prepared in accordance with the SCO's claiming instructions and the Commission on State Mandate's Parameters and Guidelines (P's and G's). If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Pursuant to GC §17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency is subject to audit by the State Controller no later than three years after the date the actual reimbursement claim was filed or last amended, whichever is later. However, if no funds were appropriated or no payment was made to a claimant for the program for the fiscal year for which the claim was filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. Therefore, all documentation to support actual costs claimed must be retained for the same period, and shall be made available to the SCO on request.

# SOURCE DOCUMENTS

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct based upon personal knowledge." Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

# **RETENTION OF CLAIMING INSTRUCTIONS**

For your convenience, the revised claiming instructions in this package have been arranged in alphabetical order by program name. These revisions should be inserted in the Mandated Cost Manual to replace the old forms. The instructions should then be retained permanently for future reference, and the forms should be duplicated to meet your filing requirements. Annually, updated forms and any other information or instructions claimants may need to file claims, as well as instructions and forms for all new programs released throughout the year will be placed on the SCO's Web site at **www.sco.ca.gov/ard/local/locreim/ index.shtml**.

If you have any questions concerning mandated cost reimbursements, please write to us at the address listed for filing claims, send e-mail to **LRSDAR@sco.ca.gov**, or call the Local Reimbursements Section at (916) 324-5729.

# A. STATE OF CALIFORNIA TRAVEL EXPENSE GUIDELINES

# Travel Program Effective January 31, 2002

The travel reimbursement program continues to be subject to the Internal Revenue Service (IRS) requirements for an accountable plan. There are no flat rate reimbursements. All items are to be claimed for the actual amount of expense, up to the maximum allowed. If the provisions below do not require submission of a receipt for a given item of expense, it is the employee's responsibility to retain receipts and other records of the expense and have them available for audit.

Lodging and meals that are provided by the State, including hotel expenses, conference fees, or transportation costs such as airline tickets; or otherwise provided shall not be claimed for reimbursement.

Employees may be reimbursed for actual expenses for breakfast, lunch, dinner, and incidentals for each 24 hours of travel, as follows:

Breakfast	up to	\$6.00
Lunch	up to	10.00
Dinner	up to	18.00
Incidentals	up to	6.00

Incidental expenses include, but are not limited to, expenses for laundering and pressing of clothing and tips for services such as porters and baggage handlers. Incidentals do not include taxicab fares, lodging taxes, or the cost of telegrams or telephone calls.

#### Lodging

All lodging reimbursements require a receipt from a commercial lodging establishment such as a hotel, motel, bed and breakfast inn, or campground that caters to the general public. No lodging will be reimbursed without a valid receipt. Employees who stay with friends or relatives are not eligible for lodging reimbursement, but may claim their actual expenses for meals and incidentals.

#### Short-Term Travel

- A. For continuous short-term travel of more than 24 hours but less than 31 days, the employee will be reimbursed for actual costs up to the maximum for each meal, incidental, and lodging expense for each completed 24 hours of travel, beginning with the traveler's time of departure and return as follows:
  - 1. On the first day of travel at the beginning of a trip of more than 24 hours:

Trip begins at or before 6 a.m. - Breakfast may be claimed

Trip begins at or before 5 p.m. - Dinner may be claimed

2. On the fractional day of travel at the end of a trip of more than 24 hours:

Trip ends at or after 8 a.m. - Breakfast may be claimed

Trip ends at or after 2 p.m. - Lunch may be claimed

Trip ends at or after 7 p.m. - Dinner may be claimed

If the fractional day includes an overnight stay, receipted lodging may be claimed. No meal or lodging expenses may be claimed or reimbursed more than once on any given date or during any 24-hour period.

**B.** For continuous travel of less than 24 hours, the employee will be reimbursed for actual expenses, up to a maximum as follows:

Travel begins at or before 6 a.m. and ends at or after 9 a.m. - Breakfast may be claimed Travel begins at or before 4 p.m. and ends at or after 7 p.m. - Dinner may be claimed

If the trip extends overnight, receipted lodging may be claimed. No lunch or incidentals may be claimed on a trip of less than 24 hours.

#### Short-Term Travel Maximum Lodging Reimbursement Rate

- A. Statewide except as in (B) and (C) below, actual receipted lodging up to \$84 plus tax.
- **B.** When required to conduct state business and obtain lodging in the counties of Los Angeles and San Diego, reimbursement will be for actual receipted lodging, to a maximum of \$110 plus tax.
- **C.** When required to conduct state business and obtain lodging in the counties of Alameda, San Francisco, San Mateo, and Santa Clara, reimbursement will be for actual receipted lodging, to a maximum of \$140 plus tax.

#### Long-Term Travel

Actual expenses for long-term meals and receipted lodging will be reimbursed when the employee incurs expenses in one location comparable to those arising from the use of establishments catering to long-term visitors.

#### A. Full Long-Term Travel

To qualify for full long-term travel reimbursement, the employee on a long-term field assignment must meet the following criteria:

- a) The employee continues to maintain a permanent residence at the primary headquarters, and either,
- b) The permanent residence is occupied by the employee's dependents, or
- c) The permanent residence is maintained at a net expense to the employee exceeding \$200 per month.

The employee who is living at the long-term location may claim either:

- Reimbursement for actual individual expense, substantiated by receipts for lodging, water, sewer, gas, and electricity, up to a maximum of \$1,130 per calendar month while on the long-term assignment, and actual expenses up to \$10 for meals and incidentals, for each period of 12 to 24 hours and up to \$5 for actual meals and incidentals for each period of less than 12 hours at the long-term location, or
- 2. Long-term subsistence rates of \$24 for actual meals and incidentals, \$24 for receipted lodging for travel of 12 hours up to 24 hours, and either \$24 for actual meals or \$24 for receipted lodging for travel less than 12 hours when the employee incurs expenses in one location comparable to those arising from the use of establishments catering to long-term visitors.

#### B. Partial Long-Term Travel

An employee on long-term field assignment who does not maintain a separate residence in the headquarters area may claim long-term subsistence rates of up to \$12 for actual meals and incidentals and \$12 for receipted lodging for travel of 12 hours up to 24 hours at the long-term location, and either \$12 for actual meals or \$12 for receipted lodging for travel less than 12 hours at the long-term location.

#### Receipts

Receipts or vouchers shall be submitted for every item of expense of \$25 or more.

- a) Receipts are required for every item of transportation and business expense incurred as a result of conducting state business except for actual expenses as follows:
  - 1. Railroad and bus fares of less than \$25, when travel is wholly within the State of California.
  - 2. Street car, ferry fares, bridge and road tolls, local rapid transit system, taxi, shuttle, or hotel bus fares, and parking fees of \$10 or less for each continuous period of parking or each separate transportation expense noted in this item.
  - 3. Telephone, telegraph, tax, or other business charges related to state business of \$5 or less.
  - 4. In the absence of a receipt, reimbursement will be limited to the non-receipted amount above.
- b) Reimbursement will be claimed only for the actual and necessary expenses noted above. Regardless of the above exceptions, the approving officer may require additional certification and/or explanation in order to determine that an expense was actually and reasonably incurred. In the absence of a satisfactory explanation, the expense shall not be allowed.

#### Mileage

When an employee is authorized by his/her appointing authority or designee to operate a privately owned vehicle on state business, the employee will be allowed to claim and be reimbursed 34 cents per mile. An employee who is required to use a specialized vehicle that has been modified to accommodate disabilities may claim 37 cents per mile.

# **B. GOVERNMENT CODE SECTIONS 17500-17617**

#### GC §17500: Legislative Findings and Declarations

The Legislature finds and declares that the existing system for reimbursing local agencies and school districts for the costs of state-mandated local programs has not provided for the effective determination of the state's responsibilities under Section 6 of Article XIIIB of the California Constitution. The Legislature finds and declares that the failure of the existing process to adequately and consistently resolve the complex legal questions involved in the determination of state-mandated costs has led to an increasing reliance by local agencies and school districts on the judiciary and, therefore, in order to relieve unnecessary congestion of the judicial system, it is necessary to create a mechanism which is capable of rendering sound quasi-judicial decisions and providing an effective means of resolving disputes over the existence of state-mandated local programs. It is the intent of the Legislature in enacting this part to provide for the implementation of Section 6 of Article XIIIB of the California Constitution. Further, the Legislature intends that the Commission on State Mandates, as a quasi-judicial body, will act in a deliberative manner in accordance with the requirements of Section 6 of Article XIIIB of the California Constitution.

#### GC §17510: Construction of Part

Unless the context otherwise requires, the definitions contained in this chapter govern the construction of this part. The definition of a word applies to any variants thereof and the singular tense of a word includes the plural.

#### GC §17511: "City"

"City" means any city whether general law or charter, except a city and county.

#### GC §17512: "Commission"

"Commission" means the Commission on State Mandates.

#### GC §17513: "Cost Mandated by the Federal Government"

"Costs mandated by the federal government" means any increased costs incurred by a local agency or school district after January 1, 1973, in order to comply with the requirements of a federal statute or regulation. "Costs mandated by the federal government" includes costs resulting from enactment of a state law or regulation where failure to enact that law or regulation to meet specific federal program or service requirements imposed upon the state would result in substantial monetary penalties or loss of funds to public or private persons in the state whether the federal law was enacted before or after the enactment of the state law, regulation, or executive order. "Costs mandated by the federal government" does not include costs which are specifically reimbursed or funded by the federal or state government or programs or services which may be implemented at the option of the state, local agency, or school district.

#### GC §17514: "Costs Mandated by the State"

"Costs mandated by the state" means any increased costs which a local agency or school district is required to incur after July 1, 1980, as a result of any statute enacted on or after January 1, 1975, or any executive order implementing any statute enacted on or after January 1, 1975, which mandates a new program or higher level of service of an existing program within the meaning of Section 6 of Article XIIIB of the California Constitution.

#### GC §17515: "County"

"County" means any chartered or general law county. "County" includes a city and county.

#### GC §17516: "Executive Order"

"Executive order" means any order, plan, requirement, rule, or regulation issued by any of the following: (a) The Governor. (b) Any officer or official serving at the pleasure of the Governor. (c) Any agency, department, board, or commission of state government. "Executive order" does not include any order, plan, requirement, rule, or regulation issued by the State Water Resources Control Board or by any regional water quality control board pursuant to Division 7 (commencing with Section 13000) of the Water Code. It is the intent of the Legislature that the State Water Resources Control Board and regional water quality control boards will not adopt enforcement orders against publicly owned dischargers which mandate major waste water treatment facility construction costs unless federal financial assistance and state financial assistance pursuant to the Clean Water Bond Act of 1970 and 1974, is simultaneously made available. "Major" means either a new treatment facility or an addition to an existing facility, the cost of which is in excess of 20 percent of the cost of replacing the facility.

#### GC §17517.5: "Cost Savings authorized by the state"

"Cost savings authorized by the state" means any decreased costs that a local agency or school district realizes as a result of any statute enacted or any executive order adopted that permits or requires the discontinuance of or a reduction in the level of service of an existing program that was mandated before January 1, 1975.

#### GC §17518: "Local Agency"

"Local agency" means any city, county, special district, authority, or other political subdivision of the state.

#### GC §17518.5: "Reasonable Reimbursement Methodology"

(a) "Reasonable reimbursement methodology" means a formula for reimbursing local agency and school district costs mandated by the state that meets the following conditions: (1) The total amount to be reimbursed statewide is equivalent to total estimated local agency and school district costs to implement the mandate in a cost-efficient manner. (2) For 50 percent or more of eligible local agency and school district claimants, the amount reimbursed is estimated to fully offset their projected costs to implement the mandate in a cost-efficient manner. (b) Whenever possible, a reasonable reimbursement methodology shall be based on general allocation formulas, uniform cost allowances, and other approximations of local costs mandated by the state, rather than detailed documentation of actual local costs. In cases when local agencies and school districts are projected to incur costs to implement a mandate over a period of more than one fiscal year, the determination of a reasonable reimbursement methodology may consider local costs and state reimbursements over a period of greater than one fiscal year, but not exceeding 10 years. (c) A reasonable reimbursement methodology may be developed by any of the following: (1) The Department of Finance. (2) The Controller. (3) An affected state agency. (4) A claimant. (5) An interested party.

#### GC §17519: "School District"

"School district" means any school district, community college district, or county superintendent of schools.

#### GC §17520: "Special District"

"Special district" means any agency of the state that performs governmental or proprietary functions within limited boundaries. "Special district" includes a county service area, a maintenance district or

area, an improvement district or improvement zone, or any other zone or area. "Special district" does not include a city, a county, a school district, or a community college district. County free libraries established pursuant to Chapter 2 (commencing with Section 27151) of Division 20 of the Education Code, areas receiving county fire protection services pursuant to Section 25643 of the Government Code, and county road districts established pursuant to Chapter 7 (commencing with Section 1550) of Division 2 of the Streets and Highways Code shall be considered "special districts" for all purposes of this part.

#### GC §17521: "Test Claim"

"Test claim" means the first claim filed with the commission alleging that a particular statute or executive order imposes costs mandated by the state.

#### GC §17522: Definitions

(a) "Initial reimbursement claim" means a claim filed with the Controller by a local agency or school district for costs to be reimbursed for the fiscal years specified in the first claiming instructions issued by the Controller pursuant to subdivision (b) of Section 17558. (b) "Annual reimbursement claim" means a claim for actual costs incurred in a prior fiscal year filed with the Controller by a local agency or school district for which appropriations are made to the Controller for this purpose. (c) "Estimated reimbursement claim" means a claim filed with the Controller by a local agency or school district in conjunction with an initial reimbursement claim, annual reimbursement claim, or at other times, for estimated costs to be reimbursed during the current or future fiscal years, for which appropriations are made to the Controller for this purpose. (d) "Entitlement claim" means a claim filed by a local agency or school district with the Controller for the purpose of establishing or adjusting a base year entitlement. All entitlement claims are subject to Section 17616.

#### GC §17523: "Deflator"

"Deflator" means the Implicit Price Deflator for the Costs of Goods and Services to Governmental Agencies, as determined by the Department of Finance.

#### GC §17524: "Base Year Entitlement"

"Base year entitlement" means that amount determined to be the average for the approved reimbursement claims of each local agency or school district for the three preceding fiscal years adjusted by the change in the deflator. A base year entitlement shall not include any nonrecurring or initial startup costs incurred by a local agency or school district in any of those three fiscal years. For those mandates which become operative on January 1 of any year, the amount of the "approved reimbursement claim" for the first of the three years may be computed by annualizing the amount claimed for the six-month period of January through June in that first year, excluding nonrecurring or startup costs.

#### GC §17525: Members: Term and Per Diem for Specified Members

(a) There is hereby created the Commission on State Mandates, which shall consist of seven members as follows: (1) The Controller. (2) The Treasurer. (3) The Director of Finance. (4) The Director of the Office of Planning and Research. (5) A public member with experience in public finance, appointed by the Governor and approved by the Senate. (6) Two members from the following three categories appointed by the Governor and approved by the Senate, provided that no more than one member shall come from the same category: (A) A city council member. (B) A member of a county or city and county board of supervisors. (C) A governing board member of a school district as defined in Section 17519. (b) Each member appointed pursuant to paragraph (5) or (6) of subdivision (a) shall be subject to both of the following: (1) The member shall serve for a term of four years subject to renewal. (2) The member shall receive per diem of one hundred dollars (\$100) for each day actually spent in the

discharge of official duties and shall be reimbursed for any actual and necessary expenses incurred in connection with the performance of duties as a member of the commission.

### GC §17526: Open Meetings: Executive Sessions

(a) All meetings of the commission shall be open to the public, except that the commission may meet in executive session to consider the appointment or dismissal of officers or employees of the commission or to hear complaints or charges brought against a member, officer, or employee of the commission. (b) The commission shall meet at least once every two months. (c) The time and place of meetings may be set by resolution of the commission, by written petition of a majority of the members, or by written call of the chairperson. The chairperson may, for good cause, change the starting time or place, reschedule, or cancel any meeting.

#### GC §17527: Powers of Commission

In carrying out its duties and responsibilities, the commission shall have the following powers: (a) To examine any document, report, or data, including computer programs and data files, held by any local agency or school district. (b) To meet at times and places as it may deem proper. (c) As a body or, on the authorization of the commission, as a committee composed of one or more members, to hold hearings at any time and place it may deem proper. (d) Upon a majority vote of the commission, to issue subpoenas to compel the attendance of witnesses and the production of books, records, papers, accounts, reports, and documents. (e) To administer oaths. (f) To contract with other agencies or individuals, public or private, as it deems necessary, to provide or prepare services, facilities, studies, and reports to the commission as will assist it in carrying out its duties and responsibilities. (g) To adopt, promulgate, amend, and rescind rules and regulations, which shall not be subject to the review and approval of the Office of Administrative Law pursuant to the provisions of the Administrative Procedure Act provided for in Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2. (h) To do any and all other actions necessary or convenient to enable it fully and adequately to perform its duties and to exercise the powers expressly granted to it.

#### GC §17528: Election of Officers

The members of the commission shall elect a chairperson and a vice chairperson of the commission.

#### GC §17529: Appointment of Attorney: Duties

The commission may appoint as attorney to the commission an attorney at law of this state, who shall hold office at the pleasure of the commission. The attorney shall represent and appear for the commission in all actions and proceedings involving any question under this part or under any order or act of the commission. The attorney shall advise the commission and each member of the commission, when so requested, in regard to all matters in connection with the powers and duties of the commission and the members thereof. The attorney shall generally perform all duties and services as attorney to the commission which the commission may require.

#### GC §17530: Appointment of Executive Director: Duties

The commission shall appoint an executive director, who shall be exempt from civil service and shall hold office at the pleasure of the commission. The executive director shall be responsible for the executive and administrative duties of the commission and shall organize, coordinate, supervise, and direct the operations and affairs of the commission and expedite all matters within the jurisdiction of the commission. The executive director shall keep a full and true record of all proceedings of the commission, issue all necessary process, writs, warrants, and notices, and perform other duties as the commission prescribes.

#### GC §17531: Authority of Executive Director to Employ Necessary Staff

The executive director may employ those officers, examiners, experts, statisticians, accountants, inspectors, clerks, and employees as the executive director deems necessary to carry out the provisions of this part or to perform the duties and exercise the powers conferred upon the commission by law.

#### GC §17532: Quorum: Investigations, Inquiries, and Hearing

A majority of the commissioners shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power of the commission. Any investigation, inquiry, or hearing which the commission has power to undertake or to hold may be undertaken or held by or before any commissioner or commissioners designated for the purpose by the commission. The evidence in any investigation, inquiry, or hearing may be taken by the commissioner or commissioners to whom the investigation, inquiry, or hearing has been assigned or, in his or her or their behalf, by an examiner designated for that purpose. Every finding, opinion, and order made by the commissioner or commissioners so designated, pursuant to the investigation, inquiry, or hearing, when approved or confirmed by the commission and ordered filed in its office, shall be deemed to be the finding, opinion, and order of the commission.

#### GC §17533: Provisions not Applicable to Hearing by Commission

Notwithstanding Section 11425.10, Chapter 4.5 (commencing with Section 11400) of Part 1 of Division 3 does not apply to a hearing by the commission under this part.

#### GC §17550: Reimbursements of Local Agencies and Special Districts

Reimbursement of local agencies and school districts for costs mandated by the state shall be provided pursuant to this chapter.

#### GC §17551: Commission Hearing and Decision Upon Claims

(a) The commission, pursuant to the provisions of this chapter, shall hear and decide upon a claim by a local agency or school district that the local agency or school district is entitled to be reimbursed by the state for costs mandated by the state as required by Section 6 of Article XIIIB of the California Constitution. (b) Commission review of claims may be had pursuant to subdivision (a) only if the test claim is filed within the time limits specified in this section. (c) Local agency and school district test claims shall be filed not later than 12 months following the effective date of a statute or executive order, or within 12 months of incurring increased costs as a result of a statute or executive order, whichever is later. (d) The commission, pursuant to the provisions of this chapter, shall hear and decide upon a claim by a local agency or school district filed on or after January 1, 1985, that the Controller has incorrectly reduced payments to the local agency or school district pursuant to paragraph (2) of subdivision (d) of Section 17561.

#### GC §17552: Exclusivity of Procedure by Chapter

This chapter shall provide the sole and exclusive procedure by which a local agency or school district may claim reimbursement for costs mandated by the state as required by Section 6 of Article XIIIB of the California Constitution.

# GC §17553: Adoption of Procedure for Receiving Claims and Providing Hearings: Postponement of Hearings

(a) The commission shall adopt procedures for receiving claims pursuant to this article and for providing a hearing on those claims. The procedures shall do all of the following: (1) Provide for presentation of evidence by the claimant, the Department of Finance and any other affected department

or agency, and any other interested person. (2) Ensure that a statewide cost estimate is adopted within 12 months after receipt of a test claim, when a determination is made by the commission that a mandate exists. This deadline may be extended for up to six months upon the request of either the claimant or the commission. (3) Permit the hearing of a claim to be postponed at the request of the claimant, without prejudice, until the next scheduled hearing. (b) All test claims shall be filed on a form prescribed by the commission and shall contain at least the following elements and documents: (1) A written narrative that identifies the specific sections of statutes or executive orders alleged to contain a mandate and shall include all of the following: (A) A detailed description of the new activities and costs that arise from the mandate. (B) A detailed description of existing activities and costs that are modified by the mandate. (C) The actual increased costs incurred by the claimant during the fiscal year for which the claim was filed to implement the alleged mandate. (D) The actual or estimated annual costs that will be incurred by the claimant to implement the alleged mandate during the fiscal year immediately following the fiscal year for which the claim was filed. (E) A statewide cost estimate of increased costs that all local agencies or school districts will incur to implement the alleged mandate during the fiscal year immediately following the fiscal year for which the claim was filed. (F) Identification of all of the following: (i) Dedicated state funds appropriated for this program. (ii) Dedicated federal funds appropriated for this program. (iii) Other nonlocal agency funds dedicated for this program. (iv) The local agency's general purpose funds for this program. (v) Fee authority to offset the costs of this program. (G) Identification of prior mandate determinations made by the Board of Control or the Commission on State Mandates that may be related to the alleged mandate. (2) The written narrative shall be supported with declarations under penalty of perjury, based on the declarant's personal knowledge, information or belief, and signed by persons who are authorized and competent to do so, as follows: (A) Declarations of actual or estimated increased costs that will be incurred by the claimant to implement the alleged mandate. (B) Declarations identifying all local, state, or federal funds, or fee authority that may be used to offset the increased costs that will be incurred by the claimant to implement the alleged mandate, including direct and indirect costs. (C) Declarations describing new activities performed to implement specified provisions of the new statute or executive order alleged to impose a reimbursable state-mandated program. Specific references shall be made to chapters, articles, sections, or page numbers alleged to impose a reimbursable state-mandated program. (3) (A) The written narrative shall be supported with copies of all of the following: (i) The test claim statute that includes the bill number or executive order, alleged to impose or impact a mandate. (ii) Relevant portions of state constitutional provisions, federal statutes, and executive orders that may impact the alleged mandate. (iii) Administrative decisions and court decisions cited in the narrative. (B) State mandate determinations made by the Board of Control and the Commission on State Mandates and published court decisions on state mandate determinations made by the Commission on State Mandates are exempt from this requirement. (4) A test claim shall be signed at the end of the document, under penalty of perjury by the claimant or its authorized representative, with the declaration that the test claim is true and complete to the best of the declarant's personal knowledge or information or belief. The date of signing, the declarant's title, address, telephone number, facsimile machine telephone number, and electronic mail address shall be included. (c) If a completed test claim is not received by the commission within 30 calendar days from the date that an incomplete test claim was returned by the commission, the original test claim filing date may be disallowed, and a new test claim may be accepted on the same statute or executive order. (d) In addition, the commission shall determine whether an incorrect reduction claim is complete within 10 days after the date that the incorrect reduction claim is filed. If the commission determines that an incorrect reduction claim is not complete, the commission shall notify the local agency and school district that filed the claim stating the reasons that the claim is not complete. The local agency or school district shall have 30 days to complete the claim. The commission shall serve a copy of the complete incorrect reduction claim on the Controller. The Controller shall have no more than 90 days after the date the claim is delivered or mailed to file any rebuttal to an incorrect reduction claim. The failure of the Controller to file a rebuttal to an incorrect reduction claim shall not serve to delay the consideration of the claim by the commission.

#### GC §17554: Commission's Authority to Expedite Claim

With the agreement of all parties to the claim, the commission may waive the application of any procedural requirement imposed by this chapter or pursuant to Section 17553. The authority granted by this section includes the consolidation of claims and the shortening of time periods.

#### GC §17555: Date for Public Hearing: Test Claim Form and Procedure

(a) No later than 30 days after hearing and deciding upon a test claim pursuant to subdivision (a) of Section 17551, the commission shall notify the appropriate Senate and Assembly policy and fiscal committees, the Legislative Analyst, the Department of Finance, and the Controller of that decision. (b) For purposes of this section, the "appropriate policy committee" means the policy committee that has jurisdiction over the subject matter of the statute, regulation, or executive order, and bills relating to that subject matter would have been heard.

#### GC §17556: Criteria for not Finding Costs Mandated by the State

The commission shall not find costs mandated by the state, as defined in Section 17514, in any claim submitted by a local agency or school district, if, after a hearing, the commission finds that: (a) The claim is submitted by a local agency or school district that requested legislative authority for that local agency or school district to implement the program specified in the statute, and that statute imposes costs upon that local agency or school district requesting the legislative authority. A resolution from the governing body or a letter from a delegated representative of the governing body of a local agency or school district that requests authorization for that local agency or school district to implement a given program shall constitute a request within the meaning of this paragraph. (b) The statute or executive order affirmed for the state a mandate that had been declared existing law or regulation by action of the courts. (c) The statute or executive order imposes a requirement that is mandated by a federal law or regulation and results in costs mandated by the federal government, unless the statute or executive order mandates costs that exceed the mandate in that federal law or regulation. This subdivision applies regardless of whether the federal law or regulation was enacted or adopted prior to or after the date on which the state statute or executive order was enacted or issued. (d) The local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the mandated program or increased level of service. (e) The statute, executive order, or an appropriation in a Budget Act or other bill provides for offsetting savings to local agencies or school districts that result in no net costs to the local agencies or school districts, or includes additional revenue that was specifically intended to fund the costs of the state mandate in an amount sufficient to fund the cost of the state mandate. (f) The statute or executive order imposed duties that were expressly included in a ballot measure approved by the voters in a statewide or local election. (g) The statute created a new crime or infraction, eliminated a crime or infraction, or changed the penalty for a crime or infraction, but only for that portion of the statute relating directly to the enforcement of the crime or infraction.

#### GC §17557: Determination of Amount to be Subvened for Reimbursement: Parameters and Guidelines

(a) If the commission determines there are costs mandated by the state pursuant to Section 17551, it shall determine the amount to be subvened to local agencies and school districts for reimbursement. In so doing it shall adopt parameters and guidelines for reimbursement of any claims relating to the statute or executive order. The successful test claimants shall submit proposed parameters and guidelines within 30 days of adoption of a statement of decision on a test claim. At the request of a successful test claimant, the commission may provide for one or more extensions of this 30-day period at any time prior to its adoption of the parameters and guidelines. If proposed parameters and guidelines are not submitted within the 30-day period and the commission has not granted an extension, then the commission shall notify the test claimant that the amount of reimbursement the test claimant is entitled to for the first 12 months of incurred costs will be reduced by 20 percent, unless the test claimant can demonstrate to the commission why an extension of the 30-day period is justified. (b) In adopting parameters and guidelines, the commission may adopt a reasonable reimbursement methodology. (c)

The parameters and guidelines adopted by the commission shall specify the fiscal years for which local agencies and school districts shall be reimbursed for costs incurred. However, the commission may not specify in the parameters and guidelines any fiscal year for which payment could be provided in the annual Budget Act. (d) A local agency, school district, or the state may file a written request with the commission to amend, modify, or supplement the parameters or quidelines. The commission may, after public notice and hearing, amend, modify, or supplement the parameters and guidelines. A parameters and guidelines amendment submitted within 90 days of the claiming deadline for initial claims, as specified in the claiming instructions pursuant to Section 17561, shall apply to all years eligible for reimbursement as defined in the original parameters and guidelines. A parameters and guidelines amendment filed more than 90 days after the claiming deadline for initial claims, as specified in the claiming instructions pursuant to Section 17561, and on or before January 15 following a fiscal year, shall establish reimbursement eligibility for that fiscal year. (e) A test claim shall be submitted on or before June 30 following a fiscal year in order to establish eligibility for reimbursement for that fiscal year. The claimant may thereafter amend the test claim at any time, but before the test claim is set for a hearing, without affecting the original filing date as long as the amendment substantially relates to the original test claim. (f) In adopting parameters and guidelines, the commission shall consult with the Department of Finance, the affected state agency, the Controller, the fiscal and policy committees of the Assembly and Senate, the Legislative Analyst, and the claimants to consider a reasonable reimbursement methodology that balances accuracy with simplicity.

# GC §17558: Submission of Parameters and Guidelines to Controller: Transfer of Claims; Claiming Instructions

(a) The commission shall submit the adopted parameters and guidelines to the Controller. All claims relating to a statute or executive order that are filed after the adoption or amendment of parameters and guidelines pursuant to Section 17557 shall be transferred to the Controller who shall pay and audit the claims from funds made available for that purpose. (b) Not later than 60 days after receiving the adopted parameters and guidelines from the commission, the Controller shall issue claiming instructions for each mandate that requires state reimbursement, to assist local agencies and school districts in claiming costs to be reimbursed. In preparing claiming instructions, the Controller shall request assistance from the Department of Finance and may request the assistance of other state agencies. The claiming instructions shall be derived from the test claim decision and the parameters and guidelines adopted parameters and guidelines from the commission or other information necessitating a revision of the claiming instructions, prepare and issue revised claiming instructions for mandates that require state reimbursement to Section 17557 or after any decision or order of the commission pursuant to Section 17551. In preparing revised claiming instructions, the Controller may request the assistance of other state agencies.

#### GC §17558.5: Reimbursement Claim: Audit; Remittance Advice and Other Notices of Payment

(a) A reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed not later than two years after the date that the audit is commenced. (b) The Controller may conduct a field review of any claim after the claim has been submitted, prior to the reimbursement of the claim. (c) The Controller shall notify the claimant in writing within 30 days after issuance of a remittance advice of any adjustment to a claim for reimbursement to the local agency or school district, and the reason for the adjustment. Remittance advices and other notices of payment action shall not constitute notice of adjustment from an audit or review. (d) The interest rate charged by the Controller on reduced claims shall be set at the Pooled

Money Investment Account rate and shall be imposed on the dollar amount of the overpaid claim from the time the claim was paid until overpayment is satisfied. (e) Nothing in this section shall be construed to limit the adjustment of payments when inaccuracies are determined to be the result of the intent to defraud, or when a delay in the completion of an audit is the result of willful acts by the claimant or inability to reach agreement on terms of final settlement.

#### GC §17558.6: Legislative Intent

It is the intent of the Legislature that the Commission on State Mandates review its process by which local agencies may appeal the reduction of reimbursement claims on the basis that the reduction is incorrect in order to provide for a more expeditious and less costly process.

#### GC §17559: Judicial Review

(a) The commission may order a reconsideration of all or part of a test claim or incorrect reduction claim on petition of any party. The power to order a reconsideration or amend a test claim decision shall expire 30 days after the statement of decision is delivered or mailed to the claimant. If additional time is needed to evaluate a petition for reconsideration filed prior to the expiration of the 30-day period, the commission may grant a stay of that expiration for no more than 30 days, solely for the purpose of considering the petition. If no action is taken on a petition within the time allowed for ordering reconsideration, the petition shall be deemed denied. (b) A claimant or the state may commence a proceeding in accordance with the provisions of Section 1094.5 of the Code of Civil Procedure to set aside a decision of the commission on the ground that the commission's decision is not supported by substantial evidence. The court may order the commission to hold another hearing regarding the claim and may direct the commission on what basis the claim is to receive a rehearing.

#### GC §17560: Deadlines for Filing Reimbursement Claims

Reimbursement for state-mandated costs may be claimed as follows: (a) A local agency or school district may file an estimated reimbursement claim by January 15 of the fiscal year in which costs are to be incurred, and, by January 15 following that fiscal year shall file an annual reimbursement claim that details the costs actually incurred for that fiscal year; or it may comply with the provisions of subdivision (b). (b) A local agency or school district may, by January 15 following the fiscal year in which costs are incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year; or it may comply with the provisions of subdivision (b). (b) A local agency or school district may, by January 15 following the fiscal year in which costs are incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year. (c) In the event revised claiming instructions are issued by the Controller pursuant to subdivision (c) of Section 17558 between October 15 and January 15, a local agency or school district filing an annual reimbursement claim shall have 120 days following the issuance date of the revised claiming instructions to file a claim.

# GC §17561: Reimbursement of Costs for State Mandated Programs

(a) The state shall reimburse each local agency and school district for all "costs mandated by the state," as defined in Section 17514. (b) (1) For the initial fiscal year during which these costs are incurred, reimbursement funds shall be provided as follows: (A) Any statute mandating these costs shall provide an appropriation therefor. (B) Any executive order mandating these costs shall be accompanied by a bill appropriating the funds therefor, or alternatively, an appropriation for these costs shall be included in the Budget Bill for the next succeeding fiscal year. The executive order shall cite that item of appropriation in the Budget Bill or that appropriation in any other bill which is intended to serve as the source from which the Controller may pay the claims of local agencies and school districts. (2) In subsequent fiscal years appropriations for these costs shall be included in the annual Governor's Budget and in the accompanying Budget Bill. In addition, appropriations to reimburse local agencies and school districts for continuing costs resulting from chaptered bills or executive orders for which claims have been awarded pursuant to subdivision (a) of Section 17551 shall be included in the annual Governor's Budget and in the accompanying Budget Bill subsequent to the enactment of the local government claims bill pursuant to Section 17600 that includes the amounts awarded relating to these chaptered bills or executive orders. (c) The amount appropriated to reimburse local agencies and

school districts for costs mandated by the state shall be appropriated to the Controller for disbursement. (d) The Controller shall pay any eligible claim pursuant to this section within 60 days after the filing deadline for claims for reimbursement or 15 days after the date the appropriation for the claim is effective, whichever is later. The Controller shall disburse reimbursement funds to local agencies or school districts if the costs of these mandates are not payable to state agencies, or to state agencies that would otherwise collect the costs of these mandates from local agencies or school districts in the form of fees, premiums, or payments. When disbursing reimbursement funds to local agencies or school districts, the Controller shall disburse them as follows: (1) For initial reimbursement claims, the Controller shall issue claiming instructions to the relevant local agencies and school districts pursuant to Section 17558. Issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the commission. (A) When claiming instructions are issued by the Controller pursuant to Section 17558 for each mandate determined pursuant to Section 17551 that requires state reimbursement, each local agency or school district to which the mandate is applicable shall submit claims for initial fiscal year costs to the Controller within 120 days of the issuance date for the claiming instructions. (B) When the commission is requested to review the claiming instructions pursuant to Section 17571, each local agency or school district to which the mandate is applicable shall submit a claim for reimbursement within 120 days after the commission reviews the claiming instructions for reimbursement issued by the Controller. (C) If the local agency or school district does not submit a claim for reimbursement within the 120-day period, or submits a claim pursuant to revised claiming instructions, it may submit its claim for reimbursement as specified in Section 17560. The Controller shall pay these claims from the funds appropriated therefor, provided that the Controller (i) may audit the records of any local agency or school district to verify the actual amount of the mandated costs, and (ii) may reduce any claim that the Controller determines is excessive or unreasonable. (2) In subsequent fiscal years each local agency or school district shall submit its claims as specified in Section 17560. The Controller shall pay these claims from funds appropriated therefor, provided that the Controller (A) may audit the records of any local agency or school district to verify the actual amount of the mandated costs, (B) may reduce any claim that the Controller determines is excessive or unreasonable, and (C) shall adjust the payment to correct for any underpayments or overpayments which occurred in previous fiscal years. (3) When paying a timely filed claim for initial reimbursement, the Controller shall withhold 20 percent of the amount of the claim until the claim is audited to verify the actual amount of the mandated costs. All initial reimbursement claims for all fiscal years required to be filed on their initial filing date for a state-mandated local program shall be considered as one claim for the purpose of computing any late claim penalty. Any claim for initial reimbursement filed after the filing deadline shall be reduced by 10 percent of the amount that would have been allowed had the claim been timely filed. The Controller may withhold payment of any late claim for initial reimbursement until the next deadline for funded claims unless sufficient funds are available to pay the claim after all timely filed claims have been paid. In no case may a reimbursement claim be paid if submitted more than one vear after the filing deadline specified in the Controller's claiming instructions on funded mandates contained in a claims bill.

# GC §17561.5: Payment of Claim with Interest

The payment of an initial reimbursement claim by the Controller shall include accrued interest at the Pooled Money Investment Account rate, if the payment is being made more than 365 days after adoption of the statewide cost estimate for an initial claim or, in the case of payment of a subsequent claim relating to that same statute or executive order, if payment is being made more than 60 days after the filing deadline for, or the actual date of receipt of, the subsequent claim, whichever is later. In those instances, interest shall begin to accrue as of the 366th day after adoption of the statewide cost estimate for an initial claim and as of the 61st day after the filing deadline for, or actual date of receipt of, the subsequent claim, whichever is later.

#### GC §17561.6: Payment

A budget act item or appropriation pursuant to this part for reimbursement of claims shall include an amount necessary to reimburse any interest due pursuant to Section 17561.5.

#### GC §17562: Review of Costs of State-Mandated Local Programs

(a) The Legislature hereby finds and declares that the increasing revenue constraints on state and local government and the increasing costs of financing state-mandated local programs make evaluation of state-mandated local programs imperative. Accordingly, it is the intent of the Legislature to increase information regarding state mandates and establish a method for regularly reviewing the costs and benefits of state-mandated local programs. (b) The Controller shall submit a report to the Joint Legislative Budget Committee and fiscal committees by January 1 of each year. This report shall summarize, by state mandate, the total amount of claims paid per fiscal year and the amount, if any, of mandate deficiencies or surpluses. This report shall be made available in an electronic spreadsheet format. The report shall compare the annual cost of each mandate to the statewide cost estimate adopted by the commission. (c) After the commission submits its second semiannual report to the Legislature pursuant to Section 17600, the Legislative Analyst shall submit a report to the Joint Legislative Budget Committee and legislative fiscal committees on the mandates included in the commission's reports. The report shall make recommendations as to whether the mandate should be repealed, funded, suspended, or modified. (d) In its annual analysis of the Budget Bill and based on information provided pursuant to subdivision (b), the Legislative Analyst shall identify mandates that significantly exceed the statewide cost estimate adopted by the commission. The Legislative Analyst shall make recommendations on whether the mandate should be repealed, funded, suspended, or modified. (e) (1) A statewide association of local agencies or school districts or a Member of the Legislature may submit a proposal to the Legislature recommending the elimination or modification of a state-mandated local program. To make such a proposal, the association or member shall submit a letter to the Chairs of the Assembly Committee on Education or the Assembly Committee on Local Government, as the case may be, and the Senate Committee on Education or the Senate Committee on Local Government, as the case may be, specifying the mandate and the concerns and recommendations regarding the mandate. The association or member shall include in the proposal all information relevant to the conclusions. If the chairs of the committees desire additional analysis of the submitted proposal, the chairs may refer the proposal to the Legislative Analyst for review and comment. The chairs of the committees may refer up to a total of 10 of these proposals to the Legislative Analyst for review in any year. Referrals shall be submitted to the Legislative Analyst by December 1 of each year. (2) The Legislative Analyst shall review and report to the Legislature with regard to each proposal that is referred to the office pursuant to paragraph (1). The Legislative Analyst shall recommend that the Legislature adopt, reject, or modify the proposal. The report and recommendations shall be submitted annually to the Legislature by March 1 of the year subsequent to the year in which referrals are submitted to the Legislative Analyst. (3) The Department of Finance shall review all statutes enacted each year that contain provisions making inoperative Section 17561 or Section 17565 that have resulted in costs or revenue losses mandated by the state that were not identified when the statute was enacted. The review shall identify the costs or revenue losses involved in complying with the statutes. The Department of Finance shall also review all statutes enacted each year that may result in cost savings authorized by the state. The Department of Finance shall submit an annual report of the review required by this subdivision, together with the recommendations as it may deem appropriate, by December 1 of each year. (f) It is the intent of the Legislature that the Assembly Committee on Local Government and the Senate Committee on Local Government hold a joint hearing each year regarding the following: (1) The reports and recommendations submitted pursuant to subdivision (e). (2) The reports submitted pursuant to Sections 17570, 17600, and 17601. (3) Legislation to continue, eliminate, or modify any provision of law reviewed pursuant to this subdivision. The legislation may be by subject area or by year or years of enactment.

# GC §17563: Use of Funds Received for Public Purpose

Any funds received by a local agency or school district pursuant to the provisions of this chapter may be used for any public purpose.

#### GC §17564: Filing of Claims: Threshold Amount

(a) No claim shall be made pursuant to Sections 17551 and 17561, nor shall any payment be made on claims submitted pursuant to Sections 17551 and 17561, unless these claims exceed one thousand dollars (\$1,000), provided that a county superintendent of schools or county may submit a combined claim on behalf of school districts, direct service districts, or special districts within their county if the combined claim exceeds one thousand dollars (\$1,000) even if the individual school district's, direct service district's, or special district's claims do not each exceed one thousand dollars (\$1,000). The county superintendent of schools or the county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each school, direct service, or special district. These combined claims may be filed only when the county superintendent of schools or the districts. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a school district, direct service district, or special district provides to the county superintendent of schools or county and to the Controller, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim. (b) Claims for direct and indirect costs filed pursuant to Section 17561 shall be filed in the manner prescribed in the parameters and guidelines and claiming instructions.

#### GC §17565: Reimbursement of Subsequently Mandated Costs

If a local agency or a school district, at its option, has been incurring costs which are subsequently mandated by the state, the state shall reimburse the local agency or school district for those costs incurred after the operative date of the mandate.

#### GC §17567: Insufficiency of Appropriation: Proration of Claims

In the event that the amount appropriated for reimbursement purposes pursuant to Section 17561 is not sufficient to pay all of the claims approved by the Controller, the Controller shall prorate claims in proportion to the dollar amount of approved claims timely filed and on hand at the time of proration. The Controller shall adjust prorated claims if supplementary funds are appropriated for this purpose. In the event that the Controller finds it necessary to prorate claims as provided by this section, the Controller shall immediately report this action to the Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each house of the Legislature which considers appropriated on a timely basis in the Budget Act, the Controller shall transmit this information to the commission which shall include these amounts in its report to the Legislature pursuant to Section 17600 to assure that an appropriation sufficient to pay the claims is included in the local government claims bills or other appropriation bills. If the local government claims bills required by Section 17612 have been introduced in the Legislature which considers appropriation of a sufficient appropriation in the Legislature which considers appropriated appropriation in the Legislature, the Controller shall report directly to the chairperson of the respective committee in each house of the Legislature which considers appropriation of a sufficient appropriation in the claims bills.

# GC §17568: Payment of Claims Submitted After Deadline

If a local agency or school district submits an otherwise valid reimbursement claim to the Controller after the deadline specified in Section 17560, the Controller shall reduce the reimbursement claim in an amount equal to 10 percent of the amount which would have been allowed had the reimbursement claim been timely filed, provided that the amount of this reduction shall not exceed one thousand dollars (\$1,000). In no case shall a reimbursement claim be paid which is submitted more than one year after the deadline specified in Section 17560. Estimated claims which were filed by the deadline specified in that section shall be paid in full before payments are made on estimated claims filed after the deadline. In the event the amount appropriated to the Controller for reimbursement purposes is not sufficient to pay the estimated claims approved by the Controller, the Controller shall prorate those claims in proportion to the dollar amount of approved claims filed after the deadline and shall report to the commission or the Legislature in the same manner as described in Section 17566 in order to assure appropriation of funds sufficient to pay those claims.

#### GC §17570: Annual Report to Legislature

The Legislative Analyst shall review each unfunded statutory or regulatory mandate for which claims have been approved by the Legislature pursuant to a claims bill during the preceding fiscal year. Any recommendations by the Legislative Analyst to eliminate or modify the mandates shall be contained in the annual analysis of the Budget Bill prepared by the Legislative Analyst.

#### GC §17571: Review and Modification of Claiming Instructions

The commission, upon request of a local agency or school district, shall review the claiming instructions issued by the Controller or any other authorized state agency for reimbursement of mandated costs. If the commission determines that the claiming instructions do not conform to the parameters and guidelines, the commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the commission.

#### GC §17572: Amended Animal Adoption Parameters and Guidelines

(a) The commission shall amend the parameters and guidelines for the state-mandated local program contained in Chapter 752 of the Statutes of 1998, known as the Animal Adoption mandate (Case No. 98-TC-11), as specified below: (1) Amend the formula for determining the reimbursable portion of acquiring or building additional shelter space that is larger than needed to comply with the increased holding period to specify that costs incurred to address preexisting shelter overcrowding or animal population growth are not reimbursable. (2) Clarify how the costs for care and maintenance shall be calculated. (3) Detail the documentation necessary to support reimbursement claims under this mandate, in consultation with the Bureau of State Audits and the Controller's office. (b) The parameters and guidelines, as amended pursuant to this section, shall apply to claims for costs incurred in fiscal years commencing with the 2005-06 fiscal year in which Chapter 752 of the Statutes of 1998 is not suspended pursuant to Section 17581. (c) Before funds are appropriated to reimburse local agencies for claims related to costs incurred in fiscal years commencing with the 2005-06 fiscal year pursuant to Sections 1834 and 1846 of the Civil Code, and Sections 31108, 31752, 31752, 31753, 32001, and 32003 of the Food and Agricultural Code, known as the Animal Adoption mandate, local agencies shall file reimbursement claims pursuant to the parameters and guidelines amended pursuant to this section, and the Controller's revised claiming instructions.

# GC §17575: Review of Bills

When a bill is introduced in the Legislature, and each time a bill is amended, on and after January 1, 1985, the Legislative Counsel shall determine whether the bill mandates a new program or higher level of service pursuant to Section 6 of Article XIIIB of the California Constitution. The Legislative Counsel shall make this determination known in the digest of the bill and shall describe in the digest the basis for this determination. The determination by the Legislative Counsel shall not be binding on the commission in making its determination pursuant to Section 17555.

#### GC §17576: Amendment of Bills on Floor: Notification by Legislative Counsel

Whenever the Legislative Counsel determines that a bill will mandate a new program or higher level of service pursuant to Section 6 of Article XIII B of the California Constitution, the Department of Finance shall prepare an estimate of the amount of reimbursement which will be required. This estimate shall be prepared for the respective committees of each house of the Legislature which consider taxation measures and appropriation measures and shall be prepared prior to any hearing on the bill by any such committee.

#### GC §17577: Amount of Estimates

The estimate required by Section 17576 shall be the amount estimated to be required during the first fiscal year of a bill's operation in order to reimburse local agencies and school districts for costs mandated by the state by the bill.

#### GC §17578: Amendment of Bills on Floor: Notification by Legislative Counsel

In the event that a bill is amended on the floor of either house, whether by adoption of the report of a conference committee or otherwise, in such a manner as to mandate a new program or higher level of service pursuant to Section 6 of Article XIIIB of the California Constitution, the Legislative Counsel shall immediately inform, respectively, the Speaker of the Assembly and the President of the Senate of that fact. Notification from the Legislative Counsel shall be published in the journal of the respective houses of the Legislature.

# GC §17579: Requirement for New Mandates to Specify Reimbursement Requirements: Appropriations

Any bill introduced or amended for which the Legislative Counsel has determined the bill will mandate a new program or higher level of service pursuant to Section 6 of Article XIIIB of the California Constitution shall contain a section specifying that reimbursement shall be made pursuant to this chapter or that the mandate is being disclaimed and the reason therefor.

# GC §17581: Conditions for Exemption from Implementation of Statute or Executive Order

(a) No local agency shall be required to implement or give effect to any statute or executive order, or portion thereof, during any fiscal year and for the period immediately following that fiscal year for which the Budget Act has not been enacted for the subsequent fiscal year if all of the following apply: (1) The statute or executive order, or portion thereof, has been determined by the Legislature, the commission, or any court to mandate a new program or higher level of service requiring reimbursement of local agencies pursuant to Section 6 of Article XIIIB of the California Constitution. (2) The statute or executive order, or portion thereof, has been specifically identified by the Legislature in the Budget Act for the fiscal year as being one for which reimbursement is not provided for that fiscal year. For purposes of this paragraph, a mandate shall be considered to have been specifically identified by the Legislature only if it has been included within the schedule of reimbursable mandates shown in the Budget Act and it is specifically identified in the language of a provision of the item providing the appropriation for mandate reimbursements. (b) Notwithstanding any other provision of law, if a local agency elects to implement or give effect to a statute or executive order described in subdivision (a), the local agency may assess fees to persons or entities which benefit from the statute or executive order. Any fee assessed pursuant to this subdivision shall not exceed the costs reasonably borne by the local agency. (c) This section shall not apply to any state-mandated local program for the trial courts, as specified in Section 77203. (d) This section shall not apply to any state-mandated local program for which the reimbursement funding counts toward the minimum General Fund requirements of Section 8 of Article XVI of the Constitution.

# GC §17581.5 Exemption from Provisions of School Bus Safety II Mandate and School Crimes Reporting II Mandate

(a) A school district may not be required to implement or give effect to the statutes, or portion thereof, identified in subdivision (b) during any fiscal year and for the period immediately following that fiscal year for which the Budget Act has not been enacted for the subsequent fiscal year if all of the following apply: (1) The statute or portion thereof, has been determined by the Legislature, the commission, or any court to mandate a new program or higher level of service requiring reimbursement of school districts pursuant to Section 6 of Article XIIIB of the California Constitution. (2) The statute, or portion thereof, has been specifically identified by the Legislature in the Budget Act for the fiscal year as being

one for which reimbursement is not provided for that fiscal year. For purposes of this paragraph, a mandate shall be considered to have been specifically identified by the Legislature only if it has been included within the schedule of reimbursable mandates shown in the Budget Act and it is specifically identified in the language of a provision of the item providing the appropriation for mandate reimbursements. (b) This section applies only to the following mandates: (1) The School Bus Safety I (CSM-4433) and II (97-TC-22) mandates (Chapter 642 of the Statutes of 1992; Chapter 831 of the Statutes of 1994; and Chapter 739 of the Statutes of 1997). (2) The School Crimes Reporting II mandate (97-TC-03; and Chapter 759 of the Statutes of 1992 and Chapter 410 of the Statutes of 1995). (3) Investment reports (96-358-02; and Chapter 783 of the Statutes of 1995 and Chapters 156 and 749 of the Statutes of 1996). (4) County treasury oversight committees (96-365-03; and Chapter 784 of the Statutes of 1995 and Chapter 156 of the Statutes of 1996).

# GC §17600: Report on Number of Mandates and Their Costs

At least twice each calendar year the commission shall report to the Legislature on the number of mandates it has found pursuant to Article 1 (commencing with Section 17550) and the estimated statewide costs of these mandates. This report shall identify the statewide costs estimated for each mandate and the reasons for recommending reimbursement.

#### GC §17601: Report on Claims Denied

The commission shall report to the Legislature on January 15, 1986, and each January 15 thereafter, on the number of claims it denied during the preceding calendar year and the basis on which the particular claims were denied.

#### GC §17612: Local Government Claims Bills: Judicial Review of Funding Deletions

(a) Immediately upon receipt of the report submitted by the commission pursuant to Section 17600, a local government claims bill shall be introduced in the Legislature. The local government claims bill, at the time of its introduction, shall provide for an appropriation sufficient to pay the estimated costs of these mandates. (b) The Legislature may amend, modify, or supplement the parameters and guidelines for mandates contained in the local government claims bill. If the Legislature amends, modifies, or supplements the parameters and guidelines, it shall make a declaration in the local government claims bill specifying the basis for the amendment, modification, or supplement. (c) If the Legislature deletes from a local government claims bill funding for a mandate, the local agency or school district may file in the Superior Court of the County of Sacramento an action in declaratory relief to declare the mandate unenforceable and enjoin its enforcement.

#### GC §17613: Authorization of Augmentation for Mandated Costs

(a) The Director of Finance may, upon receipt of any report submitted pursuant to Section 17567, authorize the augmentation of the amount available for expenditure to reimburse costs mandated by the state, as defined in Section 17514, as follows: (1) For augmentation of (A) any schedule in any item to reimburse costs mandated by the state in any budget act, or (B) the amount appropriated in a local government claims bill for reimbursement of the claims of local agencies, as defined by Section 17518, from the unencumbered balance of any other item to reimburse costs mandated by the state in that budget act or another budget act or in an appropriation for reimbursement of the claims of local agencies in another local government claims bill. (2) For augmentation of (A) any schedule in any budget act item, or (B) any amount appropriated in a local government claims bill, when either of these augmentations is for reimbursement of mandated claims of school districts, as defined in Section 17519, when the source of this augmentation is (A) the unencumbered balance of any other scheduled amount in that budget act or another budget act, or (B) an appropriation in another local government claims bill, when either of these appropriations is for reimbursement of mandate claims of school districts. This paragraph applies only to appropriations that are made for the purpose of meeting the minimum funding guarantee for educational programs pursuant to Section 8 of Article XVI of the California Constitution. (b) No authorization for an augmentation pursuant to this section may be made

sooner than 30 days after the notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time as the chairperson of the joint committee, or his or her designee, may in each instance determine.

#### GC §17615: Legislative Findings and Intent

The Legislature finds and declares that the existing system for reimbursing local agencies and school districts for actual costs mandated by the state on an annual claim basis is time consuming, cumbersome, and expensive at both the local and state levels. The Controller must process voluminous claims with all claims subject to a desk audit and selected claims also subject to a field audit. Local agencies are required to maintain extensive documentation of all claims in anticipation of such an audit. The volume of these records is substantial and will continue to grow with no relief in sight as new programs are mandated. The cost to local agencies and school districts for filing claims, and for maintaining documentation and responding to the Controller's audits is substantial. The current administrative cost to both state and local governments represents a significant expenditure of public funds with no apparent benefit to the taxpayers. It is the intent of the Legislature to streamline the reimbursement process for costs mandated by the state by creating a system of state mandate apportionments to fund the costs of certain programs mandated by the state.

#### GC §17615.1: Review of Programs for Inclusion in System

The commission shall establish a procedure for reviewing, upon request, mandated cost programs for which appropriations have been made by the Legislature for the 1982-83, 1983-84, and 1984-85 fiscal years, or any three consecutive fiscal years thereafter. At the request of the Department of Finance, the Controller, or any local agency or school district receiving reimbursement for the mandated program, the commission shall review the mandated cost program to determine whether the program should be included in the State Mandates Apportionment System. If the costs of the state-mandated program, the commission shall direct the Controller to include the program in the State Mandates Apportionment System.

#### GC §17615.2: Calculation of Disbursement Amounts

(a) Notwithstanding Section 17561, after November 30, 1985, for those programs included in the State Mandates Apportionment System, after approval by the commission, there shall be disbursed by the Controller to each local agency and school district which has submitted a reimbursement claim for costs mandated by the state in the 1982-83, 1983-84, and the 1984-85 fiscal years, or any three consecutive fiscal years thereafter, an amount computed by averaging the approved reimbursement claims for this three-year period. The amount shall first be adjusted according to any changes in the deflator. The deflator shall be applied separately to each year's costs for the three years which comprise the base period. Funds for these purposes shall be available to the extent they are provided for in the Budget Act of 1985 and the Budget Act for any subsequent fiscal year thereafter. For purposes of this article, "base period" means the three fiscal years immediately succeeding the commission's approval. (b) When the Controller has made payment on claims prior to commission approval of the program for inclusion in the State Mandates Apportionment System, the payment shall be adjusted in the next apportionment to the amount which would have been subvened to the local agency or school district for that fiscal year had the State Mandates Apportionment System been in effect at the time of the initial payment.

#### GC §17615.3: Annual Recalculation of Allocation

Notwithstanding Section 17561, by November 30, 1986, and by November 30 of each year thereafter, for those programs included in the State Mandates Apportionment System, the Controller shall recalculate each allocation for each local agency and school district for the 1985-86 fiscal year, by using the actual change in the deflator for that year. That recalculated allocation shall then be adjusted by the estimated change in the deflator for the 1986 -87 fiscal year, and each fiscal year thereafter, to

establish the allocation amount for the 1986-87 fiscal year, and each fiscal year thereafter. Additionally, for programs approved by the commission for inclusion in the State Mandates Apportionment System on or after January 1, 1988, the allocation for each year succeeding the three-year base period shall be adjusted according to any changes in both the deflator and workload. The Controller shall then subvene that amount after adjusting it by any amount of overpayment or underpayment in the 1985-86 fiscal year, and each fiscal year thereafter, due to a discrepancy between the actual change and the estimated change in the deflator or workload. Funds for these purposes shall be available to the extent they are provided for in the Budget Act of 1986 and the Budget Act for any subsequent fiscal year thereafter. For purposes of this article, "workload" means, for school districts and county offices of education, changes in the average daily attendance; for community colleges, changes in the number of full-time equivalent students; for cities and counties, changes in the population within their boundaries; and for special districts, changes in the population of the county in which the largest percentage of the district's population is located.

#### GC §17615.4: Procedure for Newly Mandated Program

(a) When a new mandate imposes costs that are funded either by legislation or in local government claims bills, local agencies and school districts may file reimbursement claims as required by Section 17561, for a minimum of three years after the initial funding of the new mandate. (b) After actual cost claims are submitted for three fiscal years against such a new mandate, the commission shall determine, upon request of the Controller or a local entity or school district receiving reimbursement for the program, whether the amount of the base year entitlement adjusted by changes in the deflator and workload accurately reflects the costs incurred by the local agency or school district. If the commission determines that the base year entitlement, as adjusted, does accurately reflect the costs of the program, the commission shall direct the Controller to include the program in the State Mandates Apportionment System. (c) The Controller's recommendations for each new mandate submitted for inclusion in the State Mandates Apportionment System pursuant to this section are also subject to the audit provisions of Section 17616.

#### GC §17615.5: Procedure Where No Base Year Entitlement Has Been Established

(a) If any local agency or school district has an established base year entitlement which does not include costs for a particular mandate, that local agency or school district may submit reimbursement claims for a minimum of three consecutive years, adjusted pursuant to Section 17615.3 by changes in the deflator and workload, or entitlement claims covering a minimum of three consecutive years, after which time its base year entitlement may be adjusted by an amount necessary to fund the costs of that mandate. (b) If any local agency or school district has no base year entitlement, but wishes to begin claiming costs of one or more of the mandates included in the State Mandates Apportionment System, that local agency or school district may submit reimbursement claims for a minimum of three consecutive years, or entitlement claims covering the preceding three consecutive years, which shall be adjusted pursuant to Sections 17615.2 and 17615.3 by changes in the deflator and workload, after which time a base year entitlement may be established in an amount necessary to fund the costs of the mandates or mandates.

# GC §17615.6: Procedure Where Program is No Longer Mandatory

If a local agency or school district realizes a decrease in the amount of costs incurred because a mandate is discontinued, or made permissive, the Controller shall determine the amount of the entitlement attributable to that mandate by determining the base year amount for that mandate for the local agency or school district plus the annual adjustments. This amount shall be subtracted from the annual subvention which would otherwise have been allocated to the local agency or school district.

#### GC §17615.7: Procedure Where Program is Modified

If a mandated program included in the State Mandates Apportionment System is modified or amended by the Legislature or by executive order, and the modification or amendment significantly affects the costs of the program, as determined by the commission, the program shall be removed from the State Mandate Apportionment System, and the payments reduced accordingly. Local entities or school districts may submit actual costs claims for a period of three years, after which the program may be considered for inclusion in the State Mandates Apportionment System, pursuant to the provisions of Section 17615.4.

#### GC §17615.8: Review of Base Year Entitlement

(a) The commission shall establish a procedure for reviewing, upon request, any apportionment or base year entitlement of a local agency or school district. (b) Local agencies and school districts which request such a review shall maintain and provide those records and documentation as the commission or its designee determines are necessary for the commission or its designee to make the required determinations. With the exception of records required to verify base year entitlements, the records may not be used to adjust current or prior apportionments, but may be used to adjust future apportionments. (c) If the commission determines that an apportionment or base year entitlement for funding costs mandated by the state does not accurately reflect the costs incurred by the local agency or school district for all mandates upon which that apportionment is based, the commission shall direct the Controller to adjust the apportionment accordingly. For the purposes of this section, an apportionment or a base year entitlement does not accurately reflect the costs incurred by a local agency or school district if it falls short of reimbursing, or overreimburses, that local agency's or school district's actual costs by 20 percent or by one thousand dollars (\$1,000), whichever is less. (d) If the commission determines that an apportionment or base year entitlement for funding costs mandated by the state accurately reflects the costs incurred by the local agency or school district for all mandates upon which that apportionment is based, the commission may, in its discretion, direct the Controller to withhold, and, if so directed, the Controller shall withhold the costs of the commission's review from the next apportionment to the local agency or school district, if the commission review was requested by the local agency or school district.

#### GC §17615.9: Review of Programs Under SMAS

The commission shall periodically review programs funded under the State Mandate Apportionments System to evaluate the effectiveness or continued statewide need for each such mandate.

#### GC §17616: Audits and Verification by Controller

The Controller shall have the authority to do either or both of the following: (a) Audit the fiscal years comprising the base year entitlement no later than three years after the year in which the base year entitlement is established. The results of such audits shall be used to adjust the base year entitlements and any subsequent apportionments based on that entitlement, in addition to adjusting actual cost payments made for the base years audited. (b) Verify that any local agency or school district receiving funds pursuant to this article is providing the reimbursed activities.

# GC §17617: Local Agency Payment

The total amount due to each city, county, city and county, and special district, for which the state has determined, as of June 30, 2005, that reimbursement is required under Section 6 of Article XIIIB of the California Constitution, shall be appropriated for payment to these entities over a period of not more than five years, commencing with the Budget Act for the 2006-07 fiscal year and concluding with the Budget Act for the 2011-12 fiscal year.

# OFFICE OF THE STATE CONTROLLER

# STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2002-06A

# ANIMAL ADOPTION

# MAY 7, 2002

In accordance with Government Code Section (GC §) 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of costs incurred for state mandated cost programs. The following are claiming instructions and forms that eligible claimants will use for the filing of claims for the Animal Adoption (AA) program. These claiming instructions are issued subsequent to adoption of the program's parameters and guidelines (P's & G's) by the Commission on State Mandates (COSM).

The test claim legislation was enacted in an attempt to end the euthanasia of adoptable and treatable animals. It increased the holding period for stray and abandoned dogs, cats, and other specified animals; required the verification of the temperament of feral cats; required the posting of lost and found lists; required the maintenance of records for impounded animals; and required that impounded animals receive necessary and prompt veterinary care.

On January 25, 2001, the COSM determined that Chapter 752/98 established costs mandated by the State according to the provisions listed in the attached P's & G's. For your reference, the P's & G's are included as an integral part of the claiming instructions.

# **Eligible Claimants**

Any city, county, city and county, dependent special district, and joint powers authority comprised of a city, county, and/or city and county that incurs increased costs as a direct result of this mandate, is eligible to claim reimbursement of these costs.

# Filing Deadlines

# A. Initial Claims

Initial reimbursement claims must be filed within 120 days from the issuance date of claiming instructions. All claims must be filed with the SCO and be delivered or postmarked on or before **September 4, 2002**. Estimated claims for the 2001-02 fiscal year must also be delivered or postmarked on or before **September 4, 2002**. Thereafter, having received payment for an estimated claim, the claimant must file an annual reimbursement claim by January 15 of the following fiscal year. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$1,000. The claiming period for the reimbursable activities listed in **IV**, beginning on page 3 of the P's and G's, are as follows:

# • IV. A. 1., 2., 3. - One Time Activities

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

• IV. B. 1. - Acquisition of Additional Space and/or Construction of New Facilities (Food and Agriculture Code Sections {F & AC §§} 31108, 31752, and 31753).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

• IV. B. 2. - Remodeling/Renovating Existing Facilities (F & AC §§ 31108, 31752, and 31753).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

• IV. B. 3. - Care and Maintenance of Impounded Stray or Abandoned Dogs and Cats (F & AC §§ 31108 and 31752).

Claiming Period - Fiscal years 1999-00 to 2000-01<sup>1</sup>.

• IV. B. 4. - Care and Maintenance of Impounded Stray or Abandoned Animals (F & AC § 31753).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

• IV. B. 5. - Agencies Using the Holding Period of Four Business Days after the Day of Impoundment (F & AC §§ 31108, 31752, and 31753).

**Animals Other than Cats and Dogs** 

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

# **Impounded Dogs and Cats**

Claiming Period - Fiscal year 1999-00 to 2000-01.

• IV. B. 6. - Feral Cats (F & AC § 31752.5).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

• IV. B. 7. - Lost and Found Lists (F & AC § 32001).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 and 2000-01.

• IV. B. 8. - Maintaining Non-Medical Records (F & AC § 32003).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 and 2000-01.

• IV. B. 9. - Necessary and Prompt Veterinary Care (Civil Code §§ 1834 and 1846).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 and 2000-01.

<sup>&</sup>lt;sup>1</sup> Claiming period was previously listed as January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

# • IV. B. 10. - Procurement of Medical, Kennel, and Computer Equipment

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

Costs for all initial reimbursement claims must be filed separately according to the fiscal year in which the costs were incurred. However, the initial claims will be considered as one claim for the purpose of computing the late claim penalty. Do not prorate the penalty among fiscal years. If the claims are late, the penalty should be applied to a single fiscal year.

In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. Claims filed more than one year after the deadline will not be accepted.

# **B.** Estimated Claims

Unless otherwise specified in the claiming instructions, local agencies are not required to provide cost schedules and supporting documents with an estimated claim if the estimated amount does not exceed the previous fiscal year's actual costs by more than 10%. Claimants can simply enter the estimated amount on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, claimants must complete supplemental claim forms to support their estimated costs as specified for the program to explain the reason for the increased costs. If no explanation supporting the higher estimate is provided with the claim, it will automatically be adjusted to 110% of the previous fiscal year's actual costs will be incurred. Claims filed timely will be paid before late claims.

# **Minimum Claim Cost**

GC Section 17564 provides that no claim shall be filed pursuant to Sections 17551 and 17561, unless such a claim exceeds two hundred dollars (\$200), provided that a county superintendent of schools or county may submit a combined claim on behalf of school districts, direct service districts, or special districts within their county if the combined claim exceeds \$200, even if the individual school district's, direct service district's, or special district's claims do not each exceed \$200. The county superintendent of schools or the county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each school, direct service, or special district. These combined claims may be filed only when the county superintendent of schools or the county is the fiscal agent for the districts. A combined claim must show the individual claim costs for each eligible district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a school district, direct service district, or special district provides to the county superintendent of schools or county and to the SCO, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim.

# **Reimbursement of Claims**

Initial reimbursement claims will only be reimbursed to the extent that expenditures can be supported and, if such information is unavailable, claims will be reduced. In addition, ongoing reimbursement claims must be supported by documentation as evidence of the expenditures. Examples of documentation may include, but are not limited to, employee time records that identify mandate activities, payroll records, invoices, receipts, contracts, travel expense vouchers, purchase orders, and caseload statistics.

If a documented time study is the basis for claimed time spent in implementing the provisions of **IV.** B. 3. of the P's and G's, attach the time records with the claim. The Controller's Office will review the documented time study for precision and reliability. For information on the Time Study Method, refer to pages 7 and 8 of the P's and G's.

# Audit of Costs

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the P's & G's adopted by the COSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment," specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Accordingly, all documentation to support actual costs claimed must be retained for a period of two years after the end of the calendar year in which the reimbursement claim was filed or amended regardless of the year of costs incurred. When no funds are appropriated for initial claims at the time the claim is filed, supporting documents must be retained for two years from the date of initial payment of the claim. Claim documentation shall be made available to the SCO on request.

# **Retention of Claiming Instructions**

The claiming instructions and forms in this package should be retained permanently in your Mandated Cost Manual for future reference and use in filing claims. These forms should be duplicated to meet your filing requirements. You will be notified of updated forms or changes to claiming instructions as necessary.

For your reference, these and future mandated costs claiming instructions and forms can be found on the Internet at **www.sco.ca.gov/ard/local/locreim/index.htm**.

# **Address for Filing Claims**

Submit a signed, original form FAM-27, Claim for Payment, and all other forms and supporting documents (no copies necessary) to:

If delivered by U.S. Postal Service:

Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting P.O. Box 942850 Sacramento, CA 94250 If delivered by other delivery services:

Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting 3301 C Street, Suite 500 Sacramento, CA 95816

# PARAMETERS AND GUIDELINES

Civil Code Sections 1834 and 1846; Food and Agriculture Code Sections 31108, 31752, 31752.5, 31753, 32001, and 32003 As Added or Amended by Statutes of 1998, Chapter 752

# **Animal Adoption**

# I. Summary of the Mandate

The test claim legislation was enacted in an attempt to end the euthanasia of adoptable and treatable animals. Generally, the test claim legislation increased the holding period for stray and abandoned dogs, cats, and other specified animals; required the verification of the temperament of feral cats; required the posting of lost and found lists; required the maintenance of records for impounded animals; and required that impounded animals receive "necessary and prompt veterinary care."

The Commission partially approved this test claim, pursuant to article XIII B, section 6 of the California Constitution and Government Code section 17514, for the *increased costs* in performing the following activities only:

- 1. Providing care and maintenance during the increased holding period for impounded dogs and cats that are ultimately euthanized. The increased holding period shall be measured by calculating the difference between three days from the day of capture and four business days from the day after impoundment, as specified below in 3 (a) and 3 (b), or six business days from the day after impoundment (Food & Agr. Code, §§ 31108, 31752);
- 2. Providing care and maintenance for four business days from the day after impoundment, as specified below in 3 (a) and 3 (b), or six business days from the day after impoundment, for impounded rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles, or tortoises legally allowed as personal property that are ultimately euthanized (Food & Agr. Code, § 31753);
- 3. For dogs, cats, and other specified animals held for four business days after the day of impoundment, either:

(a) Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or

(b) For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed (Food & Agr., Code §§ 31108, 31752, and 31753);

- 4. Verifying whether a cat is feral or tame by using a standardized protocol (Food & Agr. Code, § 31752.5);
- 5. Posting lost and found lists (Food & Agr. Code, § 32001);
- 6. Maintaining records on animals that are not medically treated by a veterinarian, but are either taken up, euthanized after the holding period, or impounded (Food & Agr. Code, § 32003); and
- 7. Providing "necessary and prompt veterinary care" for abandoned animals, other than injured cats and dogs given emergency treatment, that are ultimately euthanized (Civ.Code, §§ 1834 and 1846).

# **II.** Eligible Claimants

Any city, county, city and county, dependent special district, and joint powers authority comprised of a city, county, and/or city and county that incurs increased costs as a result of this reimbursable state mandated program is eligible to claim reimbursement of those costs.

# III. Period of Reimbursement

Government Code section 17557, as amended by Statutes of 1998, Chapter 681 (which became effective on September 22, 1998), states that a test claim shall be submitted on or before June 30 following a fiscal year in order to establish eligibility for reimbursement for that fiscal year. On December 22, 1998, the County of Los Angeles filed the test claim for this mandated program, establishing eligibility for reimbursement beginning on or after July 1, 1997.

However, except for the amendments to Food and Agriculture Code sections 31108 and 31752, Statutes of 1998, Chapter 752 became operative and effective on January 1, 1999. Therefore, except for the amendments to Food and Agriculture Code sections 31108 and 31752, the costs incurred for Statutes of 1998, Chapter 752 are eligible for reimbursement on or after January 1, 1999.

Section 21 of Statutes of 1998, Chapter 752 establishes an operative date of July 1, 1999 for the amendments to Food and Agriculture Code section 31108 (holding period for stray dogs) and Food and Agriculture Code sections 31752 (holding period for stray cats). Therefore, costs incurred for Food and Agriculture Code sections 31108 and 31752, as amended by Statutes of 1998, Chapter 752, are eligible for reimbursement on or after July 1, 1999.

Actual costs for one fiscal year shall be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to section 17561, subdivision (d)(1) of the Government Code, all claims for reimbursement of initial years' costs shall be submitted within 120 days of notification by the State Controller of the issuance of claiming instructions.

If the total costs for a given year do not exceed \$200, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

# IV. Reimbursable Activities

For each eligible claimant, all direct and indirect costs of labor, materials, supplies, fixed assets, contracted services, training and travel for the performance of the activities listed below are eligible for reimbursement.

Except as specified in Component (B)(3) and (4), reimbursement claims for the performance of the activities listed below shall be based on actual or estimated costs as provided in Government Code section 17560.

# A. One Time Activities

- 1. Develop policies and procedures to implement the reimbursable activities listed in Section IV (B) of these parameters and guidelines.
- 2. Train staff on the reimbursable activities listed in Section IV (B) of these parameters and guidelines. (One-time per employee.)
- 3. Develop or procure computer software for the maintenance of records on animals specified in Section IV (B) (8) of these parameters and guidelines to the extent these costs are not claimed as an indirect cost under Section V (B) of these parameters and guidelines. If the computer software is utilized in some way that is not directly related to the maintenance of records specified in Section IV (B) (8), only the pro rata portion of the activity that is used for compliance with Section IV (B) (8) is reimbursable.
- B. Ongoing Activities
  - 1. Acquisition of Additional Space and/or Construction of New Facilities

Beginning January 1, 1999 - Acquiring additional space by purchase or lease and/or construction of new facilities to provide appropriate or adequate shelter necessary to comply with the mandated activities during the increased holding period for impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that die during the increased holding period or are ultimately euthanized.

Eligible claimants are only entitled to reimbursement for the proportionate share of actual costs required to plan, design, acquire, and/or build facilities in a given fiscal year based on the pro rata representation of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that are held during the *increased* holding period specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines and die during the increased holding period or are ultimately euthanized, to the total population of animals housed in the facility (including those animals that are excluded from

reimbursement, as specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines) during the entire holding period required by Food and Agriculture Code sections 31108, 31752 and 31753.

# Supporting Documentation Submitted with the Initial and Subsequent Reimbursement Claims

Acquiring additional space and/or construction of new facilities is reimbursable only to the extent that an eligible claimant submits, with the initial and/or subsequent reimbursement claim, documentation reflecting the following:

A determination by the governing board that acquiring additional space and/or constructing new facilities is necessary for the increased holding period required by Statutes of 1998, Chapter 752 because the existing facilities do not reasonably accommodate impounded stray or abandoned dogs, cats and other specified animals that are ultimately euthanized. The determination by the governing board shall include all of the following findings:

- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in 1998. Average Daily Census is defined as the average number of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 housed on any given day, in a 365-day period;
- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in a given year under the holding periods required by Food and Agriculture Code sections 31108, 31752, and 31753, as added or amended by Statutes of 1998, Chapter 752;
- Existing facilities are not appropriately configured and/or equipped to comply with the increased holding period required by Statutes of 1998, Chapter 752;
- Remodeling existing facilities is not feasible or is more expensive than acquiring additional space and/or constructing new facilities; and
- Contracting with existing private or public shelters in the area to house the increase of impounded stray or abandoned dogs, cats, or other animals specified in Statutes of 1998, Chapter 752 is not feasible or is more expensive than acquiring additional space and/or constructing new facilities.

Documentation requirements may be satisfied in whole or in part by staff agenda items, staff reports, minutes of governing board meetings, transcripts of governing board meetings, certification by the governing board describing the findings and determination, and/or a resolution adopted by the governing board pursuant to Food and Agriculture Code section 31755, as added by Statutes of 1999, Chapter 81 (Assembly Bill 1482).

2. Remodeling/Renovating Existing Facilities

Beginning January 1, 1999 - Remodeling/renovating existing facilities to provide appropriate or adequate shelter necessary to comply with the mandated activities during the increased holding period for impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that die during the increased holding period or are ultimately euthanized.

Eligible claimants are only entitled to reimbursement for the proportionate share of actual costs required to plan, design, remodel and/or renovate existing facilities in a given fiscal year based on the pro rata representation of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that are held during the *increased* holding period specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines and die during the increased holding period or are ultimately euthanized, to the total population of animals housed in the facility (including those animals that are excluded from reimbursement, as specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines) during the entire holding period required by Food and Agriculture Code sections 31108, 31752 and 31753.

# Supporting Documentation Submitted with the Initial and Subsequent Reimbursement Claims

Remodeling/renovating existing facilities is reimbursable only to the extent that an eligible claimant submits, with the initial and/or subsequent reimbursement claim, documentation reflecting the following:

A determination by the governing board or a delegated representative that remodeling/renovating existing facilities is necessary because the existing facilities do not reasonably accommodate impounded stray or abandoned dogs, cats and other specified animals that are ultimately euthanized for the increased holding period required by Statutes of 1998, Chapter 752. The determination by the governing board or delegated representative shall include all of the following findings:

• The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in 1998. Average Daily Census is defined as the average number of impounded stray or

abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 housed on any given day, in a 365-day period;

- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 in a given year under the holding periods required by Food and Agriculture Code sections 31108, 31752, and 31753, as added or amended by Statutes of 1998, Chapter 752;
- Existing facilities are not appropriately configured and/or equipped to comply with the increased holding period required by Statutes of 1998, Chapter 752;
- Contracting with existing private or public shelters in the area to house the increase of impounded stray or abandoned dogs, cats, or other animals specified in Statutes of 1998, Chapter 752 is not feasible or is more expensive than remodeling/renovating existing facilities.

Documentation requirements may be satisfied in whole or in part by staff agenda items, staff reports, minutes of governing board meetings, transcripts of governing board meetings, certification by the governing board or declaration from the delegated representative describing the findings and determination, and/or a resolution adopted by the governing board pursuant to Food and Agriculture Code section 31755, as added by Statutes of 1999, Chapter 81 (Assembly Bill 1482).

3. Care and Maintenance for Impounded Stray or Abandoned Dogs and Cats that Die During the Increased Holding Period or are Ultimately Euthanized (Food & Agr. Code, §§ 31108, 31752)

Beginning July 1, 1999 - Providing care and maintenance during the increased holding period for impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized. The increased holding period shall be measured by calculating the difference between three days from the day of capture, and four or six business days from the day after impoundment.

#### **Exclusions**

Eligible claimants are *not* entitled to reimbursement for the care and maintenance of the following population of dogs and cats:

- a. Stray or abandoned dogs and cats that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);
- b. Newborn stray or abandoned dogs and cats that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);

- c. Stray or abandoned dogs and cats too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- d. Owner relinquished dogs and cats; and
- e. Stray or abandoned dogs and cats that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

#### Methods for Claiming Costs

Eligible claimants may elect one of following two methods to claim costs for the care and maintenance of impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized:

- Actual Cost Method Under the actual cost method, actual reimbursable care and maintenance costs per animal per day are computed for an annual claim period.
  - a) Determine the total annual cost of care and maintenance for all dogs and cats impounded at a facility. Total cost of care and maintenance includes labor, materials, supplies, indirect costs, and contract services.
  - b) Determine the average daily census of dogs and cats.
  - c) Multiply the average daily census of dogs and cats by 365 = yearly census of dogs and cats.
  - d) Divide the total annual cost of care by the yearly census of dogs and cats = cost per animal per day.
  - e) Multiply the cost per animal per day, by the number of impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized, by each reimbursable day (the difference between three days from the day of capture, and four or six business days from the day after impoundment).
- Time Study Method Under the time study method, a random sample of impounded stray or abandoned dogs and cats are observed to determine the amount of time to provide care and maintenance during a reimbursable day.

The time study shall be developed using one representative month each quarter and be supported with actual source documentation. Time studies shall be conducted on a more frequent basis if there are significant variations of time expended from month to month. The time study shall identify hours devoted to each specific category. If the time study supports a fixed-cost approach such as an animal day (i.e., dogday, cat-day, etc.), the eligible claimant shall document the analysis supporting the method used.

Time records used to support the time study shall:

- i. Reflect an after-the-fact distribution of each employee's actual activity;
- ii. Account for the total activity for which each employee is compensated;
- iii. Account for the total labor hours of the month;
- iv. Be signed and dated by the employee not later than the end of the pay period that follows the pay period covered by the report; and
- v. Document, by signature or initials and date, supervisor approval.
- Care and Maintenance for Impounded Stray or Abandoned Animals Specified in Food and Agriculture Code Section 31753 that Die During the Increased Holding Period or are Ultimately Euthanized (Food & Agr. Code, § 31753)

Beginning January 1, 1999 - Providing care and maintenance for four or six business days from the day after impoundment for impounded stray or abandoned rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles, and tortoises legally allowed as personal property that die during the increased holding period or are ultimately euthanized.

#### **Exclusions**

Eligible claimants are *not* entitled to reimbursement for the care and maintenance of the following population of animals:

- a. Stray or abandoned animals that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);
- Newborn animals that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- c. Stray or abandoned animals too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- d. Owner relinquished animals; and

e. Stray or abandoned animals that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

# Methods for Claiming Costs

Eligible claimants may elect one of following two methods to claim costs for the care and maintenance of impounded stray or abandoned animals specified in Food and Agriculture Code section 31753 that die during the increased holding period or are ultimately euthanized:

- Actual Cost Method –Under the actual cost method, actual reimbursable care and maintenance costs per animal per day are computed for an annual claim period.
  - a) Determine the total annual cost of care and maintenance for all animals specified in Food and Agriculture Code section 31753 that are impounded at a facility. Total cost of care and maintenance includes labor, materials, supplies, indirect costs, and contract services.
  - b) Determine the average daily census of the animals specified in Food and Agriculture Code section 31753.
  - Multiply the average daily census of the animals specified in Food and Agriculture Code section 31753 by 365 = yearly census of animals specified in Food and Agriculture Code section 31753.
  - d) Divide the total annual cost of care by the yearly census of animals specified in Food and Agriculture Code section 31753 = cost per animal per day.
  - e) Multiply the cost per animal per day, by the number of impounded stray or abandoned animals specified in Food and Agriculture Code section 31753 that die during the increased holding period or are ultimately euthanized, by each reimbursable day (four or six business days from the day after impoundment).
- Time Study Method Under the time study method, a random sample of impounded stray or abandoned animals are observed to determine the amount of time to provide care and maintenance during a reimbursable day.

The time study shall be developed using one representative month each quarter and be supported with actual source documentation. Time studies shall be conducted on a more frequent basis if there are significant variations of time expended from month to month. The time study shall identify hours devoted to each specific category. If the time study supports a fixed-cost approach such as an animal day, the eligible claimant shall document the analysis supporting the method used.

Time records used to support the time study shall:

- i. Reflect an after-the-fact distribution of each employee's actual activity;
- ii. Account for the total activity for which each employee is compensated;
- iii. Account for the total labor hours of the month;
- iv. Be signed and dated by the employee not later than the end of the pay period that follows the pay period covered by the report; and
- v. Document, by signature or initials and date, supervisor approval.
- 5. Agencies Using the Holding Period of Four Business Days After the Day of Impoundment (Food & Agr. Code, §§ 31108, 31752, 31753)

Beginning January 1, 1999 - For impounded animals specified in Food and Agriculture Code section 31753, either:

- Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or
- For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.

Beginning July 1, 1999 - For impounded dogs and cats, either:

- Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or
- For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.
- 6. Feral Cats (Food & Agr. Code, § 31752.5)

Beginning January 1, 1999 - Verifying whether a cat is feral or tame by using a standardized protocol within the first three days of the required holding period if an apparently feral cat has not been reclaimed by its owner or caretaker. 7. Lost and Found Lists (Food & Agr. Code, § 32001)

Beginning January 1, 1999 - Providing owners of lost animals and those who find lost animals with all of the following:

- Ability to list the animals they have lost or found on "lost and found" lists maintained by the local agency;
- Referrals to animals listed that may be the animals the owner or finders have lost or found;
- The telephone numbers and addresses of other pounds and shelters in the same vicinity;
- Advice as to means of publishing and disseminating information regarding lost animals; and
- The telephone numbers and addresses of volunteer groups that may be of assistance in locating lost animals.
- 8. Maintaining *Non-Medical* Records (Food & Agr. Code, § 32003)

Beginning January 1, 1999 - Maintaining non-medical records on animals that are either taken up, euthanized after the holding period, or impounded. Such records shall include the following:

- The date the animal was taken up, euthanized, or impounded;
- The circumstances under which the animal is taken up, euthanized, or impounded;
- The names of the personnel who took up, euthanized, or impounded the animal; and
- The final disposition of the animal, including the name of the person who euthanized the animal or the name and address of the adopting party.

The cost of software license renewal contracts, to the extent these costs are not claimed as an indirect cost under these parameters and guidelines, is eligible for reimbursement under Section V (A) (2) of these parameters and guidelines. If the computer software is utilized in some way that is not directly related to the maintenance of records specified in this section, only the pro rata portion of the software license renewal contract that is used for compliance with this section is reimbursable.

9. "Necessary and Prompt Veterinary Care" (Civ. Code, §§ 1834 and 1846)

Beginning January 1, 1999 - Providing "necessary and prompt veterinary care" for stray and abandoned animals, other than injured cats and dogs given emergency treatment, that die during the holding

period or are ultimately euthanized, during the holding periods specified in Statutes of 1998, Chapter 752.

"Necessary and prompt veterinary care" means all reasonably necessary medical procedures performed by a veterinarian or someone under the supervision of a veterinarian to make stray or abandoned animals "adoptable." The following veterinary procedures, if conducted, are eligible for reimbursement:

- An initial physical examination of the animal to determine the animal's baseline health status and classification as "adoptable," "treatable," or "non-rehabilitatable."
- A wellness vaccine administered to "treatable" or "adoptable" animals.
- Veterinary care to stabilize and/or relieve the suffering of a "treatable" animal.
- Veterinary care intended to remedy any applicable disease, injury, or congenital or hereditary condition that adversely affects the health of a "treatable" animal or that is likely to adversely affect the animal's health in the future, until the animal becomes "adoptable."

#### Population Exclusions

Eligible claimants are *not* entitled to reimbursement for providing "necessary and prompt veterinary care" to the following population of animals:

- a. Animals that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);
- Newborn animals that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- c. Animals too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal. (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- d. Owner relinquished animals; and
- e. Stray or abandoned animals that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

# Veterinary Care Exclusions

Eligible claimants are *not* entitled to reimbursement for providing the following veterinary procedures:

• Emergency treatment given to injure cats and dogs (Pen. Code, § 597f, subd. (b));

- Administration of rabies vaccination to dogs (Health & Saf. Code, § 121690);
- Implantation of microchip identification;
- Spay or neuter surgery and treatment;
- Euthanasia.
- 10. Beginning January 1, 1999 Procuring medical, kennel, and computer equipment necessary to comply with the reimbursable activities listed in Section IV (B) of these parameters and guidelines, to the extent these costs are not claimed as an indirect cost under Section V (B) of these parameters and guidelines. If the medical, kennel, and computer equipment is utilized in some way not directly related to the mandated program or the population of animals listed in Section IV (B), only the pro rata portion of the activity that is used for the purposes of the mandated program is reimbursable.

# V. Claim Preparation and Submission

Each claim for reimbursement must be timely filed and identify each cost element for which reimbursement is claimed under this mandate. Claimed costs must be identified to each reimbursable activity identified in Section IV. of these Parameters and Guidelines.

A. Direct Costs

Direct costs are defined as costs that can be traced to specific goods, services, programs, activities, or functions and shall be supported by the following cost element information:

1. Salaries and Benefits

Identify the employee(s), and/or show the classification of the employee(s) involved. Describe the reimbursable activities performed, specify the actual time devoted to each activity by each employee, and the productive hourly rate, and related fringe benefits.

Reimbursement for personnel services includes compensation paid for salaries, wages, and employee fringe benefits. Employee fringe benefits include regular compensation paid to an employee during periods of authorized absences (e.g., annual leave, sick leave) and the employer's contributions to social security, pension plans, insurance, and worker's compensation insurance. Fringe benefits are eligible for reimbursement when distributed equitably to all job activities performed by the employee.

2. Materials and Supplies

Only expenditures that can be identified as direct costs of this mandate may be claimed. List the cost of the materials and supplies consumed specifically for the purposes of this mandate. Purchases shall be claimed at the actual price after deducting cash discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged based on a recognized method of costing, consistently applied.

3. Contract Services

Provide the name(s) of the contractor(s) who performed the services, including any fixed contracts for services. Describe the reimbursable activity(ies) performed by each named contractor and give the number of actual hours spent on the activities, if applicable. Show the inclusive dates when services were performed and itemize all costs for those services. Attach consultant invoices to the claim.

4. Travel

Travel expenses for mileage, per diem, lodging, and other employee entitlements are eligible for reimbursement in accordance with the rules of the local jurisdiction. Provide the name(s) of traveler(s), purpose of travel, inclusive dates and times of travel, destination point(s), and travel costs.

5. Training

The cost of training an employee to perform the mandated activities, as specified in Section IV (A) of these Parameters and Guidelines, is eligible for reimbursement. Identify the employee(s) by name and job classification. Provide the title and subject of the training session, the date(s) attended, and the location. Reimbursable costs may include salaries and benefits, registration fees, transportation, lodging, and per diem.

6. Fixed Assets

List the costs of the fixed assets that have been acquired specifically for the purpose of this mandate. If the fixed asset is utilized in some way not directly related to the mandated program, only the pro-rata portion of the asset that is used for the purposes of the mandated program is reimbursable.

**B.** Indirect Costs

Compensation for indirect costs is eligible for reimbursement. Indirect costs are those that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. After direct costs have been determined and assigned to other activities, as appropriate, indirect costs are those remaining to be allocated to benefited cost objectives. A cost may not be allocated as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been claimed as a direct cost. Indirect costs include (a) the indirect costs originating in each department or agency of the governmental unit carrying out state mandated programs and (b) the costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.

Claimants have the option of using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal (ICRP) pursuant to the Office of Management and Budget (OMB) Circular A-87.

# VI. Supporting Data

For auditing purposes, all costs claimed shall be traceable to source documents (e.g., employee time records, cost allocation reports, invoices, receipts, purchase orders, contracts, worksheets, calendars, declarations, time studies, etc.) that show evidence of the validity of such costs and their relationship to this mandate. All documentation in support of claimed costs shall be made available to the State Controller's Office, as may be requested. Pursuant to Government Code section 17558.5, these documents must be kept on file by the agency submitting the claim for a period of no less than two years after the later of (1) the end of the calendar year in which the reimbursement claim is filed or last amended, or (2) if no funds are appropriated for the fiscal year for which the claim is made, the date of initial payment of the claim.

# VII. Offsetting Savings and Other Reimbursements

Any offsetting savings that the claimant experiences as a direct result of this mandate must be deducted from the costs claimed. Additionally, reimbursement for this mandate received from any source shall be identified and deducted from this claim. These sources shall include, but not be limited to, rewards received under the authority of Civil Code section 1845; licensing fees and fines received and applied pursuant to Food and Agriculture Code section 30652, Government Code section 28502, and Penal Code section 597f; other state funds, and federal funds. The fees and fines received pursuant to Food and Agriculture Code section 30652 shall be deducted from the claim according to the priority specified in the statute and stated below:

- First, to pay fees for the issuance of dog license tags pursuant to Food and Agriculture Code section 30652, subdivision (a);
- Second, in accordance with Food and Agriculture Code section 30652, subdivision (b), any excess revenue held after the payment of dog license tags shall be applied to the fees, salaries, costs, expenses, or any or all of them for the enforcement of Division 14 of the Food and Agriculture Code, including Food and Agriculture Code section 31108, and all ordinances that are made pursuant to Division 14. Costs incurred under Food and Agriculture Code section 31108 are specified in Section IV (B) (1), (2), (3), and (5), and Section IV (A) of these parameters and guidelines. Any or all excess revenue must be applied to the costs incurred under Food and Agriculture Code section

31108 before any revenue can be applied to subdivisions (c) and (d) of Food and Agriculture Code section 30652.

# VIII. State Controller's Office Required Certification

An authorized representative of the claimant shall be required to provide a certification of the claim, as specified in the State Controller's Office claiming instructions, for those costs mandated by the state contained herein.

# IX. Parameters and Guidelines Amendments

Pursuant to title 2, California Code of Regulations, section 1183.2, Parameters and Guidelines amendments filed before the deadline for initial claims as specified in the Claiming Instructions shall apply to all years eligible for reimbursement as defined in the original Parameters and Guidelines. A Parameters and Guidelines amendment filed after the initial claiming deadline must be submitted on or before January 15, following a fiscal year in order to establish eligibility for reimbursement for the fiscal year.

#### ш ...

State Controller's Of	fice		Mand	ated Cost Manual
	CLAIM FOR PAYMEN	т	For State Controller Use C	<sup>Only</sup> Program
Pursuan	nt to Government Code Se	ection 17561	(19) Program Number 00213	
	ANIMAL ADOPTION		(20) Date Filed//_	<b>213</b>
			(21) LRS Input//	
(01) Claimant Identification Nur	mber		Reimbursement	Claim Data
(02) Claimant Name			(22) AA-1, (04)(A)(1)(g)	
County of Location			(23) AA-1, (04)(A)(2)(g)	
Street Address or P.O. Box		Suite	(24) AA-1, (04)(A)(3)(g)	
Citv	State	Zip Code	(25) AA-1, (04)(B)(1)(g)	
Type of Claim	Estimated Claim	Reimbursement Claim	(26) AA-1, (04)(B)(2)(g)	
	(03) Estimated	(09) Reimbursement	(27) AA-1, (04)(B)(3)(g)	
	(04) Combined	(10) Combined	(28) AA-1, (04)(B)(4)(g)	
	(05) Amended	(11) Amended	(29) AA-1, (04)(B)(5)(g)	
Fiscal Year of Cost	(06) 20_/20	(12) 20_/20	(30) AA-1, (04)(B)(6)(g)	
Total Claimed Amount	(07)	(13)	(31) AA-1, (04)(B)(7)(g)	
Less: 10% Late Penalty	, not to exceed \$1,000	(14)	(32) AA-1, (04)(B)(8)(g)	
Less: Prior Claim Paym	ent Received	(15)	(33) AA-1, (04)(B)(9)(g)	
Net Claimed Amount		(16)	(34) AA-1, (04)(B)(10)(g)	
Due from State	(08)	(17)	(35) AA-1, (06)	
Due to State		(18)	(36)	
mandated cost claims with provisions of Government I further certify that there	ovisions of Government Code § h the State of California for this t Code Sections 1090 to 1098, i was no application other than f	from the claimant, nor any gran	nalty of perjury that I have n t or payment received, for re	not violated any of the
and reimbursements set f documentation currently r The amounts for this Estir	orth in the Parameters and Gui maintained by the claimant. mated Claim and/or Reimburse he attached statements. I certif	ram or increased level of servic delines are identified, and all co ment Claim are hereby claimed y under penalty of perjury unde	from the State for payment	by source of estimated and/or
Signature of Authorized Offi	icer		Date	

Type or Print Name		Title			
(38) Name of Contact Person for Claim	Telephone Number	(	)	-	Ext.
	E-Mail Address				

Form FAM-27 (Revised 09/03)

Program 213	ANIMAL ADOPTION Certification Claim Form Instructions	FORM FAM-2
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- (02)Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.
- (03) If filing an estimated claim, enter an "X" in the box on line (03) Estimated.
- (04) If filing a combined estimated claim on behalf of districts within the county, enter an "X" in the box on line (04) Combined.
- (05)If filing an amended estimated claim, enter an "X" in the box on line (05) Amended.
- (06) Enter the fiscal year in which costs are to be incurred.
- (07) Enter the amount of the estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete form AA-1 and enter the amount from line (11).
- (08) Enter the same amount as shown on line (07).
- (09) If filing a reimbursement claim, enter an "X" in the box on line (09) Reimbursement.
- (10)If filing a combined reimbursement claim on behalf of districts within the county, enter an "X" in the box on line (10) Combined.
- (11)If filing an amended reimbursement claim, enter an "X" in the box on line (11) Amended.
- (12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 for each fiscal year.
- (13)Enter the amount of the reimbursement claim from form AA-1, line (11). The total claimed amount must exceed \$1,000.
- Reimbursement claims must be filed by January 15 of the following fiscal year in which costs were incurred or the claims shall be (14) reduced by a late penalty. Enter zero if the claim was timely filed, otherwise, enter the product of multiplying line (13) by the factor 0.10 (10% penalty), or \$1,000, whichever is less.
- If filing a reimbursement claim and an estimated claim was previously filed for the same fiscal year, enter the amount received for (15) the claim. Otherwise, enter a zero.
- (16) Enter the result of subtracting line (14) and line (15) from line (13).
- (17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17), Due from State.
- (18) If line (16), Net Claimed Amount, is negative, enter that amount on line (18), Due to State.
- (19) to (21) Leave blank.
- Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for (22) to (36) the reimbursement claim, e.g., AA-1, (04)(A)(1)(g), means the information is located on form AA-1, line (04)(A)(1), column (g). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 34.19% should be shown as 34. Completion of this data block will expedite the payment process.
- Read the statement "Certification of Claim." If it is true, the claim must be dated, signed by the agency's authorized officer, and (37)must include the person's name and title, typed or printed. Claims cannot be paid unless accompanied by an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)
- (38) Enter the name, telephone number, and e-mail address of the person to contact if additional information is required.

SUBMIT A SIGNED ORIGINAL, AND A COPY OF FORM FAM-27, WITH ALL OTHER FORMS AND SUPPORTING DOCUMENTS TO:

Address, if delivered by U.S. Postal Service:

Address, if delivered by other delivery service:

OFFICE OF THE STATE CONTROLLER **ATTN: Local Reimbursements Section Division of Accounting and Reporting** P.O. Box 942850 Sacramento, CA 94250

OFFICE OF THE STATE CONTROLLER **ATTN: Local Reimbursements Section Division of Accounting and Reporting** 3301 C Street, Suite 500 Sacramento, CA 95816

M 27

State Controller's Office Mandated Co						ost Manual		
Program 213	MANDATED COSTS ANIMAL ADOPTION CLAIM SUMMARY						FORM AA-1	
(01) Claimant				(02)	Type of Cl	aim		Fiscal Year
					Reimburse Estimated	ement	20	/20
(03) Department					LStimated			
Direct Costs				Obj	ject Accou	nts		
(04) Reimbursable	(a)	(b)	(c)		(d)	(e)	(f)	(g)
Components A. One-Time Costs	Salaries	Benefits	Materials Supplies		Contract Services	Travel & Training	Fixed Assets	Total
1. Policies and Procedures								
2. Training								
3. Computer Software								
B. Ongoing Costs		•		<u> </u>				
1 Acquiring Space/Facilities								
2. Renovating Facilities								
3. Care of Dogs & Cats								
4. Care of Other Animals								
5. Holding Period								
6. Feral Cats								
7. Lost and Found Lists								
8. Non-Medical Records								
9. Veterinary Care								
10. Procuring Equipment								
(05) Total Direct Costs								
Indirect Costs								
(06) Indirect Cost Rate		[From ICRP]					%	
(07) Total Indirect Costs	[Line (06) x line (05)(a)] or [Line (06) x {line (05)(a) + line (05)(b)}]							
(08) Total Direct and Indirect Costs [Line (05)(g) + line (07)]								
Cost Reduction								
(09) Less: Offsetting Savings								
(10) Less: Other Reimbursements								
(11) Total Claimed Amount [Line (08) - {line (09) + line (10)}]								

Revised 09/03

Progra		
(01)	Enter the name of the claimant.	
(02)	Type of Claim. Check a box, Reimbursement or Estimated, to identify the type of claim being file Enter the fiscal year of costs.	ed.
	Form AA-1 must be filed for a reimbursement claim. Do not complete form AA-1 if you are filing estimated claim and the estimate does not exceed the previous fiscal year's actual costs by more tha 10%. Simply enter the amount of the estimated claim on form FAM-27, line (07). However, if t estimated claim exceeds the previous fiscal year's actual costs by more than 10%, form AA-1 must completed and a statement attached explaining the increased costs. Without this information the his estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs.	nan the be
(03)	Department. If more than one department has incurred costs for this mandate, give the name of ea department. A separate form AA-1 should be completed for each department.	ach
(04)	Reimbursable Components. For each reimbursable component, enter the total from form AA-2, li (05), columns (d) through (i) to form AA-1, block (05), columns (a) through (f) in the appropriate ro Total each row.	
(05)	Total Direct Costs. Total columns (a) through (g).	
(06)	Indirect Cost Rate. Indirect costs may be computed as 10% of direct labor costs, excluding frin- benefits, without preparing an ICRP. If an indirect cost rate of greater than 10% is used, include to Indirect Cost Rate Proposal (ICRP) with the claim.	
(07)	Total Indirect Costs. If the 10% flat rate is used for indirect costs, multiply Total Salaries, line (05)(a) by the Indirect Cost Rate, line (06). If an ICRP is submitted and both salaries and benefits were used in the distribution base for the computation of the indirect cost rate, then multiply the sum of To Salaries, line (05)(a), and Total Benefits, line (05)(b), by the Indirect Cost Rate, line (06). If more the one department is reporting costs, each must have its own ICRP for the program.	sed otal
(08)	Total Direct and Indirect Costs. Enter the sum of Total Direct Costs, line (05)(g), and Total Indir Costs, line (07).	reci
(09)	Less: Offsetting Savings. If applicable, enter the total savings experienced by the claimant as a dire result of this mandate. Submit a detailed schedule of savings with the claim.	ect
(10)	Less: Other Reimbursements. Reimbursement received from any source shall be identified at deducted from this claim. Sources shall include, but are not limited to, rewards received und authority of Civil Code § 1845, licensing fees and fines received and applied pursuant to Food at Agriculture Code Section (F & AC §) 30652, Government Code Section 28502, and Penal Code Section 597f, and other state funds, and federal funds. Fees and fines received pursuant to F & AC 30652 shall be deducted according to the priority specified on page 15 of the P's and G's.	der and ode
(11)	Total Claimed Amount. From Total Direct and Indirect Costs, line (08), subtract the sum of Offsetti Savings, line (09), and Other Reimbursements, line (10). Enter the remainder on this line and can the amount forward to form FAM-27, line (07) for the Estimated Claim or line (13) for the Reimbursement Claim.	arry

State Controller's Office Mandated Cost Manual								
Program MANDATED COSTS ANIMAL ADOPTION COMPONENT/ACTIVITY COST DETAIL							FORM AA-2	
(01) Claimant			(02) F	Fiscal Yea	r			
(03) Reimbursable Components: One-Time Policies and Proce		-	x per form	to identify	the comp		ng claime r Software	d.
Ongoing Acquiring Space/F			enovating Fa	acilities			ogs & Cats	
Care of Other Anir	nals	н	lolding Perio	d		Feral Cat	s	
Lost and Found List	sts	N	lon-Medical F	Records		Veterinar	y Care	
Procuring Equipment								
(04) Description of Expenses Object Accounts								
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(C) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f) Materials and Supplies	(g) Contract Services	(h) Fixed Assets	(i) Travel and Training
(05) Total Subtotal	Page:	of						

#### State Controller's Office

#### Mandated Cost Manual

Program 213	ANIMAL ADOPTION COMPONENT/ACTIVITY COST DETAIL Instructions	FORM AA-2	
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- (01) Claimant. Enter the name of the claimant. If more than one department has incurred costs for this mandate, give the name of each department. A separate form AA-2 should be completed for each department.
- (02) Fiscal Year. Enter the fiscal year for which costs were incurred.
- (03) Reimbursable Components. Check the box which indicates the cost component being claimed. Check only one box per form. A separate form AA-2 shall be prepared for each applicable component.
- (04) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the component activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, travel and training expenses. The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed. For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the date the claim was filed or last amended, whichever is later. If no funds were appropriated and no payment was made at the time the claim was filed, the time for the Controller to initiate an audit shall be from the date of initial payment of the claim. Such documents shall be made available to the State Controller's Office on request.

Object/ Sub object		-	-	Colu	mns	-		-	Submit supporting documents
Accounts	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	with the claim
Salaries	Employee Name/Title	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked					
Benefits	Activities Performed	Benefit Rate		Benefits = Benefit Rate x Salaries					
Materials and Supplies	Description of Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used				
Contract Services	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service			Cost = Hourly Rate x Hours Worked			Copy of Contract
Fixed Assets	Description of Equipment Purchased	Unit Cost	Usage				Cost = Unit Cost x Usage		Supporting Documentation
Travel and Training Travel	Purpose of Trip Name and Title Departure and Return Date	Per Diem Rate Mileage Rate Travel Cost	Days Miles Travel Mode					Cost = Rate x Days or Miles or Total Travel Cost	
Training	Employee Name/Title Name of Class		Dates Attended					Registration Fee	

(05) Total line (04), columns (d) through (i) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the component/activity costs, number each page. Enter totals from line (05), columns (d) through (i) to form AA-1, block (04), columns (a) through (f) in the appropriate row.

# GENERAL CLAIMING INSTRUCTIONS

**RECEIVED** May 19, 2014 **Commission on State Mandates** 

#### **Reimbursable State Mandated Cost Programs**

Local agencies may file claims with the SCO for the cost of complying with the following state mandated programs. An "x" indicates the agencies that are eligible to file claims for the given program. For your convenience, the programs are listed in alphabetical order by program name.

Program Number	Program Name	Counties	Cities	Special Districts
2	Absentee Ballots	х	х	х
248	Absentee Ballots-Tabulation by Precinct	х		
246	Administrative License Suspension	х	х	
73	AIDS: Search Warrants	х	х	
152	Allocation of Property Tax Revenue	х		
213	Animal Adoption	х	х	х
6	Brendon Maguire Act	х	х	х
13	Child Abduction and Recovery	х		
67	Conservatorship: Developmentally Disabled Adults	x		
88	Coroners	х		
158	Crime Victims' Rights	х		
87	Developmentally Disabled: Attorneys' Services	x		
167	Domestic Violence Arrest Policies and Standards	x	х	
177	Domestic Violence Treatment Services Authorization and Case Management	x	х	
257	False Reports of Police Misconduct	x	х	x
23	Firefighters' Cancer Presumption	X	Х	х
227	Grand Jury Proceedings	x	х	x
197	Health Benefits for Survivors of Peace Officers and Firefighters	x	х	x
41	Mandate Reimbursement Process	х	х	х
43	Medi-Cal Beneficiary Death Notices	х		
203	Mentally Disordered Offenders' Extended Commitment Proceedings	x		
39	Mentally Disordered Sex Offenders: Extended Commitments	x		
66	Mentally Retarded Defendants: Diversion	x		
200	Not Guilty by Reason of Insanity II	х		
219	Open Meetings Act/Brown Act Reform	х	х	х

Program Number	Program Name	Counties	Cities	Special Districts
122	Pacific Beach Safety	x		
118	Peace Officers' Cancer Presumption	x	х	х
187	Peace Officers Procedural Bill of Rights	x	х	х
124	Perinatal Services	х		
83	Permanent Absent Voters	х		
121	Pesticide Use Reports	x		
215	Photographic Record of Evidence	x	х	х
127	Rape Victims Counseling Center Notices	x	х	
18	Senior Citizens Property Tax Postponement	x		
191	Seriously Emotionally Disturbed Pupils:	x		
	Out of-State Mental Health Services			
111	Services to Handicapped Students	x		
175	Sexually Violent Predators	x		
163	Threats Against Peace Officers	x	Х	х
90	Unitary Countywide Tax Rates	x		
56	Voter Registration Procedures	х		

# APPROPRIATIONS FOR THE 2004-05 AND 2005-06 FISCAL YEARS

Source	of the State N	-				
	Mandated Programs			Amounts Appropriated 2004-05 2005-06		
Item 44	40-295-0001 D	epartment o	of Mental Health	\$60,000,000 <sup>1</sup>	\$60,000,000 <sup>1</sup>	
(1)	Chapter		Services to Handicapped Students	. , ,	. , ,	
(2)	Chapter	654/96	Seriously Emotionally Disturbed Pupils			
( )	•		, , , , , , , , , , , , , , , , , , ,			
			on State Mandates			
(1) For			mandate claims for the 2004-05 fiscal year:	73,156,000 <sup>2</sup>		
(a)	Chapter	411/95	Crime Victim Rights			
(b)	Chapter	1249/92	Threats Against Peace Officers			
(C)	Chapter	1399/76	Child Abduction and Recovery			
(d)	Chapter	337/90	Stolen Vehicle Notification <sup>3</sup>			
(e)	Chapter	77/78	Absentee Ballots			
(f)	Chapter	1422/82	Permanent Absent Voters			
(g)	Chapter	704/75	Voter Registration Procedures			
(ĥ)	Chapter	697/99	Absentee Ballots II-Tabulation by Precinct			
(i)	Chapter	391/88	Brendan McGuire Act			
(k)	Chapter	102/81	Medi-Cal Beneficiary Death Notices			
(I)	Chapter	961/92				
(m)	Chapter	1603/90	,			
(n)	Chapter	1088/88				
(0)	Chapter	1253/80	Mentally Retarded Defendants Representation			
(p)	Chapter	644/80	Judicial Proceedings			
(q)	Chapter	1304/80	Conservatorship: Developmentally Disabled			
(9)	onaptor		Adults			
(r)	Chapter	694/75	Developmentally Disabled Attorneys Services			
(s)	Chapter	498/77	Coroners Costs			
(t)	Chapter	1114/79	Not Guilty by Reason of Insanity			
(u)	Chapter	1038/78	Mentally Disordered Offenders' Extended			
( )	•		Commitments			
(v)	Chapter	762/95	Sexually Violent Predators			
(w)	Chapter	106/78	Mentally Disordered Sex Offenders			
( )	•		Recommitments			
(x)	Chapter	183/92	Domestic Violence Treatment Services			
(y)	Chapter	1171/89	Police Officers Cancer Presumption			
(z)	Chapter	1568/82	Firefighters Cancer Presumption			
(aa)	Chapter	246/95	Domestic Violence Arrest Policies			
(bb)	Chapter	752/98	Animal Adoption			
(cc)	Chapter	921/87	Unitary Countywide Tax Rates			
(dd)	Chapter	1242/77	Senior Citizens Property Tax Deferral			
(ee)	Chapter	697/92	Allocation of Property Tax Revenues			
(ff)	Chapter	875/85	Photographic Record of Evidence			
(gg)	Chapter	999/91	Rape Victims Counseling			
(hh)	Chapter	1120/96	Health Benefits for Survivors of Peace Officers and			
()			Firefighters			
(ii)	Chapter	641/86	Open Meetings Act/Brown Act Reform <sup>4</sup>			
()						

 <sup>&</sup>lt;sup>1</sup> 2005-06 State Budget Act (Chapter 38/39, Statutes of 2005) Item 1 & 2.
 <sup>2</sup> 2005-06 State Budget Act (Chapter 38/39, Statutes of 2005) Item 8885-295-0001 and Provision 3.
 <sup>3</sup> 2004-05 State Budget Act (Chapter 208, Statutes of 2004, Item 0820-295-0001) program suspended.

<sup>&</sup>lt;sup>4</sup> Commission on State Mandates set aside the Parameters and Guidelines as directed by AB 138, Statute of 2005

#### APPROPRIATIONS FOR THE 2004-05 AND 2005-06 FISCAL YEAR (Cont'd.)

Source	Source of the State Mandated Cost Appropriations (Cont'd.)						
			landated Programs	Amounts Appropriated 2004-05 2005-06			
			on State Mandates	_			
(2) For			mandate claims for the 2005-06 fiscal year:	\$46,208,000 <sup>5</sup>			
(a)	Chapter	411/95	Crime Victims Rights				
(b)	Chapter	1249/92	Threats Against Peace Officers				
(C)	Chapter	1399/76	Child Abduction and Recovery				
(d)	Chapter	337/90	Stolen Vehicle Notification				
(e)	Chapter	77/78	Absentee Ballots				
(f)	Chapter		Permanent Absentee Voters				
(g)	Chapter		Voter Registration Procedures				
(h)	Chapter	697/99					
(i)	Chapter	391/88	Brendan McGuire Act				
(j)	Chapter	102/81					
(k)	Chapter		Pacific Beach Safety				
(I)	Chapter		Perinatal Services				
(m)	Chapter	1088/88	AIDS/Search Warrant				
(n)	Chapter	1253/80					
(0)	Chapter	644/80	Judicial Proceedings				
(p)	Chapter	1304/80	Conservatorship: Developmentally Disabled Adults				
(q)	Chapter	694/75	Developmentally Disabled Attorneys Services				
(r)	Chapter	498/77	Coroners Costs				
(s)	Chapter	1114/79	Not Guilty by Reason of Insanity II				
(t)	Chapter	1038/78	Mentally Disordered Offenders Extended Commitment				
(u)	Chapter	762/95	Sexually Violent Predators				
(v)	Chapter	1036/78	Mentally Disordered Sex Offenders Recommitments				
(w)	Chapter	183/92	Domestic Violence Treatment Services				
(x)	Chapter	1171/89	Police Officers Cancer Presumption				
(y)	Chapter	1568/82	Firefighters Cancer Presumption				
(Z)	Chapter	246/95	Domestic Violence Arrest Policies				
(aa)	Chapter	752/98	Animal Adoption				
(bb)	Chapter	924/87	Unitary Countrywide Tax Rates				
(cc)	Chapter	1242/77	Senior Citizens Property Tax Deferral				
(dd)	Chapter	697/92	Allocation of Property Tax Revenues				
(ee)	Chapter	875/85	Photographic Record of Evidence				
(ff)	Chapter	999/91	Rape Victims Counseling				
(gg)	Chapter	1120/96	Health Benefits for Survivors of Peace Officers and Firefighters				
			on State Mandates, Provision 1				
(a)	Chapter	675/90	Peace Officers Procedural Bill of Rights (POBOR) <sup>6</sup>				
			on State Mandates				
(1)	Chapter	1460/89	Administrative License Suspension	1,506,000			

 <sup>5</sup> 2005-06 State Budget Act (Chapter 38/39, Statutes of 2005) Item 8885-295-0001 and Provision 1.
 <sup>6</sup> 2005-06 State Budget Act (Chapter 38/39, Statutes of 2005), specifically identify POBOR for deferral of payment of costs for the 2004-05 and 2005-06 fiscal years.

# APPROPRIATIONS FOR THE 2004-05 AND 2005-06 FISCAL YEAR (Cont'd.)

Source of the State Mandated Cost Appropriations (Cont'd.) Mandated Programs				Amounts A	Amounts Appropriated			
				2004-05	2005-06			
Item 8885	5-295-0106 De	epartment c	of Pesticide Regulation					
(1)	Chapter	1200/89	Pesticide Use Reports		157,000			
Grand To	tal			<u>\$133,156,000</u>	\$107,871,000			

# FILING A CLAIM

#### 1. Introduction

The law in the State of California (Government Code Sections 17500 through 17616) provides for the reimbursement of costs incurred by local agencies for costs mandated by the State. Costs mandated by the State means any increased costs that local agencies are required to incur after July 1, 1980, as a result of any statute enacted after January 1, 1975, or any executive order implementing such statute which mandates a new program or higher level of service of an existing program.

Estimated claims that show costs to be incurred in the current fiscal year and reimbursement claims that detail the costs actually incurred for the prior fiscal year may be filed with the State Controller's Office (SCO). Claims for on-going programs are filed annually by January 15. Claims for new programs are filed within 120 days from the date claiming instructions are issued for the program. A 10 percent penalty (up to \$1,000 for continuing claims, no limit for initial claims) is assessed for late claims. The SCO may audit the records of any local agency to verify the actual amount of mandated costs and may reduce any claim that is excessive or unreasonable.

When a program has been reimbursed for three or more years, the COSM may approve the program for inclusion in the State Mandates Apportionment System (SMAS). For programs included in SMAS, the SCO determines the amount of each claimant's entitlement based on an average of three consecutive fiscal years of actual costs adjusted by any changes in the Implicit Price Deflator (IPD). Claimants with an established entitlement receive an annual apportionment adjusted by any changes in the IPD and, under certain circumstances, by any changes in workload. Claimants with an established entitlement are not required to file further claims for the program.

The SCO is authorized to make payments for costs of mandated programs from amounts appropriated by the State Budget Act, by the State Mandates Claims Fund, or by specific legislation. In the event the appropriation is insufficient to pay claims in full, claimants will receive prorated payments in proportion to the dollar amount of approved claims for the program. Balances of prorated payments will be made when supplementary funds become available.

The instructions contained in this manual are intended to provide general guidance for filing a mandated cost claim. Since each mandate is administered separately, it is important to refer to the specific program for information related to established policies on eligible reimbursable costs.

## 2. Types of Claims

There are three types of claims: Reimbursement, estimated, and entitlement. A claimant may file a reimbursement claim for actual mandated costs incurred in the prior fiscal year or may file an estimated claim for mandated costs to be incurred during the current fiscal year. An entitlement claim may be filed for the purpose of establishing a base year entitlement amount for mandated programs included in SMAS. A claimant who has established a base year entitlement for a program would receive an automatic annual payment, which is reflective of the current costs for the program.

All claims received by the SCO will be reviewed to verify actual costs. An adjustment of the claim will be made if the amount claimed is determined to be excessive, improper, or unreasonable. The claim must be filed with sufficient documentation to support the costs claimed. The types of documentation required to substantiate a claim are identified in the instructions for the program. The certification of claim, form FAM-27, must be signed and dated by the entity's authorized officer in order for the SCO to make payment on the claim.

## A. Reimbursement Claim

A reimbursement claim is defined in GC Section 17522 as any claim filed with the SCO by a local agency for reimbursement of costs incurred for which an appropriation is made for the purpose of paying the claim. The claim must include supporting documentation to substantiate the costs claimed.

Initial reimbursement claims are first-time claims for reimbursement of costs for one or more prior fiscal years of a program that was previously unfunded. Claims are due 120 days from the date of issuance of the claiming instructions for the program by the SCO. The first statute that appropriates funds for the mandated program will specify the fiscal years for which costs are eligible for reimbursement.

Annual reimbursement claims must be filed by January 15 following the fiscal year in which costs were incurred for the program. A reimbursement claim must detail the costs actually incurred in the prior fiscal year.

An actual claim for the 2004-05 fiscal years may be filed by January 15, 2005, without a late penalty. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$1,000. However, initial reimbursement claims will be reduced by a late penalty of 10% with no limitation. In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. Claims filed more than one year after the deadline or without the requested supporting documentation will not be accepted.

## B. Estimated Claim

An estimated claim is defined in GC Section 17522 as any claim filed with the SCO, during the fiscal year in which the mandated costs are to be incurred by the local agency, against an appropriation made to the SCO for the purpose of paying those costs.

An estimated claim may be filed in conjunction with an initial reimbursement claim, annual reimbursement claim, or at other times for estimated costs to be incurred during the current fiscal year. Annual estimated claims are due January 15 of the fiscal year in which the costs are to be incurred. Initial estimated claims are due on the date specified in the claiming instructions. Timely filed estimated claims are paid before those filed after the deadline.

After receiving payment for an estimated claim, the claimant must file a reimbursement claim by January 15 following the fiscal year in which costs were incurred. If the claimant fails to file a reimbursement claim, monies received for the estimated claims must be returned to the State.

## C. Entitlement Claim

An entitlement claim is defined in GC Section 17522 as any claim filed by a local agency with the SCO for the sole purpose of establishing or adjusting a base year entitlement for a mandated program that has been included in SMAS. An entitlement claim should not contain nonrecurring or initial start-up costs. There is no statutory deadline for the filing of entitlement claims. However, entitlement claims and supporting documents should be filed by January 15 to permit an orderly processing of claims. When the claims are approved and a base year entitlement amount is determined, the claimant will receive an apportionment reflective of the program's current year costs. Local mandates included in SMAS are listed in Section 2, number 6.

Once a mandate has been included in SMAS and the claimant has established a base year entitlement, the claimant will receive automatic payments from the SCO for the mandate. The automatic apportionment is determined by adjusting the claimant's base year entitlement for changes in the costs of goods and services to governmental agencies, as determined by the implicit price deflator issued by the State Department of Finance. For programs approved by the COSM for inclusion in SMAS on or after January 1, 1988, the payment for each year succeeding the three years base period is adjusted according to any changes by both the deflator and average daily attendance. Annual apportionments for programs included in the system are paid on or before November 30 of each year.

A base year entitlement is determined by computing an average of the claimant's costs for any three consecutive years after the program has been approved for the SMAS process. The amount is first adjusted according to any changes in the deflator. The deflator is applied separately to each year's costs for the three years, which comprise the base year. The SCO will perform this computation for each claimant who has filed claims for three consecutive years. If a claimant has incurred costs for three consecutive years but has not filed a claim in each of those years, the claimant may file an entitlement claims, form FAM-43, to establish a base year entitlement. An entitlement claim does not result in the claimant being reimbursed for the costs incurred, but rather entitles the claimant to receive automatic payments from SMAS.

#### 3. Minimum Claim Amount

For initial claims and annual claims filed on or after September 30, 2002, if the total costs for a given year do not exceed \$1,000, no reimbursement shall be allowed except as otherwise allowed by GC Section 17564. Combined claims may be filed only when the county is the fiscal agent for the special districts. The county shall determine if the submission of a combined claim is economically feasible and shall be responsible for disbursing the funds to each special district. A combined claim must show the individual claim costs for each eligible school district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a special district provides to the county and to the Controller, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim.

GC Section 17564(a) provides that no claim shall be filed pursuant to Sections 17551 and 17561, unless such a claim exceeds one thousand dollars (\$1,000), provided that a county may submit a combined claim on behalf of direct service districts or special districts within their county if the combined claim exceeds \$1,000, even if the individual direct service district's or special district's claim does not each exceed \$1,000. The county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each direct service district or special district. These combined claims may be filed only when the county is the fiscal agent for the districts. A combined claim must show the individual claim costs for each eligible district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a special district provides a written notice of its intent to file a separate claim to the county and to the SCO at least 180 days prior to the deadline for filing the claim.

## 4. Filing Deadline for Claims

Initial reimbursement claims (first-time claims) for reimbursement of costs of a previously unfunded mandated program must be filed within 120 days from the date of issuance of the program's claiming instructions by the SCO. If the initial reimbursement claim is filed after the deadline, but within one year of the deadline, the approved claim must be reduced by a 10% penalty. A claim filed more than one year after the deadline cannot be accepted for reimbursement.

Annual reimbursement claims for costs incurred during the previous fiscal year and estimated claims for costs to be incurred during the current fiscal year must be filed with the SCO and postmarked on or before January 15. If the annual or estimated reimbursement claim is filed after the deadline, but within one year of the deadline, the approved claim must be reduced by a 10% late penalty, not to exceed \$1,000. Claims must include supporting data to show how the amount claimed was derived. Without this information, the claim cannot be accepted.

Entitlement claims do not have a filing deadline. However, entitlement claims and supporting documents should be filed by January 15 to permit an orderly processing of claims. Entitlement claims are used to establish a base year entitlement amount for calculating automatic annual payments. Entitlement does not result in the claimant being reimbursed for costs incurred, but rather entitles the claimant to receive automatic payments from SMAS.

## 5. Payment of Claims

In order for the SCO to authorize payment of a claim, the Certification of Claim, form FAM-27, must be properly filled out, signed, and dated by the entity's authorized officer.

Reimbursement and estimated claims are paid within 60 days of the filing deadline for the claim. A claimant is entitled to receive accrued interest at the pooled money investment account rate if the payment was made more than 60 days after the claim filing deadline or the actual date of claim receipt, whichever is later. For an initial claim, interest begins to accrue when the payment is made more than 365 days after the adoption of the program's statewide cost estimate. The SCO may withhold up to 20 percent of the amount of an initial claim until the claim is audited to verify the actual amount of the mandated costs. The 20 percent withheld is not subject to accrued interest.

In the event the amount appropriated by the Legislature is insufficient to pay the approved amount in full for a program, claimants will receive a prorated payment in proportion to the amount of approved claims timely filed and on hand at the time of proration.

The SCO reports the amounts of insufficient appropriations to the State Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each house of the Legislature which considers appropriations in order to assure appropriation of these funds in the Budget Act. If these funds cannot be appropriated on a timely basis in the Budget Act, this information is transmitted to the COSM which will include these amounts in its report to assure that an appropriation sufficient to pay the claims is included in the next local government claims bill or other appropriation bills. When the supplementary funds are made available, the balance of the claims will be paid.

Unless specified in the statutes, regulations, or P's & G's, the determination of allowable and unallowable costs for mandates is based on the P's & G's adopted by the COSM. The determination of allowable reimbursable mandated costs for unfunded mandates is made by the COSM. The SCO determines allowable reimbursable costs, subject to amendment by the COSM, for mandates funded by special legislation. Unless specified, allowable costs are those direct and indirect costs, less applicable credits, considered to be eligible for reimbursement. In order for costs to be allowable and thus eligible for reimbursement, the costs must meet the following general criteria:

- 1. The cost is necessary and reasonable for proper and efficient administration of the mandate and not a general expense required to carryout the overall responsibilities of government.
- 2. The cost is allocable to a particular cost objective identified in the P's & G's.
- 3. The cost is net of any applicable credits that offset or reduce expenses of items allocable to the mandate.

The SCO has identified certain costs that, for the purpose of claiming mandated costs, are unallowable and should not be claimed on the claim forms unless specified as reimbursable under the program. These expenses include, but are not limited to, subscriptions, depreciation, memberships, conferences, workshops general education, and travel costs.

## 6. State Mandates Apportionment System (SMAS)

Chapter 1534, Statutes of 1985, established SMAS, a method of paying certain mandated programs as apportionments. This method is utilized whenever a program has been approved for inclusion in SMAS by the COSM.

When a mandated program has been included in SMAS, the SCO will determine a base year entitlement amount for each county that has submitted reimbursement claims, (or entitlement claims), for three consecutive fiscal years. A base year entitlement amount is determined by averaging the approved reimbursement claims, (or entitlement claims), for 1982-83, 1983-84, and 1984-85 years or any three consecutive fiscal years thereafter. The amounts are first adjusted by any change in the IPD, which is applied separately to each year's costs for the three years that comprise the base period. The base period means the three fiscal years immediately succeeding the COSM's approval.

Each county with an established base year entitlement for the program will receive automatic annual payments from the SCO reflective of the program's current year costs. The amount of apportionment is adjusted annually for any change in the IPD. If the mandated program was

included in SMAS after January 1, 1988, the annual apportionment is adjusted for any change in both the IPD and workload.

For cities and counties, "workload" means a change in population within their boundaries; for special districts, a change in population of the county in which the largest percentage of the district's population is located.

In the event a county has incurred costs for three consecutive fiscal years but did not file a reimbursement claim in one or more of those fiscal years, the county may file an entitlement claim for each of those missed years to establish a base year entitlement. An "entitlement claim" means any claim filed by a county with the SCO for the sole purpose of establishing a base year entitlement. A base year entitlement shall not include any non-recurring or initial start-up costs.

Initial apportionments are made on an individual program basis. After the initial year, all apportionments are made by November 30. The amount to be apportioned is the base year entitlement adjusted by annual changes in the IPD for the cost of goods and services to governmental agencies as determined by the State Department of Finance.

In the event the county determines that the amount of apportionment does not accurately reflect costs incurred to comply with a mandate, the process of adjusting an established base year entitlement upon which the apportionment is based, is set forth in GC Section 17615.8 and requires the approval of the COSM.

The following programs are placed in SMAS:

Program Name	Chapter/Statute	Program Number
Conservatorship: Developmentally Disabled Adults	Ch. 1304/80	67
Coroners	Ch. 498/77	88
Mentally Retarded Defendants: Diversion	Ch. 1253/80	66
Senior Citizens Property Tax Postponement	Ch. 1242/77	18

Listed are state mandated local programs and counties that are entitled to receive automatic apportionments in those fiscal years in which the program is funded.

Counties of:	Ch. 498/77 Coroners	Ch. 1242/77 Senior Citizens Property Tax Postponement	Ch. 1253/80 Mentally Retarded Defendants: Diversion	Ch. 1304/80 Developmentally Disabled Adults: Conservatorship
Alameda		X	Х	Х
Butte		Х	Х	Х
Calaveras		X	Х	Х
Contra Costa		X	Х	Х
El Dorado		Х	Х	Х
Fresno		x	х	x
Humbolt		Х	х	Х
Kern		Х	х	Х
Lake		x	х	x
Los Angeles	х	х	х	x
Marin		Х	х	Х
Mendocino		Х	х	Х
Monterey		Х	х	Х
Napa	х	Х	х	Х
Nevada		Х	х	Х
Orange	х	Х	х	X
Placer		Х	х	X
Plumas		Х	х	Х
Riverside		Х	х	X
Sacramento		Х	х	X
San Bernardino	Х	Х	х	Х
San Diego		Х	х	X
San Francisco		Х	х	X
San Joaquin	х	Х		
San Luis Obispo	Х	Х	х	X
San Mateo		Х	х	х
Santa Barbara		х	х	x
Santa Clara	х	Х	х	Х
Santa Cruz		Х	х	Х
Shasta		х	х	х
Solano		Х	х	Х
Sonoma	х	X	х	x
Stanislaus		x	х	x
Tulare	х	X	х	x
Tuolumne		x		
Ventura	х	X	х	x
Yolo		x	х	x
Yuba		x		

# 7. Direct Costs

A direct cost is a cost that can be identified specifically with a particular program or activity. Each claimed reimbursable cost must be supported by documentation as described in Section 12. Costs that are typically classified as direct costs are:

#### (1) Employee Wages, Salaries, and Fringe Benefits

For each of the mandated activities performed, the claimant must list the names of the employees who worked on the mandate, their job classification, hours worked on the mandate, and rate of pay. The claimant may, in-lieu of reporting actual compensation and fringe benefits, use a productive hourly rate:

## (a) Productive Hourly Rate Options

A local agency may use one of the following methods to compute productive hourly rates:

- Actual annual productive hours for each employee
- The weighted-average annual productive hours for each job title, or
- 1,800\* annual productive hours for all employees

If actual annual productive hours or weighted-average annual productive hours for each job title is chosen, the claim must include a computation of how these hours were computed.

- \* 1,800 annual productive hours excludes the following employee time:
- o Paid holidays
- o Vacation earned
- o Sick leave taken
- o Informal time off
- o Jury duty
- o Military leave taken.

## (b) Compute a Productive Hourly Rate

1. Compute a productive hourly rate for salaried employees to include actual fringe benefit costs. The methodology for converting a salary to a productive hourly rate is to compute the employee's annual salary and fringe benefits and divide by the annual productive hours.

#### Table 1: Productive Hourly Rate, Annual Salary + Benefits Method

Formula:	Description:
[(EAS + Benefits) ÷ APH] = PHR	EAS = Employee's Annual Salary
	APH = Annual Productive Hours
[(\$26,000 + \$8,099)] ÷ 1,800 hrs = 18.94	PHR = Productive Hourly Rate

As illustrated in Table 1, if you assume an employee's compensation was \$26,000 and \$8,099 for annual salary and fringe benefits, respectively, using the "Salary + Benefits Method," the productive hourly rate would be \$18.94. To convert a biweekly salary to EAS, multiply the biweekly salary by 26. To convert a monthly salary to EAS, multiply the monthly salary by 12. Use the same methodology to convert other salary periods.

2. A claimant may also compute the productive hourly rate by using the "Percent of Salary Method."

Example:		
<b>Step 1:</b> Fringe Benefits as a Percent of Salary		Step 2: Productive Hourly Rate
Retirement	15.00 %	Formula:
Social Security & Medicare	7.65	[(EAS x (1 + FBR)) ÷ APH] = PHR
Health & Dental Insurance	5.25	
Workers Compensation	3.25	[(\$26,000 x (1.3115)) ÷ 1,800 ] = \$18.94
Total	31.15 %	
Description:		
EAS = Employee's Annual Salar	у	APH = Annual Productive Hours
FBR = Fringe Benefit Rate		PHR = Productive Hourly Rate

• As illustrated in Table 2, both methods produce the same productive hourly rate.

Reimbursement for personnel services includes, but is not limited to, compensation paid for salaries, wages and employee fringe benefits. Employee fringe benefits include employer's contributions for social security, pension plans, insurance, worker's compensation insurance and similar payments. These benefits are eligible for reimbursement as long as they are distributed equitably to all activities. Whether these costs are allowable is based on the following presumptions:

- The amount of compensation is reasonable for the service rendered.
- The compensation paid and benefits received are appropriately authorized by the governing board.
- Amounts charged for personnel services are based on payroll documents that are supported by time and attendance or equivalent records for individual employees.
- The methods used to distribute personnel services should produce an equitable distribution of direct and indirect allowable costs.

For each of the employees included in the claim, the claimant must use reasonable rates and hours in computing the wage cost. If a person of a higher-level job position performs an activity which normally would be performed by a lower-level position, reimbursement for time spent is allowable at the average salary range for the lower-level position. The salary rate of the person at the higher-level position may be claimed if it can be shown that it was more cost effective in comparison to the performance by a person at the lower-level position under normal circumstances and conditions. The number of hours charged to an activity should reflect the time expected to complete the activity under normal circumstances and conditions. The numbers of hours in excess of normal expected hours are not reimbursable.

## (c) Calculating an Average Productive Hourly Rate

In those instances where the claiming instructions allow a unit as a basis of claiming

costs, the direct labor component of the unit cost should be expressed as an average productive hourly rate and can be determined as follows:

	<u>Time</u> <u>Spent</u>	Productive Hourly Rate	Total Cost <u>by Employee</u>		
Employee A	1.25 hrs	\$6.00	\$7.50		
Employee B	0.75 hrs	4.50	3.38		
Employee C	3.50 hrs	10.00	35.00		
Total	5.50 hrs		\$45.88		
Average Productive Hourly Rate is \$45.88/5.50 hrs. = \$8.34					

#### Table 3: Calculating an Average Productive Hourly Rate

## (d) Employer's Fringe Benefits Contribution

A local agency has the option of claiming actual employer's fringe benefit contributions or may compute an average fringe benefit cost for the employee's job classification and claim it as a percentage of direct labor. The same time base should be used for both salary and fringe benefits when computing a percentage. For example, if health and dental insurance payments are made annually, use an annual salary. After the percentage of salary for each fringe benefit is computed, total them.

For example:

Employer's Contribution	<u>% to Salary</u>
Retirement	15.00%
Social Security	7.65%
Health and Dental	5.25%
Insurance	5.2570
Worker's Compensation	0.75%
Total	28.65%

#### (e) Materials and Supplies

Only actual expenses can be claimed for materials and supplies, which were acquired and consumed specifically for the purpose of a mandated program. The claimant must list the materials and supplies that were used to perform the mandated activity, the number of units consumed, the cost per unit, and the total dollar amount claimed. Materials and supplies purchased to perform a particular mandated activity are expected to be reasonable in quality, quantity and cost. Purchases in excess of reasonable quality, quantity, and cost are not reimbursable. Materials and supplies withdrawn from inventory and charged to the mandated activity must be based on a recognized method of pricing, consistently applied. Purchases shall be claimed at the actual price after deducting discounts, rebates and allowances received by local agencies.

#### (f) Calculating a Unit Cost for Materials and Supplies

In those instances where the claiming instructions suggest that a unit cost be developed for use as a basis of claiming costs mandated by the State, the materials

and supplies component of the unit cost should be expressed as a unit cost of materials and supplies as shown in Table 1 or Table 2:

Supplies	<u>Cost Per Unit</u>	Amount of Supplies Used <u>Per Activity</u>	Unit Cost of Supplies <u>Per Activity</u>
Paper	0.02	4	\$0.08
Files	0.10	1	0.10
Envelopes	0.03	2	0.06
Photocopies	0.10	4	0.40
			<u>\$0.64</u>

# Table 1: Calculating a Unit Cost for Materials and Supplies

# Table 2: Calculating a Unit Cost for Materials and Supplies

Supplies	Supplies <u>Used</u>	Unit Cost of Supplies <u>Per Activity</u>
Paper (\$10.00 for 500 sheet ream)	250 Sheets	\$5.00
Files (\$2.50 for box of 25)	10 Folders	1.00
Envelopes (\$3.00 for box of 100)	50 Envelopes	1.50
Photocopies (\$0.05 per copy)	40 Copies	2.00
		\$9.50
If the number of reimbursable instances an per reimbursable instance (\$9.50/25).	re 25, then the unit cost of	supplies is \$0.38

# (g) Contract Services

The cost of contract services is allowable if the local agency lacks the staff resources or necessary expertise, or it is economically feasible to hire a contractor to perform the mandated activity. The claimant must give the name of the contractor; explain the reason for having to hire a contractor; describe the mandated activities performed; give the dates when the activities were performed, the number of hours spent performing the mandate, the hourly billing rate, and the total cost. The hourly billing rate shall not exceed the rate specified in the claiming instructions for the mandated program. The contractor's invoice, or statement, which includes an itemized list of costs for activities performed, must accompany the claim.

# (h) Equipment Rental Costs

Equipment purchases and leases (with an option to purchase) are not reimbursable as a direct cost unless specifically allowed by the claiming instructions for the particular mandate. Equipment rentals used solely for the mandate, are reimbursable to the extent such costs do not exceed the retail purchase price of the equipment plus a finance charge. The claimant must explain the purpose and use for the equipment, the time period for which the equipment was rented and the total cost of the rental. If the equipment is used for purposes other than reimbursable activities, only the prorata portion of the rental costs can be claimed.

#### (i) Capital Outlay

Capital outlays for land, buildings, equipment, furniture and fixtures may be claimed if the claiming instructions specify them as allowable. If they are allowable, the claiming instructions for the program will specify a basis for the reimbursement. If the fixed asset or equipment is also used for purposes other than reimbursable activities for a specific mandate, only the prorata portion of the purchase price used to implement the reimbursable activities can be claimed.

#### (j) Travel Expenses

Travel expenses are normally reimbursable in accordance with travel rules and regulations of the local jurisdiction. For some programs, however, the claiming instructions may specify certain limitations on expenses, or that expenses can only be reimbursed in accordance with the State Board of Control travel standards. When claiming travel expenses, the claimant must explain the purpose of the trip, identify the name and address of the persons incurring the expense, the date and time of departure and return for the trip, description of each expense claimed, the cost of transportation, number of private auto mileage traveled, and the cost of tolls and parking with receipts required for charges over \$10.00.

#### (k) Documentation

It is the responsibility of the claimant to make available to the SCO, upon request, documentation in the form of general and subsidiary ledgers, purchase orders, invoices, contracts, canceled warrants, equipment usage records, land deeds, receipts, employee time sheets, agency travel guidelines, inventory records, and other relevant documents to support claimed costs. The type of documentation necessary for each claim may differ with the type of mandate.

## 8. Indirect Costs

GC Section 17564(b) provides that claims for indirect costs shall be filed in the manner prescribed by the SCO. Indirect costs (or overhead) are those costs incurred for a common or joint purpose, benefiting more than one program and are not directly assignable to a particular program without efforts disproportionate to the result achieved. Indirect costs may include both (1) the overhead costs for the unit performing the mandate and (2) the costs of central government services distributed through the central service cost allocation plan and not otherwise treated as a direct cost.

Previously, the costs of elected officials were considered "expenses related to general government" and, thus, were unallowable for reimbursement purposes. Recent interpretation has moved in the opposite direction, except for those items of cost, which are unallowable in the cost principles set forth in Office of Management and Budget Circular (OMB) 2 CFR Part 225. A cost that is necessary for proper and efficient administration of a program and is identifiable to that program is eligible for consideration as allocable indirect costs. Allocable costs for time spent on programs, must be supported by time record.

Local agencies have the option of using 10% of direct labor as indirect costs or claiming indirect costs through a department's Indirect Cost Rate Proposal (ICRP) for the program prepared in accordance with the provisions of OMB 2 CFR Part 225 (Refer to the Appendix-Costs Computation: Indirect Costs). An ICRP must be prepared if the claim for indirect costs is in excess of 10% of direct salaries; the ICRP must be submitted with the claim.

#### A. Fixed 10% Rate Method

Indirect costs may be computed as 10% of direct labor costs (excluding fringe benefits) of employees, provided their services are required by a program. The use of the 10% rate may

benefit small agencies where few supportive services are provided.

Direct costs are defined as "those that can readily be identified with a single program or activity." Normally direct costs will include the salaries, benefits, and supplies that can be directly identified with a particular function.

For example, if a county auditor prepares warrants for other county departments, the direct costs of providing the service would include the salary and benefits of the persons in the auditor's office who actually work on the warrants, the cost of the paper on which warrants are written, and the salaries and benefits of a first-line supervisor. Indirect costs of the warrant writing service would include the cost of space, equipment, utilities, maintenance, supervision above first-line and administration of the auditor's office.

Direct Costs Incurred By	On Be	half of
	Welfare	Health
Auditor	Administration	<u>Department</u>
Warrant Writing:		
A. Salary of employee working	\$5,000	\$1,000
B. Benefits of above	800	200
C. Cost of paper	350	100
D. First-line supervision	3,000	500
(salaries)		
E. Indirect cost 10% of A + D	800	150
Total amount charged to benefited		
departments for warrant writing		
services	\$9,950	\$1,950
Direct Costs Incurred By	On Be	half of
	Welfare	Health
Building & Grounds Department	Administration	<u>Department</u>
Maintenance of Buildings:		
A. Salary of employees	\$1,000	\$500
performing maintenance		
B. Benefits of above	200	100
C. Cleaning supplies	250	150
D. First-line supervision	500	200
(salaries)		
E. Indirect cost 10% of A + D	150	70
Total amount charged to		
benefited departments for	¢2 100	¢1.000
building maintenance services	\$2,100	\$1,020

Any local agency using this method for claiming costs must submit a statement similar to the example above and with supporting data. The cost data required for desk audit purposes are described in the claiming instructions for that mandated program under Salaries and Employee Benefits, Materials and Supplies, Contract Services, Travel Expenses, etc.

## B. Indirect Cost Rate Proposal Method

If a local agency elects not to utilize the 10% fixed rate method but wants to claim indirect costs, it must prepare an ICRP for the program. The proposal must follow the provisions of the

OMB 2 CFR Part 225, Cost Principles for State, Local, and Indian Tribal Governments. The development of the indirect cost rate proposal requires that the indirect cost pool include only those costs which are incurred for a common or joint purpose that benefit more than one cost objective. The indirect cost pool may only include costs that can be shown to provide benefits to the program. In addition, total allocable indirect costs may only include costs, which cannot be directly charged to an identifiable cost center (i.e., program).

A method for preparing a departmental indirect cost rate proposal for programs is presented as Exhibit 1. Only this format is acceptable under the SCO reimbursement requirements. If more than one department is involved in the reimbursement program, each department must have their own indirect cost rate proposal for the program.

#### INDIRECT COST RATE PROPOSAL PUBLIC DEFENDER'S OFFICE INVESTIGATION PROGRAM FISCAL YEAR 20\_\_\_-20\_\_\_

					(B)			(C)		(D)			Identifiable P	rogram	Costs
			Total		xcludable nallowable			llowable ndirect	ŀ	Allowable Direct		Inv	vestigation		
(A) Description of Cos	its		Costs		Costs			Costs		Costs			PC 987.9	A	All Others
Salaries & Benefits															
Salaries & Wages		\$	1,150,000	\$		-)	\$	150,000	\$		(F)	\$	100,000	\$	850,000
Overtime Benefits			20,000		0			20,000		0			0		0
Total		\$	230,000	\$	<u>10,000</u> 60,000		\$	<u>30,000</u> 200,000	\$	190,000		\$	20,000 120,000	\$	170,000
TOTAL		<u> </u>	1,400,000	<u> </u>	60,000		φ	200,000	φ	1,140,000		φ	120,000	Þ	1,020,000
Services & Supplies															
Office Expense		\$	200,000	\$	10,000		\$	20,000	\$	170,000		\$	10,000	\$	160,000
Communications			100,000		2,000			10,000		88,000			1,000		87,000
Transportation			120,000		5,000			0		115,000			5,000		110,000
Special Dept Expe	nse (Contracts)		250,000		0			0		250,000			0		250,000
Other, Pass Throu	gh Program		800,000		800,000	_		0		0			0		0
Total		\$	1,470,000	\$	817,000	_	\$	30,000	\$	623,000		\$	16,000	\$	607,000
Capital Expenditures		\$	100,000	\$	100,000										
Total Budgetary Expe	nditures	\$	2,970,000	\$	977,000	_	\$	230,000	\$	1,763,000		\$	136,000	\$	1,627,000
	Distribution Base														
Cost Plan Costs															
Building Use	(Each line item should	\$	50,000	\$	2,000		\$	6,000	\$	42,000		\$	2,000	\$	40,000
Equipment Use	be reviewed to see if it		30,000		1,000			3,000		26,000			1,000		25,000
Data Processing	benefits the mandate		50,000		5,000			30,000		15,000			0		15,000
Auditor	to insure a fair and		20,000		0			20,000		0			0		0
Personnel	equitable distribution.)		10,000		1,000			1,000		8,000			1,000		7,000
Roll Forward			10,000		0	_		10,000		0			0		0
Total		\$	170,000 (	E)_\$	9,000	_	\$	70,000	\$	91,000		\$	4,000	\$	87,000
Total Allocable Indired	ct Costs						\$	300,000 (F	-)						
Distribution of Allocab	le Indirect Costs														
Based on Salaries				\$	15,000		\$	(300,000)	\$	285,000		\$	30,000	\$	255,000
Totals		\$	3,140,000	\$	1,001,000	_	\$	0	\$	2,139,000		\$	170,000	\$	1,969,000
						_		_							

- (1) Notes to Exhibit 1
  - (a) The department's ICRP plan for the distribution of costs to programs must follow the same format as shown on Exhibit 1. Specifically, there must be columns as follows: Description of Costs, Total Cost, Excludable and Unallowable Costs (may be combined or separated), Allowable Indirect Costs, and Allowable Direct Costs (which are further allocated to identifiable programs and other). No other format will be accepted.
  - (b) Excluded costs are all costs that are unallowable and unallocable according to specific guidelines (OMB 2 CFR Part 225 and state laws).

#### Examples:

Contributions and donations: Cost of amusement; social activities and related incidental costs such as meals, beverages, lodging, rentals, transportation and gratuities; and pass through revenues to another unit or organization.

- (c) Allocable indirect costs are costs that are not identifiable to a specific program or cost pool and indirectly benefit all cost pools.
- (d) Direct costs are costs that benefit a specific program or cost pool.
- (e) Overhead costs are distributed to the department in the cost allocation plan, which was prepared in accordance with the OMB 2 CFR Part 225. Use the same year's cost allocation plan for developing the ICRP as the year for which the ICRP is being prepared. Do not include a roll forward adjustment when the program is in its initial year.
- (f) Distribution base for the computation of the indirect cost rate is total salaries and wages.

Total Allocable Direct Costs (direct S&W)	\$950,000
Excluded and Unallowable Costs (direct S&W)	50,000
Distribution Base	\$1,000,000

Therefore, the Indirect Cost Rate for Penal Code 987.9 Program is:

$$ICRP = \frac{Allowable Indirect Costs}{Total Salaries and Wages} = \frac{\$300,000}{\$1,000,000} = 30.00\%$$

## 9. Time Study Guidelines

## Background

For costs incurred on or after January 1, 2005, a reasonable reimbursement methodology can be used as a "formula for reimbursing local agency and school district costs mandated by the state" that meets certain conditions specified in GC Section 17518.5(a). For costs incurred prior to January 1, 2005, time study can only substitute for continuous records of actual time spend for a specific fiscal year if the program's P's & G's allow for the use of time studies.

Two methods are acceptable for documenting employee time charged to mandated cost programs: Actual Time Reporting and Time Study, which are described below. Application of time study results is restricted. As explained in Time Study Results below, the results may be projected toward to a maximum of two years provided the claimant meets certain criteria.

# Actual Time Reporting

P's & G's define reimbursable activities for each mandated cost program. (Some P's & G's refer to reimbursable activities as reimbursable components.) When employees work on multiple activities and/or programs, a distribution of their salaries or wages must be supported by personnel activity reports or equivalent documentation that meets the following standards (which clarify documentation requirements discussed under the Reimbursable Activities section of recent P's & G's):

- They must reflect an after-the-fact (contemporaneous) distribution of the actual activity of each employee;
- They must account for the total activity for which each employee is compensated;
- They must be prepared at least monthly and must coincide with one or more pay periods; and
- They must be signed by the employee.

Budget estimates or other distribution percentages determined before services are performed do not qualify as support for time distribution.

# Time Study

In certain cases, a time study may be used to substitute for continuous records of actual time spent on multiple activities and/or programs. An effective time study requires that an activity be a task that is repetitive in nature. Activities that require a varying level of effort are not appropriate for time studies.

# Time Study Plan

A time study plan is necessary before conducting the time study. The claimant must retain the time study plan for audit purposes. The plan needs to identify the following:

- Time period(s) to be studied The plan must show that all time periods selected are representative of the fiscal year, and the results can be reasonably projected to approximate actual costs.
- Activities and/or programs to be studied For each mandated program included, the time study
  must separately identify each reimbursable activity defined in the mandated program's Ps & Gs,
  which are derived from the program's Statement of Decision. If a reimbursable activity in the Ps
  & Gs identifies separate and distinct sub-activities, these sub-activities must also be treated as
  individual activities.

For example, sub-activities (a), (b), and (c) under Reimbursable Activity (B)(1) of the local agency's Domestic Violence Treatment Services: Authorization and Case Management program relate to information to be discussed during victim notification by the probation department and therefore are not separate and distinct activities. These sub-activities do not have to be separately studied.

- Process used to accomplish each reimbursable activity Use flowcharts or similar analytical tools and/or written desk procedures to describe the process for each activity.
- Employee universe The employee universe used in the time study must include all positions for which salaries and wages are to be allocated by means of the time study.

- Employee sample selection methodology The plan must show that employees selected are
  representative of the employee universe, and the results can be reasonably projected to
  approximate actual costs. In addition, the employee sample size should be proportional to the
  variation in time spent to perform a task. The sample size should be larger for tasks with
  significant time variations.
- Time increments to be recorded The time increments used should be sufficient to recognize the number of different activities performed and the dynamics of these responsibilities. Very large increments (such as one hour or more) might be used for employees performing only a few functions that change very slowly over time. Very small increments (a number of minutes) may be needed for employees performing more short-term tasks.

Random moment sampling is not an acceptable alternative to continuous time records for mandated cost claims. Random moment sampling techniques are most applicable in situations where employees perform many different types of activities on a variety of programs with small time increments throughout the fiscal year.

# **Time Study Documentation**

Time studies must:

- Be supported by time records that are completed contemporaneously;
- Report activity on a daily basis;
- Be sufficiently detailed to reflect all mandated activities and/or programs performed during a specific time period; and
- Coincide with one or more pay periods.

Time records must be signed by the employee (electronic signatures are acceptable) and be supported by corroborating evidence, which validates that the work was actually performed. As with actual time reporting, budget estimates or other distribution percentages determined before services are performed do not qualify as valid time studies.

# Time Study Results

Time study results must be summarized to show how the time study supports the costs claimed for each activity. Any variations from the procedures identified in the original time study plan must be documented and explained

Current-year costs must be used to prepare a time study. Claimants may project time study results to no more than two subsequent fiscal years. A claimant may not apply time study results retroactively.

- <u>Annual Reimbursement Claims</u> Claimants may use time studies to support costs incurred on or after January 1, 2005. Claimants may not use time studies for the period July 1, 2004, through December 31, 2004, unless (1) the program's P's & G's specifically allows time studies, and (2) the time study is prepared based on mandated activity occurring between July 1, 2004, and December 31, 2004.
- <u>Initial Claims</u> –When filing an initial claim for new mandated programs, claimants may only use time study results for costs incurred on or after January 1, 2005. Claimants may not use time studies to support costs incurred before January 1, 2005, unless (1) the program's P's & G's specifically allows time studies, and (2) the claimant prepares separate time studies for each fiscal year preceding January 1, 2005, based on mandated activity occurring during those years.

When projecting time study results, the claimant must certify that there have been no significant changes between years in either (1) the requirements of each mandated program activity or (2) the processes and procedures used to accomplish the activity. For all years, the claimant must maintain corroborating evidence that validates the mandated activity was actually performed. Time study results used to support subsequent years' claims are subject to the recordkeeping requirements for those claims.

# 10. Offset Against State Mandated Claims

When part or all the costs of a mandated program are specifically reimbursable from non-local agency sources (e.g., state, federal, foundation, etc.), only that portion of any increased costs payable from local agency funds is eligible for reimbursement under the provisions of Government Code Section 17561.

#### A. Example 1

This example shows how the offset against state mandated claim is determined for local agencies receiving block grant revenues not based on a formula allocation. Listed below are six situations, which may occur at a local agency level. For hypothetical program costs of \$100,000: (1) through (4) show intended funding at 100% from non-local agency sources and (5) through (6) show cost sharing on a 50/50 basis with the local agency. Of the \$100,000 program cost, \$2,500 is the cost of state mandated activity. Offset against state mandated claims is the amount of actual non-local agency funding which exceeds the difference between program costs and state mandated costs. The offset against state mandated claims can not exceed the amount of state mandated costs. In (4), non-local revenues were fully realized to cover the entire cost of the program, including the state mandate activity; therefore, the offset against state mandated claims is \$2,500. In (1), non-local revenues were less than expected. Non-local agency funding was not in excess of the difference between program costs and state mandated costs. As a result, the offset against state mandated claims is zero and \$2,500 is claimable as mandated costs. In (5), the local agency is sharing 50% of the program cost. Since non-local revenues of \$50,000 were fully realized, the offset against state mandated claims is \$1.250.

	Actual		Offset Against	
	Non-Local	State	State	Claimable
Program	Agency	Mandated	Mandated	Mandated
<u>Costs</u>	<u>Funding</u>	<u>Costs</u>	<u>Claims</u>	<u>Costs</u>

A. Block Grants (funding not based on a formula allocation)

1.	\$100,000	\$95,000	\$2,500	\$-0-	\$2,500
2.	100,000	97,000	2,500	-0-	2,500
3.	100,000	98,000	2,500	500	2,000
4.	100,000	100,000	2,500	2,500	-0-
5.	100,000 *	50,000	2,500	1,250	1,250

6. If in (5) the non-local matching share is less than the amount expected, for example \$49,000, the offset against state mandated claims is \$250. Therefore, the claimable mandated costs are \$2,250.

\* Local agency share is \$50,000 of the program costs.

#### B. Example 2

This example shows how the offset against state mandated claims are determined for local agencies receiving special project funds based on approved actual costs. Non-local revenues for special projects must be applied proportionately to approve costs. In (2), the entire program

cost was approved. Since the non-local agency source covers 75% of the program cost, it also proportionately covered 75% of the \$2,500 state mandated costs, or \$1,875.

	Actual		Offset Against	
	Non-Local	State	State	Claimable
Program	Agency	Mandated	Mandated	Mandated
<u>Costs</u>	<u>Funding</u>	<u>Costs</u>	<u>Claims</u>	<u>Costs</u>

B. Special Projects (funding based on approved actual costs)

1.	\$100,000	\$100,000	\$2,500	\$2,500	\$-0-
2.	100,000 **	75,000	2,500	1,875	625

3. If in (2) the non-local matching share is less than the amount expected, because only \$60,000 of the program costs were determined to be valid by the contracting agency, then a proportionate share of state mandated costs is likewise reduced to \$1,500. The offset against state mandated claim is \$1,125. Therefore, the claimable mandated costs are \$375.

\*\* Local agency share is \$25,000 of the program costs.

With respect to local agencies, the offset against state mandated claims for applicable federal and state local assistance programs includes, but is not limited to, the following funding sources:

#### **Federal and State Funding Sources**

#### **Governing Authority**

#### Federal Programs

CETA, PL 93-203	Federal-Health – Administration	
Federal Aid for Construction	Federal-Public Assistance – Administration	
Federal Aid for Disaster		
State Programs		
State Aid for Agriculture	State-Health – Administration	
State Aid for Construction	State-Public Assistance - Administration	
State Aid for Corrections		

## 11. Notice of Claim Adjustment

All claims submitted to the SCO are reviewed to determine if the claim was prepared in accordance with the claiming instructions. If any adjustments are made to a claim, the claimant will receive a "Notice of Claim Adjustments" detailing adjustments made by the SCO.

## 12. Audit of Costs

All claims submitted to the State Controller's Office (SCO) are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the P's & G's adopted by the Commission on State Mandates (COSM). If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

Pursuant to Government Code (GC) Section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. All documents used to support the reimbursable activities, must be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

On-site audits will be conducted by the SCO as deemed necessary. Accordingly, all documentation to support actual costs claimed must be retained for a period of three years after the end of the calendar year in which the reimbursement claim was filed or amended regardless of the year of costs incurred. When no funds are appropriated for initial claims at the time the claim is filed, supporting documents must be retained for three years from the date of initial payment of the claim. Claim documentation shall be made available to the SCO on request.

#### 13. Source Documents

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct based upon personal knowledge." Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

For costs incurred on or after January 1, 2005, a reasonable reimbursement methodology can be used as a "formula for reimbursing local agency and school district costs mandated by the state" that meets certain conditions specified in 17518.5(a). For costs incurred prior to January 1, 2005, time study can substitute for continuous records of actual time spent for a specific fiscal year only if the program's Ps & Gs allows for the use of time studies.

## 14. Claim Forms and Instructions

A claimant may submit a computer generated report in substitution for Form-1 and Form-2, provided the format of the report and data fields contained within the report are identical to the claim forms included with these instructions. The claim forms provided with these instructions should be duplicated and used by the claimant to file an estimated or reimbursement claim. The SCO will revise the manual and claim forms as necessary.

#### A. Form-2, Component/Activity Cost Detail

This form is used to segregate the detail costs by claim component. In some mandates, specific reimbursable activities have been identified for each component. The expenses reported on this form must be supported by the official financial records of the claimant and copies of supporting documentation, as specified in the claiming instructions, must be submitted with the

claims. All supporting documents must be retained for a period of not less than three years after the reimbursement claim was filed or last amended.

#### B. Form-1, Claim Summary

This form is used to summarize direct costs by component and compute allowable indirect costs for the mandate. The direct costs summarized on this form are derived from Form-2 and are carried forward to form FAM-27.

#### C. Form FAM-27, Claim for Payment

This form contains a certification that must be signed by an authorized officer of the entity. All applicable information from Form-1 must be carried forward onto this form in order for the SCO to process the claim for payment. An original and one copy of the FAM-27 is required.

Claims should be rounded to the nearest dollar. Submit a signed original and one copy of form FAM-27, Claim for Payment, and all other forms and supporting documents (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.) Use the following mailing addresses:

If delivered by	If delivered by	
U.S. Postal Service:	Other delivery services:	
Office of the State Controller	Office of the State Controller	
Attn: Local Reimbursements Section	Attn: Local Reimbursements Section	
Division of Accounting and Reporting	Division of Accounting and Reporting	
P.O. Box 942850	3301 C Street, Suite 500	
Sacramento, CA 94250	Sacramento, CA 95816	

## **15.** Retention of Claiming Instructions

For your convenience, the revised claiming instructions in this package have been arranged in alphabetical order by program name. These revisions should be inserted in the Local Mandated Cost Manual and the old forms they replace should be removed. The instructions should then be retained permanently for future reference, and the forms should be duplicated to meet your filing requirements. Annually, updated forms and any other information or instructions claimants may need to file claims, as well as instructions and forms for all new programs released throughout the year will be placed on the SCO's web site at <a href="https://www.sco.ca.gov/ard/local/locreim/index.shtml">www.sco.ca.gov/ard/local/locreim/index.shtml</a>.

If you have any questions concerning mandated cost reimbursements, please write to us at the address listed for filing claims, send e-mail to Irsdar@sco.ca.gov, or call the Local Reimbursements Section at (916) 324-5729.

## 16. Retention of Claim Records and Supporting Documentation

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the COSM's P's and G's. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Pursuant to GC Section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by local agency is subject to audit by the State Controller no later than three years after the date the actual reimbursement claim was filed or last amended, whichever is later. However, if no funds were appropriated or no

payment was made to a claimant for the program for the fiscal year for which the claim was filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. Therefore, all documentation to support actual costs claimed must be retained for the same period, and shall be made available to the SCO on request.

# A. STATE OF CALIFORNIA TRAVEL EXPENSE GUIDELINES

#### Travel Program Effective January 31, 2002

The travel reimbursement program continues to be subject to the Internal Revenue Service (IRS) requirements for an accountable plan. There are no flat rate reimbursements. All items are to be claimed for the actual amount of expense, up to the maximum allowed. If the provisions below do not require submission of a receipt for a given item of expense, it is the employee's responsibility to retain receipts and other records of the expense and have them available for audit.

Lodging and meals that are provided by the State, including hotel expenses, conference fees, or transportation costs such as airline tickets; or otherwise provided shall not be claimed for reimbursement.

Employees may be reimbursed for actual expenses for breakfast, lunch, dinner, and incidentals for each 24 hours of travel, as follows:

Breakfast	up to	\$6.00
Lunch	up to	10.00
Dinner	up to	18.00
Incidentals	up to	6.00

Incidental expenses include, but are not limited to, expenses for laundering and pressing of clothing and tips for services such as porters and baggage handlers. Incidentals do not include taxicab fares, lodging taxes, or the cost of telegrams or telephone calls.

#### Lodging

All lodging reimbursements require a receipt from a commercial lodging establishment such as a hotel, motel, bed and breakfast inn, or campground that caters to the general public. No lodging will be reimbursed without a valid receipt. Employees who stay with friends or relatives are not eligible for lodging reimbursement, but may claim their actual expenses for meals and incidentals.

#### Short-Term Travel

- **A.** For continuous short-term travel of more than 24 hours but less than 31 days, the employee will be reimbursed for actual costs up to the maximum for each meal, incidental, and lodging expense for each completed 24 hours of travel, beginning with the traveler's time of departure and return as follows:
  - 1. On the first day of travel at the beginning of a trip of more than 24 hours:

Trip begins at or before 6 a.m. - Breakfast may be claimed

Trip begins at or before 5 p.m. - Dinner may be claimed

2. On the fractional day of travel at the end of a trip of more than 24 hours:

Trip ends at or after 8 a.m. - Breakfast may be claimed

Trip ends at or after 2 p.m. - Lunch may be claimed

Trip ends at or after 7 p.m. - Dinner may be claimed

If the fractional day includes an overnight stay, receipted lodging may be claimed. No meal or lodging expenses may be claimed or reimbursed more than once on any given date or during any 24-hour period.

**B.** For continuous travel of less than 24 hours, the employee will be reimbursed for actual expenses, up to a maximum as follows:

Travel begins at or before 6 a.m. and ends at or after 9 a.m. - Breakfast may be claimed Travel begins at or before 4 p.m. and ends at or after 7 p.m. - Dinner may be claimed

If the trip extends overnight, receipted lodging may be claimed. No lunch or incidentals may be claimed on a trip of less than 24 hours.

#### Short-Term Travel Maximum Lodging Reimbursement Rate

- A. Statewide except as in (B) and (C) below, actual receipted lodging up to \$84 plus tax.
- **B.** When required to conduct state business and obtain lodging in the counties of Los Angeles and San Diego, reimbursement will be for actual receipted lodging, to a maximum of \$110 plus tax.
- **C.** When required to conduct state business and obtain lodging in the counties of Alameda, San Francisco, San Mateo, and Santa Clara, reimbursement will be for actual receipted lodging, to a maximum of \$140 plus tax.

#### Long-Term Travel

Actual expenses for long-term meals and receipted lodging will be reimbursed when the employee incurs expenses in one location comparable to those arising from the use of establishments catering to long-term visitors.

#### A. Full Long-Term Travel

To qualify for full long-term travel reimbursement, the employee on a long-term field assignment must meet the following criteria:

- a) The employee continues to maintain a permanent residence at the primary headquarters, and either,
- b) The permanent residence is occupied by the employee's dependents, or
- c) The permanent residence is maintained at a net expense to the employee exceeding \$200 per month.

The employee who is living at the long-term location may claim either:

- Reimbursement for actual individual expense, substantiated by receipts for lodging, water, sewer, gas, and electricity, up to a maximum of \$1,130 per calendar month while on the long-term assignment, and actual expenses up to \$10 for meals and incidentals, for each period of 12 to 24 hours and up to \$5 for actual meals and incidentals for each period of less than 12 hours at the long-term location, or
- 2. Long-term subsistence rates of \$24 for actual meals and incidentals, \$24 for receipted lodging for travel of 12 hours up to 24 hours, and either \$24 for actual meals or \$24 for receipted lodging for travel less than 12 hours when the employee incurs expenses in one location comparable to those arising from the use of establishments catering to long-term visitors.

#### B. Partial Long-Term Travel

An employee on long-term field assignment who does not maintain a separate residence in the headquarters area may claim long-term subsistence rates of up to \$12 for actual meals and incidentals and \$12 for receipted lodging for travel of 12 hours up to 24 hours at the long-term location, and either \$12 for actual meals or \$12 for receipted lodging for travel less than 12 hours at the long-term location.

#### Receipts

Receipts or vouchers shall be submitted for every item of expense of \$25 or more.

- a) Receipts are required for every item of transportation and business expense incurred as a result of conducting state business except for actual expenses as follows:
  - 1. Railroad and bus fares of less than \$25, when travel is wholly within the State of California.
  - 2. Street car, ferry fares, bridge and road tolls, local rapid transit system, taxi, shuttle, or hotel bus fares, and parking fees of \$10 or less for each continuous period of parking or each separate transportation expense noted in this item.
  - 3. Telephone, telegraph, tax, or other business charges related to state business of \$5 or less.
  - 4. In the absence of a receipt, reimbursement will be limited to the non-receipted amount above.
- b) Reimbursement will be claimed only for the actual and necessary expenses noted above. Regardless of the above exceptions, the approving officer may require additional certification and/or explanation in order to determine that an expense was actually and reasonably incurred. In the absence of a satisfactory explanation, the expense shall not be allowed.

#### Mileage

When an employee is authorized by his/her appointing authority or designee to operate a privately owned vehicle on state business, the employee will be allowed to claim and be reimbursed 34 cents per mile. An employee who is required to use a specialized vehicle that has been modified to accommodate disabilities may claim 37 cents per mile.

# **B. GOVERNMENT CODE SECTIONS 17500-17617**

# GC §17500: Legislative Findings and Declarations

The Legislature finds and declares that the existing system for reimbursing local agencies and school districts for the costs of state-mandated local programs has not provided for the effective determination of the state's responsibilities under Section 6 of Article XIIIB of the California Constitution. The Legislature finds and declares that the failure of the existing process to adequately and consistently resolve the complex legal questions involved in the determination of state-mandated costs has led to an increasing reliance by local agencies and school districts on the judiciary and, therefore, in order to relieve unnecessary congestion of the judicial system, it is necessary to create a mechanism which is capable of rendering sound quasi-judicial decisions and providing an effective means of resolving disputes over the existence of state-mandated local programs. It is the intent of the Legislature in enacting this part to provide for the implementation of Section 6 of Article XIIIB of the California Constitution. Further, the Legislature intends that the Commission on State Mandates, as a quasi-judicial body, will act in a deliberative manner in accordance with the requirements of Section 6 of Article XIIIB of the California Constitution.

## GC §17510: Construction of Part

Unless the context otherwise requires, the definitions contained in this chapter govern the construction of this part. The definition of a word applies to any variants thereof and the singular tense of a word includes the plural.

# GC §17511: "City"

"City" means any city whether general law or charter, except a city and county.

## GC §17512: "Commission"

"Commission" means the Commission on State Mandates.

## GC §17513: "Cost Mandated by the Federal Government"

"Costs mandated by the federal government" means any increased costs incurred by a local agency or school district after January 1, 1973, in order to comply with the requirements of a federal statute or regulation. "Costs mandated by the federal government" includes costs resulting from enactment of a state law or regulation where failure to enact that law or regulation to meet specific federal program or service requirements imposed upon the state would result in substantial monetary penalties or loss of funds to public or private persons in the state whether the federal law was enacted before or after the enactment of the state law, regulation, or executive order. "Costs mandated by the federal government" does not include costs which are specifically reimbursed or funded by the federal or state government or programs or services which may be implemented at the option of the state, local agency, or school district.

## GC §17514: "Costs Mandated by the State"

"Costs mandated by the state" means any increased costs which a local agency or school district is required to incur after July 1, 1980, as a result of any statute enacted on or after January 1, 1975, or any executive order implementing any statute enacted on or after January 1, 1975, which mandates a new program or higher level of service of an existing program within the meaning of Section 6 of Article XIIIB of the California Constitution.

# GC §17515: "County"

"County" means any chartered or general law county. "County" includes a city and county.

## GC §17516: "Executive Order"

"Executive order" means any order, plan, requirement, rule, or regulation issued by any of the following: (a) The Governor. (b) Any officer or official serving at the pleasure of the Governor. (c) Any agency, department, board, or commission of state government. "Executive order" does not include any order, plan, requirement, rule, or regulation issued by the State Water Resources Control Board or by any regional water quality control board pursuant to Division 7 (commencing with Section 13000) of the Water Code. It is the intent of the Legislature that the State Water Resources Control Board and regional water quality control boards will not adopt enforcement orders against publicly owned dischargers which mandate major waste water treatment facility construction costs unless federal financial assistance and state financial assistance pursuant to the Clean Water Bond Act of 1970 and 1974, is simultaneously made available. "Major" means either a new treatment facility or an addition to an existing facility, the cost of which is in excess of 20 percent of the cost of replacing the facility.

# GC §17517.5: "Cost Savings authorized by the state"

"Cost savings authorized by the state" means any decreased costs that a local agency or school district realizes as a result of any statute enacted or any executive order adopted that permits or requires the discontinuance of or a reduction in the level of service of an existing program that was mandated before January 1, 1975.

# GC §17518: "Local Agency"

"Local agency" means any city, county, special district, authority, or other political subdivision of the state.

## GC §17518.5: "Reasonable Reimbursement Methodology"

(a) "Reasonable reimbursement methodology" means a formula for reimbursing local agency and school district costs mandated by the state that meets the following conditions: (1) The total amount to be reimbursed statewide is equivalent to total estimated local agency and school district costs to implement the mandate in a cost-efficient manner. (2) For 50 percent or more of eligible local agency and school district claimants, the amount reimbursed is estimated to fully offset their projected costs to implement the mandate in a cost-efficient manner. (b) Whenever possible, a reasonable reimbursement methodology shall be based on general allocation formulas, uniform cost allowances, and other approximations of local costs mandated by the state, rather than detailed documentation of actual local costs. In cases when local agencies and school districts are projected to incur costs to implement a mandate over a period of more than one fiscal year, the determination of a reasonable reimbursement methodology may consider local costs and state reimbursements over a period of greater than one fiscal year, but not exceeding 10 years. (c) A reasonable reimbursement methodology may be developed by any of the following: (1) The Department of Finance. (2) The Controller. (3) An affected state agency. (4) A claimant. (5) An interested party.

## GC §17519: "School District"

"School district" means any school district, community college district, or county superintendent of schools.

## GC §17520: "Special District"

"Special district" means any agency of the state that performs governmental or proprietary functions within limited boundaries. "Special district" includes a county service area, a maintenance district or

area, an improvement district or improvement zone, or any other zone or area. "Special district" does not include a city, a county, a school district, or a community college district. County free libraries established pursuant to Chapter 2 (commencing with Section 27151) of Division 20 of the Education Code, areas receiving county fire protection services pursuant to Section 25643 of the Government Code, and county road districts established pursuant to Chapter 7 (commencing with Section 1550) of Division 2 of the Streets and Highways Code shall be considered "special districts" for all purposes of this part.

# GC §17521: "Test Claim"

"Test claim" means the first claim filed with the commission alleging that a particular statute or executive order imposes costs mandated by the state.

## GC §17522: Definitions

(a) "Initial reimbursement claim" means a claim filed with the Controller by a local agency or school district for costs to be reimbursed for the fiscal years specified in the first claiming instructions issued by the Controller pursuant to subdivision (b) of Section 17558. (b) "Annual reimbursement claim" means a claim for actual costs incurred in a prior fiscal year filed with the Controller by a local agency or school district for which appropriations are made to the Controller for this purpose. (c) "Estimated reimbursement claim" means a claim filed with the Controller by a local agency or school district in conjunction with an initial reimbursement claim, annual reimbursement claim, or at other times, for estimated costs to be reimbursed during the current or future fiscal years, for which appropriations are made to the Controller for this purpose. (d) "Entitlement claim" means a claim filed by a local agency or school district with the Controller for the purpose of establishing or adjusting a base year entitlement. All entitlement claims are subject to Section 17616.

## GC §17523: "Deflator"

"Deflator" means the Implicit Price Deflator for the Costs of Goods and Services to Governmental Agencies, as determined by the Department of Finance.

## GC §17524: "Base Year Entitlement"

"Base year entitlement" means that amount determined to be the average for the approved reimbursement claims of each local agency or school district for the three preceding fiscal years adjusted by the change in the deflator. A base year entitlement shall not include any nonrecurring or initial startup costs incurred by a local agency or school district in any of those three fiscal years. For those mandates which become operative on January 1 of any year, the amount of the "approved reimbursement claim" for the first of the three years may be computed by annualizing the amount claimed for the six-month period of January through June in that first year, excluding nonrecurring or startup costs.

## GC §17525: Members: Term and Per Diem for Specified Members

(a) There is hereby created the Commission on State Mandates, which shall consist of seven members as follows: (1) The Controller. (2) The Treasurer. (3) The Director of Finance. (4) The Director of the Office of Planning and Research. (5) A public member with experience in public finance, appointed by the Governor and approved by the Senate. (6) Two members from the following three categories appointed by the Governor and approved by the Senate, provided that no more than one member shall come from the same category: (A) A city council member. (B) A member of a county or city and county board of supervisors. (C) A governing board member of a school district as defined in Section 17519. (b) Each member appointed pursuant to paragraph (5) or (6) of subdivision (a) shall be subject to both of the following: (1) The member shall serve for a term of four years subject to renewal. (2) The member shall receive per diem of one hundred dollars (\$100) for each day actually spent in the

discharge of official duties and shall be reimbursed for any actual and necessary expenses incurred in connection with the performance of duties as a member of the commission.

# GC §17526: Open Meetings: Executive Sessions

(a) All meetings of the commission shall be open to the public, except that the commission may meet in executive session to consider the appointment or dismissal of officers or employees of the commission or to hear complaints or charges brought against a member, officer, or employee of the commission. (b) The commission shall meet at least once every two months. (c) The time and place of meetings may be set by resolution of the commission, by written petition of a majority of the members, or by written call of the chairperson. The chairperson may, for good cause, change the starting time or place, reschedule, or cancel any meeting.

## GC §17527: Powers of Commission

In carrying out its duties and responsibilities, the commission shall have the following powers: (a) To examine any document, report, or data, including computer programs and data files, held by any local agency or school district. (b) To meet at times and places as it may deem proper. (c) As a body or, on the authorization of the commission, as a committee composed of one or more members, to hold hearings at any time and place it may deem proper. (d) Upon a majority vote of the commission, to issue subpoenas to compel the attendance of witnesses and the production of books, records, papers, accounts, reports, and documents. (e) To administer oaths. (f) To contract with other agencies or individuals, public or private, as it deems necessary, to provide or prepare services, facilities, studies, and reports to the commission as will assist it in carrying out its duties and responsibilities. (g) To adopt, promulgate, amend, and rescind rules and regulations, which shall not be subject to the review and approval of the Office of Administrative Law pursuant to the provisions of the Administrative Procedure Act provided for in Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2. (h) To do any and all other actions necessary or convenient to enable it fully and adequately to perform its duties and to exercise the powers expressly granted to it.

## GC §17528: Election of Officers

The members of the commission shall elect a chairperson and a vice chairperson of the commission.

## GC §17529: Appointment of Attorney: Duties

The commission may appoint as attorney to the commission an attorney at law of this state, who shall hold office at the pleasure of the commission. The attorney shall represent and appear for the commission in all actions and proceedings involving any question under this part or under any order or act of the commission. The attorney shall advise the commission and each member of the commission, when so requested, in regard to all matters in connection with the powers and duties of the commission and the members thereof. The attorney shall generally perform all duties and services as attorney to the commission which the commission may require.

## GC §17530: Appointment of Executive Director: Duties

The commission shall appoint an executive director, who shall be exempt from civil service and shall hold office at the pleasure of the commission. The executive director shall be responsible for the executive and administrative duties of the commission and shall organize, coordinate, supervise, and direct the operations and affairs of the commission and expedite all matters within the jurisdiction of the commission. The executive director shall keep a full and true record of all proceedings of the commission, issue all necessary process, writs, warrants, and notices, and perform other duties as the commission prescribes.

#### GC §17531: Authority of Executive Director to Employ Necessary Staff

The executive director may employ those officers, examiners, experts, statisticians, accountants, inspectors, clerks, and employees as the executive director deems necessary to carry out the provisions of this part or to perform the duties and exercise the powers conferred upon the commission by law.

#### GC §17532: Quorum: Investigations, Inquiries, and Hearing

A majority of the commissioners shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power of the commission. Any investigation, inquiry, or hearing which the commission has power to undertake or to hold may be undertaken or held by or before any commissioner or commissioners designated for the purpose by the commission. The evidence in any investigation, inquiry, or hearing may be taken by the commissioner or commissioners to whom the investigation, inquiry, or hearing has been assigned or, in his or her or their behalf, by an examiner designated for that purpose. Every finding, opinion, and order made by the commissioner or commissioners so designated, pursuant to the investigation, inquiry, or hearing, when approved or confirmed by the commission and ordered filed in its office, shall be deemed to be the finding, opinion, and order of the commission.

# GC §17533: Provisions not Applicable to Hearing by Commission

Notwithstanding Section 11425.10, Chapter 4.5 (commencing with Section 11400) of Part 1 of Division 3 does not apply to a hearing by the commission under this part.

#### GC §17550: Reimbursements of Local Agencies and Special Districts

Reimbursement of local agencies and school districts for costs mandated by the state shall be provided pursuant to this chapter.

# GC §17551: Commission Hearing and Decision Upon Claims

(a) The commission, pursuant to the provisions of this chapter, shall hear and decide upon a claim by a local agency or school district that the local agency or school district is entitled to be reimbursed by the state for costs mandated by the state as required by Section 6 of Article XIIIB of the California Constitution. (b) Commission review of claims may be had pursuant to subdivision (a) only if the test claim is filed within the time limits specified in this section. (c) Local agency and school district test claims shall be filed not later than 12 months following the effective date of a statute or executive order, or within 12 months of incurring increased costs as a result of a statute or executive order, whichever is later. (d) The commission, pursuant to the provisions of this chapter, shall hear and decide upon a claim by a local agency or school district filed on or after January 1, 1985, that the Controller has incorrectly reduced payments to the local agency or school district pursuant to paragraph (2) of subdivision (d) of Section 17561.

# GC §17552: Exclusivity of Procedure by Chapter

This chapter shall provide the sole and exclusive procedure by which a local agency or school district may claim reimbursement for costs mandated by the state as required by Section 6 of Article XIIIB of the California Constitution.

# GC §17553: Adoption of Procedure for Receiving Claims and Providing Hearings: Postponement of Hearings

(a) The commission shall adopt procedures for receiving claims pursuant to this article and for providing a hearing on those claims. The procedures shall do all of the following: (1) Provide for presentation of evidence by the claimant, the Department of Finance and any other affected department

or agency, and any other interested person. (2) Ensure that a statewide cost estimate is adopted within 12 months after receipt of a test claim, when a determination is made by the commission that a mandate exists. This deadline may be extended for up to six months upon the request of either the claimant or the commission. (3) Permit the hearing of a claim to be postponed at the request of the claimant, without prejudice, until the next scheduled hearing. (b) All test claims shall be filed on a form prescribed by the commission and shall contain at least the following elements and documents: (1) A written narrative that identifies the specific sections of statutes or executive orders alleged to contain a mandate and shall include all of the following: (A) A detailed description of the new activities and costs that arise from the mandate. (B) A detailed description of existing activities and costs that are modified by the mandate. (C) The actual increased costs incurred by the claimant during the fiscal year for which the claim was filed to implement the alleged mandate. (D) The actual or estimated annual costs that will be incurred by the claimant to implement the alleged mandate during the fiscal year immediately following the fiscal year for which the claim was filed. (E) A statewide cost estimate of increased costs that all local agencies or school districts will incur to implement the alleged mandate during the fiscal year immediately following the fiscal year for which the claim was filed. (F) Identification of all of the following: (i) Dedicated state funds appropriated for this program. (ii) Dedicated federal funds appropriated for this program. (iii) Other nonlocal agency funds dedicated for this program. (iv) The local agency's general purpose funds for this program. (v) Fee authority to offset the costs of this program. (G) Identification of prior mandate determinations made by the Board of Control or the Commission on State Mandates that may be related to the alleged mandate. (2) The written narrative shall be supported with declarations under penalty of perjury, based on the declarant's personal knowledge, information or belief, and signed by persons who are authorized and competent to do so, as follows: (A) Declarations of actual or estimated increased costs that will be incurred by the claimant to implement the alleged mandate. (B) Declarations identifying all local, state, or federal funds, or fee authority that may be used to offset the increased costs that will be incurred by the claimant to implement the alleged mandate, including direct and indirect costs. (C) Declarations describing new activities performed to implement specified provisions of the new statute or executive order alleged to impose a reimbursable state-mandated program. Specific references shall be made to chapters, articles, sections, or page numbers alleged to impose a reimbursable state-mandated program. (3) (A) The written narrative shall be supported with copies of all of the following: (i) The test claim statute that includes the bill number or executive order, alleged to impose or impact a mandate. (ii) Relevant portions of state constitutional provisions, federal statutes, and executive orders that may impact the alleged mandate. (iii) Administrative decisions and court decisions cited in the narrative. (B) State mandate determinations made by the Board of Control and the Commission on State Mandates and published court decisions on state mandate determinations made by the Commission on State Mandates are exempt from this requirement. (4) A test claim shall be signed at the end of the document, under penalty of perjury by the claimant or its authorized representative, with the declaration that the test claim is true and complete to the best of the declarant's personal knowledge or information or belief. The date of signing, the declarant's title, address, telephone number, facsimile machine telephone number, and electronic mail address shall be included. (c) If a completed test claim is not received by the commission within 30 calendar days from the date that an incomplete test claim was returned by the commission, the original test claim filing date may be disallowed, and a new test claim may be accepted on the same statute or executive order. (d) In addition, the commission shall determine whether an incorrect reduction claim is complete within 10 days after the date that the incorrect reduction claim is filed. If the commission determines that an incorrect reduction claim is not complete, the commission shall notify the local agency and school district that filed the claim stating the reasons that the claim is not complete. The local agency or school district shall have 30 days to complete the claim. The commission shall serve a copy of the complete incorrect reduction claim on the Controller. The Controller shall have no more than 90 days after the date the claim is delivered or mailed to file any rebuttal to an incorrect reduction claim. The failure of the Controller to file a rebuttal to an incorrect reduction claim shall not serve to delay the consideration of the claim by the commission.

#### GC §17554: Commission's Authority to Expedite Claim

With the agreement of all parties to the claim, the commission may waive the application of any procedural requirement imposed by this chapter or pursuant to Section 17553. The authority granted by this section includes the consolidation of claims and the shortening of time periods.

#### GC §17555: Date for Public Hearing: Test Claim Form and Procedure

(a) No later than 30 days after hearing and deciding upon a test claim pursuant to subdivision (a) of Section 17551, the commission shall notify the appropriate Senate and Assembly policy and fiscal committees, the Legislative Analyst, the Department of Finance, and the Controller of that decision. (b) For purposes of this section, the "appropriate policy committee" means the policy committee that has jurisdiction over the subject matter of the statute, regulation, or executive order, and bills relating to that subject matter would have been heard.

#### GC §17556: Criteria for not Finding Costs Mandated by the State

The commission shall not find costs mandated by the state, as defined in Section 17514, in any claim submitted by a local agency or school district, if, after a hearing, the commission finds that: (a) The claim is submitted by a local agency or school district that requested legislative authority for that local agency or school district to implement the program specified in the statute, and that statute imposes costs upon that local agency or school district requesting the legislative authority. A resolution from the governing body or a letter from a delegated representative of the governing body of a local agency or school district that requests authorization for that local agency or school district to implement a given program shall constitute a request within the meaning of this paragraph. (b) The statute or executive order affirmed for the state a mandate that had been declared existing law or regulation by action of the courts. (c) The statute or executive order imposes a requirement that is mandated by a federal law or regulation and results in costs mandated by the federal government, unless the statute or executive order mandates costs that exceed the mandate in that federal law or regulation. This subdivision applies regardless of whether the federal law or regulation was enacted or adopted prior to or after the date on which the state statute or executive order was enacted or issued. (d) The local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the mandated program or increased level of service. (e) The statute, executive order, or an appropriation in a Budget Act or other bill provides for offsetting savings to local agencies or school districts that result in no net costs to the local agencies or school districts, or includes additional revenue that was specifically intended to fund the costs of the state mandate in an amount sufficient to fund the cost of the state mandate. (f) The statute or executive order imposed duties that were expressly included in a ballot measure approved by the voters in a statewide or local election. (g) The statute created a new crime or infraction, eliminated a crime or infraction, or changed the penalty for a crime or infraction, but only for that portion of the statute relating directly to the enforcement of the crime or infraction.

#### GC §17557: Determination of Amount to be Subvened for Reimbursement: Parameters and Guidelines

(a) If the commission determines there are costs mandated by the state pursuant to Section 17551, it shall determine the amount to be subvened to local agencies and school districts for reimbursement. In so doing it shall adopt parameters and guidelines for reimbursement of any claims relating to the statute or executive order. The successful test claimants shall submit proposed parameters and guidelines within 30 days of adoption of a statement of decision on a test claim. At the request of a successful test claimant, the commission may provide for one or more extensions of this 30-day period at any time prior to its adoption of the parameters and guidelines. If proposed parameters and guidelines are not submitted within the 30-day period and the commission has not granted an extension, then the commission shall notify the test claimant that the amount of reimbursement the test claimant is entitled to for the first 12 months of incurred costs will be reduced by 20 percent, unless the test claimant can demonstrate to the commission why an extension of the 30-day period is justified. (b) In adopting parameters and guidelines, the commission may adopt a reasonable reimbursement methodology. (c)

The parameters and guidelines adopted by the commission shall specify the fiscal years for which local agencies and school districts shall be reimbursed for costs incurred. However, the commission may not specify in the parameters and guidelines any fiscal year for which payment could be provided in the annual Budget Act. (d) A local agency, school district, or the state may file a written request with the commission to amend, modify, or supplement the parameters or quidelines. The commission may, after public notice and hearing, amend, modify, or supplement the parameters and guidelines. A parameters and guidelines amendment submitted within 90 days of the claiming deadline for initial claims, as specified in the claiming instructions pursuant to Section 17561, shall apply to all years eligible for reimbursement as defined in the original parameters and guidelines. A parameters and guidelines amendment filed more than 90 days after the claiming deadline for initial claims, as specified in the claiming instructions pursuant to Section 17561, and on or before January 15 following a fiscal year, shall establish reimbursement eligibility for that fiscal year. (e) A test claim shall be submitted on or before June 30 following a fiscal year in order to establish eligibility for reimbursement for that fiscal year. The claimant may thereafter amend the test claim at any time, but before the test claim is set for a hearing, without affecting the original filing date as long as the amendment substantially relates to the original test claim. (f) In adopting parameters and guidelines, the commission shall consult with the Department of Finance, the affected state agency, the Controller, the fiscal and policy committees of the Assembly and Senate, the Legislative Analyst, and the claimants to consider a reasonable reimbursement methodology that balances accuracy with simplicity.

# GC §17558: Submission of Parameters and Guidelines to Controller: Transfer of Claims; Claiming Instructions

(a) The commission shall submit the adopted parameters and guidelines to the Controller. All claims relating to a statute or executive order that are filed after the adoption or amendment of parameters and guidelines pursuant to Section 17557 shall be transferred to the Controller who shall pay and audit the claims from funds made available for that purpose. (b) Not later than 60 days after receiving the adopted parameters and guidelines from the commission, the Controller shall issue claiming instructions for each mandate that requires state reimbursement, to assist local agencies and school districts in claiming costs to be reimbursed. In preparing claiming instructions, the Controller shall request assistance from the Department of Finance and may request the assistance of other state agencies. The claiming instructions shall be derived from the test claim decision and the parameters and guidelines from the commission or other information necessitating a revision of the claiming instructions, prepare and issue revised claiming instructions for mandates that require state reimbursement to Section 17557 or after any decision or order of the commission pursuant to Section 17551. In preparing revised claiming instructions, the Controller may request the assistance of other state agencies.

#### GC §17558.5: Reimbursement Claim: Audit; Remittance Advice and Other Notices of Payment

(a) A reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed not later than two years after the date that the audit is commenced. (b) The Controller may conduct a field review of any claim after the claim has been submitted, prior to the reimbursement of the claim. (c) The Controller shall notify the claimant in writing within 30 days after issuance of a remittance advice of any adjustment to a claim for reimbursement to the local agency or school district, and the reason for the adjustment. Remittance advices and other notices of payment action shall not constitute notice of adjustment from an audit or review. (d) The interest rate charged by the Controller on reduced claims shall be set at the Pooled

Money Investment Account rate and shall be imposed on the dollar amount of the overpaid claim from the time the claim was paid until overpayment is satisfied. (e) Nothing in this section shall be construed to limit the adjustment of payments when inaccuracies are determined to be the result of the intent to defraud, or when a delay in the completion of an audit is the result of willful acts by the claimant or inability to reach agreement on terms of final settlement.

#### GC §17558.6: Legislative Intent

It is the intent of the Legislature that the Commission on State Mandates review its process by which local agencies may appeal the reduction of reimbursement claims on the basis that the reduction is incorrect in order to provide for a more expeditious and less costly process.

#### GC §17559: Judicial Review

(a) The commission may order a reconsideration of all or part of a test claim or incorrect reduction claim on petition of any party. The power to order a reconsideration or amend a test claim decision shall expire 30 days after the statement of decision is delivered or mailed to the claimant. If additional time is needed to evaluate a petition for reconsideration filed prior to the expiration of the 30-day period, the commission may grant a stay of that expiration for no more than 30 days, solely for the purpose of considering the petition. If no action is taken on a petition within the time allowed for ordering reconsideration, the petition shall be deemed denied. (b) A claimant or the state may commence a proceeding in accordance with the provisions of Section 1094.5 of the Code of Civil Procedure to set aside a decision of the commission on the ground that the commission's decision is not supported by substantial evidence. The court may order the commission to hold another hearing regarding the claim and may direct the commission on what basis the claim is to receive a rehearing.

#### GC §17560: Deadlines for Filing Reimbursement Claims

Reimbursement for state-mandated costs may be claimed as follows: (a) A local agency or school district may file an estimated reimbursement claim by January 15 of the fiscal year in which costs are to be incurred, and, by January 15 following that fiscal year shall file an annual reimbursement claim that details the costs actually incurred for that fiscal year; or it may comply with the provisions of subdivision (b). (b) A local agency or school district may, by January 15 following the fiscal year in which costs are incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year; or it may comply with the provisions of subdivision (b). (b) A local agency or school district may, by January 15 following the fiscal year in which costs are incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year. (c) In the event revised claiming instructions are issued by the Controller pursuant to subdivision (c) of Section 17558 between October 15 and January 15, a local agency or school district filing an annual reimbursement claim shall have 120 days following the issuance date of the revised claiming instructions to file a claim.

# GC §17561: Reimbursement of Costs for State Mandated Programs

(a) The state shall reimburse each local agency and school district for all "costs mandated by the state," as defined in Section 17514. (b) (1) For the initial fiscal year during which these costs are incurred, reimbursement funds shall be provided as follows: (A) Any statute mandating these costs shall provide an appropriation therefor. (B) Any executive order mandating these costs shall be accompanied by a bill appropriating the funds therefor, or alternatively, an appropriation for these costs shall be included in the Budget Bill for the next succeeding fiscal year. The executive order shall cite that item of appropriation in the Budget Bill or that appropriation in any other bill which is intended to serve as the source from which the Controller may pay the claims of local agencies and school districts. (2) In subsequent fiscal years appropriations for these costs shall be included in the annual Governor's Budget and in the accompanying Budget Bill. In addition, appropriations to reimburse local agencies and school districts for continuing costs resulting from chaptered bills or executive orders for which claims have been awarded pursuant to subdivision (a) of Section 17551 shall be included in the annual Governor's Budget and in the accompanying Budget Bill subsequent to the enactment of the local government claims bill pursuant to Section 17600 that includes the amounts awarded relating to these chaptered bills or executive orders. (c) The amount appropriated to reimburse local agencies and

school districts for costs mandated by the state shall be appropriated to the Controller for disbursement. (d) The Controller shall pay any eligible claim pursuant to this section within 60 days after the filing deadline for claims for reimbursement or 15 days after the date the appropriation for the claim is effective, whichever is later. The Controller shall disburse reimbursement funds to local agencies or school districts if the costs of these mandates are not payable to state agencies, or to state agencies that would otherwise collect the costs of these mandates from local agencies or school districts in the form of fees, premiums, or payments. When disbursing reimbursement funds to local agencies or school districts, the Controller shall disburse them as follows: (1) For initial reimbursement claims, the Controller shall issue claiming instructions to the relevant local agencies and school districts pursuant to Section 17558. Issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the commission. (A) When claiming instructions are issued by the Controller pursuant to Section 17558 for each mandate determined pursuant to Section 17551 that requires state reimbursement, each local agency or school district to which the mandate is applicable shall submit claims for initial fiscal year costs to the Controller within 120 days of the issuance date for the claiming instructions. (B) When the commission is requested to review the claiming instructions pursuant to Section 17571, each local agency or school district to which the mandate is applicable shall submit a claim for reimbursement within 120 days after the commission reviews the claiming instructions for reimbursement issued by the Controller. (C) If the local agency or school district does not submit a claim for reimbursement within the 120-day period, or submits a claim pursuant to revised claiming instructions, it may submit its claim for reimbursement as specified in Section 17560. The Controller shall pay these claims from the funds appropriated therefor, provided that the Controller (i) may audit the records of any local agency or school district to verify the actual amount of the mandated costs, and (ii) may reduce any claim that the Controller determines is excessive or unreasonable. (2) In subsequent fiscal years each local agency or school district shall submit its claims as specified in Section 17560. The Controller shall pay these claims from funds appropriated therefor, provided that the Controller (A) may audit the records of any local agency or school district to verify the actual amount of the mandated costs, (B) may reduce any claim that the Controller determines is excessive or unreasonable, and (C) shall adjust the payment to correct for any underpayments or overpayments which occurred in previous fiscal years. (3) When paying a timely filed claim for initial reimbursement, the Controller shall withhold 20 percent of the amount of the claim until the claim is audited to verify the actual amount of the mandated costs. All initial reimbursement claims for all fiscal years required to be filed on their initial filing date for a state-mandated local program shall be considered as one claim for the purpose of computing any late claim penalty. Any claim for initial reimbursement filed after the filing deadline shall be reduced by 10 percent of the amount that would have been allowed had the claim been timely filed. The Controller may withhold payment of any late claim for initial reimbursement until the next deadline for funded claims unless sufficient funds are available to pay the claim after all timely filed claims have been paid. In no case may a reimbursement claim be paid if submitted more than one vear after the filing deadline specified in the Controller's claiming instructions on funded mandates contained in a claims bill.

# GC §17561.5: Payment of Claim with Interest

The payment of an initial reimbursement claim by the Controller shall include accrued interest at the Pooled Money Investment Account rate, if the payment is being made more than 365 days after adoption of the statewide cost estimate for an initial claim or, in the case of payment of a subsequent claim relating to that same statute or executive order, if payment is being made more than 60 days after the filing deadline for, or the actual date of receipt of, the subsequent claim, whichever is later. In those instances, interest shall begin to accrue as of the 366th day after adoption of the statewide cost estimate for an initial claim and as of the 61st day after the filing deadline for, or actual date of receipt of, the subsequent claim, whichever is later.

# GC §17561.6: Payment

A budget act item or appropriation pursuant to this part for reimbursement of claims shall include an amount necessary to reimburse any interest due pursuant to Section 17561.5.

#### GC §17562: Review of Costs of State-Mandated Local Programs

(a) The Legislature hereby finds and declares that the increasing revenue constraints on state and local government and the increasing costs of financing state-mandated local programs make evaluation of state-mandated local programs imperative. Accordingly, it is the intent of the Legislature to increase information regarding state mandates and establish a method for regularly reviewing the costs and benefits of state-mandated local programs. (b) The Controller shall submit a report to the Joint Legislative Budget Committee and fiscal committees by January 1 of each year. This report shall summarize, by state mandate, the total amount of claims paid per fiscal year and the amount, if any, of mandate deficiencies or surpluses. This report shall be made available in an electronic spreadsheet format. The report shall compare the annual cost of each mandate to the statewide cost estimate adopted by the commission. (c) After the commission submits its second semiannual report to the Legislature pursuant to Section 17600, the Legislative Analyst shall submit a report to the Joint Legislative Budget Committee and legislative fiscal committees on the mandates included in the commission's reports. The report shall make recommendations as to whether the mandate should be repealed, funded, suspended, or modified. (d) In its annual analysis of the Budget Bill and based on information provided pursuant to subdivision (b), the Legislative Analyst shall identify mandates that significantly exceed the statewide cost estimate adopted by the commission. The Legislative Analyst shall make recommendations on whether the mandate should be repealed, funded, suspended, or modified. (e) (1) A statewide association of local agencies or school districts or a Member of the Legislature may submit a proposal to the Legislature recommending the elimination or modification of a state-mandated local program. To make such a proposal, the association or member shall submit a letter to the Chairs of the Assembly Committee on Education or the Assembly Committee on Local Government, as the case may be, and the Senate Committee on Education or the Senate Committee on Local Government, as the case may be, specifying the mandate and the concerns and recommendations regarding the mandate. The association or member shall include in the proposal all information relevant to the conclusions. If the chairs of the committees desire additional analysis of the submitted proposal, the chairs may refer the proposal to the Legislative Analyst for review and comment. The chairs of the committees may refer up to a total of 10 of these proposals to the Legislative Analyst for review in any year. Referrals shall be submitted to the Legislative Analyst by December 1 of each year. (2) The Legislative Analyst shall review and report to the Legislature with regard to each proposal that is referred to the office pursuant to paragraph (1). The Legislative Analyst shall recommend that the Legislature adopt, reject, or modify the proposal. The report and recommendations shall be submitted annually to the Legislature by March 1 of the year subsequent to the year in which referrals are submitted to the Legislative Analyst. (3) The Department of Finance shall review all statutes enacted each year that contain provisions making inoperative Section 17561 or Section 17565 that have resulted in costs or revenue losses mandated by the state that were not identified when the statute was enacted. The review shall identify the costs or revenue losses involved in complying with the statutes. The Department of Finance shall also review all statutes enacted each year that may result in cost savings authorized by the state. The Department of Finance shall submit an annual report of the review required by this subdivision, together with the recommendations as it may deem appropriate, by December 1 of each year. (f) It is the intent of the Legislature that the Assembly Committee on Local Government and the Senate Committee on Local Government hold a joint hearing each year regarding the following: (1) The reports and recommendations submitted pursuant to subdivision (e). (2) The reports submitted pursuant to Sections 17570, 17600, and 17601. (3) Legislation to continue, eliminate, or modify any provision of law reviewed pursuant to this subdivision. The legislation may be by subject area or by year or years of enactment.

# GC §17563: Use of Funds Received for Public Purpose

Any funds received by a local agency or school district pursuant to the provisions of this chapter may be used for any public purpose.

# GC §17564: Filing of Claims: Threshold Amount

(a) No claim shall be made pursuant to Sections 17551 and 17561, nor shall any payment be made on claims submitted pursuant to Sections 17551 and 17561, unless these claims exceed one thousand dollars (\$1,000), provided that a county superintendent of schools or county may submit a combined claim on behalf of school districts, direct service districts, or special districts within their county if the combined claim exceeds one thousand dollars (\$1,000) even if the individual school district's, direct service district's, or special district's claims do not each exceed one thousand dollars (\$1,000). The county superintendent of schools or the county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each school, direct service, or special district. These combined claims may be filed only when the county superintendent of schools or the districts. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a school district, direct service district, or special district provides to the county superintendent of schools or county and to the Controller, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim. (b) Claims for direct and indirect costs filed pursuant to Section 17561 shall be filed in the manner prescribed in the parameters and guidelines and claiming instructions.

#### GC §17565: Reimbursement of Subsequently Mandated Costs

If a local agency or a school district, at its option, has been incurring costs which are subsequently mandated by the state, the state shall reimburse the local agency or school district for those costs incurred after the operative date of the mandate.

#### GC §17567: Insufficiency of Appropriation: Proration of Claims

In the event that the amount appropriated for reimbursement purposes pursuant to Section 17561 is not sufficient to pay all of the claims approved by the Controller, the Controller shall prorate claims in proportion to the dollar amount of approved claims timely filed and on hand at the time of proration. The Controller shall adjust prorated claims if supplementary funds are appropriated for this purpose. In the event that the Controller finds it necessary to prorate claims as provided by this section, the Controller shall immediately report this action to the Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each house of the Legislature which considers appropriated on a timely basis in the Budget Act, the Controller shall transmit this information to the commission which shall include these amounts in its report to the Legislature pursuant to Section 17600 to assure that an appropriation sufficient to pay the claims is included in the local government claims bills or other appropriation bills. If the local government claims bills required by Section 17612 have been introduced in the Legislature which considers appropriation of a sufficient appropriation in the Legislature which considers appropriated appropriation in the Legislature, the Controller shall report directly to the chairperson of the respective committee in each house of the Legislature which considers appropriation of a sufficient appropriation in the claims bills.

# GC §17568: Payment of Claims Submitted After Deadline

If a local agency or school district submits an otherwise valid reimbursement claim to the Controller after the deadline specified in Section 17560, the Controller shall reduce the reimbursement claim in an amount equal to 10 percent of the amount which would have been allowed had the reimbursement claim been timely filed, provided that the amount of this reduction shall not exceed one thousand dollars (\$1,000). In no case shall a reimbursement claim be paid which is submitted more than one year after the deadline specified in Section 17560. Estimated claims which were filed by the deadline specified in that section shall be paid in full before payments are made on estimated claims filed after the deadline. In the event the amount appropriated to the Controller for reimbursement purposes is not sufficient to pay the estimated claims approved by the Controller, the Controller shall prorate those claims in proportion to the dollar amount of approved claims filed after the deadline and shall report to the commission or the Legislature in the same manner as described in Section 17566 in order to assure appropriation of funds sufficient to pay those claims.

#### GC §17570: Annual Report to Legislature

The Legislative Analyst shall review each unfunded statutory or regulatory mandate for which claims have been approved by the Legislature pursuant to a claims bill during the preceding fiscal year. Any recommendations by the Legislative Analyst to eliminate or modify the mandates shall be contained in the annual analysis of the Budget Bill prepared by the Legislative Analyst.

#### GC §17571: Review and Modification of Claiming Instructions

The commission, upon request of a local agency or school district, shall review the claiming instructions issued by the Controller or any other authorized state agency for reimbursement of mandated costs. If the commission determines that the claiming instructions do not conform to the parameters and guidelines, the commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the commission.

#### GC §17572: Amended Animal Adoption Parameters and Guidelines

(a) The commission shall amend the parameters and guidelines for the state-mandated local program contained in Chapter 752 of the Statutes of 1998, known as the Animal Adoption mandate (Case No. 98-TC-11), as specified below: (1) Amend the formula for determining the reimbursable portion of acquiring or building additional shelter space that is larger than needed to comply with the increased holding period to specify that costs incurred to address preexisting shelter overcrowding or animal population growth are not reimbursable. (2) Clarify how the costs for care and maintenance shall be calculated. (3) Detail the documentation necessary to support reimbursement claims under this mandate, in consultation with the Bureau of State Audits and the Controller's office. (b) The parameters and guidelines, as amended pursuant to this section, shall apply to claims for costs incurred in fiscal years commencing with the 2005-06 fiscal year in which Chapter 752 of the Statutes of 1998 is not suspended pursuant to Section 17581. (c) Before funds are appropriated to reimburse local agencies for claims related to costs incurred in fiscal years commencing with the 2005-06 fiscal year pursuant to Sections 1834 and 1846 of the Civil Code, and Sections 31108, 31752, 31752, 31753, 32001, and 32003 of the Food and Agricultural Code, known as the Animal Adoption mandate, local agencies shall file reimbursement claims pursuant to the parameters and guidelines amended pursuant to this section, and the Controller's revised claiming instructions.

# GC §17575: Review of Bills

When a bill is introduced in the Legislature, and each time a bill is amended, on and after January 1, 1985, the Legislative Counsel shall determine whether the bill mandates a new program or higher level of service pursuant to Section 6 of Article XIIIB of the California Constitution. The Legislative Counsel shall make this determination known in the digest of the bill and shall describe in the digest the basis for this determination. The determination by the Legislative Counsel shall not be binding on the commission in making its determination pursuant to Section 17555.

#### GC §17576: Amendment of Bills on Floor: Notification by Legislative Counsel

Whenever the Legislative Counsel determines that a bill will mandate a new program or higher level of service pursuant to Section 6 of Article XIII B of the California Constitution, the Department of Finance shall prepare an estimate of the amount of reimbursement which will be required. This estimate shall be prepared for the respective committees of each house of the Legislature which consider taxation measures and appropriation measures and shall be prepared prior to any hearing on the bill by any such committee.

#### GC §17577: Amount of Estimates

The estimate required by Section 17576 shall be the amount estimated to be required during the first fiscal year of a bill's operation in order to reimburse local agencies and school districts for costs mandated by the state by the bill.

#### GC §17578: Amendment of Bills on Floor: Notification by Legislative Counsel

In the event that a bill is amended on the floor of either house, whether by adoption of the report of a conference committee or otherwise, in such a manner as to mandate a new program or higher level of service pursuant to Section 6 of Article XIIIB of the California Constitution, the Legislative Counsel shall immediately inform, respectively, the Speaker of the Assembly and the President of the Senate of that fact. Notification from the Legislative Counsel shall be published in the journal of the respective houses of the Legislature.

# GC §17579: Requirement for New Mandates to Specify Reimbursement Requirements: Appropriations

Any bill introduced or amended for which the Legislative Counsel has determined the bill will mandate a new program or higher level of service pursuant to Section 6 of Article XIIIB of the California Constitution shall contain a section specifying that reimbursement shall be made pursuant to this chapter or that the mandate is being disclaimed and the reason therefor.

# GC §17581: Conditions for Exemption from Implementation of Statute or Executive Order

(a) No local agency shall be required to implement or give effect to any statute or executive order, or portion thereof, during any fiscal year and for the period immediately following that fiscal year for which the Budget Act has not been enacted for the subsequent fiscal year if all of the following apply: (1) The statute or executive order, or portion thereof, has been determined by the Legislature, the commission, or any court to mandate a new program or higher level of service requiring reimbursement of local agencies pursuant to Section 6 of Article XIIIB of the California Constitution. (2) The statute or executive order, or portion thereof, has been specifically identified by the Legislature in the Budget Act for the fiscal year as being one for which reimbursement is not provided for that fiscal year. For purposes of this paragraph, a mandate shall be considered to have been specifically identified by the Legislature only if it has been included within the schedule of reimbursable mandates shown in the Budget Act and it is specifically identified in the language of a provision of the item providing the appropriation for mandate reimbursements. (b) Notwithstanding any other provision of law, if a local agency elects to implement or give effect to a statute or executive order described in subdivision (a), the local agency may assess fees to persons or entities which benefit from the statute or executive order. Any fee assessed pursuant to this subdivision shall not exceed the costs reasonably borne by the local agency. (c) This section shall not apply to any state-mandated local program for the trial courts, as specified in Section 77203. (d) This section shall not apply to any state-mandated local program for which the reimbursement funding counts toward the minimum General Fund requirements of Section 8 of Article XVI of the Constitution.

# GC §17581.5 Exemption from Provisions of School Bus Safety II Mandate and School Crimes Reporting II Mandate

(a) A school district may not be required to implement or give effect to the statutes, or portion thereof, identified in subdivision (b) during any fiscal year and for the period immediately following that fiscal year for which the Budget Act has not been enacted for the subsequent fiscal year if all of the following apply: (1) The statute or portion thereof, has been determined by the Legislature, the commission, or any court to mandate a new program or higher level of service requiring reimbursement of school districts pursuant to Section 6 of Article XIIIB of the California Constitution. (2) The statute, or portion thereof, has been specifically identified by the Legislature in the Budget Act for the fiscal year as being

one for which reimbursement is not provided for that fiscal year. For purposes of this paragraph, a mandate shall be considered to have been specifically identified by the Legislature only if it has been included within the schedule of reimbursable mandates shown in the Budget Act and it is specifically identified in the language of a provision of the item providing the appropriation for mandate reimbursements. (b) This section applies only to the following mandates: (1) The School Bus Safety I (CSM-4433) and II (97-TC-22) mandates (Chapter 642 of the Statutes of 1992; Chapter 831 of the Statutes of 1994; and Chapter 739 of the Statutes of 1997). (2) The School Crimes Reporting II mandate (97-TC-03; and Chapter 759 of the Statutes of 1992 and Chapter 410 of the Statutes of 1995). (3) Investment reports (96-358-02; and Chapter 783 of the Statutes of 1995 and Chapter 784 of the Statutes of 1995). (4) County treasury oversight committees (96-365-03; and Chapter 784 of the Statutes of 1995) and Chapter 156 of the Statutes of 1996).

# GC §17600: Report on Number of Mandates and Their Costs

At least twice each calendar year the commission shall report to the Legislature on the number of mandates it has found pursuant to Article 1 (commencing with Section 17550) and the estimated statewide costs of these mandates. This report shall identify the statewide costs estimated for each mandate and the reasons for recommending reimbursement.

# GC §17601: Report on Claims Denied

The commission shall report to the Legislature on January 15, 1986, and each January 15 thereafter, on the number of claims it denied during the preceding calendar year and the basis on which the particular claims were denied.

#### GC §17612: Local Government Claims Bills: Judicial Review of Funding Deletions

(a) Immediately upon receipt of the report submitted by the commission pursuant to Section 17600, a local government claims bill shall be introduced in the Legislature. The local government claims bill, at the time of its introduction, shall provide for an appropriation sufficient to pay the estimated costs of these mandates. (b) The Legislature may amend, modify, or supplement the parameters and guidelines for mandates contained in the local government claims bill. If the Legislature amends, modifies, or supplements the parameters and guidelines, it shall make a declaration in the local government claims bill specifying the basis for the amendment, modification, or supplement. (c) If the Legislature deletes from a local government claims bill funding for a mandate, the local agency or school district may file in the Superior Court of the County of Sacramento an action in declaratory relief to declare the mandate unenforceable and enjoin its enforcement.

# GC §17613: Authorization of Augmentation for Mandated Costs

(a) The Director of Finance may, upon receipt of any report submitted pursuant to Section 17567, authorize the augmentation of the amount available for expenditure to reimburse costs mandated by the state, as defined in Section 17514, as follows: (1) For augmentation of (A) any schedule in any item to reimburse costs mandated by the state in any budget act, or (B) the amount appropriated in a local government claims bill for reimbursement of the claims of local agencies, as defined by Section 17518, from the unencumbered balance of any other item to reimburse costs mandated by the state in that budget act or another budget act or in an appropriation for reimbursement of the claims of local agencies in another local government claims bill. (2) For augmentation of (A) any schedule in any budget act item, or (B) any amount appropriated in a local government claims bill, when either of these augmentations is for reimbursement of mandated claims of school districts, as defined in Section 17519, when the source of this augmentation is (A) the unencumbered balance of any other scheduled amount in that budget act or another budget act, or (B) an appropriation in another local government claims bill, when either of these appropriations is for reimbursement of mandate claims of school districts. This paragraph applies only to appropriations that are made for the purpose of meeting the minimum funding guarantee for educational programs pursuant to Section 8 of Article XVI of the California Constitution. (b) No authorization for an augmentation pursuant to this section may be made

sooner than 30 days after the notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time as the chairperson of the joint committee, or his or her designee, may in each instance determine.

# GC §17615: Legislative Findings and Intent

The Legislature finds and declares that the existing system for reimbursing local agencies and school districts for actual costs mandated by the state on an annual claim basis is time consuming, cumbersome, and expensive at both the local and state levels. The Controller must process voluminous claims with all claims subject to a desk audit and selected claims also subject to a field audit. Local agencies are required to maintain extensive documentation of all claims in anticipation of such an audit. The volume of these records is substantial and will continue to grow with no relief in sight as new programs are mandated. The cost to local agencies and school districts for filing claims, and for maintaining documentation and responding to the Controller's audits is substantial. The current administrative cost to both state and local governments represents a significant expenditure of public funds with no apparent benefit to the taxpayers. It is the intent of the Legislature to streamline the reimbursement process for costs mandated by the state by creating a system of state mandate apportionments to fund the costs of certain programs mandated by the state.

# GC §17615.1: Review of Programs for Inclusion in System

The commission shall establish a procedure for reviewing, upon request, mandated cost programs for which appropriations have been made by the Legislature for the 1982-83, 1983-84, and 1984-85 fiscal years, or any three consecutive fiscal years thereafter. At the request of the Department of Finance, the Controller, or any local agency or school district receiving reimbursement for the mandated program, the commission shall review the mandated cost program to determine whether the program should be included in the State Mandates Apportionment System. If the costs of the state-mandated program, the commission shall direct the Controller to include the program in the State Mandates Apportionment System.

#### GC §17615.2: Calculation of Disbursement Amounts

(a) Notwithstanding Section 17561, after November 30, 1985, for those programs included in the State Mandates Apportionment System, after approval by the commission, there shall be disbursed by the Controller to each local agency and school district which has submitted a reimbursement claim for costs mandated by the state in the 1982-83, 1983-84, and the 1984-85 fiscal years, or any three consecutive fiscal years thereafter, an amount computed by averaging the approved reimbursement claims for this three-year period. The amount shall first be adjusted according to any changes in the deflator. The deflator shall be applied separately to each year's costs for the three years which comprise the base period. Funds for these purposes shall be available to the extent they are provided for in the Budget Act of 1985 and the Budget Act for any subsequent fiscal year thereafter. For purposes of this article, "base period" means the three fiscal years immediately succeeding the commission's approval. (b) When the Controller has made payment on claims prior to commission approval of the program for inclusion in the State Mandates Apportionment System, the payment shall be adjusted in the next apportionment to the amount which would have been subvened to the local agency or school district for that fiscal year had the State Mandates Apportionment System been in effect at the time of the initial payment.

# GC §17615.3: Annual Recalculation of Allocation

Notwithstanding Section 17561, by November 30, 1986, and by November 30 of each year thereafter, for those programs included in the State Mandates Apportionment System, the Controller shall recalculate each allocation for each local agency and school district for the 1985-86 fiscal year, by using the actual change in the deflator for that year. That recalculated allocation shall then be adjusted by the estimated change in the deflator for the 1986 -87 fiscal year, and each fiscal year thereafter, to

establish the allocation amount for the 1986-87 fiscal year, and each fiscal year thereafter. Additionally, for programs approved by the commission for inclusion in the State Mandates Apportionment System on or after January 1, 1988, the allocation for each year succeeding the three-year base period shall be adjusted according to any changes in both the deflator and workload. The Controller shall then subvene that amount after adjusting it by any amount of overpayment or underpayment in the 1985-86 fiscal year, and each fiscal year thereafter, due to a discrepancy between the actual change and the estimated change in the deflator or workload. Funds for these purposes shall be available to the extent they are provided for in the Budget Act of 1986 and the Budget Act for any subsequent fiscal year thereafter. For purposes of this article, "workload" means, for school districts and county offices of education, changes in the average daily attendance; for community colleges, changes in the number of full-time equivalent students; for cities and counties, changes in the population within their boundaries; and for special districts, changes in the population of the county in which the largest percentage of the district's population is located.

#### GC §17615.4: Procedure for Newly Mandated Program

(a) When a new mandate imposes costs that are funded either by legislation or in local government claims bills, local agencies and school districts may file reimbursement claims as required by Section 17561, for a minimum of three years after the initial funding of the new mandate. (b) After actual cost claims are submitted for three fiscal years against such a new mandate, the commission shall determine, upon request of the Controller or a local entity or school district receiving reimbursement for the program, whether the amount of the base year entitlement adjusted by changes in the deflator and workload accurately reflects the costs incurred by the local agency or school district. If the commission determines that the base year entitlement, as adjusted, does accurately reflect the costs of the program, the commission shall direct the Controller to include the program in the State Mandates Apportionment System. (c) The Controller's recommendations for each new mandate submitted for inclusion in the State Mandates Apportionment System pursuant to this section are also subject to the audit provisions of Section 17616.

#### GC §17615.5: Procedure Where No Base Year Entitlement Has Been Established

(a) If any local agency or school district has an established base year entitlement which does not include costs for a particular mandate, that local agency or school district may submit reimbursement claims for a minimum of three consecutive years, adjusted pursuant to Section 17615.3 by changes in the deflator and workload, or entitlement claims covering a minimum of three consecutive years, after which time its base year entitlement may be adjusted by an amount necessary to fund the costs of that mandate. (b) If any local agency or school district has no base year entitlement, but wishes to begin claiming costs of one or more of the mandates included in the State Mandates Apportionment System, that local agency or school district may submit reimbursement claims for a minimum of three consecutive years, or entitlement claims covering the preceding three consecutive years, which shall be adjusted pursuant to Sections 17615.2 and 17615.3 by changes in the deflator and workload, after which time a base year entitlement may be established in an amount necessary to fund the costs of the mandate or mandates.

# GC §17615.6: Procedure Where Program is No Longer Mandatory

If a local agency or school district realizes a decrease in the amount of costs incurred because a mandate is discontinued, or made permissive, the Controller shall determine the amount of the entitlement attributable to that mandate by determining the base year amount for that mandate for the local agency or school district plus the annual adjustments. This amount shall be subtracted from the annual subvention which would otherwise have been allocated to the local agency or school district.

# GC §17615.7: Procedure Where Program is Modified

If a mandated program included in the State Mandates Apportionment System is modified or amended by the Legislature or by executive order, and the modification or amendment significantly affects the costs of the program, as determined by the commission, the program shall be removed from the State Mandate Apportionment System, and the payments reduced accordingly. Local entities or school districts may submit actual costs claims for a period of three years, after which the program may be considered for inclusion in the State Mandates Apportionment System, pursuant to the provisions of Section 17615.4.

#### GC §17615.8: Review of Base Year Entitlement

(a) The commission shall establish a procedure for reviewing, upon request, any apportionment or base year entitlement of a local agency or school district. (b) Local agencies and school districts which request such a review shall maintain and provide those records and documentation as the commission or its designee determines are necessary for the commission or its designee to make the required determinations. With the exception of records required to verify base year entitlements, the records may not be used to adjust current or prior apportionments, but may be used to adjust future apportionments. (c) If the commission determines that an apportionment or base year entitlement for funding costs mandated by the state does not accurately reflect the costs incurred by the local agency or school district for all mandates upon which that apportionment is based, the commission shall direct the Controller to adjust the apportionment accordingly. For the purposes of this section, an apportionment or a base year entitlement does not accurately reflect the costs incurred by a local agency or school district if it falls short of reimbursing, or overreimburses, that local agency's or school district's actual costs by 20 percent or by one thousand dollars (\$1,000), whichever is less. (d) If the commission determines that an apportionment or base year entitlement for funding costs mandated by the state accurately reflects the costs incurred by the local agency or school district for all mandates upon which that apportionment is based, the commission may, in its discretion, direct the Controller to withhold, and, if so directed, the Controller shall withhold the costs of the commission's review from the next apportionment to the local agency or school district, if the commission review was requested by the local agency or school district.

# GC §17615.9: Review of Programs Under SMAS

The commission shall periodically review programs funded under the State Mandate Apportionments System to evaluate the effectiveness or continued statewide need for each such mandate.

#### GC §17616: Audits and Verification by Controller

The Controller shall have the authority to do either or both of the following: (a) Audit the fiscal years comprising the base year entitlement no later than three years after the year in which the base year entitlement is established. The results of such audits shall be used to adjust the base year entitlements and any subsequent apportionments based on that entitlement, in addition to adjusting actual cost payments made for the base years audited. (b) Verify that any local agency or school district receiving funds pursuant to this article is providing the reimbursed activities.

# GC §17617: Local Agency Payment

The total amount due to each city, county, city and county, and special district, for which the state has determined, as of June 30, 2005, that reimbursement is required under Section 6 of Article XIIIB of the California Constitution, shall be appropriated for payment to these entities over a period of not more than five years, commencing with the Budget Act for the 2006-07 fiscal year and concluding with the Budget Act for the 2011-12 fiscal year.

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#### OFFICE OF THE STATE CONTROLLER

#### STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2002-06A

# ANIMAL ADOPTION

#### MAY 7, 2002

In accordance with Government Code Section (GC §) 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of costs incurred for state mandated cost programs. The following are claiming instructions and forms that eligible claimants will use for the filing of claims for the Animal Adoption (AA) program. These claiming instructions are issued subsequent to adoption of the program's parameters and guidelines (P's & G's) by the Commission on State Mandates (COSM).

The test claim legislation was enacted in an attempt to end the euthanasia of adoptable and treatable animals. It increased the holding period for stray and abandoned dogs, cats, and other specified animals; required the verification of the temperament of feral cats; required the posting of lost and found lists; required the maintenance of records for impounded animals; and required that impounded animals receive necessary and prompt veterinary care.

On January 25, 2001, the COSM determined that Chapter 752/98 established costs mandated by the State according to the provisions listed in the attached P's & G's. For your reference, the P's & G's are included as an integral part of the claiming instructions.

#### **Eligible Claimants**

Any city, county, city and county, dependent special district, and joint powers authority comprised of a city, county, and/or city and county that incurs increased costs as a direct result of this mandate, is eligible to claim reimbursement of these costs.

#### Filing Deadlines

#### A. Initial Claims

Initial reimbursement claims must be filed within 120 days from the issuance date of claiming instructions. All claims must be filed with the SCO and be delivered or postmarked on or before **September 4, 2002**. Estimated claims for the 2001-02 fiscal year must also be delivered or postmarked on or before **September 4, 2002**. Thereafter, having received payment for an estimated claim, the claimant must file an annual reimbursement claim by January 15 of the following fiscal year. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$1,000. The claiming period for the reimbursable activities listed in **IV**, beginning on page 3 of the P's and G's, are as follows:

# • IV. A. 1., 2., 3. - One Time Activities

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

• IV. B. 1. - Acquisition of Additional Space and/or Construction of New Facilities (Food and Agriculture Code Sections {F & AC §§} 31108, 31752, and 31753).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

• IV. B. 2. - Remodeling/Renovating Existing Facilities (F & AC §§ 31108, 31752, and 31753).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

• IV. B. 3. - Care and Maintenance of Impounded Stray or Abandoned Dogs and Cats (F & AC §§ 31108 and 31752).

Claiming Period - Fiscal years 1999-00 to 2000-01<sup>1</sup>.

• IV. B. 4. - Care and Maintenance of Impounded Stray or Abandoned Animals (F & AC § 31753).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

• IV. B. 5. - Agencies Using the Holding Period of Four Business Days after the Day of Impoundment (F & AC §§ 31108, 31752, and 31753).

**Animals Other than Cats and Dogs** 

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

# **Impounded Dogs and Cats**

Claiming Period - Fiscal year 1999-00 to 2000-01.

• IV. B. 6. - Feral Cats (F & AC § 31752.5).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

• IV. B. 7. - Lost and Found Lists (F & AC § 32001).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 and 2000-01.

• IV. B. 8. - Maintaining Non-Medical Records (F & AC § 32003).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 and 2000-01.

• IV. B. 9. - Necessary and Prompt Veterinary Care (Civil Code §§ 1834 and 1846).

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 and 2000-01.

<sup>&</sup>lt;sup>1</sup> Claiming period was previously listed as January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

# • IV. B. 10. - Procurement of Medical, Kennel, and Computer Equipment

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2000-01.

Costs for all initial reimbursement claims must be filed separately according to the fiscal year in which the costs were incurred. However, the initial claims will be considered as one claim for the purpose of computing the late claim penalty. Do not prorate the penalty among fiscal years. If the claims are late, the penalty should be applied to a single fiscal year.

In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. Claims filed more than one year after the deadline will not be accepted.

# **B.** Estimated Claims

Unless otherwise specified in the claiming instructions, local agencies are not required to provide cost schedules and supporting documents with an estimated claim if the estimated amount does not exceed the previous fiscal year's actual costs by more than 10%. Claimants can simply enter the estimated amount on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, claimants must complete supplemental claim forms to support their estimated costs as specified for the program to explain the reason for the increased costs. If no explanation supporting the higher estimate is provided with the claim, it will automatically be adjusted to 110% of the previous fiscal year's actual costs will be incurred. Claims filed timely will be paid before late claims.

# **Minimum Claim Cost**

GC Section 17564 provides that no claim shall be filed pursuant to Sections 17551 and 17561, unless such a claim exceeds two hundred dollars (\$200), provided that a county superintendent of schools or county may submit a combined claim on behalf of school districts, direct service districts, or special districts within their county if the combined claim exceeds \$200, even if the individual school district's, direct service district's, or special district's claims do not each exceed \$200. The county superintendent of schools or the county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each school, direct service, or special district. These combined claims may be filed only when the county superintendent of schools or the county is the fiscal agent for the districts. A combined claim must show the individual claim costs for each eligible district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a school district, direct service district, or special district provides to the county superintendent of schools or county and to the SCO, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim.

# **Reimbursement of Claims**

Initial reimbursement claims will only be reimbursed to the extent that expenditures can be supported and, if such information is unavailable, claims will be reduced. In addition, ongoing reimbursement claims must be supported by documentation as evidence of the expenditures. Examples of documentation may include, but are not limited to, employee time records that identify mandate activities, payroll records, invoices, receipts, contracts, travel expense vouchers, purchase orders, and caseload statistics.

If a documented time study is the basis for claimed time spent in implementing the provisions of **IV.** B. 3. of the P's and G's, attach the time records with the claim. The Controller's Office will review the documented time study for precision and reliability. For information on the Time Study Method, refer to pages 7 and 8 of the P's and G's.

# Audit of Costs

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the P's & G's adopted by the COSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment," specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Accordingly, all documentation to support actual costs claimed must be retained for a period of two years after the end of the calendar year in which the reimbursement claim was filed or amended regardless of the year of costs incurred. When no funds are appropriated for initial claims at the time the claim is filed, supporting documents must be retained for two years from the date of initial payment of the claim. Claim documentation shall be made available to the SCO on request.

# **Retention of Claiming Instructions**

The claiming instructions and forms in this package should be retained permanently in your Mandated Cost Manual for future reference and use in filing claims. These forms should be duplicated to meet your filing requirements. You will be notified of updated forms or changes to claiming instructions as necessary.

For your reference, these and future mandated costs claiming instructions and forms can be found on the Internet at **www.sco.ca.gov/ard/local/locreim/index.htm**.

# **Address for Filing Claims**

Submit a signed, original form FAM-27, Claim for Payment, and all other forms and supporting documents (no copies necessary) to:

If delivered by U.S. Postal Service:

Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting P.O. Box 942850 Sacramento, CA 94250 If delivered by other delivery services:

Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting 3301 C Street, Suite 500 Sacramento, CA 95816

# PARAMETERS AND GUIDELINES

Civil Code Sections 1834 and 1846; Food and Agriculture Code Sections 31108, 31752, 31752.5, 31753, 32001, and 32003 As Added or Amended by Statutes of 1998, Chapter 752

# **Animal Adoption**

# I. Summary of the Mandate

The test claim legislation was enacted in an attempt to end the euthanasia of adoptable and treatable animals. Generally, the test claim legislation increased the holding period for stray and abandoned dogs, cats, and other specified animals; required the verification of the temperament of feral cats; required the posting of lost and found lists; required the maintenance of records for impounded animals; and required that impounded animals receive "necessary and prompt veterinary care."

The Commission partially approved this test claim, pursuant to article XIII B, section 6 of the California Constitution and Government Code section 17514, for the *increased costs* in performing the following activities only:

- 1. Providing care and maintenance during the increased holding period for impounded dogs and cats that are ultimately euthanized. The increased holding period shall be measured by calculating the difference between three days from the day of capture and four business days from the day after impoundment, as specified below in 3 (a) and 3 (b), or six business days from the day after impoundment (Food & Agr. Code, §§ 31108, 31752);
- 2. Providing care and maintenance for four business days from the day after impoundment, as specified below in 3 (a) and 3 (b), or six business days from the day after impoundment, for impounded rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles, or tortoises legally allowed as personal property that are ultimately euthanized (Food & Agr. Code, § 31753);
- 3. For dogs, cats, and other specified animals held for four business days after the day of impoundment, either:

(a) Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or

(b) For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed (Food & Agr., Code §§ 31108, 31752, and 31753);

- 4. Verifying whether a cat is feral or tame by using a standardized protocol (Food & Agr. Code, § 31752.5);
- 5. Posting lost and found lists (Food & Agr. Code, § 32001);
- 6. Maintaining records on animals that are not medically treated by a veterinarian, but are either taken up, euthanized after the holding period, or impounded (Food & Agr. Code, § 32003); and
- 7. Providing "necessary and prompt veterinary care" for abandoned animals, other than injured cats and dogs given emergency treatment, that are ultimately euthanized (Civ.Code, §§ 1834 and 1846).

# **II.** Eligible Claimants

Any city, county, city and county, dependent special district, and joint powers authority comprised of a city, county, and/or city and county that incurs increased costs as a result of this reimbursable state mandated program is eligible to claim reimbursement of those costs.

# III. Period of Reimbursement

Government Code section 17557, as amended by Statutes of 1998, Chapter 681 (which became effective on September 22, 1998), states that a test claim shall be submitted on or before June 30 following a fiscal year in order to establish eligibility for reimbursement for that fiscal year. On December 22, 1998, the County of Los Angeles filed the test claim for this mandated program, establishing eligibility for reimbursement beginning on or after July 1, 1997.

However, except for the amendments to Food and Agriculture Code sections 31108 and 31752, Statutes of 1998, Chapter 752 became operative and effective on January 1, 1999. Therefore, except for the amendments to Food and Agriculture Code sections 31108 and 31752, the costs incurred for Statutes of 1998, Chapter 752 are eligible for reimbursement on or after January 1, 1999.

Section 21 of Statutes of 1998, Chapter 752 establishes an operative date of July 1, 1999 for the amendments to Food and Agriculture Code section 31108 (holding period for stray dogs) and Food and Agriculture Code sections 31752 (holding period for stray cats). Therefore, costs incurred for Food and Agriculture Code sections 31108 and 31752, as amended by Statutes of 1998, Chapter 752, are eligible for reimbursement on or after July 1, 1999.

Actual costs for one fiscal year shall be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to section 17561, subdivision (d)(1) of the Government Code, all claims for reimbursement of initial years' costs shall be submitted within 120 days of notification by the State Controller of the issuance of claiming instructions.

If the total costs for a given year do not exceed \$200, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

# IV. Reimbursable Activities

For each eligible claimant, all direct and indirect costs of labor, materials, supplies, fixed assets, contracted services, training and travel for the performance of the activities listed below are eligible for reimbursement.

Except as specified in Component (B)(3) and (4), reimbursement claims for the performance of the activities listed below shall be based on actual or estimated costs as provided in Government Code section 17560.

# A. One Time Activities

- 1. Develop policies and procedures to implement the reimbursable activities listed in Section IV (B) of these parameters and guidelines.
- 2. Train staff on the reimbursable activities listed in Section IV (B) of these parameters and guidelines. (One-time per employee.)
- 3. Develop or procure computer software for the maintenance of records on animals specified in Section IV (B) (8) of these parameters and guidelines to the extent these costs are not claimed as an indirect cost under Section V (B) of these parameters and guidelines. If the computer software is utilized in some way that is not directly related to the maintenance of records specified in Section IV (B) (8), only the pro rata portion of the activity that is used for compliance with Section IV (B) (8) is reimbursable.
- B. Ongoing Activities
  - 1. Acquisition of Additional Space and/or Construction of New Facilities

Beginning January 1, 1999 - Acquiring additional space by purchase or lease and/or construction of new facilities to provide appropriate or adequate shelter necessary to comply with the mandated activities during the increased holding period for impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that die during the increased holding period or are ultimately euthanized.

Eligible claimants are only entitled to reimbursement for the proportionate share of actual costs required to plan, design, acquire, and/or build facilities in a given fiscal year based on the pro rata representation of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that are held during the *increased* holding period specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines and die during the increased holding period or are ultimately euthanized, to the total population of animals housed in the facility (including those animals that are excluded from

reimbursement, as specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines) during the entire holding period required by Food and Agriculture Code sections 31108, 31752 and 31753.

# Supporting Documentation Submitted with the Initial and Subsequent Reimbursement Claims

Acquiring additional space and/or construction of new facilities is reimbursable only to the extent that an eligible claimant submits, with the initial and/or subsequent reimbursement claim, documentation reflecting the following:

A determination by the governing board that acquiring additional space and/or constructing new facilities is necessary for the increased holding period required by Statutes of 1998, Chapter 752 because the existing facilities do not reasonably accommodate impounded stray or abandoned dogs, cats and other specified animals that are ultimately euthanized. The determination by the governing board shall include all of the following findings:

- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in 1998. Average Daily Census is defined as the average number of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 housed on any given day, in a 365-day period;
- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in a given year under the holding periods required by Food and Agriculture Code sections 31108, 31752, and 31753, as added or amended by Statutes of 1998, Chapter 752;
- Existing facilities are not appropriately configured and/or equipped to comply with the increased holding period required by Statutes of 1998, Chapter 752;
- Remodeling existing facilities is not feasible or is more expensive than acquiring additional space and/or constructing new facilities; and
- Contracting with existing private or public shelters in the area to house the increase of impounded stray or abandoned dogs, cats, or other animals specified in Statutes of 1998, Chapter 752 is not feasible or is more expensive than acquiring additional space and/or constructing new facilities.

Documentation requirements may be satisfied in whole or in part by staff agenda items, staff reports, minutes of governing board meetings, transcripts of governing board meetings, certification by the governing board describing the findings and determination, and/or a resolution adopted by the governing board pursuant to Food and Agriculture Code section 31755, as added by Statutes of 1999, Chapter 81 (Assembly Bill 1482).

2. Remodeling/Renovating Existing Facilities

Beginning January 1, 1999 - Remodeling/renovating existing facilities to provide appropriate or adequate shelter necessary to comply with the mandated activities during the increased holding period for impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that die during the increased holding period or are ultimately euthanized.

Eligible claimants are only entitled to reimbursement for the proportionate share of actual costs required to plan, design, remodel and/or renovate existing facilities in a given fiscal year based on the pro rata representation of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that are held during the *increased* holding period specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines and die during the increased holding period or are ultimately euthanized, to the total population of animals housed in the facility (including those animals that are excluded from reimbursement, as specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines) during the entire holding period required by Food and Agriculture Code sections 31108, 31752 and 31753.

# Supporting Documentation Submitted with the Initial and Subsequent Reimbursement Claims

Remodeling/renovating existing facilities is reimbursable only to the extent that an eligible claimant submits, with the initial and/or subsequent reimbursement claim, documentation reflecting the following:

A determination by the governing board or a delegated representative that remodeling/renovating existing facilities is necessary because the existing facilities do not reasonably accommodate impounded stray or abandoned dogs, cats and other specified animals that are ultimately euthanized for the increased holding period required by Statutes of 1998, Chapter 752. The determination by the governing board or delegated representative shall include all of the following findings:

• The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in 1998. Average Daily Census is defined as the average number of impounded stray or

abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 housed on any given day, in a 365-day period;

- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 in a given year under the holding periods required by Food and Agriculture Code sections 31108, 31752, and 31753, as added or amended by Statutes of 1998, Chapter 752;
- Existing facilities are not appropriately configured and/or equipped to comply with the increased holding period required by Statutes of 1998, Chapter 752;
- Contracting with existing private or public shelters in the area to house the increase of impounded stray or abandoned dogs, cats, or other animals specified in Statutes of 1998, Chapter 752 is not feasible or is more expensive than remodeling/renovating existing facilities.

Documentation requirements may be satisfied in whole or in part by staff agenda items, staff reports, minutes of governing board meetings, transcripts of governing board meetings, certification by the governing board or declaration from the delegated representative describing the findings and determination, and/or a resolution adopted by the governing board pursuant to Food and Agriculture Code section 31755, as added by Statutes of 1999, Chapter 81 (Assembly Bill 1482).

3. Care and Maintenance for Impounded Stray or Abandoned Dogs and Cats that Die During the Increased Holding Period or are Ultimately Euthanized (Food & Agr. Code, §§ 31108, 31752)

Beginning July 1, 1999 - Providing care and maintenance during the increased holding period for impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized. The increased holding period shall be measured by calculating the difference between three days from the day of capture, and four or six business days from the day after impoundment.

#### **Exclusions**

Eligible claimants are *not* entitled to reimbursement for the care and maintenance of the following population of dogs and cats:

- a. Stray or abandoned dogs and cats that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);
- b. Newborn stray or abandoned dogs and cats that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);

- c. Stray or abandoned dogs and cats too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- d. Owner relinquished dogs and cats; and
- e. Stray or abandoned dogs and cats that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

#### Methods for Claiming Costs

Eligible claimants may elect one of following two methods to claim costs for the care and maintenance of impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized:

- Actual Cost Method Under the actual cost method, actual reimbursable care and maintenance costs per animal per day are computed for an annual claim period.
  - a) Determine the total annual cost of care and maintenance for all dogs and cats impounded at a facility. Total cost of care and maintenance includes labor, materials, supplies, indirect costs, and contract services.
  - b) Determine the average daily census of dogs and cats.
  - c) Multiply the average daily census of dogs and cats by 365 = yearly census of dogs and cats.
  - d) Divide the total annual cost of care by the yearly census of dogs and cats = cost per animal per day.
  - e) Multiply the cost per animal per day, by the number of impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized, by each reimbursable day (the difference between three days from the day of capture, and four or six business days from the day after impoundment).
- Time Study Method Under the time study method, a random sample of impounded stray or abandoned dogs and cats are observed to determine the amount of time to provide care and maintenance during a reimbursable day.

The time study shall be developed using one representative month each quarter and be supported with actual source documentation. Time studies shall be conducted on a more frequent basis if there are significant variations of time expended from month to month. The time study shall identify hours devoted to each specific category. If the time study supports a fixed-cost approach such as an animal day (i.e., dogday, cat-day, etc.), the eligible claimant shall document the analysis supporting the method used.

Time records used to support the time study shall:

- i. Reflect an after-the-fact distribution of each employee's actual activity;
- ii. Account for the total activity for which each employee is compensated;
- iii. Account for the total labor hours of the month;
- iv. Be signed and dated by the employee not later than the end of the pay period that follows the pay period covered by the report; and
- v. Document, by signature or initials and date, supervisor approval.
- Care and Maintenance for Impounded Stray or Abandoned Animals Specified in Food and Agriculture Code Section 31753 that Die During the Increased Holding Period or are Ultimately Euthanized (Food & Agr. Code, § 31753)

Beginning January 1, 1999 - Providing care and maintenance for four or six business days from the day after impoundment for impounded stray or abandoned rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles, and tortoises legally allowed as personal property that die during the increased holding period or are ultimately euthanized.

#### **Exclusions**

Eligible claimants are *not* entitled to reimbursement for the care and maintenance of the following population of animals:

- a. Stray or abandoned animals that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);
- Newborn animals that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- c. Stray or abandoned animals too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- d. Owner relinquished animals; and

e. Stray or abandoned animals that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

# Methods for Claiming Costs

Eligible claimants may elect one of following two methods to claim costs for the care and maintenance of impounded stray or abandoned animals specified in Food and Agriculture Code section 31753 that die during the increased holding period or are ultimately euthanized:

- Actual Cost Method –Under the actual cost method, actual reimbursable care and maintenance costs per animal per day are computed for an annual claim period.
  - a) Determine the total annual cost of care and maintenance for all animals specified in Food and Agriculture Code section 31753 that are impounded at a facility. Total cost of care and maintenance includes labor, materials, supplies, indirect costs, and contract services.
  - b) Determine the average daily census of the animals specified in Food and Agriculture Code section 31753.
  - Multiply the average daily census of the animals specified in Food and Agriculture Code section 31753 by 365 = yearly census of animals specified in Food and Agriculture Code section 31753.
  - d) Divide the total annual cost of care by the yearly census of animals specified in Food and Agriculture Code section 31753 = cost per animal per day.
  - e) Multiply the cost per animal per day, by the number of impounded stray or abandoned animals specified in Food and Agriculture Code section 31753 that die during the increased holding period or are ultimately euthanized, by each reimbursable day (four or six business days from the day after impoundment).
- Time Study Method Under the time study method, a random sample of impounded stray or abandoned animals are observed to determine the amount of time to provide care and maintenance during a reimbursable day.

The time study shall be developed using one representative month each quarter and be supported with actual source documentation. Time studies shall be conducted on a more frequent basis if there are significant variations of time expended from month to month. The time study shall identify hours devoted to each specific category. If the time study supports a fixed-cost approach such as an animal day, the eligible claimant shall document the analysis supporting the method used.

Time records used to support the time study shall:

- i. Reflect an after-the-fact distribution of each employee's actual activity;
- ii. Account for the total activity for which each employee is compensated;
- iii. Account for the total labor hours of the month;
- iv. Be signed and dated by the employee not later than the end of the pay period that follows the pay period covered by the report; and
- v. Document, by signature or initials and date, supervisor approval.
- 5. Agencies Using the Holding Period of Four Business Days After the Day of Impoundment (Food & Agr. Code, §§ 31108, 31752, 31753)

Beginning January 1, 1999 - For impounded animals specified in Food and Agriculture Code section 31753, either:

- Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or
- For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.

Beginning July 1, 1999 - For impounded dogs and cats, either:

- Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or
- For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.
- 6. Feral Cats (Food & Agr. Code, § 31752.5)

Beginning January 1, 1999 - Verifying whether a cat is feral or tame by using a standardized protocol within the first three days of the required holding period if an apparently feral cat has not been reclaimed by its owner or caretaker. 7. Lost and Found Lists (Food & Agr. Code, § 32001)

Beginning January 1, 1999 - Providing owners of lost animals and those who find lost animals with all of the following:

- Ability to list the animals they have lost or found on "lost and found" lists maintained by the local agency;
- Referrals to animals listed that may be the animals the owner or finders have lost or found;
- The telephone numbers and addresses of other pounds and shelters in the same vicinity;
- Advice as to means of publishing and disseminating information regarding lost animals; and
- The telephone numbers and addresses of volunteer groups that may be of assistance in locating lost animals.
- 8. Maintaining *Non-Medical* Records (Food & Agr. Code, § 32003)

Beginning January 1, 1999 - Maintaining non-medical records on animals that are either taken up, euthanized after the holding period, or impounded. Such records shall include the following:

- The date the animal was taken up, euthanized, or impounded;
- The circumstances under which the animal is taken up, euthanized, or impounded;
- The names of the personnel who took up, euthanized, or impounded the animal; and
- The final disposition of the animal, including the name of the person who euthanized the animal or the name and address of the adopting party.

The cost of software license renewal contracts, to the extent these costs are not claimed as an indirect cost under these parameters and guidelines, is eligible for reimbursement under Section V (A) (2) of these parameters and guidelines. If the computer software is utilized in some way that is not directly related to the maintenance of records specified in this section, only the pro rata portion of the software license renewal contract that is used for compliance with this section is reimbursable.

9. "Necessary and Prompt Veterinary Care" (Civ. Code, §§ 1834 and 1846)

Beginning January 1, 1999 - Providing "necessary and prompt veterinary care" for stray and abandoned animals, other than injured cats and dogs given emergency treatment, that die during the holding

period or are ultimately euthanized, during the holding periods specified in Statutes of 1998, Chapter 752.

"Necessary and prompt veterinary care" means all reasonably necessary medical procedures performed by a veterinarian or someone under the supervision of a veterinarian to make stray or abandoned animals "adoptable." The following veterinary procedures, if conducted, are eligible for reimbursement:

- An initial physical examination of the animal to determine the animal's baseline health status and classification as "adoptable," "treatable," or "non-rehabilitatable."
- A wellness vaccine administered to "treatable" or "adoptable" animals.
- Veterinary care to stabilize and/or relieve the suffering of a "treatable" animal.
- Veterinary care intended to remedy any applicable disease, injury, or congenital or hereditary condition that adversely affects the health of a "treatable" animal or that is likely to adversely affect the animal's health in the future, until the animal becomes "adoptable."

#### Population Exclusions

Eligible claimants are *not* entitled to reimbursement for providing "necessary and prompt veterinary care" to the following population of animals:

- a. Animals that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);
- Newborn animals that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- c. Animals too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal. (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- d. Owner relinquished animals; and
- e. Stray or abandoned animals that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

# Veterinary Care Exclusions

Eligible claimants are *not* entitled to reimbursement for providing the following veterinary procedures:

• Emergency treatment given to injure cats and dogs (Pen. Code, § 597f, subd. (b));

- Administration of rabies vaccination to dogs (Health & Saf. Code, § 121690);
- Implantation of microchip identification;
- Spay or neuter surgery and treatment;
- Euthanasia.
- 10. Beginning January 1, 1999 Procuring medical, kennel, and computer equipment necessary to comply with the reimbursable activities listed in Section IV (B) of these parameters and guidelines, to the extent these costs are not claimed as an indirect cost under Section V (B) of these parameters and guidelines. If the medical, kennel, and computer equipment is utilized in some way not directly related to the mandated program or the population of animals listed in Section IV (B), only the pro rata portion of the activity that is used for the purposes of the mandated program is reimbursable.

# V. Claim Preparation and Submission

Each claim for reimbursement must be timely filed and identify each cost element for which reimbursement is claimed under this mandate. Claimed costs must be identified to each reimbursable activity identified in Section IV. of these Parameters and Guidelines.

A. Direct Costs

Direct costs are defined as costs that can be traced to specific goods, services, programs, activities, or functions and shall be supported by the following cost element information:

1. Salaries and Benefits

Identify the employee(s), and/or show the classification of the employee(s) involved. Describe the reimbursable activities performed, specify the actual time devoted to each activity by each employee, and the productive hourly rate, and related fringe benefits.

Reimbursement for personnel services includes compensation paid for salaries, wages, and employee fringe benefits. Employee fringe benefits include regular compensation paid to an employee during periods of authorized absences (e.g., annual leave, sick leave) and the employer's contributions to social security, pension plans, insurance, and worker's compensation insurance. Fringe benefits are eligible for reimbursement when distributed equitably to all job activities performed by the employee.

2. Materials and Supplies

Only expenditures that can be identified as direct costs of this mandate may be claimed. List the cost of the materials and supplies consumed specifically for the purposes of this mandate. Purchases shall be claimed at the actual price after deducting cash discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged based on a recognized method of costing, consistently applied.

3. Contract Services

Provide the name(s) of the contractor(s) who performed the services, including any fixed contracts for services. Describe the reimbursable activity(ies) performed by each named contractor and give the number of actual hours spent on the activities, if applicable. Show the inclusive dates when services were performed and itemize all costs for those services. Attach consultant invoices to the claim.

4. Travel

Travel expenses for mileage, per diem, lodging, and other employee entitlements are eligible for reimbursement in accordance with the rules of the local jurisdiction. Provide the name(s) of traveler(s), purpose of travel, inclusive dates and times of travel, destination point(s), and travel costs.

5. Training

The cost of training an employee to perform the mandated activities, as specified in Section IV (A) of these Parameters and Guidelines, is eligible for reimbursement. Identify the employee(s) by name and job classification. Provide the title and subject of the training session, the date(s) attended, and the location. Reimbursable costs may include salaries and benefits, registration fees, transportation, lodging, and per diem.

6. Fixed Assets

List the costs of the fixed assets that have been acquired specifically for the purpose of this mandate. If the fixed asset is utilized in some way not directly related to the mandated program, only the pro-rata portion of the asset that is used for the purposes of the mandated program is reimbursable.

**B.** Indirect Costs

Compensation for indirect costs is eligible for reimbursement. Indirect costs are those that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. After direct costs have been determined and assigned to other activities, as appropriate, indirect costs are those remaining to be allocated to benefited cost objectives. A cost may not be allocated as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been claimed as a direct cost. Indirect costs include (a) the indirect costs originating in each department or agency of the governmental unit carrying out state mandated programs and (b) the costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.

Claimants have the option of using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal (ICRP) pursuant to the Office of Management and Budget (OMB) Circular A-87.

# VI. Supporting Data

For auditing purposes, all costs claimed shall be traceable to source documents (e.g., employee time records, cost allocation reports, invoices, receipts, purchase orders, contracts, worksheets, calendars, declarations, time studies, etc.) that show evidence of the validity of such costs and their relationship to this mandate. All documentation in support of claimed costs shall be made available to the State Controller's Office, as may be requested. Pursuant to Government Code section 17558.5, these documents must be kept on file by the agency submitting the claim for a period of no less than two years after the later of (1) the end of the calendar year in which the reimbursement claim is filed or last amended, or (2) if no funds are appropriated for the fiscal year for which the claim is made, the date of initial payment of the claim.

# VII. Offsetting Savings and Other Reimbursements

Any offsetting savings that the claimant experiences as a direct result of this mandate must be deducted from the costs claimed. Additionally, reimbursement for this mandate received from any source shall be identified and deducted from this claim. These sources shall include, but not be limited to, rewards received under the authority of Civil Code section 1845; licensing fees and fines received and applied pursuant to Food and Agriculture Code section 30652, Government Code section 28502, and Penal Code section 597f; other state funds, and federal funds. The fees and fines received pursuant to Food and Agriculture Code section 30652 shall be deducted from the claim according to the priority specified in the statute and stated below:

- First, to pay fees for the issuance of dog license tags pursuant to Food and Agriculture Code section 30652, subdivision (a);
- Second, in accordance with Food and Agriculture Code section 30652, subdivision (b), any excess revenue held after the payment of dog license tags shall be applied to the fees, salaries, costs, expenses, or any or all of them for the enforcement of Division 14 of the Food and Agriculture Code, including Food and Agriculture Code section 31108, and all ordinances that are made pursuant to Division 14. Costs incurred under Food and Agriculture Code section 31108 are specified in Section IV (B) (1), (2), (3), and (5), and Section IV (A) of these parameters and guidelines. Any or all excess revenue must be applied to the costs incurred under Food and Agriculture Code section

31108 before any revenue can be applied to subdivisions (c) and (d) of Food and Agriculture Code section 30652.

# VIII. State Controller's Office Required Certification

An authorized representative of the claimant shall be required to provide a certification of the claim, as specified in the State Controller's Office claiming instructions, for those costs mandated by the state contained herein.

# IX. Parameters and Guidelines Amendments

Pursuant to title 2, California Code of Regulations, section 1183.2, Parameters and Guidelines amendments filed before the deadline for initial claims as specified in the Claiming Instructions shall apply to all years eligible for reimbursement as defined in the original Parameters and Guidelines. A Parameters and Guidelines amendment filed after the initial claiming deadline must be submitted on or before January 15, following a fiscal year in order to establish eligibility for reimbursement for the fiscal year.

#### ш ...

State Controller's Of	fice		Mand	ated Cost Manual	
	CLAIM FOR PAYMEN	For State Controller Use C	<sup>Only</sup> Program		
Pursuan	nt to Government Code Se	(19) Program Number 00213			
ANIMAL ADOPTION			(20) Date Filed//_	<b>213</b>	
			(21) LRS Input//		
(01) Claimant Identification Nur	mber		Reimbursement Claim Data		
(02) Claimant Name			(22) AA-1, (04)(A)(1)(g)		
County of Location			(23) AA-1, (04)(A)(2)(g)		
Street Address or P.O. Box		Suite	(24) AA-1, (04)(A)(3)(g)		
Citv	State	Zip Code	(25) AA-1, (04)(B)(1)(g)		
Type of Claim	Estimated Claim	Reimbursement Claim	(26) AA-1, (04)(B)(2)(g)		
	(03) Estimated	(09) Reimbursement	(27) AA-1, (04)(B)(3)(g)		
	(04) Combined	(10) Combined	(28) AA-1, (04)(B)(4)(g)		
	(05) Amended	(11) Amended	(29) AA-1, (04)(B)(5)(g)		
Fiscal Year of Cost	(06) 20_/20	(12) 20_/20	(30) AA-1, (04)(B)(6)(g)		
Total Claimed Amount	(07)	(13)	(31) AA-1, (04)(B)(7)(g)		
Less: 10% Late Penalty	, not to exceed \$1,000	(14)	(32) AA-1, (04)(B)(8)(g)		
Less: Prior Claim Payment Received		(15)	(33) AA-1, (04)(B)(9)(g)		
Net Claimed Amount		(16)	(34) AA-1, (04)(B)(10)(g)		
Due from State	(08)	(17)	(35) AA-1, (06)		
Due to State		(18)	(36)		
mandated cost claims with provisions of Government I further certify that there	ovisions of Government Code § h the State of California for this t Code Sections 1090 to 1098, i was no application other than f	from the claimant, nor any gran	nalty of perjury that I have n t or payment received, for re	not violated any of the	
and reimbursements set f documentation currently r The amounts for this Estir	orth in the Parameters and Gui maintained by the claimant. mated Claim and/or Reimburse he attached statements. I certif	ram or increased level of servic delines are identified, and all co ment Claim are hereby claimed y under penalty of perjury unde	osts claimed are supported from the State for payment	by source of estimated and/or	
Signature of Authorized Offi	icer		Date		

Type or Print Name		Title			
(38) Name of Contact Person for Claim	Telephone Number	(	)	-	Ext.
	E-Mail Address				

Form FAM-27 (Revised 09/03)

Program 213	ANIMAL ADOPTION Certification Claim Form Instructions	FORM FAM-2
----------------	---	---------------

- (02)Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.
- (03) If filing an estimated claim, enter an "X" in the box on line (03) Estimated.
- (04) If filing a combined estimated claim on behalf of districts within the county, enter an "X" in the box on line (04) Combined.
- (05)If filing an amended estimated claim, enter an "X" in the box on line (05) Amended.
- (06) Enter the fiscal year in which costs are to be incurred.
- (07) Enter the amount of the estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete form AA-1 and enter the amount from line (11).
- (08) Enter the same amount as shown on line (07).
- (09) If filing a reimbursement claim, enter an "X" in the box on line (09) Reimbursement.
- (10)If filing a combined reimbursement claim on behalf of districts within the county, enter an "X" in the box on line (10) Combined.
- (11)If filing an amended reimbursement claim, enter an "X" in the box on line (11) Amended.
- (12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 for each fiscal year.
- (13)Enter the amount of the reimbursement claim from form AA-1, line (11). The total claimed amount must exceed \$1,000.
- Reimbursement claims must be filed by January 15 of the following fiscal year in which costs were incurred or the claims shall be (14)reduced by a late penalty. Enter zero if the claim was timely filed, otherwise, enter the product of multiplying line (13) by the factor 0.10 (10% penalty), or \$1,000, whichever is less.
- If filing a reimbursement claim and an estimated claim was previously filed for the same fiscal year, enter the amount received for (15) the claim. Otherwise, enter a zero.
- (16) Enter the result of subtracting line (14) and line (15) from line (13).
- (17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17), Due from State.
- (18) If line (16), Net Claimed Amount, is negative, enter that amount on line (18), Due to State.
- (19) to (21) Leave blank.
- Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for (22) to (36) the reimbursement claim, e.g., AA-1, (04)(A)(1)(g), means the information is located on form AA-1, line (04)(A)(1), column (g). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 34.19% should be shown as 34. Completion of this data block will expedite the payment process.
- Read the statement "Certification of Claim." If it is true, the claim must be dated, signed by the agency's authorized officer, and (37)must include the person's name and title, typed or printed. Claims cannot be paid unless accompanied by an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)
- (38) Enter the name, telephone number, and e-mail address of the person to contact if additional information is required.

SUBMIT A SIGNED ORIGINAL, AND A COPY OF FORM FAM-27, WITH ALL OTHER FORMS AND SUPPORTING DOCUMENTS TO:

Address, if delivered by U.S. Postal Service:

Address, if delivered by other delivery service:

OFFICE OF THE STATE CONTROLLER **ATTN: Local Reimbursements Section Division of Accounting and Reporting** P.O. Box 942850 Sacramento, CA 94250

OFFICE OF THE STATE CONTROLLER **ATTN: Local Reimbursements Section Division of Accounting and Reporting** 3301 C Street, Suite 500 Sacramento, CA 95816

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State Controller's Office Mandated C								ost Manual
Program 213		AN	NDATED IMAL AD LAIM SUN	OPT	ION			FORM AA-1
(01) Claimant				(02)	Type of Cl	aim		Fiscal Year
					Reimburse Estimated	ement	20	/20
(03) Department					LStimated			
Direct Costs				Obj	ject Accou	nts		
(04) Reimbursable	(a)	(b)	(c)		(d)	(e)	(f)	(g)
Components A. One-Time Costs	Salaries	Benefits	Materials Supplies		Contract Services	Travel & Training	Fixed Assets	Total
1. Policies and Procedures								
2. Training								
3. Computer Software								
B. Ongoing Costs		•		<u> </u>				
1 Acquiring Space/Facilities								
2. Renovating Facilities								
3. Care of Dogs & Cats								
4. Care of Other Animals								
5. Holding Period								
6. Feral Cats								
7. Lost and Found Lists								
8. Non-Medical Records								
9. Veterinary Care								
10. Procuring Equipment								
(05) Total Direct Costs								
Indirect Costs								
(06) Indirect Cost Rate					[From ICRP	']		%
(07) Total Indirect Costs		[Line (	06) x line (08	5)(a)]	or [Line (06) x	: {line (05)(a) +	ine (05)(b)}]	
(08) Total Direct and Indi	irect Costs			[Lir	ne (05)(g) + lin	e (07)]		
Cost Reduction								
(09) Less: Offsetting Sav	vings							
(10) Less: Other Reimbu	ursements							
(11) Total Claimed Amou	Int		[Li	ine (0	)8) - {line (09) -	+ line (10)}]		

Revised 09/03

Progra		FORM AA-1
(01)	Enter the name of the claimant.	
(02)	Type of Claim. Check a box, Reimbursement or Estimated, to identify the type of claim Enter the fiscal year of costs.	being filed.
	Form AA-1 must be filed for a reimbursement claim. Do not complete form AA-1 if you a estimated claim and the estimate does not exceed the previous fiscal year's actual costs by 10%. Simply enter the amount of the estimated claim on form FAM-27, line (07). How estimated claim exceeds the previous fiscal year's actual costs by more than 10%, form AA completed and a statement attached explaining the increased costs. Without this informatic estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs.	more than ever, if the -1 must be on the high
(03)	Department. If more than one department has incurred costs for this mandate, give the nate department. A separate form AA-1 should be completed for each department.	me of each
(04)	Reimbursable Components. For each reimbursable component, enter the total from form (05), columns (d) through (i) to form AA-1, block (05), columns (a) through (f) in the approximate Total each row.	
(05)	Total Direct Costs. Total columns (a) through (g).	
(06)	Indirect Cost Rate. Indirect costs may be computed as 10% of direct labor costs, exclu benefits, without preparing an ICRP. If an indirect cost rate of greater than 10% is used, Indirect Cost Rate Proposal (ICRP) with the claim.	
(07)	Total Indirect Costs. If the 10% flat rate is used for indirect costs, multiply Total Salaries, I by the Indirect Cost Rate, line (06). If an ICRP is submitted and both salaries and benefits in the distribution base for the computation of the indirect cost rate, then multiply the su Salaries, line (05)(a), and Total Benefits, line (05)(b), by the Indirect Cost Rate, line (06). If one department is reporting costs, each must have its own ICRP for the program.	were used im of Total
(08)	Total Direct and Indirect Costs. Enter the sum of Total Direct Costs, line (05)(g), and To Costs, line (07).	otal Indirect
(09)	Less: Offsetting Savings. If applicable, enter the total savings experienced by the claimant result of this mandate. Submit a detailed schedule of savings with the claim.	as a direct
(10)	Less: Other Reimbursements. Reimbursement received from any source shall be ide deducted from this claim. Sources shall include, but are not limited to, rewards rece authority of Civil Code § 1845, licensing fees and fines received and applied pursuant to Agriculture Code Section (F & AC §) 30652, Government Code Section 28502, and F Section 597f, and other state funds, and federal funds. Fees and fines received pursuant to 30652 shall be deducted according to the priority specified on page 15 of the P's and G's.	ived under Food and Penal Code
(11)	Total Claimed Amount. From Total Direct and Indirect Costs, line (08), subtract the sum o Savings, line (09), and Other Reimbursements, line (10). Enter the remainder on this line the amount forward to form FAM-27, line (07) for the Estimated Claim or line (1 Reimbursement Claim.	and carry

State Controller's Office						Mano	dated Co	st Manual		
Program 213	СОМРО		ATED COS L ADOPTI CTIVITY C	ON	AIL			FORM AA-2		
01) Claimant (02) Fiscal Year										
(03) Reimbursable Components: One-Time Policies and Proce		-	x per form	to identify	the comp		ng claime r Software	d.		
Ongoing Acquiring Space/F			enovating Fa	acilities			ogs & Cats			
Care of Other Anir	nals	н	lolding Perio	d		Feral Cat	s			
Lost and Found List	sts	N	lon-Medical F	Records		Veterinar	y Care			
Procuring Equipme	ent									
(04) Description of Expenses					Object A	ccounts				
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(C) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f) Materials and Supplies	(g) Contract Services	(h) Fixed Assets	(i) Travel and Training		
(05) Total Subtotal	Page:	of								

## State Controller's Office

## Mandated Cost Manual

Program 213	ANIMAL ADOPTION COMPONENT/ACTIVITY COST DETAIL Instructions	FORM AA-2	
----------------	---	--------------	--

- (01) Claimant. Enter the name of the claimant. If more than one department has incurred costs for this mandate, give the name of each department. A separate form AA-2 should be completed for each department.
- (02) Fiscal Year. Enter the fiscal year for which costs were incurred.
- (03) Reimbursable Components. Check the box which indicates the cost component being claimed. Check only one box per form. A separate form AA-2 shall be prepared for each applicable component.
- (04) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the component activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, travel and training expenses. The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed. For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the date the claim was filed or last amended, whichever is later. If no funds were appropriated and no payment was made at the time the claim was filed, the time for the Controller to initiate an audit shall be from the date of initial payment of the claim. Such documents shall be made available to the State Controller's Office on request.

Object/ Sub object									Submit supporting documents
Accounts	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	with the claim
Salaries	Employee Name/Title	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked					
Benefits	Activities Performed	Benefit Rate		Benefits = Benefit Rate x Salaries					
Materials and Supplies	Description of Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used				
Contract Services	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service			Cost = Hourly Rate x Hours Worked			Copy of Contract
Fixed Assets	Description of Equipment Purchased	Unit Cost	Usage				Cost = Unit Cost x Usage		Supporting Documentation
Travel and Training Travel	Purpose of Trip Name and Title Departure and Return Date	Per Diem Rate Mileage Rate Travel Cost	Days Miles Travel Mode					Cost = Rate x Days or Miles or Total Travel Cost	
Training	Employee Name/Title Name of Class		Dates Attended					Registration Fee	

(05) Total line (04), columns (d) through (i) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the component/activity costs, number each page. Enter totals from line (05), columns (d) through (i) to form AA-1, block (04), columns (a) through (f) in the appropriate row.

# GENERAL CLAIMING INSTRUCTIONS

## **Reimbursable State Mandated Cost Programs**

Local agencies may file claims with the SCO for the cost of complying with the following state mandated programs. An "x" indicates the agencies that are eligible to file claims for the given program. For your convenience, the programs are listed in alphabetical order by program name.

Program Number	Program Name	Counties	Cities	Special Districts
2	Absentee Ballots	х	х	х
248	Absentee Ballots-Tabulation by Precinct	х		
246	Administrative License Suspension	х	х	
73	AIDS: Search Warrants	х	х	
152	Allocation of Property Tax Revenue	х		
213	Animal Adoption	х	х	х
6	Brendon Maguire Act	х	х	х
13	Child Abduction and Recovery	х		
67	Conservatorship: Developmentally Disabled Adults	x		
88	Coroners	x		
262	Crime Victim's Domestic Violence Incident Reports	x	Х	
158	Crime Victims' Rights	x		
87	Developmentally Disabled: Attorneys' Services	x		
266	DNA Database	x	х	
167	Domestic Violence Arrest Policies and Standards	x	х	
177	Domestic Violence Treatment Services Authorization and Case Management	x		
257	False Reports of Police Misconduct	х	х	х
23	Firefighters' Cancer Presumption	х	х	х
227	Grand Jury Proceedings	х	х	х
263	Handicapped and Disabled Students II	х	х	
197	Health Benefits for Survivors of Peace Officers and Firefighters	x	x	x
259	Local Elections: Consolidation	x		
43	Medi-Cal Beneficiary Death Notices	x		
203	Mentally Disordered Offenders' Extended Commitment Proceedings	x		
39	Mentally Disordered Sex Offenders: Extended Commitments	x		
66	Mentally Retarded Defendants: Diversion	x		

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Program Number	Program Name	Counties	Cities	Special Districts
200	Not Guilty by Reason of Insanity II	x		
219	Open Meetings/Brown Act Reform <sup>1</sup>	x	х	х
122	Pacific Beach Safety	x		
118	Peace Officers' Cancer Presumption	x	х	х
264	Peace Officer Personnel Records: Unfounded Complaints and Discovery	x	Х	
187	Peace Officers Procedural Bill of Rights	x	х	х
124	Perinatal Services	x		
83	Permanent Absent Voters	x		
121	Pesticide Use Reports	x		
215	Photographic Record of Evidence	x	х	х
255	Postmortem Examination	x	х	
127	Rape Victims Counseling Center Notices	x	х	
18	Senior Citizens Property Tax Postponement	x		
191	Seriously Emotionally Disturbed Pupils:	x		
	Out of-State Mental Health Services			
111	Services to Handicapped Students	x		
175	Sexually Violent Predators	x		
120	Stolen Vehicle Notification	x	х	
163	Threats Against Peace Officers	x	х	х
90	Unitary Countywide Tax Rates	x		
56	Voter Registration Procedures	x		

The Commission on State Mandates set aside Parameters and Guidelines for the following programs:

Pgm. #			
207	Ch.	156/96	County Treasury Oversight Committees
161	Ch.	783/95	Investment Reports
132	Ch.	1281/80	Involuntary Lien Notices
138	Ch.	1105/92	Misdemeanors: Booking and Fingerprinting
82	Ch.	1051/83	Mobilehome Property Tax Deferral Program
219	Ch.	641/86	Open Meetings/Brown Act Reform
28	Ch.	494/79	Physically Handicapped Voter Accessibility
222	Ch.	18/99	Presidential Primaries
52	Ch.	48/87	Property Tax: Family Transfers
245	Ch.	39/98	Redevelopment Agencies
55	Ch.	1143/80	Regional Housing Needs Determination
174	Ch.	1297/94	Two-Way Traffic Signal Communications

<sup>&</sup>lt;sup>1</sup> This program has been set aside pursuant to AB 138 effective July 19, 2005.

# **PROGRAMS SUSPENDED FOR THE 2006-07 FISCAL YEAR**

Pursuant to Government Code Section 17581, the following state mandated programs are identified in the 2006 State Budget Act, with a \$0 appropriation by the Legislature. Therefore, the following state mandated programs have been suspended for the 2006-07 fiscal year, and no 2006-07 claim shall be filed.

# Item 8885-295-0001, Provision 3

Pgm.#				
227	(a)	Ch.	1170/96	Grand Jury Proceedings
220	(b)	Ch.	502/92	Sex Crime Confidentiality
62	(c)	Ch.	1032/80	Deaf Teletype Equipment
217	(d)	Ch.	908/96	Sex Offenders: Disclosure by Law Enforcement
81	(e)	Ch.	1456/88	Missing Persons Report
28	(f)	Ch.	494/79	Handicapped Voter Access Information
65	(g)	Ch.	238/74	Sub-Standard Housing
3	(h)	Ch.	1123/77	Adult Felony Restitution
181	(i)	Ch.	1188/92	Very High Fire Hazard Severity Zones
37	(j)	Ch.	1330/76	Local Coastal Plans
180	(k)	Ch.	1111/89	SIDS Training for Firefighters
125	(I)	Ch.	268/91	SIDS Contacts by Local Health Officers
110	(m)	Ch.	955/89	SIDS Autopsies
126	(n)	Ch.	1597/88	Inmate AIDS Testing
86	(0)	Ch.	453/74	SIDS Notices
27	(p)	Ch.	1357/76	Guardianship/Conservatorship Filings
71	(q)	Ch.	332/81	Victims' Statements - Minors
204	(r)	Ch.	267/98	Extended Commitment, Youth Authority
128	(s)	Ch.	820/91	Prisoner Parental Rights
64	(t)	Ch.	Title 8	Structural and Wildland Firefighter Safety Clothing and Equipment
24	(u)	Ch.	Title 8	Personal Alarm Devices
193	(v)	Ch.	126/93	Law Enforcement Sexual Harassment Training
205	(w)	Ch.	444/97	Elder Abuse Law Enforcement Training
	(x)	Ch.	39/98	Redevelopment Agencies Tax Disbursement Reporting
41	(y)	Ch.	486/75	Mandate Reimbursement Process
21	(z)	Ch.	845/78	Filipino Employee Surveys
15	(aa)	Ch.	1609/84	Domestic Violence Information
8	(bb)	Ch.	1334/87	Pocket Masks

# Item 8885-295-0042

Pgm.#				
178	(1)	Ch.	644/94	Airport Land Use Commissions/Plans

## APPROPRIATIONS FOR THE 2005-06 AND 2006-07 FISCAL YEARS

Sour	ce of th	ne State M	andated Co	st Appropriations - 2005 State Budget Act (Ch. 47/4	18)	
			Μ	landated Programs	Amounts App 2005-06	oropriated 2006-07
	4440-2	95-0001 D		of Mental Health	\$33,000,000 <sup>1</sup>	
263	(1)	Chapter	1747/84	Services to Handicapped Students		
191	(2)	Chapter	654/96	Seriously Emotionally Disturbed Pupils		
				on State Mandates	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~	
				g mandate claims for the 2005-06 fiscal year:	90,280,000 <sup>2</sup>	
158	(a)	Chapter		Crime Victim Rights		
163	(b)	Chapter		Threats Against Peace Officers		
13	(c)	Chapter		Child Abduction and Recovery		
120	(d)	Chapter	337/90	Stolen Vehicle Notification		
2	(e)	Chapter		Absentee Ballots		
83	(f)	Chapter		Permanent Absent Voters		
56	(g)	Chapter		Voter Registration Procedures		
248	(h)	Chapter	697/99	Absentee Ballots II-Tabulation by Precinct		
6	(i)	Chapter	391/88	Brendan McGuire Act		
43	(j)	Chapter	102/81	Medi-Cal Beneficiary Death Notices		
122	(k)	Chapter	961/92	Pacific Beach Safety		
124	(I)	Chapter	1603/90	Perinatal Services		
73	(m)	Chapter	1088/88	AIDS/Search Warrant		
66	(n)	Chapter	1253/80	Mentally Retarded Defendants Representation		
35	(0)	Chapter	644/80	Judicial Proceedings		
67	(p)	Chapter	1304/80	Conservatorship: Developmentally Disabled Adults		
87	(q)	Chapter	694/75	Developmentally Disabled Attorneys Services		
88	(r)	Chapter	498/77	Coroners Costs		
200	(s)	Chapter	1114/79	Not Guilty by Reason of Insanity		
203	(t)	Chapter	435/91	Mentally Disordered Offenders' Extended Commitments		
175	(u)	Chapter	762/95	Sexually Violent Predators		
39	(v)	Chapter	1036/78	Mentally Disordered Sex Offenders		
	. ,			Recommitments		
177	(w)	Chapter	183/92	Domestic Violence Treatment Services		
118	(x)	Chapter	1171/89	Peace Officers Cancer Presumption		
23	(y)	Chapter	1568/82	Firefighters Cancer Presumption		
167	(z)	Chapter	246/95	Domestic Violence Arrest Policies		
213	(aa)	Chapter	752/98	Animal Adoption		
90	(bb)	Chapter	921/87	Unitary Countywide Tax Rates		
18	(cc)	Chapter	1242/77	Senior Citizens Property Tax Deferral		
152	(dd)	Chapter	697/92	Allocation of Property Tax Revenues		
215	(ee)	Chapter	875/85	Photographic Record of Evidence		
127	(ff)	Chapter	999/91	Rape Victims Counseling		
197	(gg)	Chapter	1120/96	Health Benefits for Survivors of Peace Officers and Firefighters		
255	(hh)	Chapter	284/00	Postmortem Examinations		
257	(ii)	Chapter	590/95	False Reports of Police Misconduct		

<sup>&</sup>lt;sup>1</sup> 2006-07 State Budget Act (Chapter 47/48, Statutes of 2006) Item 1 & 2. <sup>2</sup> 2006-07 State Budget Act (Chapter 47/48, Statutes of 2006) Item 8885-295-0001 and Provision 3.

## APPROPRIATIONS FOR THE 2005-06 AND 2006-07 FISCAL YEAR (Cont'd.)

Sourc	e of th	e State Ma		st Appropriations (Cont'd.)	A maximia A	www.wwieted
			IV	landated Programs	2005-06	ppropriated 2006-07
Item 8	885-29	95-0001 Co	mmission	on State Mandates		
(0.6) F	For pay	ment of th	e following	g mandate claims for the 2005-06 fiscal year:		
187		Chapter	675/90	Peace Officers Procedural Bill of Rights (POBOR)	\$16,600,000 <sup>2</sup>	
ltom 9	0005-20	05-0001 Co	mmission	on State Mandates		
				mandate claims for the 2006-07 fiscal year:		\$109,000,000 <sup>3</sup>
158	(a)	Chapter	-	Crime Victims Rights		φ100,000,000
163	(b)	Chapter		Threats Against Peace Officers		
13	(C)	Chapter		Child Abduction and Recovery		
120	(d)	Chapter	337/90			
2	(e)	Chapter		Absentee Ballots		
83	(f)	Chapter		Permanent Absentee Voters		
56	(g)	Chapter		Voter Registration Procedures		
248	(h)	Chapter	697/99			
6	(i)	Chapter	391/88			
43	(j)	Chapter	102/81	Medi-Cal Benificiary Death Notices		
122	(k)	Chapter	961/92	Pacific Beach Safety		
124	(l)	Chapter	1603/90			
73	(m)	Chapter	1088/88	AIDS/Search Warrant		
66	(n)	Chapter	1253/80	Mentally Retarded Defendants Representation		
35	(0)	Chapter	644/80	Judicial Proceedings		
67	(p)	Chapter	1304/80	Conservatorship: Developmentally Disabled		
				Adults		
87	(q)	Chapter	694/75	Developmentally Disabled Attorneys Services		
88	(r)	Chapter	498/77	Coroners Costs		
200	(s)	Chapter	1114/79	Not Guilty by Reason of Insanity II		
203	(t)	Chapter	435/91	Mentally Disordered Offenders Extended		
175	()	Chaptor	762/95	Commitment		
175 39	(u)	Chapter Chapter	1036/78	Sexually Violent Predators Mentally Disordered Sex Offenders		
59	(v)	Chapter	1030/70	Recommitments		
177	(w)	Chapter	183/92	Domestic Violence Treatment Services		
118	(v) (x)	Chapter	1171/89			
23	(y)	Chapter	1568/82	Firefighters Cancer Presumption		
167	(z)	Chapter	246/95	Domestic Violence Arrest Policies		
213	(aa)	Chapter	752/98	Animal Adoption		
90	(bb)	Chapter	921/87	Unitary Countrywide Tax Rates		
18	(cc)	Chapter	1242/77	Senior Citizens Property Tax Deferral		
152	(dd)	Chapter	697/92	Allocation of Property Tax Revenues		
215	(ee)	Chapter	875/85	Photographic Record of Evidence		
127	(ff)	Chapter	999/91	Rape Victims Counseling		
197	(gg)	Chapter	1120/96	Health Benefits for Survivors of Peace Officers and		
		•		Firefighters		
				-		

 $<sup>^2</sup>$  2006-07 State Budget Act (Chapter 47/48, Statutes of 2006) Item 8885-295-0001 and Provision 3. <sup>3</sup> 2006-07 State Budget Act (Chapter 47/48, Statutes of 2006) Item 8885-295-0001 and Provision 1 and 3.

# APPROPRIATIONS FOR THE 2005-06 AND 2006-07 FISCAL YEAR (Cont'd.)

Source of the State Mandated Cost Appropriations (Cont'd.) Mandated Programs	Amounts A <sub>l</sub> 2005-06	s Appropriated 2006-07			
Item 8885-295-0001 Commission on State Mandates (Cont'd.)	2000 00	2000 01			
(1) For payment of the following mandate claims for the 2006-07 fiscal year (Cont'd.):					
255 (hh) Chapter 284/00 Postmortem Examinations					
257 (ii) Chapter 590/95 False Reports of Police Misconduct					
Item 8885-295-0001 Commission on State Mandates					
(2) For payment of the following mandate claims for the 2006-07 fiscal year:					
187 Chapter 675/90 Peace Officers Procedural Bill of Rights (POBOR)		\$16,600,000			
		. , ,			
Item 8885-295-0044 Commission on State Mandates					
246 Chapter 1460/89 Administrative License Suspension		1,551,000			
Item 8885-295-0106 Department of Pesticide Regulation					
121 Chapter 1200/89 Pesticide Use Reports		162,000			
Grand Total	139,880,000	\$127,313,000			
	100,000,000	ψ121,010,000			

# FILING A CLAIM

# 1. Introduction

The law in the State of California (Government Code Sections 17500 through 17616) provides for the reimbursement of costs incurred by local agencies for costs mandated by the State. Costs mandated by the State means any increased costs that local agencies are required to incur after July 1, 1980, as a result of any statute enacted after January 1, 1975, or any executive order implementing such statute which mandates a new program or higher level of service of an existing program.

Estimated claims that show costs to be incurred in the current fiscal year and reimbursement claims that detail the costs actually incurred for the prior fiscal year may be filed with the State Controller's Office (SCO). Claims for on-going programs are filed annually by January 15. Claims for new programs are filed within 120 days from the date claiming instructions are issued for the program. A 10 percent penalty (up to \$1,000 for continuing claims, no limit for initial claims) is assessed for late claims. The SCO may audit the records of any local agency to verify the actual amount of mandated costs and may reduce any claim that is excessive or unreasonable.

When a program has been reimbursed for three or more years, the COSM may approve the program for inclusion in the State Mandates Apportionment System (SMAS). For programs included in SMAS, the SCO determines the amount of each claimant's entitlement based on an average of three consecutive fiscal years of actual costs adjusted by any changes in the Implicit Price Deflator (IPD). Claimants with an established entitlement receive an annual apportionment adjusted by any changes in the IPD and, under certain circumstances, by any changes in workload. Claimants with an established entitlement are not required to file further claims for the program.

The SCO is authorized to make payments for costs of mandated programs from amounts appropriated by the State Budget Act, by the State Mandates Claims Fund, or by specific legislation. In the event the appropriation is insufficient to pay claims in full, claimants will receive prorated payments in proportion to the dollar amount of approved claims for the program. Balances of prorated payments will be made when supplementary funds become available.

The instructions contained in this manual are intended to provide general guidance for filing a mandated cost claim. Since each mandate is administered separately, it is important to refer to the specific program for information related to established policies on eligible reimbursable costs.

# 2. Types of Claims

There are three types of claims: Reimbursement, estimated, and entitlement. A claimant may file a reimbursement claim for actual mandated costs incurred in the prior fiscal year or may file an estimated claim for mandated costs to be incurred during the current fiscal year. An entitlement claim may be filed for the purpose of establishing a base year entitlement amount for mandated programs included in SMAS. A claimant who has established a base year entitlement for a program would receive an automatic annual payment, which is reflective of the current costs for the program.

All claims received by the SCO will be reviewed to verify actual costs. An adjustment of the claim will be made if the amount claimed is determined to be excessive, improper, or unreasonable. The claim must be filed with sufficient documentation to support the costs claimed. The types of documentation required to substantiate a claim are identified in the instructions for the program. The certification of claim, form FAM-27, must be signed and dated by the entity's authorized officer in order for the SCO to make payment on the claim.

# A. Reimbursement Claim

A reimbursement claim is defined in GC Section 17522 as any claim filed with the SCO by a local agency for reimbursement of costs incurred for which an appropriation is made for the purpose of paying the claim. The claim must include supporting documentation to substantiate the costs claimed.

Initial reimbursement claims are first-time claims for reimbursement of costs for one or more prior fiscal years of a program that was previously unfunded. Claims are due 120 days from the date of issuance of the claiming instructions for the program by the SCO. The first statute that appropriates funds for the mandated program will specify the fiscal years for which costs are eligible for reimbursement.

Annual reimbursement claims must be filed by January 15 following the fiscal year in which costs were incurred for the program. A reimbursement claim must detail the costs actually incurred in the prior fiscal year.

An actual claim for the 2005-06 fiscal years may be filed by January 15, 2007, without a late penalty. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$1,000. However, initial reimbursement claims will be reduced by a late penalty of 10% with no limitation. In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. Claims filed more than one year after the deadline or without the requested supporting documentation will not be accepted.

# B. Estimated Claim

An estimated claim is defined in GC Section 17522 as any claim filed with the SCO, during the fiscal year in which the mandated costs are to be incurred by the local agency, against an appropriation made to the SCO for the purpose of paying those costs.

An estimated claim may be filed in conjunction with an initial reimbursement claim, annual reimbursement claim, or at other times for estimated costs to be incurred during the current fiscal year. Annual estimated claims are due January 15 of the fiscal year in which the costs are to be incurred. Initial estimated claims are due on the date specified in the claiming instructions. Timely filed estimated claims are paid before those filed after the deadline.

After receiving payment for an estimated claim, the claimant must file a reimbursement claim by January 15 following the fiscal year in which costs were incurred. If the claimant fails to file a reimbursement claim, monies received for the estimated claims must be returned to the State.

# C. Entitlement Claim

An entitlement claim is defined in GC Section 17522 as any claim filed by a local agency with the SCO for the sole purpose of establishing or adjusting a base year entitlement for a mandated program that has been included in SMAS. An entitlement claim should not contain nonrecurring or initial start-up costs. There is no statutory deadline for the filing of entitlement claims. However, entitlement claims and supporting documents should be filed by January 15 to permit an orderly processing of claims. When the claims are approved and a base year entitlement amount is determined, the claimant will receive an apportionment reflective of the program's current year costs. Local mandates included in SMAS are listed in Section 2, number 6.

Once a mandate has been included in SMAS and the claimant has established a base year entitlement, the claimant will receive automatic payments from the SCO for the mandate. The automatic apportionment is determined by adjusting the claimant's base year entitlement for changes in the costs of goods and services to governmental agencies, as determined by the implicit price deflator issued by the State Department of Finance. For programs approved by the COSM for inclusion in SMAS on or after January 1, 1988, the payment for each year succeeding the three years base period is adjusted according to any changes by both the deflator and average daily attendance. Annual apportionments for programs included in the system are paid on or before November 30 of each year.

A base year entitlement is determined by computing an average of the claimant's costs for any three consecutive years after the program has been approved for the SMAS process. The amount is first adjusted according to any changes in the deflator. The deflator is applied separately to each year's costs for the three years, which comprise the base year. The SCO will perform this computation for each claimant who has filed claims for three consecutive years. If a claimant has incurred costs for three consecutive years but has not filed a claim in each of those years, the claimant may file an entitlement claims, form FAM-43, to establish a base year entitlement. An entitlement claim does not result in the claimant being reimbursed for the costs incurred, but rather entitles the claimant to receive automatic payments from SMAS.

# 3. Minimum Claim Amount

For initial claims and annual claims filed on or after September 30, 2002, if the total costs for a given year do not exceed \$1,000, no reimbursement shall be allowed except as otherwise allowed by GC Section 17564. Combined claims may be filed only when the county is the fiscal agent for the special districts. The county shall determine if the submission of a combined claim is economically feasible and shall be responsible for disbursing the funds to each special district. A combined claim must show the individual claim costs for each eligible school district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a special district provides to the county and to the Controller, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim.

GC Section 17564(a) provides that no claim shall be filed pursuant to Sections 17551 and 17561, unless such a claim exceeds one thousand dollars (\$1,000), provided that a county may submit a combined claim on behalf of direct service districts or special districts within their county if the combined claim exceeds \$1,000, even if the individual direct service district's or special district's claim does not each exceed \$1,000. The county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each direct service district or special district. These combined claims may be filed only when the county is the fiscal agent for the districts. A combined claim must show the individual claim costs for each eligible district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a special district provides a written notice of its intent to file a separate claim to the county and to the SCO at least 180 days prior to the deadline for filing the claim.

# 4. Filing Deadline for Claims

Initial reimbursement claims (first-time claims) for reimbursement of costs of a previously unfunded mandated program must be filed within 120 days from the date of issuance of the program's claiming instructions by the SCO. If the initial reimbursement claim is filed after the deadline, but within one year of the deadline, the approved claim must be reduced by a 10% penalty. A claim filed more than one year after the deadline cannot be accepted for reimbursement.

Annual reimbursement claims for costs incurred during the previous fiscal year and estimated claims for costs to be incurred during the current fiscal year must be filed with the SCO and postmarked on or before January 15. If the annual or estimated reimbursement claim is filed after the deadline, but within one year of the deadline, the approved claim must be reduced by a 10% late penalty, not to exceed \$1,000. Claims must include supporting data to show how the amount claimed was derived. Without this information, the claim cannot be accepted.

Entitlement claims do not have a filing deadline. However, entitlement claims and supporting documents should be filed by January 15 to permit an orderly processing of claims. Entitlement claims are used to establish a base year entitlement amount for calculating automatic annual payments. Entitlement does not result in the claimant being reimbursed for costs incurred, but rather entitles the claimant to receive automatic payments from SMAS.

# 5. Payment of Claims

In order for the SCO to authorize payment of a claim, the Certification of Claim, form FAM-27, must be properly filled out, signed, and dated by the entity's authorized officer.

Reimbursement and estimated claims are paid within 60 days of the filing deadline for the claim. A claimant is entitled to receive accrued interest at the pooled money investment account rate if the payment was made more than 60 days after the claim filing deadline or the actual date of claim receipt, whichever is later. For an initial claim, interest begins to accrue when the payment is made more than 365 days after the adoption of the program's statewide cost estimate. The SCO may withhold up to 20 percent of the amount of an initial claim until the claim is audited to verify the actual amount of the mandated costs. The 20 percent withheld is not subject to accrued interest.

In the event the amount appropriated by the Legislature is insufficient to pay the approved amount in full for a program, claimants will receive a prorated payment in proportion to the amount of approved claims timely filed and on hand at the time of proration.

The SCO reports the amounts of insufficient appropriations to the State Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each house of the Legislature which considers appropriations in order to assure appropriation of these funds in the Budget Act. If these funds cannot be appropriated on a timely basis in the Budget Act, this information is transmitted to the COSM which will include these amounts in its report to assure that an appropriation sufficient to pay the claims is included in the next local government claims bill or other appropriation bills. When the supplementary funds are made available, the balance of the claims will be paid.

Unless specified in the statutes, regulations, or P's & G's, the determination of allowable and unallowable costs for mandates is based on the P's & G's adopted by the COSM. The determination of allowable reimbursable mandated costs for unfunded mandates is made by the COSM. The SCO determines allowable reimbursable costs, subject to amendment by the COSM, for mandates funded by special legislation. Unless specified, allowable costs are those direct and indirect costs, less applicable credits, considered to be eligible for reimbursement. In order for costs to be allowable and thus eligible for reimbursement, the costs must meet the following general criteria:

- 1. The cost is necessary and reasonable for proper and efficient administration of the mandate and not a general expense required to carryout the overall responsibilities of government.
- 2. The cost is allocable to a particular cost objective identified in the P's & G's.
- 3. The cost is net of any applicable credits that offset or reduce expenses of items allocable to the mandate.

The SCO has identified certain costs that, for the purpose of claiming mandated costs, are unallowable and should not be claimed on the claim forms unless specified as reimbursable under the program. These expenses include, but are not limited to, subscriptions, depreciation, memberships, conferences, workshops general education, and travel costs.

# 6. State Mandates Apportionment System (SMAS)

Chapter 1534, Statutes of 1985, established SMAS, a method of paying certain mandated programs as apportionments. This method is utilized whenever a program has been approved for inclusion in SMAS by the COSM.

When a mandated program has been included in SMAS, the SCO will determine a base year entitlement amount for each county that has submitted reimbursement claims, (or entitlement claims), for three consecutive fiscal years. A base year entitlement amount is determined by averaging the approved reimbursement claims, (or entitlement claims), for 1982-83, 1983-84, and 1984-85 years or any three consecutive fiscal years thereafter. The amounts are first adjusted by any change in the IPD, which is applied separately to each year's costs for the three years that comprise the base period. The base period means the three fiscal years immediately succeeding the COSM's approval.

Each county with an established base year entitlement for the program will receive automatic annual payments from the SCO reflective of the program's current year costs. The amount of apportionment is adjusted annually for any change in the IPD. If the mandated program was

included in SMAS after January 1, 1988, the annual apportionment is adjusted for any change in both the IPD and workload.

For cities and counties, "workload" means a change in population within their boundaries; for special districts, a change in population of the county in which the largest percentage of the district's population is located.

In the event a county has incurred costs for three consecutive fiscal years but did not file a reimbursement claim in one or more of those fiscal years, the county may file an entitlement claim for each of those missed years to establish a base year entitlement. An "entitlement claim" means any claim filed by a county with the SCO for the sole purpose of establishing a base year entitlement. A base year entitlement shall not include any non-recurring or initial start-up costs.

Initial apportionments are made on an individual program basis. After the initial year, all apportionments are made by November 30. The amount to be apportioned is the base year entitlement adjusted by annual changes in the IPD for the cost of goods and services to governmental agencies as determined by the State Department of Finance.

In the event the county determines that the amount of apportionment does not accurately reflect costs incurred to comply with a mandate, the process of adjusting an established base year entitlement upon which the apportionment is based, is set forth in GC Section 17615.8 and requires the approval of the COSM.

The following programs are placed in SMAS:

Program Name	Chapter/Statute	Program Number
Conservatorship: Developmentally Disabled Adults	Ch. 1304/80	67
Coroners	Ch. 498/77	88
Mentally Retarded Defendants: Diversion	Ch. 1253/80	66
Senior Citizens Property Tax Postponement	Ch. 1242/77	18

Listed are state mandated local programs and counties that are entitled to receive automatic apportionments in those fiscal years in which the program is funded.

Counties of:	Ch. 498/77 Coroners	Ch. 1242/77 Senior Citizens Property Tax Postponement	Ch. 1253/80 Mentally Retarded Defendants: Diversion	Ch. 1304/80 Developmentally Disabled Adults: Conservatorship		
Alameda		Х	Х	Х		
Butte		Х	Х	х		
Calaveras		Х	Х	х		
Contra Costa		Х	Х	Х		
El Dorado		X	Х	Х		
Fresno		x	х	х		
Humbolt		Х	х	Х		
Kern		Х	х	Х		
Lake		X	х	x		
Los Angeles	х	x	х	x		
Marin		x	х	x		
Mendocino		Х	х	Х		
Monterey		x	х	x		
Napa	х	x	х	X		
Nevada		x	х	x		
Orange	Х	х	х	Х		
Placer		x	х	x		
Plumas		х	х	Х		
Riverside		x	х	X		
Sacramento		х	х	Х		
San Bernardino	Х	X	х	X		
San Diego		x	х	х		
San Francisco		x	х	х		
San Joaquin	Х	х				
San Luis Obispo	х	x	х	х		
San Mateo		x	х	х		
Santa Barbara		x	x	x		
Santa Clara	Х	х	х	Х		
Santa Cruz		X	х	X		
Shasta		x	x	x		
Solano		x	x	x		
Sonoma	х	x	x	x		
Stanislaus		x	x	x		
Tulare	х	x	x	x		
Tuolumne		x				
Ventura	х	x	x	x		
Yolo		x	x	x		
Yuba		x				

# 7. Direct Costs

A direct cost is a cost that can be identified specifically with a particular program or activity. Each claimed reimbursable cost must be supported by documentation as described in Section 12. Costs that are typically classified as direct costs are:

## (1) Employee Wages, Salaries, and Fringe Benefits

For each of the mandated activities performed, the claimant must list the names of the employees who worked on the mandate, their job classification, hours worked on the mandate, and rate of pay. The claimant may, in-lieu of reporting actual compensation and fringe benefits, use a productive hourly rate:

# (a) Productive Hourly Rate Options

A local agency may use one of the following methods to compute productive hourly rates:

- Actual annual productive hours for each employee
- The weighted-average annual productive hours for each job title, or
- 1,800\* annual productive hours for all employees

If actual annual productive hours or weighted-average annual productive hours for each job title is chosen, the claim must include a computation of how these hours were computed.

- \* 1,800 annual productive hours excludes the following employee time:
- o Paid holidays
- o Vacation earned
- o Sick leave taken
- o Informal time off
- o Jury duty
- o Military leave taken.

# (b) Compute a Productive Hourly Rate

1. Compute a productive hourly rate for salaried employees to include actual fringe benefit costs. The methodology for converting a salary to a productive hourly rate is to compute the employee's annual salary and fringe benefits and divide by the annual productive hours.

#### Table 1: Productive Hourly Rate, Annual Salary + Benefits Method

Formula:	Description:
[(EAS + Benefits) ÷ APH] = PHR	EAS = Employee's Annual Salary
	APH = Annual Productive Hours
[(\$26,000 + \$8,099)] ÷ 1,800 hrs = 18.94	PHR = Productive Hourly Rate

As illustrated in Table 1, if you assume an employee's compensation was \$26,000 and \$8,099 for annual salary and fringe benefits, respectively, using the "Salary + Benefits Method," the productive hourly rate would be \$18.94. To convert a biweekly salary to EAS, multiply the biweekly salary by 26. To convert a monthly salary to EAS, multiply the monthly salary by 12. Use the same methodology to convert other salary periods.

2. A claimant may also compute the productive hourly rate by using the "Percent of Salary Method."

Example:						
<b>Step 1:</b> Fringe Benefits as a Percent of Salary		Step 2: Productive Hourly Rate				
Retirement	15.00 %	Formula:				
Social Security & Medicare	7.65	[(EAS x (1 + FBR)) ÷ APH] = PHR				
Health & Dental Insurance	5.25					
Workers Compensation	3.25	[(\$26,000 x (1.3115)) ÷ 1,800 ] = \$18.94				
Total 31.15 %						
Description:						
EAS = Employee's Annual Salary		APH = Annual Productive Hours				
FBR = Fringe Benefit Rate		PHR = Productive Hourly Rate				

• As illustrated in Table 2, both methods produce the same productive hourly rate.

Reimbursement for personnel services includes, but is not limited to, compensation paid for salaries, wages and employee fringe benefits. Employee fringe benefits include employer's contributions for social security, pension plans, insurance, worker's compensation insurance and similar payments. These benefits are eligible for reimbursement as long as they are distributed equitably to all activities. Whether these costs are allowable is based on the following presumptions:

- The amount of compensation is reasonable for the service rendered.
- The compensation paid and benefits received are appropriately authorized by the governing board.
- Amounts charged for personnel services are based on payroll documents that are supported by time and attendance or equivalent records for individual employees.
- The methods used to distribute personnel services should produce an equitable distribution of direct and indirect allowable costs.

For each of the employees included in the claim, the claimant must use reasonable rates and hours in computing the wage cost. If a person of a higher-level job position performs an activity which normally would be performed by a lower-level position, reimbursement for time spent is allowable at the average salary range for the lower-level position. The salary rate of the person at the higher-level position may be claimed if it can be shown that it was more cost effective in comparison to the performance by a person at the lower-level position under normal circumstances and conditions. The number of hours charged to an activity should reflect the time expected to complete the activity under normal circumstances and conditions. The numbers of hours in excess of normal expected hours are not reimbursable.

# (c) Calculating an Average Productive Hourly Rate

In those instances where the claiming instructions allow a unit as a basis of claiming

costs, the direct labor component of the unit cost should be expressed as an average productive hourly rate and can be determined as follows:

	<u>Time</u> <u>Spent</u>	Productive Hourly Rate	Total Cost <u>by Employee</u>			
Employee A	1.25 hrs	\$6.00	\$7.50			
Employee B	0.75 hrs	4.50	3.38			
Employee C	3.50 hrs	10.00	35.00			
Total	5.50 hrs		\$45.88			
Average Productive Hourly Rate is \$45.88/5.50 hrs. = \$8.34						

## Table 3: Calculating an Average Productive Hourly Rate

# (d) Employer's Fringe Benefits Contribution

A local agency has the option of claiming actual employer's fringe benefit contributions or may compute an average fringe benefit cost for the employee's job classification and claim it as a percentage of direct labor. The same time base should be used for both salary and fringe benefits when computing a percentage. For example, if health and dental insurance payments are made annually, use an annual salary. After the percentage of salary for each fringe benefit is computed, total them.

For example:

Employer's Contribution	<u>% to Salary</u>
Retirement	15.00%
Social Security	7.65%
Health and Dental	5.25%
Insurance	5.2570
Worker's Compensation	0.75%
Total	28.65%

#### (e) Materials and Supplies

Only actual expenses can be claimed for materials and supplies, which were acquired and consumed specifically for the purpose of a mandated program. The claimant must list the materials and supplies that were used to perform the mandated activity, the number of units consumed, the cost per unit, and the total dollar amount claimed. Materials and supplies purchased to perform a particular mandated activity are expected to be reasonable in quality, quantity and cost. Purchases in excess of reasonable quality, quantity, and cost are not reimbursable. Materials and supplies withdrawn from inventory and charged to the mandated activity must be based on a recognized method of pricing, consistently applied. Purchases shall be claimed at the actual price after deducting discounts, rebates and allowances received by local agencies.

#### (f) Calculating a Unit Cost for Materials and Supplies

In those instances where the claiming instructions suggest that a unit cost be developed for use as a basis of claiming costs mandated by the State, the materials

and supplies component of the unit cost should be expressed as a unit cost of materials and supplies as shown in Table 1 or Table 2:

Supplies	Cost Per Unit	Amount of Supplies Used <u>Per Activity</u>	Unit Cost of Supplies <u>Per Activity</u>
Paper	0.02	4	\$0.08
Files	0.10	1	0.10
Envelopes	0.03	2	0.06
Photocopies	0.10	4	0.40
			<u>\$0.64</u>

# Table 1: Calculating a Unit Cost for Materials and Supplies

# Table 2: Calculating a Unit Cost for Materials and Supplies

Supplies	Supplies <u>Used</u>	Unit Cost of Supplies <u>Per Activity</u>
Paper (\$10.00 for 500 sheet ream)	250 Sheets	\$5.00
Files (\$2.50 for box of 25)	10 Folders	1.00
Envelopes (\$3.00 for box of 100)	50 Envelopes	1.50
Photocopies (\$0.05 per copy)	40 Copies	2.00
		\$9.50
If the number of reimbursable instances an per reimbursable instance (\$9.50/25).	re 25, then the unit cost of	supplies is \$0.38

# (g) Contract Services

The cost of contract services is allowable if the local agency lacks the staff resources or necessary expertise, or it is economically feasible to hire a contractor to perform the mandated activity. The claimant must give the name of the contractor; explain the reason for having to hire a contractor; describe the mandated activities performed; give the dates when the activities were performed, the number of hours spent performing the mandate, the hourly billing rate, and the total cost. The hourly billing rate shall not exceed the rate specified in the claiming instructions for the mandated program. The contractor's invoice, or statement, which includes an itemized list of costs for activities performed, must accompany the claim.

# (h) Equipment Rental Costs

Equipment purchases and leases (with an option to purchase) are not reimbursable as a direct cost unless specifically allowed by the claiming instructions for the particular mandate. Equipment rentals used solely for the mandate, are reimbursable to the extent such costs do not exceed the retail purchase price of the equipment plus a finance charge. The claimant must explain the purpose and use for the equipment, the time period for which the equipment was rented and the total cost of the rental. If the equipment is used for purposes other than reimbursable activities, only the prorata portion of the rental costs can be claimed.

# (i) Capital Outlay

Capital outlays for land, buildings, equipment, furniture and fixtures may be claimed if the claiming instructions specify them as allowable. If they are allowable, the claiming instructions for the program will specify a basis for the reimbursement. If the fixed asset or equipment is also used for purposes other than reimbursable activities for a specific mandate, only the prorata portion of the purchase price used to implement the reimbursable activities can be claimed.

# (j) Travel Expenses

Travel expenses are normally reimbursable in accordance with travel rules and regulations of the local jurisdiction. For some programs, however, the claiming instructions may specify certain limitations on expenses, or that expenses can only be reimbursed in accordance with the State Board of Control travel standards. When claiming travel expenses, the claimant must explain the purpose of the trip, identify the name and address of the persons incurring the expense, the date and time of departure and return for the trip, description of each expense claimed, the cost of transportation, number of private auto mileage traveled, and the cost of tolls and parking with receipts required for charges over \$10.00.

## (k) Documentation

It is the responsibility of the claimant to make available to the SCO, upon request, documentation in the form of general and subsidiary ledgers, purchase orders, invoices, contracts, canceled warrants, equipment usage records, land deeds, receipts, employee time sheets, agency travel guidelines, inventory records, and other relevant documents to support claimed costs. The type of documentation necessary for each claim may differ with the type of mandate.

# 8. Indirect Costs

GC Section 17564(b) provides that claims for indirect costs shall be filed in the manner prescribed by the SCO. Indirect costs (or overhead) are those costs incurred for a common or joint purpose, benefiting more than one program and are not directly assignable to a particular program without efforts disproportionate to the result achieved. Indirect costs may include both (1) the overhead costs for the unit performing the mandate and (2) the costs of central government services distributed through the central service cost allocation plan and not otherwise treated as a direct cost.

Previously, the costs of elected officials were considered "expenses related to general government" and, thus, were unallowable for reimbursement purposes. Recent interpretation has moved in the opposite direction, except for those items of cost, which are unallowable in the cost principles set forth in Office of Management and Budget Circular (OMB) 2 CFR Part 225. A cost that is necessary for proper and efficient administration of a program and is identifiable to that program is eligible for consideration as allocable indirect costs. Allocable costs for time spent on programs, must be supported by time record.

Local agencies have the option of using 10% of direct labor as indirect costs or claiming indirect costs through a department's Indirect Cost Rate Proposal (ICRP) for the program prepared in accordance with the provisions of OMB 2 CFR Part 225 (Refer to the Appendix-Costs Computation: Indirect Costs). An ICRP must be prepared if the claim for indirect costs is in excess of 10% of direct salaries; the ICRP must be submitted with the claim.

#### A. Fixed 10% Rate Method

Indirect costs may be computed as 10% of direct labor costs (excluding fringe benefits) of employees, provided their services are required by a program. The use of the 10% rate may

benefit small agencies where few supportive services are provided.

Direct costs are defined as "those that can readily be identified with a single program or activity." Normally direct costs will include the salaries, benefits, and supplies that can be directly identified with a particular function.

For example, if a county auditor prepares warrants for other county departments, the direct costs of providing the service would include the salary and benefits of the persons in the auditor's office who actually work on the warrants, the cost of the paper on which warrants are written, and the salaries and benefits of a first-line supervisor. Indirect costs of the warrant writing service would include the cost of space, equipment, utilities, maintenance, supervision above first-line and administration of the auditor's office.

Direct Costs Incurred By	On Behalf of			
	Welfare	Health		
Auditor	Administration	<u>Department</u>		
Warrant Writing:				
A. Salary of employee working	\$5,000	\$1,000		
B. Benefits of above	800	200		
C. Cost of paper	350	100		
D. First-line supervision	3,000	500		
(salaries)				
E. Indirect cost 10% of A + D	800	150		
Total amount charged to benefited				
departments for warrant writing				
services	\$9,950	\$1,950		
Direct Costs Incurred By	On Be	half of		
	Welfare	Health		
Building & Grounds Department	Administration	<u>Department</u>		
Maintenance of Buildings:				
A. Salary of employees	\$1,000	\$500		
performing maintenance				
B. Benefits of above	200	100		
C. Cleaning supplies	250	150		
D. First-line supervision	500	200		
(salaries)				
E. Indirect cost 10% of A + D	150	70		
Total amount charged to				
benefited departments for	¢0 100	¢1.000		
building maintenance services	\$2,100	\$1,020		

Any local agency using this method for claiming costs must submit a statement similar to the example above and with supporting data. The cost data required for desk audit purposes are described in the claiming instructions for that mandated program under Salaries and Employee Benefits, Materials and Supplies, Contract Services, Travel Expenses, etc.

# B. Indirect Cost Rate Proposal Method

If a local agency elects not to utilize the 10% fixed rate method but wants to claim indirect costs, it must prepare an ICRP for the program. The proposal must follow the provisions of the

OMB 2 CFR Part 225, Cost Principles for State, Local, and Indian Tribal Governments. The development of the indirect cost rate proposal requires that the indirect cost pool include only those costs which are incurred for a common or joint purpose that benefit more than one cost objective. The indirect cost pool may only include costs that can be shown to provide benefits to the program. In addition, total allocable indirect costs may only include costs, which cannot be directly charged to an identifiable cost center (i.e., program).

A method for preparing a departmental indirect cost rate proposal for programs is presented as Exhibit 1. Only this format is acceptable under the SCO reimbursement requirements. If more than one department is involved in the reimbursement program, each department must have their own indirect cost rate proposal for the program.

#### INDIRECT COST RATE PROPOSAL PUBLIC DEFENDER'S OFFICE INVESTIGATION PROGRAM FISCAL YEAR 20\_\_\_-20\_\_\_

			(B)		(C)		(D)		Identifiable F	Program	n Costs
(A) Description of Costs	Total Costs		xcludable nallowable Costs		Allowable Indirect Costs	1	Allowable Direct Costs		vestigation PC 987.9		All Others
Salaries & Benefits	 										
Salaries & Wages	\$ 1,150,000	\$	50,000 (I	-) \$	150,000	\$	950,000	(F) \$	100,000	\$	850,000
Overtime	20,000		0		20,000		0		0		0
Benefits	 230,000		10,000		30,000		190,000		20,000		170,000
Total	\$ 1,400,000	\$	60,000	\$	200,000	\$	1,140,000	\$	120,000	\$	1,020,000
Services & Supplies											
Office Expense	\$ 200,000	\$	10,000	\$	20,000	\$	170,000	\$	10,000	\$	160,000
Communications	100,000		2,000		10,000		88,000		1,000		87,000
Transportation	120,000		5,000		0		115,000		5,000		110,000
Special Dept Expense (Contracts)	250,000		0		0		250,000		0		250,000
Other, Pass Through Program	 800,000		800,000		0		0		0		0
Total	\$ 1,470,000	\$	817,000	\$	30,000	\$	623,000	\$	16,000	\$	607,000
Capital Expenditures	\$ 100,000	\$	100,000								
Total Budgetary Expenditures	\$ 2,970,000	\$	977,000	\$	230,000	\$	1,763,000	\$	136,000	\$	1,627,000
Distribution Base											
Cost Plan Costs											
Building Use (Each line item should	\$ 50,000	\$	2,000	\$	6,000	\$	42,000	\$	2,000	\$	40,000
Equipment Use be reviewed to see if it	30,000		1,000		3,000		26,000		1,000		25,000
Data Processing benefits the mandate	50,000		5,000		30,000		15,000		0		15,000
Auditor to insure a fair and	20,000		0		20,000		0		0		0
Personnel equitable distribution.)	10,000		1,000		1,000		8,000		1,000		7,000
Roll Forward	 10,000		0		10,000		0		0		0
Total	\$ 170,000	(E) <u>\$</u>	9,000	\$	70,000	\$	91,000	\$	4,000	\$	87,000
Total Allocable Indirect Costs				\$	300,000 (	F)					
Distribution of Allocable Indirect Costs											
Based on Salaries & Wages		\$	15,000	\$	(300,000)	\$	285,000	\$	30,000	\$	255,000
Totals	\$ 3,140,000	\$	1,001,000	\$	0	\$	2,139,000	\$	170,000	\$	1,969,000

- (1) Notes to Exhibit 1
  - (a) The department's ICRP plan for the distribution of costs to programs must follow the same format as shown on Exhibit 1. Specifically, there must be columns as follows: Description of Costs, Total Cost, Excludable and Unallowable Costs (may be combined or separated), Allowable Indirect Costs, and Allowable Direct Costs (which are further allocated to identifiable programs and other). No other format will be accepted.
  - (b) Excluded costs are all costs that are unallowable and unallocable according to specific guidelines (OMB 2 CFR Part 225 and state laws).

#### Examples:

Contributions and donations: Cost of amusement; social activities and related incidental costs such as meals, beverages, lodging, rentals, transportation and gratuities; and pass through revenues to another unit or organization.

- (c) Allocable indirect costs are costs that are not identifiable to a specific program or cost pool and indirectly benefit all cost pools.
- (d) Direct costs are costs that benefit a specific program or cost pool.
- (e) Overhead costs are distributed to the department in the cost allocation plan, which was prepared in accordance with the OMB 2 CFR Part 225. Use the same year's cost allocation plan for developing the ICRP as the year for which the ICRP is being prepared. Do not include a roll forward adjustment when the program is in its initial year.
- (f) Distribution base for the computation of the indirect cost rate is total salaries and wages.

Total Allocable Direct Costs (direct S&W)	<b>\$</b> 950,000
Excluded and Unallowable Costs (direct S&W)	50,000
Distribution Base	\$1,000,000

Therefore, the Indirect Cost Rate for Penal Code 987.9 Program is:

$$ICRP = \frac{Allowable Indirect Costs}{Total Salaries and Wages} = \frac{\$300,000}{\$1,000,000} = 30.00\%$$

# 9. Time Study Guidelines

# Background

For costs incurred on or after January 1, 2005, a reasonable reimbursement methodology can be used as a "formula for reimbursing local agency and school district costs mandated by the state" that meets certain conditions specified in GC Section 17518.5(a). For costs incurred prior to January 1, 2005, time study can only substitute for continuous records of actual time spend for a specific fiscal year if the program's P's & G's allow for the use of time studies.

Two methods are acceptable for documenting employee time charged to mandated cost programs: Actual Time Reporting and Time Study, which are described below. Application of time study results is restricted. As explained in Time Study Results below, the results may be projected toward to a maximum of two years provided the claimant meets certain criteria.

# Actual Time Reporting

P's & G's define reimbursable activities for each mandated cost program. (Some P's & G's refer to reimbursable activities as reimbursable components.) When employees work on multiple activities and/or programs, a distribution of their salaries or wages must be supported by personnel activity reports or equivalent documentation that meets the following standards (which clarify documentation requirements discussed under the Reimbursable Activities section of recent P's & G's):

- They must reflect an after-the-fact (contemporaneous) distribution of the actual activity of each employee;
- They must account for the total activity for which each employee is compensated;
- They must be prepared at least monthly and must coincide with one or more pay periods; and
- They must be signed by the employee.

Budget estimates or other distribution percentages determined before services are performed do not qualify as support for time distribution.

# Time Study

In certain cases, a time study may be used to substitute for continuous records of actual time spent on multiple activities and/or programs. An effective time study requires that an activity be a task that is repetitive in nature. Activities that require a varying level of effort are not appropriate for time studies.

# Time Study Plan

A time study plan is necessary before conducting the time study. The claimant must retain the time study plan for audit purposes. The plan needs to identify the following:

- Time period(s) to be studied The plan must show that all time periods selected are representative of the fiscal year, and the results can be reasonably projected to approximate actual costs.
- Activities and/or programs to be studied For each mandated program included, the time study
  must separately identify each reimbursable activity defined in the mandated program's Ps & Gs,
  which are derived from the program's Statement of Decision. If a reimbursable activity in the Ps
  & Gs identifies separate and distinct sub-activities, these sub-activities must also be treated as
  individual activities.

For example, sub-activities (a), (b), and (c) under Reimbursable Activity (B)(1) of the local agency's Domestic Violence Treatment Services: Authorization and Case Management program relate to information to be discussed during victim notification by the probation department and therefore are not separate and distinct activities. These sub-activities do not have to be separately studied.

- Process used to accomplish each reimbursable activity Use flowcharts or similar analytical tools and/or written desk procedures to describe the process for each activity.
- Employee universe The employee universe used in the time study must include all positions for which salaries and wages are to be allocated by means of the time study.

- Employee sample selection methodology The plan must show that employees selected are
  representative of the employee universe, and the results can be reasonably projected to
  approximate actual costs. In addition, the employee sample size should be proportional to the
  variation in time spent to perform a task. The sample size should be larger for tasks with
  significant time variations.
- Time increments to be recorded The time increments used should be sufficient to recognize the number of different activities performed and the dynamics of these responsibilities. Very large increments (such as one hour or more) might be used for employees performing only a few functions that change very slowly over time. Very small increments (a number of minutes) may be needed for employees performing more short-term tasks.

Random moment sampling is not an acceptable alternative to continuous time records for mandated cost claims. Random moment sampling techniques are most applicable in situations where employees perform many different types of activities on a variety of programs with small time increments throughout the fiscal year.

# **Time Study Documentation**

Time studies must:

- Be supported by time records that are completed contemporaneously;
- Report activity on a daily basis;
- Be sufficiently detailed to reflect all mandated activities and/or programs performed during a specific time period; and
- Coincide with one or more pay periods.

Time records must be signed by the employee (electronic signatures are acceptable) and be supported by corroborating evidence, which validates that the work was actually performed. As with actual time reporting, budget estimates or other distribution percentages determined before services are performed do not qualify as valid time studies.

# Time Study Results

Time study results must be summarized to show how the time study supports the costs claimed for each activity. Any variations from the procedures identified in the original time study plan must be documented and explained

Current-year costs must be used to prepare a time study. Claimants may project time study results to no more than two subsequent fiscal years. A claimant may not apply time study results retroactively.

- <u>Annual Reimbursement Claims</u> Claimants may use time studies to support costs incurred on or after January 1, 2005. Claimants may not use time studies for the period July 1, 2004, through December 31, 2004, unless (1) the program's P's & G's specifically allows time studies, and (2) the time study is prepared based on mandated activity occurring between July 1, 2004, and December 31, 2004.
- <u>Initial Claims</u> –When filing an initial claim for new mandated programs, claimants may only use time study results for costs incurred on or after January 1, 2005. Claimants may not use time studies to support costs incurred before January 1, 2005, unless (1) the program's P's & G's specifically allows time studies, and (2) the claimant prepares separate time studies for each fiscal year preceding January 1, 2005, based on mandated activity occurring during those years.

When projecting time study results, the claimant must certify that there have been no significant changes between years in either (1) the requirements of each mandated program activity or (2) the processes and procedures used to accomplish the activity. For all years, the claimant must maintain corroborating evidence that validates the mandated activity was actually performed. Time study results used to support subsequent years' claims are subject to the recordkeeping requirements for those claims.

# 10. Offset Against State Mandated Claims

When part or all the costs of a mandated program are specifically reimbursable from non-local agency sources (e.g., state, federal, foundation, etc.), only that portion of any increased costs payable from local agency funds is eligible for reimbursement under the provisions of Government Code Section 17561.

# A. Example 1

This example shows how the offset against state mandated claim is determined for local agencies receiving block grant revenues not based on a formula allocation. Listed below are six situations, which may occur at a local agency level. For hypothetical program costs of \$100,000: (1) through (4) show intended funding at 100% from non-local agency sources and (5) through (6) show cost sharing on a 50/50 basis with the local agency. Of the \$100,000 program cost, \$2,500 is the cost of state mandated activity. Offset against state mandated claims is the amount of actual non-local agency funding which exceeds the difference between program costs and state mandated costs. The offset against state mandated claims can not exceed the amount of state mandated costs. In (4), non-local revenues were fully realized to cover the entire cost of the program, including the state mandate activity; therefore, the offset against state mandated claims is \$2,500. In (1), non-local revenues were less than expected. Non-local agency funding was not in excess of the difference between program costs and state mandated costs. As a result, the offset against state mandated claims is zero and \$2,500 is claimable as mandated costs. In (5), the local agency is sharing 50% of the program cost. Since non-local revenues of \$50,000 were fully realized, the offset against state mandated claims is \$1.250.

	Actual	Offset Against		
	Non-Local	State	State	Claimable
Program	Agency	Mandated	Mandated	Mandated
Costs	Funding	<u>Costs</u>	<u>Claims</u>	<u>Costs</u>

A. Block Grants (funding not based on a formula allocation)

1.	\$100,000	\$95,000	\$2,500	\$-0-	\$2,500
2.	100,000	97,000	2,500	-0-	2,500
3.	100,000	98,000	2,500	500	2,000
4.	100,000	100,000	2,500	2,500	-0-
5.	100,000 *	50,000	2,500	1,250	1,250

6. If in (5) the non-local matching share is less than the amount expected, for example \$49,000, the offset against state mandated claims is \$250. Therefore, the claimable mandated costs are \$2,250.

\* Local agency share is \$50,000 of the program costs.

# B. Example 2

This example shows how the offset against state mandated claims are determined for local agencies receiving special project funds based on approved actual costs. Non-local revenues for special projects must be applied proportionately to approve costs. In (2), the entire program

cost was approved. Since the non-local agency source covers 75% of the program cost, it also proportionately covered 75% of the \$2,500 state mandated costs, or \$1,875.

	Actual		Offset Against	
	Non-Local	State	State	Claimable
Program	Agency	Mandated	Mandated	Mandated
<u>Costs</u>	<u>Funding</u>	<u>Costs</u>	<u>Claims</u>	<u>Costs</u>

B. Special Projects (funding based on approved actual costs)

1.	\$100,000	\$100,000	\$2,500	\$2,500	\$-0-
2.	100,000 **	75,000	2,500	1,875	625

3. If in (2) the non-local matching share is less than the amount expected, because only \$60,000 of the program costs were determined to be valid by the contracting agency, then a proportionate share of state mandated costs is likewise reduced to \$1,500. The offset against state mandated claim is \$1,125. Therefore, the claimable mandated costs are \$375.

\*\* Local agency share is \$25,000 of the program costs.

With respect to local agencies, the offset against state mandated claims for applicable federal and state local assistance programs includes, but is not limited to, the following funding sources:

# Federal and State Funding Sources

## Governing Authority

#### **Federal Programs**

CETA, PL 93-203	Federal-Health – Administration		
Federal Aid for Construction	Federal-Public Assistance – Administration		
Federal Aid for Disaster			
State Programs			
State Aid for Agriculture	State-Health – Administration		
State Aid for Construction	State-Public Assistance - Administration		
State Aid for Corrections			

# 11. Notice of Claim Adjustment

All claims submitted to the SCO are reviewed to determine if the claim was prepared in accordance with the claiming instructions. If any adjustments are made to a claim, the claimant will receive a "Notice of Claim Adjustments" detailing adjustments made by the SCO.

# 12. Audit of Costs

All claims submitted to the State Controller's Office (SCO) are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the P's & G's adopted by the Commission on State Mandates (COSM). If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

Pursuant to Government Code (GC) Section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. All documents used to support the reimbursable activities, must be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

On-site audits will be conducted by the SCO as deemed necessary. Accordingly, all documentation to support actual costs claimed must be retained for a period of three years after the end of the calendar year in which the reimbursement claim was filed or amended regardless of the year of costs incurred. When no funds are appropriated for initial claims at the time the claim is filed, supporting documents must be retained for three years from the date of initial payment of the claim. Claim documentation shall be made available to the SCO on request.

# 13. Source Documents

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct based upon personal knowledge." Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

For costs incurred on or after January 1, 2005, a reasonable reimbursement methodology can be used as a "formula for reimbursing local agency and school district costs mandated by the state" that meets certain conditions specified in 17518.5(a). For costs incurred prior to January 1, 2005, time study can substitute for continuous records of actual time spent for a specific fiscal year only if the program's Ps & Gs allows for the use of time studies.

# 14. Claim Forms and Instructions

A claimant may submit a computer generated report in substitution for Form-1 and Form-2, provided the format of the report and data fields contained within the report are identical to the claim forms included with these instructions. The claim forms provided with these instructions should be duplicated and used by the claimant to file an estimated or reimbursement claim. The SCO will revise the manual and claim forms as necessary.

# A. Form-2, Component/Activity Cost Detail

This form is used to segregate the detail costs by claim component. In some mandates, specific reimbursable activities have been identified for each component. The expenses reported on this form must be supported by the official financial records of the claimant and copies of supporting documentation, as specified in the claiming instructions, must be submitted with the

claims. All supporting documents must be retained for a period of not less than three years after the reimbursement claim was filed or last amended.

## B. Form-1, Claim Summary

This form is used to summarize direct costs by component and compute allowable indirect costs for the mandate. The direct costs summarized on this form are derived from Form-2 and are carried forward to form FAM-27.

# C. Form FAM-27, Claim for Payment

This form contains a certification that must be signed by an authorized officer of the entity. All applicable information from Form-1 must be carried forward onto this form in order for the SCO to process the claim for payment. An original and one copy of the FAM-27 is required.

Claims should be rounded to the nearest dollar. Submit a signed original and one copy of form FAM-27, Claim for Payment, and all other forms and supporting documents (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.) Use the following mailing addresses:

If delivered by	If delivered by
U.S. Postal Service:	Other delivery services:
Office of the State Controller	Office of the State Controller
Attn: Local Reimbursements Section	Attn: Local Reimbursements Section
Division of Accounting and Reporting	Division of Accounting and Reporting
P.O. Box 942850	3301 C Street, Suite 500
Sacramento, CA 94250	Sacramento, CA 95816

# **15.** Retention of Claiming Instructions

For your convenience, the revised claiming instructions in this package have been arranged in alphabetical order by program name. These revisions should be inserted in the Local Mandated Cost Manual and the old forms they replace should be removed. The instructions should then be retained permanently for future reference, and the forms should be duplicated to meet your filing requirements. Annually, updated forms and any other information or instructions claimants may need to file claims, as well as instructions and forms for all new programs released throughout the year will be placed on the SCO's web site at <a href="https://www.sco.ca.gov/ard/local/locreim/index.shtml">www.sco.ca.gov/ard/local/locreim/index.shtml</a>.

If you have any questions concerning mandated cost reimbursements, please write to us at the address listed for filing claims, send e-mail to Irsdar@sco.ca.gov, or call the Local Reimbursements Section at (916) 324-5729.

# 16. Retention of Claim Records and Supporting Documentation

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the COSM's P's and G's. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Pursuant to GC Section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by local agency is subject to audit by the State Controller no later than three years after the date the actual reimbursement claim was filed or last amended, whichever is later. However, if no funds were appropriated or no

payment was made to a claimant for the program for the fiscal year for which the claim was filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. Therefore, all documentation to support actual costs claimed must be retained for the same period, and shall be made available to the SCO on request.

# A. STATE OF CALIFORNIA TRAVEL EXPENSE GUIDELINES

## Travel Program Effective January 31, 2002

The travel reimbursement program continues to be subject to the Internal Revenue Service (IRS) requirements for an accountable plan. There are no flat rate reimbursements. All items are to be claimed for the actual amount of expense, up to the maximum allowed. If the provisions below do not require submission of a receipt for a given item of expense, it is the employee's responsibility to retain receipts and other records of the expense and have them available for audit.

Lodging and meals that are provided by the State, including hotel expenses, conference fees, or transportation costs such as airline tickets; or otherwise provided shall not be claimed for reimbursement.

Employees may be reimbursed for actual expenses for breakfast, lunch, dinner, and incidentals for each 24 hours of travel, as follows:

Breakfast	up to	\$6.00
Lunch	up to	10.00
Dinner	up to	18.00
Incidentals	up to	6.00

Incidental expenses include, but are not limited to, expenses for laundering and pressing of clothing and tips for services such as porters and baggage handlers. Incidentals do not include taxicab fares, lodging taxes, or the cost of telegrams or telephone calls.

#### Lodging

All lodging reimbursements require a receipt from a commercial lodging establishment such as a hotel, motel, bed and breakfast inn, or campground that caters to the general public. No lodging will be reimbursed without a valid receipt. Employees who stay with friends or relatives are not eligible for lodging reimbursement, but may claim their actual expenses for meals and incidentals.

#### Short-Term Travel

- **A.** For continuous short-term travel of more than 24 hours but less than 31 days, the employee will be reimbursed for actual costs up to the maximum for each meal, incidental, and lodging expense for each completed 24 hours of travel, beginning with the traveler's time of departure and return as follows:
  - 1. On the first day of travel at the beginning of a trip of more than 24 hours:

Trip begins at or before 6 a.m. - Breakfast may be claimed

Trip begins at or before 5 p.m. - Dinner may be claimed

2. On the fractional day of travel at the end of a trip of more than 24 hours:

Trip ends at or after 8 a.m. - Breakfast may be claimed

Trip ends at or after 2 p.m. - Lunch may be claimed

Trip ends at or after 7 p.m. - Dinner may be claimed

If the fractional day includes an overnight stay, receipted lodging may be claimed. No meal or lodging expenses may be claimed or reimbursed more than once on any given date or during any 24-hour period.

**B.** For continuous travel of less than 24 hours, the employee will be reimbursed for actual expenses, up to a maximum as follows:

Travel begins at or before 6 a.m. and ends at or after 9 a.m. - Breakfast may be claimed Travel begins at or before 4 p.m. and ends at or after 7 p.m. - Dinner may be claimed

If the trip extends overnight, receipted lodging may be claimed. No lunch or incidentals may be claimed on a trip of less than 24 hours.

#### Short-Term Travel Maximum Lodging Reimbursement Rate

- A. Statewide except as in (B) and (C) below, actual receipted lodging up to \$84 plus tax.
- **B.** When required to conduct state business and obtain lodging in the counties of Los Angeles and San Diego, reimbursement will be for actual receipted lodging, to a maximum of \$110 plus tax.
- **C.** When required to conduct state business and obtain lodging in the counties of Alameda, San Francisco, San Mateo, and Santa Clara, reimbursement will be for actual receipted lodging, to a maximum of \$140 plus tax.

#### Long-Term Travel

Actual expenses for long-term meals and receipted lodging will be reimbursed when the employee incurs expenses in one location comparable to those arising from the use of establishments catering to long-term visitors.

#### A. Full Long-Term Travel

To qualify for full long-term travel reimbursement, the employee on a long-term field assignment must meet the following criteria:

- a) The employee continues to maintain a permanent residence at the primary headquarters, and either,
- b) The permanent residence is occupied by the employee's dependents, or
- c) The permanent residence is maintained at a net expense to the employee exceeding \$200 per month.

The employee who is living at the long-term location may claim either:

- Reimbursement for actual individual expense, substantiated by receipts for lodging, water, sewer, gas, and electricity, up to a maximum of \$1,130 per calendar month while on the long-term assignment, and actual expenses up to \$10 for meals and incidentals, for each period of 12 to 24 hours and up to \$5 for actual meals and incidentals for each period of less than 12 hours at the long-term location, or
- 2. Long-term subsistence rates of \$24 for actual meals and incidentals, \$24 for receipted lodging for travel of 12 hours up to 24 hours, and either \$24 for actual meals or \$24 for receipted lodging for travel less than 12 hours when the employee incurs expenses in one location comparable to those arising from the use of establishments catering to long-term visitors.

## B. Partial Long-Term Travel

An employee on long-term field assignment who does not maintain a separate residence in the headquarters area may claim long-term subsistence rates of up to \$12 for actual meals and incidentals and \$12 for receipted lodging for travel of 12 hours up to 24 hours at the long-term location, and either \$12 for actual meals or \$12 for receipted lodging for travel less than 12 hours at the long-term location.

#### Receipts

Receipts or vouchers shall be submitted for every item of expense of \$25 or more.

- a) Receipts are required for every item of transportation and business expense incurred as a result of conducting state business except for actual expenses as follows:
  - 1. Railroad and bus fares of less than \$25, when travel is wholly within the State of California.
  - 2. Street car, ferry fares, bridge and road tolls, local rapid transit system, taxi, shuttle, or hotel bus fares, and parking fees of \$10 or less for each continuous period of parking or each separate transportation expense noted in this item.
  - 3. Telephone, telegraph, tax, or other business charges related to state business of \$5 or less.
  - 4. In the absence of a receipt, reimbursement will be limited to the non-receipted amount above.
- b) Reimbursement will be claimed only for the actual and necessary expenses noted above. Regardless of the above exceptions, the approving officer may require additional certification and/or explanation in order to determine that an expense was actually and reasonably incurred. In the absence of a satisfactory explanation, the expense shall not be allowed.

#### Mileage

Effective July 1, 2006, when an employee is authorized by his/her appointing authority or designee to operate a privately owned vehicle on state business, the employee will be allowed to claim and be reimbursed 44.5 cents per mile. Effective January 1, 2007, reimbursement rate is 48.5 cents per mile.

# **B. GOVERNMENT CODE SECTIONS 17500-17617**

# GC §17500: Legislative Findings and Declarations

The Legislature finds and declares that the existing system for reimbursing local agencies and school districts for the costs of state-mandated local programs has not provided for the effective determination of the state's responsibilities under Section 6 of Article XIIIB of the California Constitution. The Legislature finds and declares that the failure of the existing process to adequately and consistently resolve the complex legal questions involved in the determination of state-mandated costs has led to an increasing reliance by local agencies and school districts on the judiciary and, therefore, in order to relieve unnecessary congestion of the judicial system, it is necessary to create a mechanism which is capable of rendering sound quasi-judicial decisions and providing an effective means of resolving disputes over the existence of state-mandated local programs. It is the intent of the Legislature in enacting this part to provide for the implementation of Section 6 of Article XIIIB of the California Constitution. Further, the Legislature intends that the Commission on State Mandates, as a quasi-judicial body, will act in a deliberative manner in accordance with the requirements of Section 6 of Article XIIIB of the California Constitution.

# GC §17510: Construction of Part

Unless the context otherwise requires, the definitions contained in this chapter govern the construction of this part. The definition of a word applies to any variants thereof and the singular tense of a word includes the plural.

# GC §17511: "City"

"City" means any city whether general law or charter, except a city and county.

# GC §17512: "Commission"

"Commission" means the Commission on State Mandates.

# GC §17513: "Cost Mandated by the Federal Government"

"Costs mandated by the federal government" means any increased costs incurred by a local agency or school district after January 1, 1973, in order to comply with the requirements of a federal statute or regulation. "Costs mandated by the federal government" includes costs resulting from enactment of a state law or regulation where failure to enact that law or regulation to meet specific federal program or service requirements imposed upon the state would result in substantial monetary penalties or loss of funds to public or private persons in the state whether the federal law was enacted before or after the enactment of the state law, regulation, or executive order. "Costs mandated by the federal government" does not include costs which are specifically reimbursed or funded by the federal or state government or programs or services which may be implemented at the option of the state, local agency, or school district.

# GC §17514: "Costs Mandated by the State"

"Costs mandated by the state" means any increased costs which a local agency or school district is required to incur after July 1, 1980, as a result of any statute enacted on or after January 1, 1975, or any executive order implementing any statute enacted on or after January 1, 1975, which mandates a new program or higher level of service of an existing program within the meaning of Section 6 of Article XIIIB of the California Constitution.

#### GC §17515: "County"

"County" means any chartered or general law county. "County" includes a city and county.

#### GC §17516: "Executive Order"

"Executive order" means any order, plan, requirement, rule, or regulation issued by any of the following: (a) The Governor. (b) Any officer or official serving at the pleasure of the Governor. (c) Any agency, department, board, or commission of state government. "Executive order" does not include any order, plan, requirement, rule, or regulation issued by the State Water Resources Control Board or by any regional water quality control board pursuant to Division 7 (commencing with Section 13000) of the Water Code. It is the intent of the Legislature that the State Water Resources Control Board and regional water quality control boards will not adopt enforcement orders against publicly owned dischargers which mandate major waste water treatment facility construction costs unless federal financial assistance and state financial assistance pursuant to the Clean Water Bond Act of 1970 and 1974, is simultaneously made available. "Major" means either a new treatment facility or an addition to an existing facility, the cost of which is in excess of 20 percent of the cost of replacing the facility.

#### GC §17517.5: "Cost Savings authorized by the state"

"Cost savings authorized by the state" means any decreased costs that a local agency or school district realizes as a result of any statute enacted or any executive order adopted that permits or requires the discontinuance of or a reduction in the level of service of an existing program that was mandated before January 1, 1975.

#### GC §17518: "Local Agency"

"Local agency" means any city, county, special district, authority, or other political subdivision of the state.

#### GC §17518.5: "Reasonable Reimbursement Methodology"

(a) "Reasonable reimbursement methodology" means a formula for reimbursing local agency and school district costs mandated by the state that meets the following conditions: (1) The total amount to be reimbursed statewide is equivalent to total estimated local agency and school district costs to implement the mandate in a cost-efficient manner. (2) For 50 percent or more of eligible local agency and school district claimants, the amount reimbursed is estimated to fully offset their projected costs to implement the mandate in a cost-efficient manner. (b) Whenever possible, a reasonable reimbursement methodology shall be based on general allocation formulas, uniform cost allowances, and other approximations of local costs mandated by the state, rather than detailed documentation of actual local costs. In cases when local agencies and school districts are projected to incur costs to implement a mandate over a period of more than one fiscal year, the determination of a reasonable reimbursement methodology may consider local costs and state reimbursements over a period of greater than one fiscal year, but not exceeding 10 years. (c) A reasonable reimbursement methodology may be developed by any of the following: (1) The Department of Finance. (2) The Controller. (3) An affected state agency. (4) A claimant. (5) An interested party.

#### GC §17519: "School District"

"School district" means any school district, community college district, or county superintendent of schools.

#### GC §17520: "Special District"

"Special district" means any agency of the state that performs governmental or proprietary functions within limited boundaries. "Special district" includes a county service area, a maintenance district or

area, an improvement district or improvement zone, or any other zone or area. "Special district" does not include a city, a county, a school district, or a community college district. County free libraries established pursuant to Chapter 2 (commencing with Section 27151) of Division 20 of the Education Code, areas receiving county fire protection services pursuant to Section 25643 of the Government Code, and county road districts established pursuant to Chapter 7 (commencing with Section 1550) of Division 2 of the Streets and Highways Code shall be considered "special districts" for all purposes of this part.

### GC §17521: "Test Claim"

"Test claim" means the first claim filed with the commission alleging that a particular statute or executive order imposes costs mandated by the state.

#### GC §17522: Definitions

(a) "Initial reimbursement claim" means a claim filed with the Controller by a local agency or school district for costs to be reimbursed for the fiscal years specified in the first claiming instructions issued by the Controller pursuant to subdivision (b) of Section 17558. (b) "Annual reimbursement claim" means a claim for actual costs incurred in a prior fiscal year filed with the Controller by a local agency or school district for which appropriations are made to the Controller for this purpose. (c) "Estimated reimbursement claim" means a claim filed with the Controller by a local agency or school district in conjunction with an initial reimbursement claim, annual reimbursement claim, or at other times, for estimated costs to be reimbursed during the current or future fiscal years, for which appropriations are made to the Controller for this purpose. (d) "Entitlement claim" means a claim filed by a local agency or school district with the Controller for the purpose of establishing or adjusting a base year entitlement. All entitlement claims are subject to Section 17616.

#### GC §17523: "Deflator"

"Deflator" means the Implicit Price Deflator for the Costs of Goods and Services to Governmental Agencies, as determined by the Department of Finance.

#### GC §17524: "Base Year Entitlement"

"Base year entitlement" means that amount determined to be the average for the approved reimbursement claims of each local agency or school district for the three preceding fiscal years adjusted by the change in the deflator. A base year entitlement shall not include any nonrecurring or initial startup costs incurred by a local agency or school district in any of those three fiscal years. For those mandates which become operative on January 1 of any year, the amount of the "approved reimbursement claim" for the first of the three years may be computed by annualizing the amount claimed for the six-month period of January through June in that first year, excluding nonrecurring or startup costs.

#### GC §17525: Members: Term and Per Diem for Specified Members

(a) There is hereby created the Commission on State Mandates, which shall consist of seven members as follows: (1) The Controller. (2) The Treasurer. (3) The Director of Finance. (4) The Director of the Office of Planning and Research. (5) A public member with experience in public finance, appointed by the Governor and approved by the Senate. (6) Two members from the following three categories appointed by the Governor and approved by the Senate, provided that no more than one member shall come from the same category: (A) A city council member. (B) A member of a county or city and county board of supervisors. (C) A governing board member of a school district as defined in Section 17519. (b) Each member appointed pursuant to paragraph (5) or (6) of subdivision (a) shall be subject to both of the following: (1) The member shall serve for a term of four years subject to renewal. (2) The member shall receive per diem of one hundred dollars (\$100) for each day actually spent in the

discharge of official duties and shall be reimbursed for any actual and necessary expenses incurred in connection with the performance of duties as a member of the commission.

### GC §17526: Open Meetings: Executive Sessions

(a) All meetings of the commission shall be open to the public, except that the commission may meet in executive session to consider the appointment or dismissal of officers or employees of the commission or to hear complaints or charges brought against a member, officer, or employee of the commission. (b) The commission shall meet at least once every two months. (c) The time and place of meetings may be set by resolution of the commission, by written petition of a majority of the members, or by written call of the chairperson. The chairperson may, for good cause, change the starting time or place, reschedule, or cancel any meeting.

#### GC §17527: Powers of Commission

In carrying out its duties and responsibilities, the commission shall have the following powers: (a) To examine any document, report, or data, including computer programs and data files, held by any local agency or school district. (b) To meet at times and places as it may deem proper. (c) As a body or, on the authorization of the commission, as a committee composed of one or more members, to hold hearings at any time and place it may deem proper. (d) Upon a majority vote of the commission, to issue subpoenas to compel the attendance of witnesses and the production of books, records, papers, accounts, reports, and documents. (e) To administer oaths. (f) To contract with other agencies or individuals, public or private, as it deems necessary, to provide or prepare services, facilities, studies, and reports to the commission as will assist it in carrying out its duties and responsibilities. (g) To adopt, promulgate, amend, and rescind rules and regulations, which shall not be subject to the review and approval of the Office of Administrative Law pursuant to the provisions of the Administrative Procedure Act provided for in Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2. (h) To do any and all other actions necessary or convenient to enable it fully and adequately to perform its duties and to exercise the powers expressly granted to it.

#### GC §17528: Election of Officers

The members of the commission shall elect a chairperson and a vice chairperson of the commission.

#### GC §17529: Appointment of Attorney: Duties

The commission may appoint as attorney to the commission an attorney at law of this state, who shall hold office at the pleasure of the commission. The attorney shall represent and appear for the commission in all actions and proceedings involving any question under this part or under any order or act of the commission. The attorney shall advise the commission and each member of the commission, when so requested, in regard to all matters in connection with the powers and duties of the commission and the members thereof. The attorney shall generally perform all duties and services as attorney to the commission which the commission may require.

#### GC §17530: Appointment of Executive Director: Duties

The commission shall appoint an executive director, who shall be exempt from civil service and shall hold office at the pleasure of the commission. The executive director shall be responsible for the executive and administrative duties of the commission and shall organize, coordinate, supervise, and direct the operations and affairs of the commission and expedite all matters within the jurisdiction of the commission. The executive director shall keep a full and true record of all proceedings of the commission, issue all necessary process, writs, warrants, and notices, and perform other duties as the commission prescribes.

#### GC §17531: Authority of Executive Director to Employ Necessary Staff

The executive director may employ those officers, examiners, experts, statisticians, accountants, inspectors, clerks, and employees as the executive director deems necessary to carry out the provisions of this part or to perform the duties and exercise the powers conferred upon the commission by law.

#### GC §17532: Quorum: Investigations, Inquiries, and Hearing

A majority of the commissioners shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power of the commission. Any investigation, inquiry, or hearing which the commission has power to undertake or to hold may be undertaken or held by or before any commissioner or commissioners designated for the purpose by the commission. The evidence in any investigation, inquiry, or hearing may be taken by the commissioner or commissioners to whom the investigation, inquiry, or hearing has been assigned or, in his or her or their behalf, by an examiner designated for that purpose. Every finding, opinion, and order made by the commissioner or commissioners so designated, pursuant to the investigation, inquiry, or hearing, when approved or confirmed by the commission and ordered filed in its office, shall be deemed to be the finding, opinion, and order of the commission.

## GC §17533: Provisions not Applicable to Hearing by Commission

Notwithstanding Section 11425.10, Chapter 4.5 (commencing with Section 11400) of Part 1 of Division 3 does not apply to a hearing by the commission under this part.

#### GC §17550: Reimbursements of Local Agencies and Special Districts

Reimbursement of local agencies and school districts for costs mandated by the state shall be provided pursuant to this chapter.

## GC §17551: Commission Hearing and Decision Upon Claims

(a) The commission, pursuant to the provisions of this chapter, shall hear and decide upon a claim by a local agency or school district that the local agency or school district is entitled to be reimbursed by the state for costs mandated by the state as required by Section 6 of Article XIIIB of the California Constitution. (b) Commission review of claims may be had pursuant to subdivision (a) only if the test claim is filed within the time limits specified in this section. (c) Local agency and school district test claims shall be filed not later than 12 months following the effective date of a statute or executive order, or within 12 months of incurring increased costs as a result of a statute or executive order, whichever is later. (d) The commission, pursuant to the provisions of this chapter, shall hear and decide upon a claim by a local agency or school district filed on or after January 1, 1985, that the Controller has incorrectly reduced payments to the local agency or school district pursuant to paragraph (2) of subdivision (d) of Section 17561.

## GC §17552: Exclusivity of Procedure by Chapter

This chapter shall provide the sole and exclusive procedure by which a local agency or school district may claim reimbursement for costs mandated by the state as required by Section 6 of Article XIIIB of the California Constitution.

# GC §17553: Adoption of Procedure for Receiving Claims and Providing Hearings: Postponement of Hearings

(a) The commission shall adopt procedures for receiving claims pursuant to this article and for providing a hearing on those claims. The procedures shall do all of the following: (1) Provide for presentation of evidence by the claimant, the Department of Finance and any other affected department

or agency, and any other interested person. (2) Ensure that a statewide cost estimate is adopted within 12 months after receipt of a test claim, when a determination is made by the commission that a mandate exists. This deadline may be extended for up to six months upon the request of either the claimant or the commission. (3) Permit the hearing of a claim to be postponed at the request of the claimant, without prejudice, until the next scheduled hearing. (b) All test claims shall be filed on a form prescribed by the commission and shall contain at least the following elements and documents: (1) A written narrative that identifies the specific sections of statutes or executive orders alleged to contain a mandate and shall include all of the following: (A) A detailed description of the new activities and costs that arise from the mandate. (B) A detailed description of existing activities and costs that are modified by the mandate. (C) The actual increased costs incurred by the claimant during the fiscal year for which the claim was filed to implement the alleged mandate. (D) The actual or estimated annual costs that will be incurred by the claimant to implement the alleged mandate during the fiscal year immediately following the fiscal year for which the claim was filed. (E) A statewide cost estimate of increased costs that all local agencies or school districts will incur to implement the alleged mandate during the fiscal year immediately following the fiscal year for which the claim was filed. (F) Identification of all of the following: (i) Dedicated state funds appropriated for this program. (ii) Dedicated federal funds appropriated for this program. (iii) Other nonlocal agency funds dedicated for this program. (iv) The local agency's general purpose funds for this program. (v) Fee authority to offset the costs of this program. (G) Identification of prior mandate determinations made by the Board of Control or the Commission on State Mandates that may be related to the alleged mandate. (2) The written narrative shall be supported with declarations under penalty of perjury, based on the declarant's personal knowledge, information or belief, and signed by persons who are authorized and competent to do so, as follows: (A) Declarations of actual or estimated increased costs that will be incurred by the claimant to implement the alleged mandate. (B) Declarations identifying all local, state, or federal funds, or fee authority that may be used to offset the increased costs that will be incurred by the claimant to implement the alleged mandate, including direct and indirect costs. (C) Declarations describing new activities performed to implement specified provisions of the new statute or executive order alleged to impose a reimbursable state-mandated program. Specific references shall be made to chapters, articles, sections, or page numbers alleged to impose a reimbursable state-mandated program. (3) (A) The written narrative shall be supported with copies of all of the following: (i) The test claim statute that includes the bill number or executive order, alleged to impose or impact a mandate. (ii) Relevant portions of state constitutional provisions, federal statutes, and executive orders that may impact the alleged mandate. (iii) Administrative decisions and court decisions cited in the narrative. (B) State mandate determinations made by the Board of Control and the Commission on State Mandates and published court decisions on state mandate determinations made by the Commission on State Mandates are exempt from this requirement. (4) A test claim shall be signed at the end of the document, under penalty of perjury by the claimant or its authorized representative, with the declaration that the test claim is true and complete to the best of the declarant's personal knowledge or information or belief. The date of signing, the declarant's title, address, telephone number, facsimile machine telephone number, and electronic mail address shall be included. (c) If a completed test claim is not received by the commission within 30 calendar days from the date that an incomplete test claim was returned by the commission, the original test claim filing date may be disallowed, and a new test claim may be accepted on the same statute or executive order. (d) In addition, the commission shall determine whether an incorrect reduction claim is complete within 10 days after the date that the incorrect reduction claim is filed. If the commission determines that an incorrect reduction claim is not complete, the commission shall notify the local agency and school district that filed the claim stating the reasons that the claim is not complete. The local agency or school district shall have 30 days to complete the claim. The commission shall serve a copy of the complete incorrect reduction claim on the Controller. The Controller shall have no more than 90 days after the date the claim is delivered or mailed to file any rebuttal to an incorrect reduction claim. The failure of the Controller to file a rebuttal to an incorrect reduction claim shall not serve to delay the consideration of the claim by the commission.

### GC §17554: Commission's Authority to Expedite Claim

With the agreement of all parties to the claim, the commission may waive the application of any procedural requirement imposed by this chapter or pursuant to Section 17553. The authority granted by this section includes the consolidation of claims and the shortening of time periods.

### GC §17555: Date for Public Hearing: Test Claim Form and Procedure

(a) No later than 30 days after hearing and deciding upon a test claim pursuant to subdivision (a) of Section 17551, the commission shall notify the appropriate Senate and Assembly policy and fiscal committees, the Legislative Analyst, the Department of Finance, and the Controller of that decision. (b) For purposes of this section, the "appropriate policy committee" means the policy committee that has jurisdiction over the subject matter of the statute, regulation, or executive order, and bills relating to that subject matter would have been heard.

#### GC §17556: Criteria for not Finding Costs Mandated by the State

The commission shall not find costs mandated by the state, as defined in Section 17514, in any claim submitted by a local agency or school district, if, after a hearing, the commission finds that: (a) The claim is submitted by a local agency or school district that requested legislative authority for that local agency or school district to implement the program specified in the statute, and that statute imposes costs upon that local agency or school district requesting the legislative authority. A resolution from the governing body or a letter from a delegated representative of the governing body of a local agency or school district that requests authorization for that local agency or school district to implement a given program shall constitute a request within the meaning of this paragraph. (b) The statute or executive order affirmed for the state a mandate that had been declared existing law or regulation by action of the courts. (c) The statute or executive order imposes a requirement that is mandated by a federal law or regulation and results in costs mandated by the federal government, unless the statute or executive order mandates costs that exceed the mandate in that federal law or regulation. This subdivision applies regardless of whether the federal law or regulation was enacted or adopted prior to or after the date on which the state statute or executive order was enacted or issued. (d) The local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the mandated program or increased level of service. (e) The statute, executive order, or an appropriation in a Budget Act or other bill provides for offsetting savings to local agencies or school districts that result in no net costs to the local agencies or school districts, or includes additional revenue that was specifically intended to fund the costs of the state mandate in an amount sufficient to fund the cost of the state mandate. (f) The statute or executive order imposed duties that were expressly included in a ballot measure approved by the voters in a statewide or local election. (g) The statute created a new crime or infraction, eliminated a crime or infraction, or changed the penalty for a crime or infraction, but only for that portion of the statute relating directly to the enforcement of the crime or infraction.

#### GC §17557: Determination of Amount to be Subvened for Reimbursement: Parameters and Guidelines

(a) If the commission determines there are costs mandated by the state pursuant to Section 17551, it shall determine the amount to be subvened to local agencies and school districts for reimbursement. In so doing it shall adopt parameters and guidelines for reimbursement of any claims relating to the statute or executive order. The successful test claimants shall submit proposed parameters and guidelines within 30 days of adoption of a statement of decision on a test claim. At the request of a successful test claimant, the commission may provide for one or more extensions of this 30-day period at any time prior to its adoption of the parameters and guidelines. If proposed parameters and guidelines are not submitted within the 30-day period and the commission has not granted an extension, then the commission shall notify the test claimant that the amount of reimbursement the test claimant is entitled to for the first 12 months of incurred costs will be reduced by 20 percent, unless the test claimant can demonstrate to the commission why an extension of the 30-day period is justified. (b) In adopting parameters and guidelines, the commission may adopt a reasonable reimbursement methodology. (c)

The parameters and guidelines adopted by the commission shall specify the fiscal years for which local agencies and school districts shall be reimbursed for costs incurred. However, the commission may not specify in the parameters and guidelines any fiscal year for which payment could be provided in the annual Budget Act. (d) A local agency, school district, or the state may file a written request with the commission to amend, modify, or supplement the parameters or quidelines. The commission may, after public notice and hearing, amend, modify, or supplement the parameters and guidelines. A parameters and guidelines amendment submitted within 90 days of the claiming deadline for initial claims, as specified in the claiming instructions pursuant to Section 17561, shall apply to all years eligible for reimbursement as defined in the original parameters and guidelines. A parameters and guidelines amendment filed more than 90 days after the claiming deadline for initial claims, as specified in the claiming instructions pursuant to Section 17561, and on or before January 15 following a fiscal year, shall establish reimbursement eligibility for that fiscal year. (e) A test claim shall be submitted on or before June 30 following a fiscal year in order to establish eligibility for reimbursement for that fiscal year. The claimant may thereafter amend the test claim at any time, but before the test claim is set for a hearing, without affecting the original filing date as long as the amendment substantially relates to the original test claim. (f) In adopting parameters and guidelines, the commission shall consult with the Department of Finance, the affected state agency, the Controller, the fiscal and policy committees of the Assembly and Senate, the Legislative Analyst, and the claimants to consider a reasonable reimbursement methodology that balances accuracy with simplicity.

# GC §17558: Submission of Parameters and Guidelines to Controller: Transfer of Claims; Claiming Instructions

(a) The commission shall submit the adopted parameters and guidelines to the Controller. All claims relating to a statute or executive order that are filed after the adoption or amendment of parameters and guidelines pursuant to Section 17557 shall be transferred to the Controller who shall pay and audit the claims from funds made available for that purpose. (b) Not later than 60 days after receiving the adopted parameters and guidelines from the commission, the Controller shall issue claiming instructions for each mandate that requires state reimbursement, to assist local agencies and school districts in claiming costs to be reimbursed. In preparing claiming instructions, the Controller shall requires state agencies. The claiming instructions shall be derived from the test claim decision and the parameters and guidelines adopted parameters and guidelines from the commission or other information necessitating a revision of the claiming instructions, prepare and issue revised claiming instructions for mandates that requires the assistence of other information necessitating a revision of the claiming instructions, prepare and issue revised claiming instructions for mandates that requires state reimbursement to Section 17551. In preparing revised claiming instructions, the Controller may request the assistance of other state agencies.

#### GC §17558.5: Reimbursement Claim: Audit; Remittance Advice and Other Notices of Payment

(a) A reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed not later than two years after the date that the audit is commenced. (b) The Controller may conduct a field review of any claim after the claim has been submitted, prior to the reimbursement of the claim. (c) The Controller shall notify the claimant in writing within 30 days after issuance of a remittance advice of any adjustment to a claim for reimbursement to the local agency or school district, and the reason for the adjustment. Remittance advices and other notices of payment action shall not constitute notice of adjustment from an audit or review. (d) The interest rate charged by the Controller on reduced claims shall be set at the Pooled

Money Investment Account rate and shall be imposed on the dollar amount of the overpaid claim from the time the claim was paid until overpayment is satisfied. (e) Nothing in this section shall be construed to limit the adjustment of payments when inaccuracies are determined to be the result of the intent to defraud, or when a delay in the completion of an audit is the result of willful acts by the claimant or inability to reach agreement on terms of final settlement.

#### GC §17558.6: Legislative Intent

It is the intent of the Legislature that the Commission on State Mandates review its process by which local agencies may appeal the reduction of reimbursement claims on the basis that the reduction is incorrect in order to provide for a more expeditious and less costly process.

#### GC §17559: Judicial Review

(a) The commission may order a reconsideration of all or part of a test claim or incorrect reduction claim on petition of any party. The power to order a reconsideration or amend a test claim decision shall expire 30 days after the statement of decision is delivered or mailed to the claimant. If additional time is needed to evaluate a petition for reconsideration filed prior to the expiration of the 30-day period, the commission may grant a stay of that expiration for no more than 30 days, solely for the purpose of considering the petition. If no action is taken on a petition within the time allowed for ordering reconsideration, the petition shall be deemed denied. (b) A claimant or the state may commence a proceeding in accordance with the provisions of Section 1094.5 of the Code of Civil Procedure to set aside a decision of the commission on the ground that the commission's decision is not supported by substantial evidence. The court may order the commission to hold another hearing regarding the claim and may direct the commission on what basis the claim is to receive a rehearing.

#### GC §17560: Deadlines for Filing Reimbursement Claims

Reimbursement for state-mandated costs may be claimed as follows: (a) A local agency or school district may file an estimated reimbursement claim by January 15 of the fiscal year in which costs are to be incurred, and, by January 15 following that fiscal year shall file an annual reimbursement claim that details the costs actually incurred for that fiscal year; or it may comply with the provisions of subdivision (b). (b) A local agency or school district may, by January 15 following the fiscal year in which costs are incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year; or it may comply with the provisions of subdivision (b). (b) A local agency or school district may, by January 15 following the fiscal year in which costs are incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year. (c) In the event revised claiming instructions are issued by the Controller pursuant to subdivision (c) of Section 17558 between October 15 and January 15, a local agency or school district filing an annual reimbursement claim shall have 120 days following the issuance date of the revised claiming instructions to file a claim.

## GC §17561: Reimbursement of Costs for State Mandated Programs

(a) The state shall reimburse each local agency and school district for all "costs mandated by the state," as defined in Section 17514. (b) (1) For the initial fiscal year during which these costs are incurred, reimbursement funds shall be provided as follows: (A) Any statute mandating these costs shall provide an appropriation therefor. (B) Any executive order mandating these costs shall be accompanied by a bill appropriating the funds therefor, or alternatively, an appropriation for these costs shall be included in the Budget Bill for the next succeeding fiscal year. The executive order shall cite that item of appropriation in the Budget Bill or that appropriation in any other bill which is intended to serve as the source from which the Controller may pay the claims of local agencies and school districts. (2) In subsequent fiscal years appropriations for these costs shall be included in the annual Governor's Budget and in the accompanying Budget Bill. In addition, appropriations to reimburse local agencies and school districts for continuing costs resulting from chaptered bills or executive orders for which claims have been awarded pursuant to subdivision (a) of Section 17551 shall be included in the annual Governor's Budget and in the accompanying Budget Bill subsequent to the enactment of the local government claims bill pursuant to Section 17600 that includes the amounts awarded relating to these chaptered bills or executive orders. (c) The amount appropriated to reimburse local agencies and

school districts for costs mandated by the state shall be appropriated to the Controller for disbursement. (d) The Controller shall pay any eligible claim pursuant to this section within 60 days after the filing deadline for claims for reimbursement or 15 days after the date the appropriation for the claim is effective, whichever is later. The Controller shall disburse reimbursement funds to local agencies or school districts if the costs of these mandates are not payable to state agencies, or to state agencies that would otherwise collect the costs of these mandates from local agencies or school districts in the form of fees, premiums, or payments. When disbursing reimbursement funds to local agencies or school districts, the Controller shall disburse them as follows: (1) For initial reimbursement claims, the Controller shall issue claiming instructions to the relevant local agencies and school districts pursuant to Section 17558. Issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the commission. (A) When claiming instructions are issued by the Controller pursuant to Section 17558 for each mandate determined pursuant to Section 17551 that requires state reimbursement, each local agency or school district to which the mandate is applicable shall submit claims for initial fiscal year costs to the Controller within 120 days of the issuance date for the claiming instructions. (B) When the commission is requested to review the claiming instructions pursuant to Section 17571, each local agency or school district to which the mandate is applicable shall submit a claim for reimbursement within 120 days after the commission reviews the claiming instructions for reimbursement issued by the Controller. (C) If the local agency or school district does not submit a claim for reimbursement within the 120-day period, or submits a claim pursuant to revised claiming instructions, it may submit its claim for reimbursement as specified in Section 17560. The Controller shall pay these claims from the funds appropriated therefor, provided that the Controller (i) may audit the records of any local agency or school district to verify the actual amount of the mandated costs, and (ii) may reduce any claim that the Controller determines is excessive or unreasonable. (2) In subsequent fiscal years each local agency or school district shall submit its claims as specified in Section 17560. The Controller shall pay these claims from funds appropriated therefor, provided that the Controller (A) may audit the records of any local agency or school district to verify the actual amount of the mandated costs, (B) may reduce any claim that the Controller determines is excessive or unreasonable, and (C) shall adjust the payment to correct for any underpayments or overpayments which occurred in previous fiscal years. (3) When paying a timely filed claim for initial reimbursement, the Controller shall withhold 20 percent of the amount of the claim until the claim is audited to verify the actual amount of the mandated costs. All initial reimbursement claims for all fiscal years required to be filed on their initial filing date for a state-mandated local program shall be considered as one claim for the purpose of computing any late claim penalty. Any claim for initial reimbursement filed after the filing deadline shall be reduced by 10 percent of the amount that would have been allowed had the claim been timely filed. The Controller may withhold payment of any late claim for initial reimbursement until the next deadline for funded claims unless sufficient funds are available to pay the claim after all timely filed claims have been paid. In no case may a reimbursement claim be paid if submitted more than one year after the filing deadline specified in the Controller's claiming instructions on funded mandates contained in a claims bill.

## GC §17561.5: Payment of Claim with Interest

The payment of an initial reimbursement claim by the Controller shall include accrued interest at the Pooled Money Investment Account rate, if the payment is being made more than 365 days after adoption of the statewide cost estimate for an initial claim or, in the case of payment of a subsequent claim relating to that same statute or executive order, if payment is being made more than 60 days after the filing deadline for, or the actual date of receipt of, the subsequent claim, whichever is later. In those instances, interest shall begin to accrue as of the 366th day after adoption of the statewide cost estimate for an initial claim and as of the 61st day after the filing deadline for, or actual date of receipt of, the subsequent claim, whichever is later.

## GC §17561.6: Payment

A budget act item or appropriation pursuant to this part for reimbursement of claims shall include an amount necessary to reimburse any interest due pursuant to Section 17561.5.

#### GC §17562: Review of Costs of State-Mandated Local Programs

(a) The Legislature hereby finds and declares that the increasing revenue constraints on state and local government and the increasing costs of financing state-mandated local programs make evaluation of state-mandated local programs imperative. Accordingly, it is the intent of the Legislature to increase information regarding state mandates and establish a method for regularly reviewing the costs and benefits of state-mandated local programs. (b) The Controller shall submit a report to the Joint Legislative Budget Committee and fiscal committees by January 1 of each year. This report shall summarize, by state mandate, the total amount of claims paid per fiscal year and the amount, if any, of mandate deficiencies or surpluses. This report shall be made available in an electronic spreadsheet format. The report shall compare the annual cost of each mandate to the statewide cost estimate adopted by the commission. (c) After the commission submits its second semiannual report to the Legislature pursuant to Section 17600, the Legislative Analyst shall submit a report to the Joint Legislative Budget Committee and legislative fiscal committees on the mandates included in the commission's reports. The report shall make recommendations as to whether the mandate should be repealed, funded, suspended, or modified. (d) In its annual analysis of the Budget Bill and based on information provided pursuant to subdivision (b), the Legislative Analyst shall identify mandates that significantly exceed the statewide cost estimate adopted by the commission. The Legislative Analyst shall make recommendations on whether the mandate should be repealed, funded, suspended, or modified. (e) (1) A statewide association of local agencies or school districts or a Member of the Legislature may submit a proposal to the Legislature recommending the elimination or modification of a state-mandated local program. To make such a proposal, the association or member shall submit a letter to the Chairs of the Assembly Committee on Education or the Assembly Committee on Local Government, as the case may be, and the Senate Committee on Education or the Senate Committee on Local Government, as the case may be, specifying the mandate and the concerns and recommendations regarding the mandate. The association or member shall include in the proposal all information relevant to the conclusions. If the chairs of the committees desire additional analysis of the submitted proposal, the chairs may refer the proposal to the Legislative Analyst for review and comment. The chairs of the committees may refer up to a total of 10 of these proposals to the Legislative Analyst for review in any year. Referrals shall be submitted to the Legislative Analyst by December 1 of each year. (2) The Legislative Analyst shall review and report to the Legislature with regard to each proposal that is referred to the office pursuant to paragraph (1). The Legislative Analyst shall recommend that the Legislature adopt, reject, or modify the proposal. The report and recommendations shall be submitted annually to the Legislature by March 1 of the year subsequent to the year in which referrals are submitted to the Legislative Analyst. (3) The Department of Finance shall review all statutes enacted each year that contain provisions making inoperative Section 17561 or Section 17565 that have resulted in costs or revenue losses mandated by the state that were not identified when the statute was enacted. The review shall identify the costs or revenue losses involved in complying with the statutes. The Department of Finance shall also review all statutes enacted each year that may result in cost savings authorized by the state. The Department of Finance shall submit an annual report of the review required by this subdivision, together with the recommendations as it may deem appropriate, by December 1 of each year. (f) It is the intent of the Legislature that the Assembly Committee on Local Government and the Senate Committee on Local Government hold a joint hearing each year regarding the following: (1) The reports and recommendations submitted pursuant to subdivision (e). (2) The reports submitted pursuant to Sections 17570, 17600, and 17601. (3) Legislation to continue, eliminate, or modify any provision of law reviewed pursuant to this subdivision. The legislation may be by subject area or by year or years of enactment.

## GC §17563: Use of Funds Received for Public Purpose

Any funds received by a local agency or school district pursuant to the provisions of this chapter may be used for any public purpose.

## GC §17564: Filing of Claims: Threshold Amount

(a) No claim shall be made pursuant to Sections 17551 and 17561, nor shall any payment be made on claims submitted pursuant to Sections 17551 and 17561, unless these claims exceed one thousand dollars (\$1,000), provided that a county superintendent of schools or county may submit a combined claim on behalf of school districts, direct service districts, or special districts within their county if the combined claim exceeds one thousand dollars (\$1,000) even if the individual school district's, direct service district's, or special district's claims do not each exceed one thousand dollars (\$1,000). The county superintendent of schools or the county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each school, direct service, or special district. These combined claims may be filed only when the county superintendent of schools or the districts. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a school district, direct service district, or special district provides to the county superintendent of schools or county and to the Controller, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim. (b) Claims for direct and indirect costs filed pursuant to Section 17561 shall be filed in the manner prescribed in the parameters and guidelines and claiming instructions.

#### GC §17565: Reimbursement of Subsequently Mandated Costs

If a local agency or a school district, at its option, has been incurring costs which are subsequently mandated by the state, the state shall reimburse the local agency or school district for those costs incurred after the operative date of the mandate.

#### GC §17567: Insufficiency of Appropriation: Proration of Claims

In the event that the amount appropriated for reimbursement purposes pursuant to Section 17561 is not sufficient to pay all of the claims approved by the Controller, the Controller shall prorate claims in proportion to the dollar amount of approved claims timely filed and on hand at the time of proration. The Controller shall adjust prorated claims if supplementary funds are appropriated for this purpose. In the event that the Controller finds it necessary to prorate claims as provided by this section, the Controller shall immediately report this action to the Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each house of the Legislature which considers appropriated on a timely basis in the Budget Act, the Controller shall transmit this information to the commission which shall include these amounts in its report to the Legislature pursuant to Section 17600 to assure that an appropriation sufficient to pay the claims is included in the local government claims bills or other appropriation bills. If the local government claims bills or other appropriation bills. If the local government claims appropriation in the Legislature which considers appropriation of a sufficient appropriation in the Legislature which considers appropriate appropriation in the Legislature, the Controller shall report directly to the chairperson of the respective committee in each house of the Legislature which considers appropriation of a sufficient appropriation in the claims bills.

## GC §17568: Payment of Claims Submitted After Deadline

If a local agency or school district submits an otherwise valid reimbursement claim to the Controller after the deadline specified in Section 17560, the Controller shall reduce the reimbursement claim in an amount equal to 10 percent of the amount which would have been allowed had the reimbursement claim been timely filed, provided that the amount of this reduction shall not exceed one thousand dollars (\$1,000). In no case shall a reimbursement claim be paid which is submitted more than one year after the deadline specified in Section 17560. Estimated claims which were filed by the deadline specified in that section shall be paid in full before payments are made on estimated claims filed after the deadline. In the event the amount appropriated to the Controller for reimbursement purposes is not sufficient to pay the estimated claims approved by the Controller, the Controller shall prorate those claims in proportion to the dollar amount of approved claims filed after the deadline and shall report to the commission or the Legislature in the same manner as described in Section 17566 in order to assure appropriation of funds sufficient to pay those claims.

### GC §17570: Annual Report to Legislature

The Legislative Analyst shall review each unfunded statutory or regulatory mandate for which claims have been approved by the Legislature pursuant to a claims bill during the preceding fiscal year. Any recommendations by the Legislative Analyst to eliminate or modify the mandates shall be contained in the annual analysis of the Budget Bill prepared by the Legislative Analyst.

#### GC §17571: Review and Modification of Claiming Instructions

The commission, upon request of a local agency or school district, shall review the claiming instructions issued by the Controller or any other authorized state agency for reimbursement of mandated costs. If the commission determines that the claiming instructions do not conform to the parameters and guidelines, the commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the commission.

#### GC §17572: Amended Animal Adoption Parameters and Guidelines

(a) The commission shall amend the parameters and guidelines for the state-mandated local program contained in Chapter 752 of the Statutes of 1998, known as the Animal Adoption mandate (Case No. 98-TC-11), as specified below: (1) Amend the formula for determining the reimbursable portion of acquiring or building additional shelter space that is larger than needed to comply with the increased holding period to specify that costs incurred to address preexisting shelter overcrowding or animal population growth are not reimbursable. (2) Clarify how the costs for care and maintenance shall be calculated. (3) Detail the documentation necessary to support reimbursement claims under this mandate, in consultation with the Bureau of State Audits and the Controller's office. (b) The parameters and guidelines, as amended pursuant to this section, shall apply to claims for costs incurred in fiscal years commencing with the 2005-06 fiscal year in which Chapter 752 of the Statutes of 1998 is not suspended pursuant to Section 17581. (c) Before funds are appropriated to reimburse local agencies for claims related to costs incurred in fiscal years commencing with the 2005-06 fiscal year pursuant to Sections 1834 and 1846 of the Civil Code, and Sections 31108, 31752, 31752, 31753, 32001, and 32003 of the Food and Agricultural Code, known as the Animal Adoption mandate, local agencies shall file reimbursement claims pursuant to the parameters and guidelines amended pursuant to this section, and the Controller's revised claiming instructions.

## GC §17575: Review of Bills

When a bill is introduced in the Legislature, and each time a bill is amended, on and after January 1, 1985, the Legislative Counsel shall determine whether the bill mandates a new program or higher level of service pursuant to Section 6 of Article XIIIB of the California Constitution. The Legislative Counsel shall make this determination known in the digest of the bill and shall describe in the digest the basis for this determination. The determination by the Legislative Counsel shall not be binding on the commission in making its determination pursuant to Section 17555.

#### GC §17576: Amendment of Bills on Floor: Notification by Legislative Counsel

Whenever the Legislative Counsel determines that a bill will mandate a new program or higher level of service pursuant to Section 6 of Article XIII B of the California Constitution, the Department of Finance shall prepare an estimate of the amount of reimbursement which will be required. This estimate shall be prepared for the respective committees of each house of the Legislature which consider taxation measures and appropriation measures and shall be prepared prior to any hearing on the bill by any such committee.

#### GC §17577: Amount of Estimates

The estimate required by Section 17576 shall be the amount estimated to be required during the first fiscal year of a bill's operation in order to reimburse local agencies and school districts for costs mandated by the state by the bill.

#### GC §17578: Amendment of Bills on Floor: Notification by Legislative Counsel

In the event that a bill is amended on the floor of either house, whether by adoption of the report of a conference committee or otherwise, in such a manner as to mandate a new program or higher level of service pursuant to Section 6 of Article XIIIB of the California Constitution, the Legislative Counsel shall immediately inform, respectively, the Speaker of the Assembly and the President of the Senate of that fact. Notification from the Legislative Counsel shall be published in the journal of the respective houses of the Legislature.

## GC §17579: Requirement for New Mandates to Specify Reimbursement Requirements: Appropriations

Any bill introduced or amended for which the Legislative Counsel has determined the bill will mandate a new program or higher level of service pursuant to Section 6 of Article XIIIB of the California Constitution shall contain a section specifying that reimbursement shall be made pursuant to this chapter or that the mandate is being disclaimed and the reason therefor.

## GC §17581: Conditions for Exemption from Implementation of Statute or Executive Order

(a) No local agency shall be required to implement or give effect to any statute or executive order, or portion thereof, during any fiscal year and for the period immediately following that fiscal year for which the Budget Act has not been enacted for the subsequent fiscal year if all of the following apply: (1) The statute or executive order, or portion thereof, has been determined by the Legislature, the commission, or any court to mandate a new program or higher level of service requiring reimbursement of local agencies pursuant to Section 6 of Article XIIIB of the California Constitution. (2) The statute or executive order, or portion thereof, has been specifically identified by the Legislature in the Budget Act for the fiscal year as being one for which reimbursement is not provided for that fiscal year. For purposes of this paragraph, a mandate shall be considered to have been specifically identified by the Legislature only if it has been included within the schedule of reimbursable mandates shown in the Budget Act and it is specifically identified in the language of a provision of the item providing the appropriation for mandate reimbursements. (b) Notwithstanding any other provision of law, if a local agency elects to implement or give effect to a statute or executive order described in subdivision (a), the local agency may assess fees to persons or entities which benefit from the statute or executive order. Any fee assessed pursuant to this subdivision shall not exceed the costs reasonably borne by the local agency. (c) This section shall not apply to any state-mandated local program for the trial courts, as specified in Section 77203. (d) This section shall not apply to any state-mandated local program for which the reimbursement funding counts toward the minimum General Fund requirements of Section 8 of Article XVI of the Constitution.

# GC §17581.5 Exemption from Provisions of School Bus Safety II Mandate and School Crimes Reporting II Mandate

(a) A school district may not be required to implement or give effect to the statutes, or portion thereof, identified in subdivision (b) during any fiscal year and for the period immediately following that fiscal year for which the Budget Act has not been enacted for the subsequent fiscal year if all of the following apply: (1) The statute or portion thereof, has been determined by the Legislature, the commission, or any court to mandate a new program or higher level of service requiring reimbursement of school districts pursuant to Section 6 of Article XIIIB of the California Constitution. (2) The statute, or portion thereof, has been specifically identified by the Legislature in the Budget Act for the fiscal year as being

one for which reimbursement is not provided for that fiscal year. For purposes of this paragraph, a mandate shall be considered to have been specifically identified by the Legislature only if it has been included within the schedule of reimbursable mandates shown in the Budget Act and it is specifically identified in the language of a provision of the item providing the appropriation for mandate reimbursements. (b) This section applies only to the following mandates: (1) The School Bus Safety I (CSM-4433) and II (97-TC-22) mandates (Chapter 642 of the Statutes of 1992; Chapter 831 of the Statutes of 1994; and Chapter 739 of the Statutes of 1997). (2) The School Crimes Reporting II mandate (97-TC-03; and Chapter 759 of the Statutes of 1992 and Chapter 410 of the Statutes of 1995). (3) Investment reports (96-358-02; and Chapter 783 of the Statutes of 1995 and Chapter 516 and 749 of the Statutes of 1996). (4) County treasury oversight committees (96-365-03; and Chapter 784 of the Statutes of 1995 and Chapter 156 of the Statutes of 1996).

## GC §17600: Report on Number of Mandates and Their Costs

At least twice each calendar year the commission shall report to the Legislature on the number of mandates it has found pursuant to Article 1 (commencing with Section 17550) and the estimated statewide costs of these mandates. This report shall identify the statewide costs estimated for each mandate and the reasons for recommending reimbursement.

## GC §17601: Report on Claims Denied

The commission shall report to the Legislature on January 15, 1986, and each January 15 thereafter, on the number of claims it denied during the preceding calendar year and the basis on which the particular claims were denied.

#### GC §17612: Local Government Claims Bills: Judicial Review of Funding Deletions

(a) Immediately upon receipt of the report submitted by the commission pursuant to Section 17600, a local government claims bill shall be introduced in the Legislature. The local government claims bill, at the time of its introduction, shall provide for an appropriation sufficient to pay the estimated costs of these mandates. (b) The Legislature may amend, modify, or supplement the parameters and guidelines for mandates contained in the local government claims bill. If the Legislature amends, modifies, or supplements the parameters and guidelines, it shall make a declaration in the local government claims bill specifying the basis for the amendment, modification, or supplement. (c) If the Legislature deletes from a local government claims bill funding for a mandate, the local agency or school district may file in the Superior Court of the County of Sacramento an action in declaratory relief to declare the mandate unenforceable and enjoin its enforcement.

## GC §17613: Authorization of Augmentation for Mandated Costs

(a) The Director of Finance may, upon receipt of any report submitted pursuant to Section 17567, authorize the augmentation of the amount available for expenditure to reimburse costs mandated by the state, as defined in Section 17514, as follows: (1) For augmentation of (A) any schedule in any item to reimburse costs mandated by the state in any budget act, or (B) the amount appropriated in a local government claims bill for reimbursement of the claims of local agencies, as defined by Section 17518, from the unencumbered balance of any other item to reimburse costs mandated by the state in that budget act or another budget act or in an appropriation for reimbursement of the claims of local agencies in another local government claims bill. (2) For augmentation of (A) any schedule in any budget act item, or (B) any amount appropriated in a local government claims bill, when either of these augmentations is for reimbursement of mandated claims of school districts, as defined in Section 17519, when the source of this augmentation is (A) the unencumbered balance of any other scheduled amount in that budget act or another budget act, or (B) an appropriation in another local government claims bill, when either of these appropriations is for reimbursement of mandate claims of school districts. This paragraph applies only to appropriations that are made for the purpose of meeting the minimum funding guarantee for educational programs pursuant to Section 8 of Article XVI of the California Constitution. (b) No authorization for an augmentation pursuant to this section may be made

sooner than 30 days after the notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time as the chairperson of the joint committee, or his or her designee, may in each instance determine.

## GC §17615: Legislative Findings and Intent

The Legislature finds and declares that the existing system for reimbursing local agencies and school districts for actual costs mandated by the state on an annual claim basis is time consuming, cumbersome, and expensive at both the local and state levels. The Controller must process voluminous claims with all claims subject to a desk audit and selected claims also subject to a field audit. Local agencies are required to maintain extensive documentation of all claims in anticipation of such an audit. The volume of these records is substantial and will continue to grow with no relief in sight as new programs are mandated. The cost to local agencies and school districts for filing claims, and for maintaining documentation and responding to the Controller's audits is substantial. The current administrative cost to both state and local governments represents a significant expenditure of public funds with no apparent benefit to the taxpayers. It is the intent of the Legislature to streamline the reimbursement process for costs mandated by the state by creating a system of state mandate apportionments to fund the costs of certain programs mandated by the state.

## GC §17615.1: Review of Programs for Inclusion in System

The commission shall establish a procedure for reviewing, upon request, mandated cost programs for which appropriations have been made by the Legislature for the 1982-83, 1983-84, and 1984-85 fiscal years, or any three consecutive fiscal years thereafter. At the request of the Department of Finance, the Controller, or any local agency or school district receiving reimbursement for the mandated program, the commission shall review the mandated cost program to determine whether the program should be included in the State Mandates Apportionment System. If the costs of the state-mandated program, the commission shall direct the Controller to include the program in the State Mandates Apportionment System.

## GC §17615.2: Calculation of Disbursement Amounts

(a) Notwithstanding Section 17561, after November 30, 1985, for those programs included in the State Mandates Apportionment System, after approval by the commission, there shall be disbursed by the Controller to each local agency and school district which has submitted a reimbursement claim for costs mandated by the state in the 1982-83, 1983-84, and the 1984-85 fiscal years, or any three consecutive fiscal years thereafter, an amount computed by averaging the approved reimbursement claims for this three-year period. The amount shall first be adjusted according to any changes in the deflator. The deflator shall be applied separately to each year's costs for the three years which comprise the base period. Funds for these purposes shall be available to the extent they are provided for in the Budget Act of 1985 and the Budget Act for any subsequent fiscal year thereafter. For purposes of this article, "base period" means the three fiscal years immediately succeeding the commission's approval. (b) When the Controller has made payment on claims prior to commission approval of the program for inclusion in the State Mandates Apportionment System, the payment shall be adjusted in the next apportionment to the amount which would have been subvened to the local agency or school district for that fiscal year had the State Mandates Apportionment System been in effect at the time of the initial payment.

## GC §17615.3: Annual Recalculation of Allocation

Notwithstanding Section 17561, by November 30, 1986, and by November 30 of each year thereafter, for those programs included in the State Mandates Apportionment System, the Controller shall recalculate each allocation for each local agency and school district for the 1985-86 fiscal year, by using the actual change in the deflator for that year. That recalculated allocation shall then be adjusted by the estimated change in the deflator for the 1986 -87 fiscal year, and each fiscal year thereafter, to

establish the allocation amount for the 1986-87 fiscal year, and each fiscal year thereafter. Additionally, for programs approved by the commission for inclusion in the State Mandates Apportionment System on or after January 1, 1988, the allocation for each year succeeding the three-year base period shall be adjusted according to any changes in both the deflator and workload. The Controller shall then subvene that amount after adjusting it by any amount of overpayment or underpayment in the 1985-86 fiscal year, and each fiscal year thereafter, due to a discrepancy between the actual change and the estimated change in the deflator or workload. Funds for these purposes shall be available to the extent they are provided for in the Budget Act of 1986 and the Budget Act for any subsequent fiscal year thereafter. For purposes of this article, "workload" means, for school districts and county offices of education, changes in the average daily attendance; for community colleges, changes in the number of full-time equivalent students; for cities and counties, changes in the population within their boundaries; and for special districts, changes in the population of the county in which the largest percentage of the district's population is located.

#### GC §17615.4: Procedure for Newly Mandated Program

(a) When a new mandate imposes costs that are funded either by legislation or in local government claims bills, local agencies and school districts may file reimbursement claims as required by Section 17561, for a minimum of three years after the initial funding of the new mandate. (b) After actual cost claims are submitted for three fiscal years against such a new mandate, the commission shall determine, upon request of the Controller or a local entity or school district receiving reimbursement for the program, whether the amount of the base year entitlement adjusted by changes in the deflator and workload accurately reflects the costs incurred by the local agency or school district. If the commission determines that the base year entitlement, as adjusted, does accurately reflect the costs of the program, the commission shall direct the Controller to include the program in the State Mandates Apportionment System. (c) The Controller's recommendations for each new mandate submitted for inclusion in the State Mandates Apportionment System pursuant to this section are also subject to the audit provisions of Section 17616.

#### GC §17615.5: Procedure Where No Base Year Entitlement Has Been Established

(a) If any local agency or school district has an established base year entitlement which does not include costs for a particular mandate, that local agency or school district may submit reimbursement claims for a minimum of three consecutive years, adjusted pursuant to Section 17615.3 by changes in the deflator and workload, or entitlement claims covering a minimum of three consecutive years, after which time its base year entitlement may be adjusted by an amount necessary to fund the costs of that mandate. (b) If any local agency or school district has no base year entitlement, but wishes to begin claiming costs of one or more of the mandates included in the State Mandates Apportionment System, that local agency or school district may submit reimbursement claims for a minimum of three consecutive years, or entitlement claims covering the preceding three consecutive years, which shall be adjusted pursuant to Sections 17615.2 and 17615.3 by changes in the deflator and workload, after which time a base year entitlement may be established in an amount necessary to fund the costs of the mandates or mandates.

## GC §17615.6: Procedure Where Program is No Longer Mandatory

If a local agency or school district realizes a decrease in the amount of costs incurred because a mandate is discontinued, or made permissive, the Controller shall determine the amount of the entitlement attributable to that mandate by determining the base year amount for that mandate for the local agency or school district plus the annual adjustments. This amount shall be subtracted from the annual subvention which would otherwise have been allocated to the local agency or school district.

## GC §17615.7: Procedure Where Program is Modified

If a mandated program included in the State Mandates Apportionment System is modified or amended by the Legislature or by executive order, and the modification or amendment significantly affects the costs of the program, as determined by the commission, the program shall be removed from the State Mandate Apportionment System, and the payments reduced accordingly. Local entities or school districts may submit actual costs claims for a period of three years, after which the program may be considered for inclusion in the State Mandates Apportionment System, pursuant to the provisions of Section 17615.4.

### GC §17615.8: Review of Base Year Entitlement

(a) The commission shall establish a procedure for reviewing, upon request, any apportionment or base year entitlement of a local agency or school district. (b) Local agencies and school districts which request such a review shall maintain and provide those records and documentation as the commission or its designee determines are necessary for the commission or its designee to make the required determinations. With the exception of records required to verify base year entitlements, the records may not be used to adjust current or prior apportionments, but may be used to adjust future apportionments. (c) If the commission determines that an apportionment or base year entitlement for funding costs mandated by the state does not accurately reflect the costs incurred by the local agency or school district for all mandates upon which that apportionment is based, the commission shall direct the Controller to adjust the apportionment accordingly. For the purposes of this section, an apportionment or a base year entitlement does not accurately reflect the costs incurred by a local agency or school district if it falls short of reimbursing, or overreimburses, that local agency's or school district's actual costs by 20 percent or by one thousand dollars (\$1,000), whichever is less. (d) If the commission determines that an apportionment or base year entitlement for funding costs mandated by the state accurately reflects the costs incurred by the local agency or school district for all mandates upon which that apportionment is based, the commission may, in its discretion, direct the Controller to withhold, and, if so directed, the Controller shall withhold the costs of the commission's review from the next apportionment to the local agency or school district, if the commission review was requested by the local agency or school district.

## GC §17615.9: Review of Programs Under SMAS

The commission shall periodically review programs funded under the State Mandate Apportionments System to evaluate the effectiveness or continued statewide need for each such mandate.

#### GC §17616: Audits and Verification by Controller

The Controller shall have the authority to do either or both of the following: (a) Audit the fiscal years comprising the base year entitlement no later than three years after the year in which the base year entitlement is established. The results of such audits shall be used to adjust the base year entitlements and any subsequent apportionments based on that entitlement, in addition to adjusting actual cost payments made for the base years audited. (b) Verify that any local agency or school district receiving funds pursuant to this article is providing the reimbursed activities.

## GC §17617: Local Agency Payment

The total amount due to each city, county, city and county, and special district, for which the state has determined, as of June 30, 2005, that reimbursement is required under Section 6 of Article XIIIB of the California Constitution, shall be appropriated for payment to these entities over a period of not more than five years, commencing with the Budget Act for the 2006-07 fiscal year and concluding with the Budget Act for the 2011-12 fiscal year.

## OFFICE OF THE STATE CONTROLLER STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2006-11 ANIMAL ADOPTION 2005

## April 3, 2006

In accordance with Government Code (GC) section 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of costs incurred for state mandated cost programs. The following are claiming instructions and forms that eligible claimants will use for filing claims for the Animal Adoption (AA) program. These claiming instructions are issued subsequent to adoption of the program's Parameters and Guidelines (P's & G's) by the Commission on State Mandates (COSM).

On January 25, 2001, the COSM determined that Chapter 752, Statutes of 1998, established costs mandated by the State according to the provisions listed in the P's & G's. For your reference, the P's & G's are included as an integral part of the claiming instructions.

#### **Eligible Claimants**

Any city, county, city and county, dependent special district, or joint powers authority comprised of a city, county, and/or city and county that incurs increased costs as a result of this mandate, is eligible to claim reimbursement of these costs.

#### **Filing Deadlines**

#### A. Reimbursement Claims

Initial reimbursement claims must be filed within 120 days from the issuance date of claiming instructions. Costs incurred for this program are reimbursable for fiscal year 2005-06. Estimated claims for fiscal year 2005-06 must be filed on or before **August 1, 2006**. Actual reimbursement claims for fiscal year 2005-06 and estimated claims for fiscal year 2006-07 must be filed on or before **January 16, 2007**.

In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. Claims filed more than one year after the deadline or without the requested supporting documentation will not be accepted.

## **B.** Late Penalty

## 1. Initial Claims

AB 3000, enacted into law on September 30, 2002, amended the late penalty assessments on initial claims. Late initial claims submitted **on or after September 30, 2002,** are assessed a late penalty of 10% of the total amount of the initial claims **without limitation.** 

#### 2. Annual Reimbursement Claims

All late annual reimbursement claims are assessed a late penalty of 10% subject to the \$1,000 limitation regardless of when the claims were filed.

## C. Estimated Claims

Unless otherwise specified in the claiming instructions local agencies are not required to provide cost schedules and supporting documents with an estimated claim if the estimated amount does not exceed the previous fiscal year's actual costs by more than 10%. Claimants can simply enter the estimated amount on form FAM-27, line (07).

However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, claimants must complete supplemental claim forms to support their estimated costs as specified for the program to explain the reason for the increased costs. If no explanation supporting the higher estimate is provided with the claim, it will automatically be adjusted to 110% of the previous fiscal year's actual costs. Future estimated claims filed with the SCO must be postmarked by January 15 of the fiscal year in which costs will be incurred. Claims filed timely will be paid before late claims.

## Minimum Claim Cost

GC section 17564(a) provides that no claim shall be filed pursuant to Sections 17551 and 17561, unless such claim exceeds one thousand dollars (\$1,000).

## **Reimbursement of Claims**

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs incurred to implement the mandated activities. These costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question.

Source documents may include, but are not limited to, employee time records or time logs, signin sheets, invoices, and receipts. Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. It may also include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

## **Certification of Claim**

In accordance with the provisions of GC section 17561, an authorized representative of the claimant shall be required to provide a certification of claim stating: "I certify, (or declare), under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of the Code of Civil Procedure section 2015.5, for those costs mandated by the State and contained herein.

## Audit of Costs

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the P's & G's adopted by the COSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

Pursuant to GC section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency pursuant to this chapter is subject to the initiation of an audit by the SCO no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the SCO to initiate an audit shall commence to run from the date of initial payment of the claim.

In any case, an audit shall be completed no later than two years after the date that the audit is commenced. All documents used to support the reimbursable activities must be retained during the period subject to audit. If an audit has been initiated by the SCO during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings. On-site audits will be conducted by the SCO as deemed necessary.

## **Retention of Claiming Instructions**

The claiming instructions and forms in this package should be retained permanently in your Mandated Cost Manual for future reference and use in filing claims. These forms should be duplicated to meet your filing requirements. You will be notified of updated forms or changes to claiming instructions as necessary.

Questions, or requests for hard copies of these instructions, should be faxed to Angie Lowi-Teng at (916) 323-6527 or e-mailed to **LRSDAR@sco.ca.gov.** Or, if you wish, you may call the Local Reimbursements Section at (916) 324-5729.

For your reference, these and future mandated costs claiming instructions and forms can be found on the Internet at <u>www.sco.ca.gov/ard/local/locreim/index.shtml</u>.

## **Address for Filing Claims**

Claims should be rounded to the nearest dollar. Submit a signed original and a copy of form FAM-27, Claim for Payment, and all other forms and supporting documents. (To expedite the payment process, please sign the form in blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)

Use the following mailing addresses:

If delivered by U.S. Postal Service:

Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting P.O. Box 942850 Sacramento, CA 94250 If delivered by other delivery services:

Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting 3301 C Street, Suite 500 Sacramento, CA 95816 Amended: January 26, 2006 Adopted: February 28, 2002 j:mandates/2004/pga/04pga01 and 02/draftpga

#### PARAMETERS AND GUIDELINES AMENDMENT

Civil Code Sections 1834 and 1846; Food and Agriculture Code Sections 31108, 31752, 31752.5, 31753, 32001, and 32003 As Added or Amended by Statutes of 1998, Chapter 752

#### AND

Amended Pursuant to Statutes 2004, Chapter 313 (AB 2224) and Request of the State Controller's Office

#### **Animal Adoption**

#### I. Summary of the Mandate

The test claim legislation was enacted in an attempt to end the euthanasia of adoptable and treatable animals. Generally, the test claim legislation increased the holding period for stray and abandoned dogs, cats, and other specified animals; required the verification of the temperament of feral cats; required the posting of lost and found lists; required the maintenance of records for impounded animals; and required that impounded animals receive "necessary and prompt veterinary care."

The Commission partially approved this test claim, pursuant to article XIII B, section 6 of the California Constitution and Government Code section 17514, for the *increased costs* in performing the following activities only:

- Providing care and maintenance during the increased holding period for impounded dogs and cats that are ultimately euthanized. The increased holding period shall be measured by calculating the difference between three days from the day of capture and four business days from the day after impoundment, as specified below in 3 (a) and 3 (b), or six business days from the day after impoundment (Food & Agr. Code, §§ 31108, 31752);
- 2. Providing care and maintenance for four business days from the day after impoundment, as specified below in 3 (a) and 3 (b), or six business days from the day after impoundment, for impounded rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles, or tortoises legally allowed as personal property that are ultimately euthanized (Food & Agr. Code, § 31753);
- 3. For dogs, cats, and other specified animals held for four business days after the day of impoundment, either:

(a) Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or

(b) For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed (Food & Agr., Code §§ 31108, 31752, and 31753);

- 4. Verifying whether a cat is feral or tame by using a standardized protocol (Food & Agr. Code, § 31752.5);
- 5. Posting lost and found lists (Food & Agr. Code, § 32001);
- 6. Maintaining records on animals that are not medically treated by a veterinarian, but are either taken up, euthanized after the holding period, or impounded (Food & Agr. Code, § 32003); and
- 7. Providing "necessary and prompt veterinary care" for abandoned animals, other than injured cats and dogs given emergency treatment, that are ultimately euthanized (Civ.Code, §§ 1834 and 1846).

## II. Eligible Claimants

Any city, county, city and county, dependent special district, and joint powers authority comprised of a city, county, and/or city and county that incurs increased costs as a result of this reimbursable state mandated program is eligible to claim reimbursement of those costs.

## III. Period of Reimbursement

The period of reimbursement for the activities in this parameters and guidelines amendment begins on July 1, 2005.

Pursuant to Government Code section 17560, reimbursement for statemandated costs may be claimed as follows:

- 1. A local agency may file an estimated reimbursement claim by January 15 of the fiscal year in which costs are to be incurred, and, by January 15 following that fiscal year shall file an annual reimbursement claim that details the costs actually incurred for that fiscal year; or it may comply with the provisions of subdivision (b).
- 2. A local agency may, by January 15 following the fiscal year in which costs are incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year.
- 3. In the event revised claiming instructions are issued by the Controller pursuant to subdivision (c) of section 17558 between October 15 and January 15, a local agency filing an annual reimbursement claim shall have 120 days following the issuance date of the revised claiming instructions to file a claim.

Reimbursable actual costs for one fiscal year shall be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to Government Code section 17561, subdivision (d)(1), all claims for reimbursement of initial years' costs shall be submitted within

120 days of the issuance of the State Controller's claiming instructions. If the total costs for a given fiscal year do not exceed \$1,000, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

There shall be no reimbursement for any period in which the Legislature has suspended the operation of a mandate pursuant to state law.

## IV. Reimbursable Activities

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of Code of Civil Procedure section 2015.5. Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

The claimant is only allowed to claim and be reimbursed for increased costs for reimbursable activities identified below. Increased cost is limited to the cost of an activity that the claimant is required to incur as a result of the mandate.

For each eligible claimant, the following activities are reimbursable:

A. One Time Activities

- 1. Develop policies and procedures to implement the reimbursable activities listed in Section IV (B) of these parameters and guidelines.
- 2. Train staff on the reimbursable activities listed in Section IV (B) of these parameters and guidelines. (One-time per employee.)
- 3. Develop or procure computer software for the maintenance of records on animals specified in Section IV (B) (8) of these parameters and guidelines to the extent these costs are not claimed as an indirect cost under Section V (B) (8) of these parameters and guidelines. If the computer software is utilized in some way that is not directly related to the maintenance of records specified in Section IV (B) (8), only the

pro rata portion of the activity that is used for compliance with Section IV(B)(8) is reimbursable.

- B. Ongoing Activities
  - 1. Acquisition of Additional Space and/or Construction of New Facilities

Beginning January 1, 1999 - Acquiring additional space by purchase or lease and/or construction of new facilities to provide appropriate or adequate shelter necessary to comply with the mandated activities during the increased holding period for impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that die during the increased holding period or are ultimately euthanized.

Eligible claimants are only entitled to reimbursement for the proportionate share of actual costs required to plan, design, acquire, and/or build facilities in a given fiscal year based on the pro rata representation of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that are held during the *increased* holding period specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines and die during the increased holding period or are ultimately euthanized, to the total population of animals housed in the facility (including those animals that are excluded from reimbursement, as specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines) during the entire holding period required by Food and Agriculture Code sections 31108, 31752 and 31753.

Formula for Proportionate Share of Actual Costs:

Where:

- (A) = Shelter square footage, 1998
- (B) = Total animal average daily census (ADC), 1998
- (C) = Square footage per ADC, 1998 (=A/B)
- (D) = Total dog/cat ADC, 1998
- (E) = Shelter square footage, claim year
- (F) = Total dog/cat ADC, claim year
- (G) = Eligible dog/cat ADC, claim year
- (H) = Eligible other animal ADC, claim year
- (I) = Eligible dog/cat square footage, claim year

For shelters that meet the conditions of to Food and Agricultural Code section 31108(a)(1) or (2) for dogs, and section 31752(a)(1) or (2) for cats:<sup>1</sup>

 $(I) = 2/5 \times C \times F$ 

For shelters that do not meet the conditions of Food and Agricultural Code section 31108(a)(1) or (2) for dogs, and section 31752(a)(1) or (2) for cats:

(I) – 4/7 x C x F

(J) = Reduction in eligible square footage due to decline in total dog/cat population (cannot exceed 0)

For shelters that meet the conditions of Food and Agricultural Code section 31108(a)(1) or (2) for dogs, and section 31752(a)(1) or (2) for cats:<sup>2</sup>

 $(J) = [(F/5 - D/3 \times C \times D] / (D/3)]$ 

For shelters that do not meet the conditions of Food and Agricultural Code section 31108(a)(10 or (2) for dogs, and section 31752(a)(1) or (2) for cats:

 $(J) = [(F/7 - D/3) \times C \times D] / (D/3)$ 

(K) = Net eligible dog/cat square footage (cannot be less than 0)

(K = I + J)

(L) = Percentage of eligible dog/cat ADC, claim year (L = G/F)

(M) = Allowable dog/cat square footage  $(M = K \times L)$ 

(N) = Allowable square footage for other animals specified by Food and Agricultural Code section 31573 (N = C x H)

(P) = Eligible percentage of acquisition/construction costs (cannot exceed 100%) [P = (M+N) / ((E-A)]

Statutes 2004, chapter 313 specifies that costs incurred to address preexisting shelter overcrowding or animal population growth are not reimbursable. The mandate reimburses for costs required due to the

<sup>2</sup> In order to select this option claimants must either make the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or (b) Have fewer than three full-time employees or are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.

<sup>&</sup>lt;sup>1</sup> In order to select this option claimants must either make the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or (b) Have fewer than three full-time employees or are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.

increased holding period required by Statutes 1998, chapter 752. In calculating net eligible dog/cat square footage, the formula recognizes that a decline in the number of animals sheltered may offset the effect of the increased holding period. For example, if the dog/cat average daily census does not change between the 1998 base year and the claim year, there is no additional square footage required.

The mandate reimburses only for costs attributable to eligible animals. Prior to Statutes 1998, chapter 752, shelters were required to hold dogs and cats for three days, whereas there was no required holding period for other animals. Therefore, the mandate reimbursable percentage formula separately calculates allowable square footage for dogs and cats, and allowable square footage for other animals specified by Food and Agricultural Code section 31753.

Acquisition/construction costs that are less than or equal to the cost of contract services for eligible animals are reimbursable.

Claimants may recalculate the eligible percentage of acquisition/construction costs each year, based on current animal population statistics. However, claimants may only claim allowable costs that have not been claimed in previous fiscal years.

### Supporting Documentation Submitted with the Initial and Subsequent Reimbursement Claims

Acquiring additional space and/or construction of new facilities is reimbursable only to the extent that an eligible claimant submits, with the initial and/or subsequent reimbursement claim, documentation reflecting the following:

A determination by the governing board that acquiring additional space and/or constructing new facilities is necessary for the increased holding period required by Statutes of 1998, Chapter 752 because the existing facilities do not reasonably accommodate impounded stray or abandoned dogs, cats and other specified animals that are ultimately euthanized. The determination by the governing board shall include all of the following findings:

- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in 1998. For purposes of claiming reimbursement under section IV.B.1, average Daily Census is defined as the average number of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 housed on any given day, in a 365-day period;
- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in a given year under the

holding periods required by Food and Agriculture Code sections 31108, 31752, and 31753, as added or amended by Statutes of 1998, Chapter 752;

- Existing facilities are not appropriately configured and/or equipped to comply with the increased holding period required by Statutes of 1998, Chapter 752;
- Remodeling existing facilities is not feasible or is more expensive than acquiring additional space and/or constructing new facilities to comply with the increased holding period required by Statutes 1998, chapter 752; and
- Contracting with existing private or public shelters in the area to house the increase of impounded stray or abandoned dogs, cats, or other animals specified in Statutes 1998, chapter 752 is not feasible or is more expensive than acquiring additional space and/or constructing new facilities to comply with the increased holder period required by Statutes 1998, chapter 752. This finding should include the cost to contract with existing shelters..

Documentation requirements may be satisfied in whole or in part by staff agenda items, staff reports, minutes of governing board meetings, transcripts of governing board meetings, certification by the governing board describing the findings and determination, and/or a resolution adopted by the governing board pursuant to Food and Agriculture Code section 31755, as added by Statutes of 1999, Chapter 81 (Assembly Bill 1482).

2. Remodeling/Renovating Existing Facilities

Beginning January 1, 1999 - Remodeling/renovating existing facilities to provide appropriate or adequate shelter necessary to comply with the mandated activities during the increased holding period for impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that die during the increased holding period or are ultimately euthanized.

Eligible claimants are only entitled to reimbursement for the proportionate share of actual costs required to plan, design, remodel and/or renovate existing facilities in a given fiscal year based on the pro rata representation of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that are held during the *increased* holding period specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines and die during the increased holding period or are ultimately euthanized, to the total population of animals housed in the facility (including those animals that are excluded from reimbursement, as specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines) during the entire

holding period required by Food and Agriculture Code sections 31108, 31752 and 31753.

Since the remodeling/renovation will not increase square footage to address existing overcrowding or future growth issues, the mandate reimbursable percentage formula for remodeling/renovation would exclude the eligible percentage of square footage factor.

Formula for proportionate share of actual remodeling/renovation costs:

(A) = Shelter square footage

(B) = Total animal average daily census (ADC), claim year

(C) = Square footage per ADC, claim year (C = A/B)

(G) = Eligible dog/cat ADC, claim year

(H) = Eligible other animal ADC, claim year

(M) = Eligible dog/cat square footage, claim year

For shelters that meet the requirements of Food and Agricultural Code section 31108 (a)(1) or (2) for dogs, and section 31752 (a)(1) or (2) for cats,  $M = 2/5 \times C \times G$ .

For shelters that do not meet the requirements of Food and Agricultural Code section 31108(a)(1) or (2) for dogs, and section 31752(a)(1) or (2) for cats,  $M = 4/7 \times C \times G$ .

(N) = Allowable square footage for other animals specified by Food and Agricultural Code section 31753, claim year (N = C x H)

 $(P) = Eligible \ percentage \ of \ remodeling/removation \ costs \\ [P = (M + N) \ / \ A]$ 

Claimants may recalculate the eligible percentage of remodeling/renovation costs each year, based on current animal population statistics. However, claimants may only claim allowable costs that have not been claimed in previous fiscal years.

Supporting Documentation Submitted with the Initial and Subsequent Reimbursement Claims

Remodeling/renovating existing facilities is reimbursable only to the extent that an eligible claimant submits, with the initial and/or subsequent reimbursement claim, documentation reflecting the following:

A determination by the governing board or a delegated representative that remodeling/renovating existing facilities is necessary because the existing facilities do not reasonably accommodate impounded stray or abandoned dogs, cats and other specified animals that are ultimately euthanized for the increased holding period required by Statutes of 1998, Chapter 752. The determination by the governing board or delegated representative shall include all of the following findings:

- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in 1998. For purposes of claiming reimbursement under section IV.B.2, average Daily Census is defined as the average number of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 housed on any given day, in a 365-day period;
- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 in a given year under the holding periods required by Food and Agriculture Code sections 31108, 31752, and 31753, as added or amended by Statutes of 1998, Chapter 752;
- Existing facilities are not appropriately configured and/or equipped to comply with the increased holding period required by Statutes of 1998, Chapter 752;
- Contracting with existing private or public shelters in the area to house the increase of impounded stray or abandoned dogs, cats, or other animals specified in Statutes of 1998, Chapter 752 is not feasible or is more expensive than remodeling/renovating existing facilities to comply with the increased holding period required by Statutes 1998, chapter 752.

Documentation requirements may be satisfied in whole or in part by staff agenda items, staff reports, minutes of governing board meetings, transcripts of governing board meetings, certification by the governing board or declaration from the delegated representative describing the findings and determination, and/or a resolution adopted by the governing board pursuant to Food and Agriculture Code section 31755, as added by Statutes of 1999, Chapter 81 (Assembly Bill 1482).

3. Care and Maintenance for Impounded Stray or Abandoned Dogs and Cats that Die During the Increased Holding Period or are Ultimately Euthanized (Food & Agr. Code, §§ 31108, 31752)

Beginning July 1, 1999 - Providing care and maintenance during the increased holding period for impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized. The increased holding period shall be measured by calculating the difference between three days from the day of capture, and four or six business days from the day after impoundment.

## Exclusions

Eligible claimants are *not* entitled to reimbursement for the care and maintenance of the following population of dogs and cats:

- Stray or abandoned dogs and cats that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);
- Newborn stray or abandoned dogs and cats that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- Stray or abandoned dogs and cats too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- Owner relinquished dogs and cats; and
- Stray or abandoned dogs and cats that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

## Methods for Claiming Costs

Eligible claimants may elect one of following two methods to claim costs for the care and maintenance of impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized:

- Actual Cost Method Under the actual cost method, actual reimbursable care and maintenance costs per animal per day are computed for an annual claim period.
  - a) Determine the total annual cost of care and maintenance for all dogs and cats impounded at a facility. Total cost of care and maintenance includes labor, materials, supplies, indirect costs, and contract services.
  - b) Determine the average daily census of all dogs and cats impounded at a facility. For purposes of claiming reimbursement under IV.B.3, average daily census is defined as the average number of all dogs and cats at a facility housed on any given day, in a 365-day period..
  - c) Multiply the average daily census of dogs and cats by 365 = yearly census of dogs and cats.
  - d) Divide the total annual cost of care by the yearly census of dogs and cats = cost per animal per day.
  - e) Multiply the cost per animal per day, by the number of impounded stray or abandoned dogs and cats that die

during the increased holding period or are ultimately euthanized, by each reimbursable day (the difference between three days from the day of capture, and four or six business days from the day after impoundment).

• Time Study Method – Under the time study method, a random sample of impounded stray or abandoned dogs and cats are observed to determine the amount of time to provide care and maintenance during a reimbursable day.

The time study shall be developed using one representative month each quarter and be supported with actual source documentation. Time studies shall be conducted on a more frequent basis if there are significant variations of time expended from month to month. The time study shall identify hours devoted to each specific category. If the time study supports a fixed-cost approach such as an animal day (i.e., dogday, cat-day, etc.), the eligible claimant shall document the analysis supporting the method used.

Time records used to support the time study shall:

- a) Reflect an after-the-fact distribution of each employee's actual activity;
- b) Account for the total activity for which each employee is compensated;
- c) Account for the total labor hours of the month;
- d) Be signed and dated by the employee not later than the end of the pay period that follows the pay period covered by the report; and
- e) Document, by signature or initials and date, supervisor approval.
- Care and Maintenance for Impounded Stray or Abandoned Animals Specified in Food and Agriculture Code Section 31753 that Die During the Increased Holding Period or are Ultimately Euthanized (Food & Agr. Code, § 31753)

Beginning January 1, 1999 - Providing care and maintenance for four or six business days from the day after impoundment for impounded stray or abandoned rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles, and tortoises legally allowed as personal property that die during the increased holding period or are ultimately euthanized.

#### **Exclusions**

Eligible claimants are *not* entitled to reimbursement for the care and maintenance of the following population of animals:

- Stray or abandoned animals that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);
- Newborn animals that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- Stray or abandoned animals too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- Owner relinquished animals; and
- Stray or abandoned animals that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

## Methods for Claiming Costs

Eligible claimants may elect one of following two methods to claim costs for the care and maintenance of impounded stray or abandoned animals specified in Food and Agriculture Code section 31753 that die during the increased holding period or are ultimately euthanized:

- Actual Cost Method –Under the actual cost method, actual reimbursable care and maintenance costs per animal per day are computed for an annual claim period.
  - a) Determine the total annual cost of care and maintenance for all animals specified in Food and Agriculture Code section 31753 that are impounded at a facility. Total cost of care and maintenance includes labor, materials, supplies, indirect costs, and contract services.
  - b) Determine the average daily census of the animals specified in Food and Agriculture Code section 31753.
  - c) Multiply the average daily census of the animals specified in Food and Agriculture Code section 31753 by 365 = yearly census of animals specified in Food and Agriculture Code section 31753.
  - d) Divide the total annual cost of care by the yearly census of animals specified in Food and Agriculture Code section 31753 = cost per animal per day.
  - e) Multiply the cost per animal per day, by the number of impounded stray or abandoned animals specified in Food and Agriculture Code section 31753 that die during the increased holding period or are ultimately euthanized, by

each reimbursable day (four or six business days from the day after impoundment).

• Time Study Method – Under the time study method, a random sample of impounded stray or abandoned animals are observed to determine the amount of time to provide care and maintenance during a reimbursable day.

The time study shall be developed using one representative month each quarter and be supported with actual source documentation. Time studies shall be conducted on a more frequent basis if there are significant variations of time expended from month to month. The time study shall identify hours devoted to each specific category. If the time study supports a fixed-cost approach such as an animal day, the eligible claimant shall document the analysis supporting the method used.

Time records used to support the time study shall:

- a) Reflect an after-the-fact distribution of each employee's actual activity;
- b) Account for the total activity for which each employee is compensated;
- c) Account for the total labor hours of the month;
- d) Be signed and dated by the employee not later than the end of the pay period that follows the pay period covered by the report; and
- e) Document, by signature or initials and date, supervisor approval.
- 4. Agencies Using the Holding Period of Four Business Days After the Day of Impoundment (Food & Agr. Code, §§ 31108, 31752, 31753)

Beginning January 1, 1999 - For impounded animals specified in Food and Agriculture Code section 31753, either:

- Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or
- For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.

Beginning July 1, 1999 - For impounded dogs and cats, either:

- Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or
- For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.
- 5. Feral Cats (Food & Agr. Code, § 31752.5)

Beginning January 1, 1999 - Verifying whether a cat is feral or tame by using a standardized protocol within the first three days of the required holding period if an apparently feral cat has not been reclaimed by its owner or caretaker.

6. Lost and Found Lists (Food & Agr. Code, § 32001)

Beginning January 1, 1999 - Providing owners of lost animals and those who find lost animals with all of the following:

- Ability to list the animals they have lost or found on "lost and found" lists maintained by the local agency;
- Referrals to animals listed that may be the animals the owner or finders have lost or found;
- The telephone numbers and addresses of other pounds and shelters in the same vicinity;
- Advice as to means of publishing and disseminating information regarding lost animals; and
- The telephone numbers and addresses of volunteer groups that may be of assistance in locating lost animals.
- 7. Maintaining Non-Medical Records (Food & Agr. Code, § 32003)

Beginning January 1, 1999 - Maintaining non-medical records on animals that are either taken up, euthanized after the holding period, or impounded. Such records shall include the following:

- The date the animal was taken up, euthanized, or impounded;
- The circumstances under which the animal is taken up, euthanized, or impounded;
- The names of the personnel who took up, euthanized, or impounded the animal; and

• The final disposition of the animal, including the name of the person who euthanized the animal or the name and address of the adopting party.

The cost of software license renewal contracts, to the extent these costs are not claimed as an indirect cost under these parameters and guidelines, is eligible for reimbursement under Section V (A) (2) of these parameters and guidelines. If the computer software is utilized in some way that is not directly related to the maintenance of records specified in this section, only the pro rata portion of the software license renewal contract that is used for compliance with this section is reimbursable.

8. "Necessary and Prompt Veterinary Care" (Civ. Code, §§ 1834 and 1846)

Beginning January 1, 1999 - Providing "necessary and prompt veterinary care" for stray and abandoned animals, other than injured cats and dogs given emergency treatment, that die during the holding period or are ultimately euthanized, during the holding periods specified in Statutes of 1998, Chapter 752.

"Necessary and prompt veterinary care" means all reasonably necessary medical procedures performed by a veterinarian or someone under the supervision of a veterinarian to make stray or abandoned animals "adoptable." The following veterinary procedures, if conducted, are eligible for reimbursement:

- An initial physical examination of the animal to determine the animal's baseline health status and classification as "adoptable," "treatable," or "non-rehabilitatable."
- A wellness vaccine administered to "treatable" or "adoptable" animals.
- Veterinary care to stabilize and/or relieve the suffering of a "treatable" animal.
- Veterinary care intended to remedy any applicable disease, injury, or congenital or hereditary condition that adversely affects the health of a "treatable" animal or that is likely to adversely affect the animal's health in the future, until the animal becomes "adoptable."

## Population Exclusions

Eligible claimants are *not* entitled to reimbursement for providing "necessary and prompt veterinary care" to the following population of animals:

• Animals that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);

- Newborn animals that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- Animals too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal. (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- Owner relinquished animals; and
- Stray or abandoned animals that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

## Veterinary Care Exclusions

Eligible claimants are *not* entitled to reimbursement for providing the following veterinary procedures:

- Emergency treatment given to injured cats and dogs (Pen. Code, § 597f, subd. (b));
- Administration of rabies vaccination to dogs (Health & Saf. Code, § 121690);
- Implantation of microchip identification;
- Spay or neuter surgery and treatment;
- Euthanasia.
- 10. Beginning January 1, 1999 Procuring medical, kennel, and computer equipment necessary to comply with the reimbursable activities listed in Section IV (B) of these parameters and guidelines, to the extent these costs are not claimed as an indirect cost under Section V (B) of these parameters and guidelines. If the medical, kennel, and computer equipment is utilized in some way not directly related to the mandated program or the population of animals listed in Section IV (B), only the pro rata portion of the activity that is used for the purposes of the mandated program is reimbursable.

## V. Claim Preparation and Submission

Each of the following cost elements must be identified for each reimbursable activity identified in Section IV, Reimbursable Activities, of this document. Each claimed reimbursable cost must be supported by source documentation as described in Section IV. Additionally, each reimbursement claim must be filed in a timely manner.

## A.Direct Cost Reporting

Direct costs are those costs incurred specifically for the reimbursable activities. The following direct costs are eligible for reimbursement.

### 1. Salaries and Benefits

Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

## 2. Materials and Supplies

Report the cost of materials and supplies that have been consumed or expended for the purpose of the reimbursable activities. Purchases shall be claimed at the actual price after deducting discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged on an appropriate and recognized method of costing, consistently applied.

## 3. Contracted Services

Report the name of the contractor and services performed to implement the reimbursable activities. If the contractor bills for time and materials, report the number of hours spent on the activities and all costs charged. If the contract is a fixed price, report the services that were performed during the period covered by the reimbursement claim. If the contract services are also used for purposes other than the reimbursable activities, only the pro-rata portion of the services used to implement the reimbursable activities can be claimed. Submit contract consultant and attorney invoices with the claim and a description of the contract scope of services.

#### 4. Fixed Assets and Equipment

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

## 5. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element A.1, Salaries and Benefits, for each applicable reimbursable activity.

#### 6. Training

Report the cost of training an employee to perform the reimbursable activities, as specified in Section IV of this document. Report the name and job classification of each employee preparing for, attending, and/or conducting training necessary to implement the reimbursable activities. Provide the title, subject, and purpose (related to the mandate of the training session), dates

attended, and location. If the training encompasses subjects broader than the reimbursable activities, only the pro-rata portion can be claimed. Report employee training time for each applicable reimbursable activity according to the rules of cost element A.1, Salaries and Benefits, and A.2, Materials and Supplies. Report the cost of consultants who conduct the training according to the rules of cost element A.3, Contracted Services.

#### B. Indirect Cost Rates

Indirect costs are costs that are incurred for a common or joint purpose, benefiting more than one program, and are not directly assignable to a particular department or program without efforts disproportionate to the result achieved. Indirect costs may include both (1) overhead costs of the unit performing the mandate; and (2) the costs of the central government services distributed to the other departments based on a systematic and rational basis through a cost allocation plan.

Compensation for indirect costs is eligible for reimbursement utilizing the procedure provided in the Office of Management and Budget (OMB) Circular A-87. Claimants have the option of using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal (ICRP) if the indirect cost rate claimed exceeds 10%.

If the claimant chooses to prepare an ICRP, both the direct costs (as defined and described in OMB Circular A-87 Attachments A and B) and the indirect costs shall exclude capital expenditures and unallowable costs (as defined and described in OMB Circular A-87 Attachments A and B). However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable.

The distribution base may be (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.), (2) direct salaries and wages, or (3) another base which results in an equitable distribution.

In calculating an ICRP, the claimant shall have the choice of one of the following methodologies:

- 1. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) classifying a department's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected; or
- 2. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) separating a department into groups, such as divisions or sections,

and then classifying the division's or section's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate that is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected.

## VI. RECORD RETENTION

Pursuant to Government Code section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter<sup>3</sup> is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed not later than two years after the date that the audit is commenced. All documents used to support the reimbursable activities, as described in Section IV, must be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

## VII. OFFSETTING SAVINGS AND OTHER REIMBURSEMENTS

Any offsetting savings that the claimant experiences as a direct result of this mandate must be deducted from the costs claimed. Additionally, reimbursement for this mandate received from any source shall be identified and deducted from this claim. These sources shall include, but not be limited to, rewards received under the authority of Civil Code section 1845; licensing fees and fines received and applied pursuant to Food and Agriculture Code section 30652, Government Code section 28502, and Penal Code section 597f; other state funds, and federal funds. The fees and fines received pursuant to Food and Agriculture Code and Agriculture Code section 30652 shall be deducted from the claim according to the priority specified in the statute and stated below:

- First, to pay fees for the issuance of dog license tags pursuant to Food and Agriculture Code section 30652, subdivision (a);
- Second, in accordance with Food and Agriculture Code section 30652, subdivision (b), any excess revenue held after the payment of dog license tags shall be applied to the fees, salaries, costs, expenses, or any or all of them for the enforcement of Division 14 of the Food and Agriculture Code, including Food and Agriculture Code section 31108, and all ordinances that are made pursuant to Division 14. Costs incurred under Food and Agriculture Code section 31108 are specified in Section IV (B) (1), (2), (3), and (5), and Section IV (A) of

<sup>&</sup>lt;sup>3</sup> This refers to Title 2, division 4, part 7, chapter 4 of the Government Code.

these parameters and guidelines. Any or all excess revenue must be applied to the costs incurred under Food and Agriculture Code section 31108 before any revenue can be applied to subdivisions (c) and (d) of Food and Agriculture Code section 30652.

## VIII. STATE CONTROLLER'S REVISED CLAIMING INSTRUCTIONS

Pursuant to Government Code section 17558, subdivision (c), the Controller shall issue revised claiming instructions for each mandate that requires state reimbursement not later than 60 days after receiving the revised parameters and guidelines from the Commission, to assist local agencies and school districts in claiming costs to be reimbursed. The revised claiming instructions shall be derived from the test claim decision and the revised parameters and guidelines adopted by the Commission.

Pursuant to Government Code section 17561, subdivision (d)(2), issuance of the revised claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon the revised parameters and guidelines adopted by the Commission.

## IX. REMEDIES BEFORE THE COMMISSION

Upon request of a local agency or school district, the Commission shall review the claiming instructions issued by the State Controller or any other authorized state agency for reimbursement of mandated costs pursuant to Government Code section 17571. If the Commission determines that the claiming instructions do not conform to the parameters and guidelines, the Commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the Commission.

In addition, requests may be made to amend parameters and guidelines pursuant to Government Code section 17557, subdivision (d), and California Code of Regulations, title 2, section 1183.2.

# X. LEGAL AND FACTUAL BASIS FOR THE PARAMETERS AND GUIDELINES

The Statement of Decision is legally binding on all parties and provides the legal and factual basis for the parameters and guidelines. The support for the legal and factual findings is found in the administrative record for the test claim. The administrative record, including the Statement of Decision, is on file with the Commission.

#### **State Controller's Office**

Mandated Cost Manual

		CLAIM FOR PAYMEN	For State Controller Us	e Only Program	
	Pursuan	t to Government Code Se	(19) Program Number 00		
		ANIMAL ADOPTION 20	05	(20) Date Filed/	<u> </u>
				(21) LRS Input/	_/
L	(01) Claimant Identification Nur	nber		Reimburseme	ent Claim Data
BE	(02) Claimant Name			(22) AA-1, (04)(A)(1)(g)	
L	County of Location			(23) AA-1, (04)(A)(2)(g)	
H E R	Street Address or P.O. Box		Suite	(24) AA-1, (04)(A)(3)(g)	
E	City	State	Zip Code	(25) AA-1, (04)(B)(1)(g)	
	Type of Claim	Estimated Claim	Reimbursement Claim	(26) AA-1, (04)(B)(2)(g)	
		(03) Estimated	(09) Reimbursement	(27) AA-1, (04)(B)(3)(g)	
		(04) Combined	(10) Combined	(28) AA-1, (04)(B)(4)(g)	
		(05) Amended	(11) Amended	(29) AA-1, (04)(B)(5)(g)	
	Fiscal Year of Cost	(06) <b>20/20</b>	(12) <b>20 /20</b>	(30) AA-1, (04)(B)(6)(g)	
	Total Claimed Amount	(07)	(13)	(31) AA-1, (04)(B)(7)(g)	
	Less: 10% Late Penalty,	, not to exceed \$1,000	(14)	(32) AA-1, (04)(B)(8)(g)	
	Less: Prior Claim Paym	ent Received	(15)	(33) AA-1, (04)(B)(9)(g)	
	Net Claimed Amount		(16)	(34) AA-1, (04)(B)(10)(g)	
	Due from State	(08)	(17)	(35) AA-1, (06)	
	Due to State		(18)	(36)	
	(37) CERTIFICATION	OF CLAIM			

In accordance with the provisions of Government Code §17561, I certify that I am the officer authorized by the local agency to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.

I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.

The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Officer		Date
Type or Print Name		Title
(38) Name of Contact Person for Claim	Telephone Number	<u>() - Ext.</u>
	E-Mail Address	

Form FAM-27 (Revised 04/06)

Program       ANIMAL ADOPTION 2005         Certification Claim Form       Instructions	FORM FAM-27
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	(01)	Enter the payee number assigned by the State Controller's Office.
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- (02) Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.
- (03) If filing an estimated claim, enter an "X" in the box on line (03) Estimated.
- (04) If filing a combined estimated claim on behalf of districts within the county, enter an "X" in the box on line (04) Combined.
- (05) If filing an amended estimated claim, enter an "X" in the box on line (05) Amended.
- (06) Enter the fiscal year in which costs are to be incurred.
- (07) Enter the amount of the estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete form AA-1 and enter the amount from line (11).
- (08) Enter the same amount as shown on line (07).
- (09) If filing a reimbursement claim, enter an "X" in the box on line (09) Reimbursement.
- (10) If filing a combined reimbursement claim on behalf of districts within the county, enter an "X" in the box on line (10) Combined.
- (11) If filing an amended reimbursement claim, enter an "X" in the box on line (11) Amended.
- (12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 for each fiscal year.
- (13) Enter the amount of the reimbursement claim from form AA-1, line (11). The total claimed amount must exceed \$1,000.
- (14) Estimated claims for fiscal year 2005-06 must be filed on or before August 1, 2006. Actual reimbursement claims for fiscal year 2005-06 and estimated claims for fiscal year 2006-07 must be filed on or before January 16, 2007. Enter zero if the claim was timely filed, otherwise, enter the product of multiplying line (13) by the factor 0.10 (10% penalty), or \$1,000, whichever is less.
- (15) If filing a reimbursement claim and an estimated claim was previously filed for the same fiscal year, enter the amount received for the claim. Otherwise, enter a zero.
- (16) Enter the result of subtracting line (14) and line (15) from line (13).
- (17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17), Due from State.
- (18) If line (16), Net Claimed Amount, is negative, enter that amount on line (18), Due to State.
- (19) to (21) Leave blank.
- (22) to (36) Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim, e.g., AA-1, (04)(A)(1)(g), means the information is located on form AA-1, line (04)(A)(1), column (g). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 34.19% should be shown as 34. Completion of this data block will expedite the payment process.
- (37) Read the statement "Certification of Claim." If it is true, the claim must be dated, signed by the agency's authorized officer, and must include the person's name and title, typed or printed. Claims cannot be paid unless accompanied by an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)
- (38) Enter the name, telephone number, and e-mail address of the person to contact if additional information is required.

SUBMIT A SIGNED ORIGINAL, AND A COPY OF FORM FAM-27, WITH ALL OTHER FORMS AND SUPPORTING DOCUMENTS TO:

Address, if delivered by U.S. Postal Service:

OFFICE OF THE STATE CONTROLLER ATTN: Local Reimbursements Section Division of Accounting and Reporting P.O. Box 942850 Sacramento, CA 94250 Address, if delivered by other delivery service:

OFFICE OF THE STATE CONTROLLER ATTN: Local Reimbursements Section Division of Accounting and Reporting 3301 C Street, Suite 500 Sacramento, CA 95816

State Controller's Office Mandated Co						ost Manual	
Program 213		ANIM	NDATED C AL ADOPT _AIM SUMM	ON 2005			FORM AA-1
(01) Claimant			(0	2) Type of Cl	aim		Fiscal Year
				Reimburse Estimated	ement	20	/20
(03) Department				Lotiniatoa			
Direct Costs			C	bject Accou	nts		
(04) Reimbursable Components A. One-Time Activities	(a) Salaries	(b) Benefits	(c) Materials & Supplies	(d) Contract Services	(e) Travel & Training	(f) Fixed Assets	(g) Total
1. Policies and Procedures							
2. Training							
3. Computer Software							
B. Ongoing Activities					1		<u> </u>
1 Acquiring Space/Facilities							
2. Renovating Facilities							
3. Care of Dogs & Cats							
4. Care of Other Animals							
5. Holding Period							
6. Feral Cats							
7. Lost and Found Lists							
8. Non-Medical Records							
9. Veterinary Care							
10. Procuring Equipment							
(05) Total Direct Costs							
Indirect Costs							
(06) Indirect Cost Rate				[From ICRF	']		%
(07) Total Indirect Costs		[Line (	06) x line (05)(	a)] or [Line (06) >	: {line (05)(a) + l	ine (05)(b)}]	
(08) Total Direct and Indi	rect Costs			[Line (05)(g) + lin	e (07)]		
Cost Reduction							
(09) Less: Offsetting Sav	(09) Less: Offsetting Savings						
(10) Less: Other Reimbu	ursements						
(11) Total Claimed Amou	int		[Line	(08) - {line (09)	+ line (10)}]		
<b>P</b>							

Revised 04/06

#### **Program ANIMAL ADOPTION 2005** FORM **CLAIM SUMMARY** AA-1 Instructions (01) Enter the name of the claimant. (02) Type of Claim. Check a box, Reimbursement or Estimated, to identify the type of claim being filed. Enter the fiscal year of costs. Form AA-1 must be filed for a reimbursement claim. Do not complete form AA-1 if you are filing an estimated claim and the estimate does not exceed the previous fiscal year's actual costs by more than 10%. Simply enter the amount of the estimated claim on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, form AA-1 must be completed and a statement attached explaining the increased costs. Without this information the high estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs. (03)Department. If more than one department has incurred costs for this mandate, give the name of each department. A separate form AA-1 should be completed for each department. (04)Reimbursable Components. For each reimbursable component, enter the total from form AA-2, line (05), columns (d) through (i) to form AA-1, block (05), columns (a) through (f) in the appropriate row. Total each row. (05) Total Direct Costs. Total columns (a) through (g). (06)Indirect Cost Rate. Indirect costs may be computed as 10% of direct labor costs, excluding fringe benefits, without preparing an ICRP. If an indirect cost rate of greater than 10% is used, include the Indirect Cost Rate Proposal (ICRP) with the claim. (07)Total Indirect Costs. If the 10% flat rate is used for indirect costs, multiply Total Salaries, line (05)(a), by the Indirect Cost Rate, line (06). If an ICRP is submitted and both salaries and benefits were used in the distribution base for the computation of the indirect cost rate, then multiply the sum of Total Salaries, line (05)(a), and Total Benefits, line (05)(b), by the Indirect Cost Rate, line (06). If more than one department is reporting costs, each must have its own ICRP for the program. (08) Total Direct and Indirect Costs. Enter the sum of Total Direct Costs, line (05)(g), and Total Indirect Costs, line (07). (09)Less: Offsetting Savings. If applicable, enter the total savings experienced by the claimant as a direct result of this mandate. Submit a detailed schedule of savings with the claim. (10)Less: Other Reimbursements. Reimbursement received from any source shall be identified and deducted from this claim. Sources shall include, but are not limited to, rewards received under authority of Civil Code section 1845, licensing fees and fines received and applied pursuant to Food and Agriculture Code section 30652, Government Code section 28502, and Penal Code section 597f, and other state funds, and federal funds. Fees and fines received pursuant to Food & Agriculture Code section 30652 shall be deducted according to the priority specified on page 15 of the P's and G's. Total Claimed Amount. From Total Direct and Indirect Costs, line (08), subtract the sum of Offsetting (11)Savings, line (09), and Other Reimbursements, line (10). Enter the remainder on this line and carry the amount forward to form FAM-27, line (07) for the Estimated Claim or line (13) for the Reimbursement Claim.

State Controller's Office Mar						dated Co	ost Manual		
Program <b>213</b>				ATED COSTS ADOPTION 2005 CTIVITY COST DETAIL					FORM AA-2
(01) Claima	ant			(02) F	iscal Yea	r			
	ursable Components:		-	-	to identify	the comp		-	J.
One-Time	Policies and Proce			raining				r Software	
Ongoing	Acquiring Space/F	acilities		Renovating Fa			Care of D	ogs & Cats	
	Care of Other Anir	nals	— H	Iolding Perio	d		Feral Cat	S	
	Lost and Found Lis	sts	N	Ion-Medical I	Records		Veterinar	y Care	
	Procuring Equipme	ent							
(04) Descri	ption of Expenses					Object A	ccounts		
Classification	(a) byee Names, Job hs, Functions Performed cription of Expenses	(b) Hourly Rate or Unit Cost	(C) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f) Materials and Supplies	(g) Contract Services	(h) Fixed Assets	(i) Travel and Training
(05) Total 🗌	Subtotal	Page:	of						

Program	ANIMAL ADOPTION 2005	FORM
213	COMPONENT/ACTIVITY COST DETAIL	AA-2
210	INSTRUCTIONS	

- (01) Claimant. Enter the name of the claimant. If more than one department has incurred costs for this mandate, give the name of each department. A separate form AA-2 should be completed for each department.
- (02) Fiscal Year. Enter the fiscal year for which costs were incurred.
- (03) Reimbursable Components. Check the box which indicates the cost component being claimed. Check only one box per form. A separate form AA-2 shall be prepared for each applicable component.
- (04) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the component activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, travel and training expenses. The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed. For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the date the claim was filed or last amended, whichever is later. If no funds were appropriated and no payment was made at the time the claim was filed, the time for the Controller to initiate an audit shall be from the date of initial payment of the claim. Such documents shall be made available to the State Controller's Office on request.

Object/ Sub object	Columns							Submit supporting documents	
Accounts	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	with the claim
Salaries	Employee Name/Title	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked					
Benefits	Activities Performed	Benefit Rate		Benefits = Benefit Rate x Salaries					
Materials and Supplies	Description of Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used				
Contract Services	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service			Cost = Hourly Rate x Hours Worked	I		Copy of Contract
Fixed Assets	Description of Equipment Purchased	Unit Cost	Usage				Cost = Unit Cost x Usage		Supporting Documentation
Travel and Training Travel	Purpose of Trip Name and Title Departure and Return Date	Per Diem Rate Mileage Rate Travel Cost	Days Miles Travel Mode					Cost = Rate x Days or Miles or Total Travel Cost	
Training	Employee Name/Title Name of Class		Dates Attended					Registration Fee	

(05) Total line (04), columns (d) through (i) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the component/activity costs, number each page. Enter totals from line (05), columns (d) through (i) to form AA-1, block (04), columns (a) through (f) in the appropriate row.

## GENERAL CLAIMING INSTRUCTIONS

**RECEIVED** May 19, 2014 **Commission on State Mandates** 

#### **Reimbursable State Mandated Costs Programs**

Local agencies may file claims with the SCO for the cost of complying with the following state mandated programs. An "x" indicates the agencies that are eligible to file claims for the given program. For your convenience, the programs are listed in alphabetical order by program name.

Program Number	Program Name	Counties	Cities	Special Districts
2	Absentee Ballots	х	Х	х
248	Absentee Ballots-Tabulation by Precinct	х		
246	Administrative License Suspension	х	Х	
73	AIDS: Search Warrants	х	Х	
152	Allocation of Property Tax Revenue	х		
213	Animal Adoption	х	Х	Х
6	Brendon Maguire Act	х	Х	Х
13	Child Abduction and Recovery	Х		
67	Conservatorship: Developmentally Disabled Adults	х		
273	Consolidation of HDS, HDSII, and Seriously Emotionally Disturbed Pupils (SED)	x		
88	Coroners	х		
262	Crime Victim's Domestic Violence Incident Reports	х	Х	
158	Crime Victims' Rights	х		
87	Developmentally Disabled: Attorneys' Services	х		
266	DNA Database	х	Х	
274	Domestic Violence Arrest and Victim Assistance	х	Х	
167	Domestic Violence Arrest Policies and Standards	х	Х	
177	Domestic Violence Treatment Services Authorization and Case Management	x		
257	False Reports of Police Misconduct	x	х	х
23	Firefighters' Cancer Presumption <sup>1</sup>	х	х	х
227	Grand Jury Proceedings	х	х	х
263	Handicapped and Disabled Students II	х	х	
197	Health Benefits for Survivors of Peace Officers and Firefighters	x	x	x
259	Local Elections: Consolidation	х		
43	Medi-Cal Beneficiary Death Notices	x		
203	Mentally Disordered Offenders' Extended Commitment Proceedings	x		
39	Mentally Disordered Sex Offenders: Extended Commitments	x		
66	Mentally Retarded Defendants: Diversion	х		
200	Not Guilty by Reason of Insanity II	х		
219	Open Meetings/Brown Act Reform <sup>2</sup>	x	Х	Х
122	Pacific Beach Safety	х		

<sup>&</sup>lt;sup>1</sup> Beginning 7/1/08, reimbursement for programs 23 and 118 are not required per Reconsideration adopted 9/27/07.

<sup>&</sup>lt;sup>2</sup> This program has been set aside pursuant to AB 138 effective July 19, 2005

Program Number	Program Name	Counties	Cities	Special Districts
118	Peace Officers' Cancer Presumption <sup>1</sup>	х	Х	х
264	Peace Officer Personnel Records: Unfounded Complaints			
	and Discovery	х	х	
187	Peace Officers Procedural Bill of Rights	х	Х	х
124	Perinatal Services	х		
83	Permanent Absent Voters	х		
121	Pesticide Use Reports	х		
215	Photographic Record of Evidence	х	Х	х
279	Post Conviction: DNA Court Proceedings	х	Х	х
255	Postmortem Examination	х	Х	
127	Rape Victims Counseling Center Notices	х	Х	
18	Senior Citizens Property Tax Postponement	х		
175	Sexually Violent Predators	х		
120	Stolen Vehicle Notification	х	Х	
163	Threats Against Peace Officers	X	Х	х
90	Unitary Countywide Tax Rates	X		
56	Voter Registration Procedures	Х		

## **Reimbursable State Mandated Costs Programs (continued)**

## The Commission on State Mandates set aside Parameters and Guidelines for the following programs:

Program

Number

207	Chapter	156/96	County Treasury Oversight Committees
161	Chapter	783/95	Investment Reports
132	Chapter	1281/80	Involuntary Lien Notices
138	Chapter	1105/92	Misdemeanors: Booking and Fingerprinting
82	Chapter	1051/83	Mobilehome Property Tax Deferral Program
219	Chapter	641/86	Open Meetings/Brown Act Reform
28	Chapter	494/79	Physically Handicapped Voter Accessibility
222	Chapter	18/99	Presidential Primaries
52	Chapter	48/87	Property Tax: Family Transfers
55	Chapter	1143/80	Regional Housing Needs Determination
174	Chapter	1297/94	Two-Way Traffic Signal Communications

<sup>&</sup>lt;sup>1</sup> Beginning 7/1/08, reimbursement for programs 23 and 118 are not required per Reconsideration adopted 9/27/07.

## **PROGRAMS SUSPENDED FOR THE 2007-08 FISCAL YEAR**

Pursuant to Government Code Section 17581, the following state mandated programs are identified in the 2007 State Budget Act, with a \$0 appropriation by the Legislature. Therefore, the following state mandated programs have been suspended for the 2007-08 fiscal year, and no 2007-08 claim shall be filed.

#### Item 8885-295-0001, Provision 3

Program Number Grand Jury Proceedings 227 (a) Chapter 1170/96 Chapter Sex Crime Confidentiality 220 (b) 502/92 Deaf Teletype Equipment Chapter 1032/80 62 (C) Sex Offenders: Disclosure by Law Enforcement 217 (d) Chapter 908/96 Missing Persons Report 81 (e) Chapter 1456/88 28 Chapter 494/79 Handicapped Voter Access Information (f) Sub-Standard Housing 65 Chapter 238/74 (g) 3 Chapter 1123/77 Adult Felony Restitution (h) Verv High Fire Hazard Severity Zones 181 (i) Chapter 1188/92 37 (j) Chapter 1330/76 Local Coastal Plans 180 Chapter 1111/89 SIDS Training for Firefighters (k) SIDS Contacts by Local Health Officers Chapter 268/91 125 (I) Chapter 955/89 SIDS Autopsies 110 (m) Chapter Inmate AIDS Testing 126 1597/88 (n) Chapter 86 (0) 453/74 SIDS Notices 27 Chapter Guardianship/Conservatorship Filings (p) 1357/76 71 Chapter 332/81 Victims' Statements-Minors (q) Extended Commitment, Youth Authority 204 Chapter 267/98 (r) 128 Chapter 820/91 **Prisoner Parental Rights** (s) Structural and Wildland Firefighter Safety Clothing and 64 Chapter Title 8 (t) Equipment 24 (u) Chapter Title 8 Personal Alarm Devices Chapter Law Enforcement Sexual Harassment Training 193 (v) 126/93 Chapter 205 (w) 444/97 Elder Abuse Law Enforcement Training 245 Chapter 39/98 Redevelopment Agencies Tax Disbursement Reporting (X) Chapter 486/75 Mandate Reimbursement Process<sup>1</sup> 41 (y) 21 (z) Chapter 845/78 Filipino Employee Surveys 15 Chapter 1609/84 **Domestic Violence Information** (aa) Chapter 8 (bb) 1334/87 Pocket Masks

#### Item 8885-295-0042

Program Number

178 (1) C

Chapter

644/94 Airport Land Use Commissions/Plans

<sup>&</sup>lt;sup>1</sup> This program was also suspended for the 2006-07 fiscal year.

## APPROPRIATIONS FOR THE STATE MANDATED COST PROGRAMS

## Source of the State Mandated Costs Appropriations – 2007 State Budget Act (Chapter 171/172)

Mandated Programs										
ltem	Item 8885-295-0001 Commission on State Mandates									
(1) Fo	(1) For payment of the following mandate claims for the 2006-07 fiscal year: 0									
158	(a)	Ch.	411/95	Crime Victim Rights						
163	(b)	Ch.	1249/92	Threats Against Peace Officers						
13	(C)	Ch.	1399/76	Child Abduction and Recovery						
120	(d)	Ch.	337/90	Stolen Vehicle Notification						
2	(e)	Ch.		Absentee Ballots						
83	(f)	Ch.	1422/82	Permanent Absent Voters						
56	(g)	Ch.	704/75	Voter Registration Procedures						
248	(h)	Ch.	697/99	Absentee Ballots-Tabulation by Precinct						
6	(i)	Ch.	391/88	Brendon Maguire Act						
43	(j)	Ch.	102/81	Medi-Cal Beneficiary Death Notices						
122	(k)	Ch.	961/92	Pacific Beach Safety						
124	(I)	Ch.	1603/90	Perinatal Services						
73	(m)	Ch.	1088/88	AIDS/Search Warrant						
66	(n)	Ch.	1253/80	Mentally Retarded Defendants Representation						
35	(0)	Ch.	644/80	Judicial Proceedings						
67	(p)	Ch.	1304/80	Conservatorship: Developmentally Disabled Adults						
87	(q)	Ch.	694/75	Developmentally Disabled Attorneys Services						
88	(r)	Ch.	498/77	Coroners Costs						
200	(s)	Ch.	1114/79	Not Guilty by Reason of Insanity						
203	(t)	Ch.	435/91	Mentally Disordered Offenders' Extended Commitments						
175	(u)	Ch.	762/95	Sexually Violent Predators						
39	(v)	Ch.	1036/78	Mentally Disordered Sex Offenders Recommitments						
177	(w)	Ch.	183/92	Domestic Violence Treatment Services						
118	(x)	Ch.	1171/89	Peace Officers Cancer Presumption						
23	(y)	Ch.	1568/82	Firefighters Cancer Presumption						
167	(z)	Ch.	246/95	Domestic Violence Arrest Policies						
213	(aa)	Ch.		Animal Adoption						
90	(bb)	Ch.	921/87	Unitary Countywide Tax Rates						
18	(cc)	Ch.	1242/77	Senior Citizens Property Tax Deferral						
152	(dd)	Ch.	697/92	Allocation of Property Tax Revenues						
215	(ee)	Ch.	875/85	Photographic Record of Evidence						
127	(ff)	Ch.	999/91	Rape Victims Counseling						
197	(gg)	Ch.		Health Benefits for Survivors-Peace Officers Firefighters						
255	(hh)	Ch.		Postmortem Examinations						
257	(ii)	Ch.	590/95	False Reports of Police Misconduct						

## (2) For payment of mandated claims for 2006-07 fiscal year for:

187 (2) Ch. 675/90 Peace Officers' Procedural Bill of Rights

## APPROPRIATIONS FOR THE STATE MANDATED COST PROGRAMS (continued)

## Source of the State Mandated Costs Appropriations (continued)

	Amounts Appropriated					
ltem 8 (1) Fc 05, in						
178	(1)	Ch.	644/94	Airport Land Use Commission/Plans	\$	8,000.00
Item 8885-295-0044 Department of Motor Vehicles (1) For payment of claims for costs incurred for fiscal years 1997-98 through 2004-05, inclusive: 246 (1) Ch. 1460/89 Administrative License Suspension, Per Se						325,000.00
			•	ent of Pesticide Regulation		
• •	• •	nent of lusive:	claims for	costs incurred for fiscal years 2001-02 through		
121	(1) d <b>Tota</b>	Ch.	1200/89	Pesticide Use Reports		66,000.00 199,000.00

## FILING A CLAIM

#### 1. Introduction

The law in the State of California (Government Code Sections 17500 through 17616) provides for the reimbursement of costs incurred by local agencies for costs mandated by the State. Costs mandated by the State means any increased costs that local agencies are required to incur after July 1, 1980, as a result of any statute enacted after January 1, 1975, or any executive order implementing such statute which mandates a new program or higher level of service of an existing program.

Estimated claims that show costs to be incurred in the current fiscal year and reimbursement claims that detail the costs actually incurred for the prior fiscal year may be filed with the State Controller's Office (SCO). Claims for on-going programs are filed annually by February 15. Claims for new programs are filed within 120 days from the date claiming instructions are issued for the program. A 10 percent penalty (up to \$10,000 for continuing claims, no limit for initial claims) is assessed for late claims. The SCO may audit the records of any local agency to verify the actual amount of mandated costs and may reduce any claim that is excessive or unreasonable.

When a program has been reimbursed for three or more years, the COSM may approve the program for inclusion in the State Mandates Apportionment System (SMAS). For programs included in SMAS, the SCO determines the amount of each claimant's entitlement based on an average of three consecutive fiscal years of actual costs adjusted by any changes in the Implicit Price Deflator (IPD). Claimants with an established entitlement receive an annual apportionment adjusted by any changes in the IPD and, under certain circumstances, by any changes in workload. Claimants with an established entitlement are not required to file further claims for the program.

The SCO is authorized to make payments for costs of mandated programs from amounts appropriated by the State Budget Act, by the State Mandates Claims Fund, or by specific legislation. In the event the appropriation is insufficient to pay claims in full, claimants will receive prorated payments in proportion to the dollar amount of approved claims for the program. Balances of prorated payments will be made when supplementary funds become available.

The instructions contained in this manual are intended to provide general guidance for filing a mandated cost claim. Since each mandate is administered separately, it is important to refer to the specific program for information related to established policies on eligible reimbursable costs.

#### 2. Types of Claims

There are three types of claims: Reimbursement, estimated, and entitlement. A claimant may file a reimbursement claim for actual mandated costs incurred in the prior fiscal year or may file an estimated claim for mandated costs to be incurred during the current fiscal year. An entitlement claim may be filed for the purpose of establishing a base year entitlement amount for mandated programs included in SMAS. A claimant who has established a base year entitlement for a program would receive an automatic annual payment, which is reflective of the current costs for the program.

All claims received by the SCO will be reviewed to verify actual costs. An adjustment of the claim will be made if the amount claimed is determined to be excessive, improper, or unreasonable. The claim must be filed with sufficient documentation to support the costs claimed. The types of documentation required to substantiate a claim are identified in the instructions for the program. The certification of claim, form FAM-27, must be signed and dated by the entity's authorized officer in order for the SCO to make payment on the claim.

#### A. Reimbursement Claim

A reimbursement claim is defined in GC Section 17522 as any claim filed with the SCO by a local agency for reimbursement of costs incurred for which an appropriation is made for the purpose of paying the claim. The claim must include supporting documentation to substantiate the costs claimed.

Initial reimbursement claims are first-time claims for reimbursement of costs for one or more prior fiscal years of a program that was previously unfunded. Claims are due 120 days from the date of issuance of the claiming instructions for the program by the SCO. The first statute that appropriates funds for the mandated program will specify the fiscal years for which costs are eligible for reimbursement.

Annual reimbursement claims must be filed by February 15 following the fiscal year in which costs were incurred for the program. A reimbursement claim must detail the costs actually incurred in the prior fiscal year.

An actual claim for the 2006-07 fiscal year may be filed by February 15, 2008, without a late penalty. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$10,000. However, initial reimbursement claims will be reduced by a late penalty of 10% with no limitation. In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. Claims filed more than one year after the deadline or without the requested supporting documentation will not be accepted.

#### B. Estimated Claim

An estimated claim is defined in GC Section 17522 as any claim filed with the SCO, during the fiscal year in which the mandated costs are to be incurred by the local agency, against an appropriation made to the SCO for the purpose of paying those costs.

An estimated claim may be filed in conjunction with an initial reimbursement claim, annual reimbursement claim, or at other times for estimated costs to be incurred during the current fiscal year. Annual estimated claims are due February 15 of the fiscal year in which the costs are to be incurred. Initial estimated claims are due on the date specified in the claiming instructions. Timely filed estimated claims are paid before those filed after the deadline.

After receiving payment for an estimated claim, the claimant must file a reimbursement claim by February 15 following the fiscal year in which costs were incurred. If the claimant fails to file a reimbursement claim, monies received for the estimated claims must be returned to the State.

#### C. Entitlement Claim

An entitlement claim is defined in GC Section 17522 as any claim filed by a local agency with the SCO for the sole purpose of establishing or adjusting a base year entitlement for a mandated program that has been included in SMAS. An entitlement claim should not contain nonrecurring or initial start-up costs. There is no statutory deadline for the filing of entitlement claims. However, entitlement claims and supporting documents should be filed by February 15 to permit an orderly processing of claims. When the claims are approved and a base year entitlement amount is determined, the claimant will receive an apportionment reflective of the program's current year costs. Local mandates included in SMAS are listed in Section 2, number 6.

Once a mandate has been included in SMAS and the claimant has established a base year entitlement, the claimant will receive automatic payments from the SCO for the mandate. The automatic apportionment is determined by adjusting the claimant's base year entitlement for changes in the costs of goods and services to governmental agencies, as determined by the implicit price deflator issued by the State Department of Finance. For programs approved by the COSM for inclusion in SMAS on or after January 1, 1988, the payment for each year succeeding the three years base period is adjusted according to any changes by both the deflator and average daily attendance. Annual apportionments for programs included in the system are paid on or before November 30 of each year.

A base year entitlement is determined by computing an average of the claimant's costs for any three consecutive years after the program has been approved for the SMAS process. The amount is first adjusted according to any changes in the deflator. The deflator is applied separately to each year's costs for the three years, which comprise the base year. The SCO will perform this computation for each claimant who has filed claims for three consecutive years. If a claimant has incurred costs for three consecutive years but has not filed a claim in each of those years, the claimant may file an entitlement claims, form FAM-43, to establish a base year entitlement. An entitlement claim does not result in the claimant being reimbursed for the costs incurred, but rather entitles the claimant to receive automatic payments from SMAS.

#### 3. Minimum Claim Amount

For initial claims and annual claims filed on or after September 30, 2002, if the total costs for a given year do not exceed \$1,000, no reimbursement shall be allowed except as otherwise allowed by GC Section 17564. Combined claims may be filed only when the county is the fiscal agent for the special districts. The county shall determine if the submission of a combined claim is economically feasible and shall be responsible for disbursing the funds to each special district. A combined claim must show the individual claim costs for each eligible school district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a special district provides a written notice of its intent to file a separate claim, to the county and the Controller, at least 180 days prior to the deadline for filing the claim.

GC Section 17564(a) provides that no claim shall be filed pursuant to Sections 17551 and 17561, unless such a claim exceeds one thousand dollars (\$1,000), provided that a county may submit a combined claim on behalf of direct service districts or special districts within their county if the combined claim exceeds \$1,000, even if the individual direct service district's or special district's claim does not each exceed \$1,000. The county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each direct service district or special district. These combined claims may be filed only when the county is the fiscal agent for the districts. A combined claim must show the individual claim costs for each eligible district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a special district provides a written notice of its intent to file a separate claim to the county and to the SCO at least 180 days prior to the deadline for filing the claim.

#### 4. Filing Deadline for Claims

Initial reimbursement claims (first-time claims) for reimbursement of costs of a previously unfunded mandated program must be filed within 120 days from the date of issuance of the program's claiming instructions by the SCO. If the initial reimbursement claim is filed after the deadline, but within one year of the deadline, the approved claim must be reduced by a 10% penalty. A claim filed more than one year after the deadline cannot be accepted for reimbursement.

Annual reimbursement claims for costs incurred during the previous fiscal year and estimated claims for costs to be incurred during the current fiscal year must be filed with the SCO and postmarked on or before February 15. If the annual or estimated reimbursement claim is filed after the deadline, but within one year of the deadline, the approved claim must be reduced by a 10% late penalty, not to exceed \$10,000. Claims must include supporting data to show how the amount claimed was derived. Without this information, the claim cannot be accepted.

Entitlement claims do not have a filing deadline. However, entitlement claims and supporting documents should be filed by February 15 to permit an orderly processing of claims. Entitlement claims are used to establish a base year entitlement amount for calculating automatic annual payments. Entitlement does not result in the claimant being reimbursed for costs incurred, but rather entitles the claimant to receive automatic payments from SMAS.

#### 5. Payment of Claims

In order for the SCO to authorize payment of a claim, the Certification of Claim, form FAM-27, must be properly filled out, signed, and dated by the entity's authorized officer.

Pursuant to GC section 17561(d), reimbursement and estimated claims are paid by August 15 or 45 days after the date the appropriation for the claim is effective, whichever is later. A claimant is entitled to receive accrued interest at the pooled money investment account rate if the payment is made after the August 15 deadline or more than 45 days after the date the appropriation for the claim is effective, whichever is applicable. For an initial claim, interest begins to accrue when the payment is made more than 365 days after the adoption of the program's statewide cost estimate. The SCO may withhold up to 20 percent of the amount of an initial claim until the claim is audited to verify the actual amount of the mandated costs. The 20 percent withheld is not subject to accrued interest. In the event the amount appropriated by the Legislature is insufficient to pay the approved amount in full for a program, claimants will receive a prorated payment in proportion to the amount of approved claims timely filed and on hand at the time of proration.

The SCO reports the amounts of insufficient appropriations to the State Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each house of the Legislature which considers appropriations in order to assure appropriation of these funds in the Budget Act. If these funds cannot be appropriated on a timely basis in the Budget Act, this information is transmitted to the COSM which will include these amounts in its report to assure that an appropriation sufficient to pay the claims is included in the next local government claims bill or other appropriation bills. When the supplementary funds are made available, the balance of the claims will be paid.

Unless specified in the statutes, regulations, or Ps & Gs, the determination of allowable and unallowable costs for mandates is based on the Ps & Gs adopted by the COSM. The determination of allowable reimbursable mandated costs for unfunded mandates is made by the COSM. The SCO determines allowable reimbursable costs, subject to amendment by the COSM, for mandates funded by special legislation. Unless specified, allowable costs are those direct and indirect costs, less applicable credits, considered to be eligible for reimbursement. In order for costs to be allowable and thus eligible for reimbursement, the costs must meet the following general criteria:

- 1. The cost is necessary and reasonable for proper and efficient administration of the mandate and not a general expense required to carryout the overall responsibilities of government.
- 2. The cost is allocable to a particular cost objective identified in the Ps & Gs.
- 3. The cost is net of any applicable credits that offset or reduce expenses of items allocable to the mandate.

The SCO has identified certain costs that, for the purpose of claiming mandated costs, are unallowable and should not be claimed on the claim forms unless specified as reimbursable under the program. These expenses include, but are not limited to, subscriptions, depreciation, memberships, conferences, workshops general education, and travel costs.

#### 6. State Mandates Apportionment System (SMAS)

Chapter 1534, Statutes of 1985, established SMAS, a method of paying certain mandated programs as apportionments. This method is utilized whenever a program has been approved for inclusion in SMAS by the COSM.

When a mandated program has been included in SMAS, the SCO will determine a base year entitlement amount for each county that has submitted reimbursement claims, (or entitlement claims), for three consecutive fiscal years. A base year entitlement amount is determined by averaging the approved reimbursement claims, (or entitlement claims), for 1982-83, 1983-84, and 1984-85 years or any three consecutive fiscal years thereafter. The amounts are first adjusted by any change in the IPD, which is applied separately to each year's costs for the three years that comprise the base period. The base period means the three fiscal years immediately succeeding the COSM's approval.

Each county with an established base year entitlement for the program will receive automatic annual payments from the SCO reflective of the program's current year costs. The amount of apportionment is adjusted annually for any change in the IPD. If the mandated program was

included in SMAS after January 1, 1988, the annual apportionment is adjusted for any change in both the IPD and workload.

For cities and counties, "workload" means a change in population within their boundaries; for special districts, a change in population of the county in which the largest percentage of the district's population is located.

In the event a county has incurred costs for three consecutive fiscal years but did not file a reimbursement claim in one or more of those fiscal years, the county may file an entitlement claim for each of those missed years to establish a base year entitlement. An "entitlement claim" means any claim filed by a county with the SCO for the sole purpose of establishing a base year entitlement. A base year entitlement shall not include any non-recurring or initial start-up costs.

Initial apportionments are made on an individual program basis. After the initial year, all apportionments are made by November 30. The amount to be apportioned is the base year entitlement adjusted by annual changes in the IPD for the cost of goods and services to governmental agencies as determined by the State Department of Finance.

In the event the county determines that the amount of apportionment does not accurately reflect costs incurred to comply with a mandate, the process of adjusting an established base year entitlement upon which the apportionment is based, is set forth in GC Section 17615.8 and requires the approval of the COSM.

The following programs are placed in SMAS:

Program Name	Chapter/Statute	Program Number
Conservatorship: Developmentally Disabled Adults	Ch. 1304/80	67
Coroners	Ch. 498/77	88
Mentally Retarded Defendants: Diversion	Ch. 1253/80	66
Senior Citizens Property Tax Postponement	Ch. 1242/77	18

Listed are state mandated local programs and counties that are entitled to receive automatic apportionments in those fiscal years in which the program is funded.

Counties of:	Ch. 498/77 Coroners	Ch. 1242/77 Senior Citizens Property Tax Postponement	Ch. 1253/80 Mentally Retarded Defendants: Diversion	Ch. 1304/80 Developmentally Disabled Adults: Conservatorship
Alameda		Х	Х	Х
Butte		X	Х	Х
Calaveras		X	Х	Х
Contra Costa		X	Х	Х
El Dorado		X	Х	Х
Fresno		Х	х	Х
Humbolt		Х	х	Х
Kern		Х	х	Х
Lake		X	х	Х
Los Angeles	х	х	х	x
Marin		х	х	x
Mendocino		Х	х	Х
Monterey		Х	х	x
Napa	Х	Х	х	Х
Nevada		Х	х	Х
Orange	Х	Х	х	Х
Placer		Х	х	Х
Plumas		Х	х	Х
Riverside		Х	х	Х
Sacramento		Х	х	Х
San Bernardino	х	Х	х	Х
San Diego		Х	х	Х
San Francisco		Х	х	Х
San Joaquin	х	Х		
San Luis Obispo	х	Х	х	Х
San Mateo		Х	х	Х
Santa Barbara		X	х	Х
Santa Clara	Х	Х	х	Х
Santa Cruz		Х	х	Х
Shasta		Х	х	Х
Solano		Х	х	Х
Sonoma	х	х	х	x
Stanislaus		х	х	x
Tulare	х	х	х	x
Tuolumne		x		
Ventura	х	х	х	x
Yolo		x	x	x
Yuba		Х		

#### 7. Direct Costs

A direct cost is a cost that can be identified specifically with a particular program or activity. Each claimed reimbursable cost must be supported by documentation as described in Section 12. Costs that are typically classified as direct costs are:

#### (1) Employee Wages, Salaries, and Fringe Benefits

For each of the mandated activities performed, the claimant must list the names of the employees who worked on the mandate, their job classification, hours worked on the mandate, and rate of pay. The claimant may, in-lieu of reporting actual compensation and fringe benefits, use a productive hourly rate:

#### (a) Productive Hourly Rate Options

A local agency may use one of the following methods to compute productive hourly rates:

- Actual annual productive hours for each employee
- The weighted-average annual productive hours for each job title, or
- 1,800\* annual productive hours for all employees

If actual annual productive hours or weighted-average annual productive hours for each job title is chosen, the claim must include a computation of how these hours were computed.

- \* 1,800 annual productive hours excludes the following employee time:
- o Paid holidays
- o Vacation earned
- o Sick leave taken
- o Informal time off
- o Jury duty
- o Military leave taken.

#### (b) Compute a Productive Hourly Rate

1. Compute a productive hourly rate for salaried employees to include actual fringe benefit costs. The methodology for converting a salary to a productive hourly rate is to compute the employee's annual salary and fringe benefits and divide by the annual productive hours.

#### Table 1: Productive Hourly Rate, Annual Salary + Benefits Method

Formula:	Description:
[(EAS + Benefits) ÷ APH] = PHR	EAS = Employee's Annual Salary
	APH = Annual Productive Hours
[(\$26,000 + \$8,099)] ÷ 1,800 hrs = 18.94	PHR = Productive Hourly Rate

As illustrated in Table 1, if you assume an employee's compensation was \$26,000 and \$8,099 for annual salary and fringe benefits, respectively, using the "Salary + Benefits Method," the productive hourly rate would be \$18.94. To convert a biweekly salary to EAS, multiply the biweekly salary by 26. To convert a monthly salary to EAS, multiply the monthly salary by 12. Use the same methodology to convert other salary periods.

2. A claimant may also compute the productive hourly rate by using the "Percent of Salary Method."

Example:								
<b>Step 1:</b> Fringe Benefits as a Pe Salary	rcent of	Step 2: Productive Hourly Rate						
Retirement	15.00 %	Formula:						
Social Security & Medicare	7.65	[(EAS x (1 + FBR)) ÷ APH] = PHR						
Health & Dental Insurance	5.25							
Workers Compensation	3.25	[(\$26,000 x (1.3115)) ÷ 1,800 ] = \$18.94						
Total	31.15 %							
Description:								
EAS = Employee's Annual Salar	у	APH = Annual Productive Hours						
FBR = Fringe Benefit Rate		PHR = Productive Hourly Rate						

• As illustrated in Table 2, both methods produce the same productive hourly rate.

Reimbursement for personnel services includes, but is not limited to, compensation paid for salaries, wages and employee fringe benefits. Employee fringe benefits include employer's contributions for social security, pension plans, insurance, worker's compensation insurance and similar payments. These benefits are eligible for reimbursement as long as they are distributed equitably to all activities. Whether these costs are allowable is based on the following presumptions:

- The amount of compensation is reasonable for the service rendered.
- The compensation paid and benefits received are appropriately authorized by the governing board.
- Amounts charged for personnel services are based on payroll documents that are supported by time and attendance or equivalent records for individual employees.
- The methods used to distribute personnel services should produce an equitable distribution of direct and indirect allowable costs.

For each of the employees included in the claim, the claimant must use reasonable rates and hours in computing the wage cost. If a person of a higher-level job position performs an activity which normally would be performed by a lower-level position, reimbursement for time spent is allowable at the average salary range for the lower-level position. The salary rate of the person at the higher-level position may be claimed if it can be shown that it was more cost effective in comparison to the performance by a person at the lower-level position under normal circumstances and conditions. The number of hours charged to an activity should reflect the time expected to complete the activity under normal circumstances and conditions. The numbers of hours in excess of normal expected hours are not reimbursable.

#### (c) Calculating an Average Productive Hourly Rate

In those instances where the claiming instructions allow a unit as a basis of claiming

costs, the direct labor component of the unit cost should be expressed as an average productive hourly rate and can be determined as follows:

	<u>Time</u> <u>Spent</u>	Productive Hourly Rate	Total Cost <u>by Employee</u>					
Employee A	1.25 hrs	\$6.00	\$7.50					
Employee B	0.75 hrs	4.50	3.38					
Employee C	3.50 hrs	10.00	35.00					
Total	5.50 hrs		\$45.88					
Average Productive Hourly Rate is \$45.88/5.50 hrs. = \$8.34								

#### Table 3: Calculating an Average Productive Hourly Rate

#### (d) Employer's Fringe Benefits Contribution

A local agency has the option of claiming actual employer's fringe benefit contributions or may compute an average fringe benefit cost for the employee's job classification and claim it as a percentage of direct labor. The same time base should be used for both salary and fringe benefits when computing a percentage. For example, if health and dental insurance payments are made annually, use an annual salary. After the percentage of salary for each fringe benefit is computed, total them.

For example:

Employer's Contribution	<u>% to Salary</u>
Retirement	15.00%
Social Security	7.65%
Health and Dental	5.25%
Insurance	0.2070
Worker's Compensation	0.75%
Total	28.65%

#### (e) Materials and Supplies

Only actual expenses can be claimed for materials and supplies, which were acquired and consumed specifically for the purpose of a mandated program. The claimant must list the materials and supplies that were used to perform the mandated activity, the number of units consumed, the cost per unit, and the total dollar amount claimed. Materials and supplies purchased to perform a particular mandated activity are expected to be reasonable in quality, quantity and cost. Purchases in excess of reasonable quality, quantity, and cost are not reimbursable. Materials and supplies withdrawn from inventory and charged to the mandated activity must be based on a recognized method of pricing, consistently applied. Purchases shall be claimed at the actual price after deducting discounts, rebates and allowances received by local agencies.

#### (f) Calculating a Unit Cost for Materials and Supplies

In those instances where the claiming instructions suggest that a unit cost be developed for use as a basis of claiming costs mandated by the State, the materials

and supplies component of the unit cost should be expressed as a unit cost of materials and supplies as shown in Table 1 or Table 2:

Supplies	<u>Cost Per Unit</u>	Amount of Supplies Used <u>Per Activity</u>	Unit Cost of Supplies <u>Per Activity</u>
Paper	0.02	4	\$0.08
Files	0.10	1	0.10
Envelopes	0.03	2	0.06
Photocopies	0.10	4	0.40
			<u>\$0.64</u>

#### Table 1: Calculating a Unit Cost for Materials and Supplies

## Table 2: Calculating a Unit Cost for Materials and Supplies

Supplies	Supplies <u>Used</u>	Unit Cost of Supplies <u>Per Activity</u>
Paper (\$10.00 for 500 sheet ream)	250 Sheets	\$5.00
Files (\$2.50 for box of 25)	10 Folders	1.00
Envelopes (\$3.00 for box of 100)	50 Envelopes	1.50
Photocopies (\$0.05 per copy)	40 Copies	2.00
		\$9.50
If the number of reimbursable instances an per reimbursable instance (\$9.50/25).	re 25, then the unit cost of	supplies is \$0.38

#### (g) Contract Services

The cost of contract services is allowable if the local agency lacks the staff resources or necessary expertise, or it is economically feasible to hire a contractor to perform the mandated activity. The claimant must give the name of the contractor; explain the reason for having to hire a contractor; describe the mandated activities performed; give the dates when the activities were performed, the number of hours spent performing the mandate, the hourly billing rate, and the total cost. The hourly billing rate shall not exceed the rate specified in the claiming instructions for the mandated program. The contractor's invoice, or statement, which includes an itemized list of costs for activities performed, must accompany the claim.

#### (h) Equipment Rental Costs

Equipment purchases and leases (with an option to purchase) are not reimbursable as a direct cost unless specifically allowed by the claiming instructions for the particular mandate. Equipment rentals used solely for the mandate, are reimbursable to the extent such costs do not exceed the retail purchase price of the equipment plus a finance charge. The claimant must explain the purpose and use for the equipment, the time period for which the equipment was rented and the total cost of the rental. If the equipment is used for purposes other than reimbursable activities, only the prorata portion of the rental costs can be claimed.

#### (i) Capital Outlay

Capital outlays for land, buildings, equipment, furniture and fixtures may be claimed if the claiming instructions specify them as allowable. If they are allowable, the claiming instructions for the program will specify a basis for the reimbursement. If the fixed asset or equipment is also used for purposes other than reimbursable activities for a specific mandate, only the prorata portion of the purchase price used to implement the reimbursable activities can be claimed.

#### (j) Travel Expenses

Travel expenses are normally reimbursable in accordance with travel rules and regulations of the local jurisdiction. For some programs, however, the claiming instructions may specify certain limitations on expenses, or that expenses can only be reimbursed in accordance with the State Board of Control travel standards. When claiming travel expenses, the claimant must explain the purpose of the trip, identify the name and address of the persons incurring the expense, the date and time of departure and return for the trip, description of each expense claimed, the cost of transportation, number of private auto mileage traveled, and the cost of tolls and parking with receipts required for charges over \$10.00.

#### (k) Documentation

It is the responsibility of the claimant to make available to the SCO, upon request, documentation in the form of general and subsidiary ledgers, purchase orders, invoices, contracts, canceled warrants, equipment usage records, land deeds, receipts, employee time sheets, agency travel guidelines, inventory records, and other relevant documents to support claimed costs. The type of documentation necessary for each claim may differ with the type of mandate.

#### 8. Indirect Costs

GC Section 17564(b) provides that claims for indirect costs shall be filed in the manner prescribed by the SCO. Indirect costs (or overhead) are those costs incurred for a common or joint purpose, benefiting more than one program and are not directly assignable to a particular program without efforts disproportionate to the result achieved. Indirect costs may include both (1) the overhead costs for the unit performing the mandate and (2) the costs of central government services distributed through the central service cost allocation plan and not otherwise treated as a direct cost.

Previously, the costs of elected officials were considered "expenses related to general government" and, thus, were unallowable for reimbursement purposes. Recent interpretation has moved in the opposite direction, except for those items of cost, which are unallowable in the cost principles set forth in Office of Management and Budget Circular (OMB) 2 CFR Part 225. A cost that is necessary for proper and efficient administration of a program and is identifiable to that program is eligible for consideration as allocable indirect costs. Allocable costs for time spent on programs, must be supported by time record.

Local agencies have the option of using 10% of direct labor as indirect costs or claiming indirect costs through a department's Indirect Cost Rate Proposal (ICRP) for the program prepared in accordance with the provisions of OMB 2 CFR Part 225 (Refer to the Appendix-Costs Computation: Indirect Costs). An ICRP must be prepared if the claim for indirect costs is in excess of 10% of direct salaries; the ICRP must be submitted with the claim.

#### A. Fixed 10% Rate Method

Indirect costs may be computed as 10% of direct labor costs (excluding fringe benefits) of employees, provided their services are required by a program. The use of the 10% rate may

benefit small agencies where few supportive services are provided.

Direct costs are defined as "those that can readily be identified with a single program or activity." Normally direct costs will include the salaries, benefits, and supplies that can be directly identified with a particular function.

For example, if a county auditor prepares warrants for other county departments, the direct costs of providing the service would include the salary and benefits of the persons in the auditor's office who actually work on the warrants, the cost of the paper on which warrants are written, and the salaries and benefits of a first-line supervisor. Indirect costs of the warrant writing service would include the cost of space, equipment, utilities, maintenance, supervision above first-line and administration of the auditor's office.

Direct Costs Incurred By	On Behalf of					
	Welfare	Health				
Auditor	Administration	<u>Department</u>				
Warrant Writing:						
A. Salary of employee working	\$5,000	\$1,000				
B. Benefits of above	800	200				
C. Cost of paper	350	100				
D. First-line supervision	3,000	500				
(salaries)						
E. Indirect cost 10% of A + D	800	150				
Total amount charged to benefited						
departments for warrant writing						
services	\$9,950	\$1,950				
Direct Costs Incurred By	On Behalf of					
	Welfare	Health				
Building & Grounds Department	<u>Administration</u>	<u>Department</u>				
Maintenance of Buildings:						
A. Salary of employees	\$1,000	\$500				
performing maintenance						
B. Benefits of above	200	100				
C. Cleaning supplies	250	150				
D. First-line supervision	500	200				
(salaries)						
E. Indirect cost 10% of A + D	150	70				
Total amount charged to						
benefited departments for	¢0.400	¢1.000				
building maintenance services	\$2,100	\$1,020				

Any local agency using this method for claiming costs must submit a statement similar to the example above and with supporting data. The cost data required for desk audit purposes are described in the claiming instructions for that mandated program under Salaries and Employee Benefits, Materials and Supplies, Contract Services, Travel Expenses, etc.

#### B. Indirect Cost Rate Proposal Method

If a local agency elects not to utilize the 10% fixed rate method but wants to claim indirect costs, it must prepare an ICRP for the program. The proposal must follow the provisions of the

OMB 2 CFR Part 225, Cost Principles for State, Local, and Indian Tribal Governments. The development of the indirect cost rate proposal requires that the indirect cost pool include only those costs which are incurred for a common or joint purpose that benefit more than one cost objective. The indirect cost pool may only include costs that can be shown to provide benefits to the program. In addition, total allocable indirect costs may only include costs, which cannot be directly charged to an identifiable cost center (i.e., program).

A method for preparing a departmental indirect cost rate proposal for programs is presented as Exhibit 1. Only this format is acceptable under the SCO reimbursement requirements. If more than one department is involved in the reimbursement program, each department must have their own indirect cost rate proposal for the program.

#### INDIRECT COST RATE PROPOSAL PUBLIC DEFENDER'S OFFICE INVESTIGATION PROGRAM FISCAL YEAR 20\_\_\_\_20\_\_\_

			F	(B) Excludable		(C) Allowable		(D) Allowable		Identifiable F	Program	n Costs
		Total		nallowable	,	Indirect	,	Direct	١n	estigation		
(A) Description of Costs		Costs		Costs		Costs		Costs	F	PC 987.9	/	All Others
Salaries & Benefits							•				•	
Salaries & Wages	\$	1,150,000	\$	50,000 (F	)\$	150,000	\$		=)\$	100,000	\$	850,000
Overtime Benefits		20,000 230,000		0 10,000		20,000 30,000		0 190,000		0 20,000		0 170,000
Total	\$	1,400,000	\$	60,000	\$	200,000	\$	1,140,000	\$	120,000	\$	1,020,000
	_Ψ_	1,400,000	_Ψ	00,000	_Ψ	200,000		1,140,000	_Ψ	120,000	_Ψ	1,020,000
Services & Supplies												
Office Expense	\$	200,000	\$	10,000	\$	20,000	\$	170,000	\$	10,000	\$	160,000
Communications		100,000		2,000		10,000		88,000		1,000		87,000
Transportation		120,000		5,000		0		115,000		5,000		110,000
Special Dept Expense (Contracts)		250,000		0		0		250,000		0		250,000
Other, Pass Through Program		800,000		800,000		0		0		0		0
Total	\$	1,470,000	\$	817,000	\$	30,000	\$	623,000	\$	16,000	\$	607,000
Capital Expenditures	\$	100,000	\$	100,000								
Total Budgetary Expenditures	\$	2,970,000	\$	977,000	\$	230,000	\$	1,763,000	\$	136,000	\$	1,627,000
Distribution Base												
Cost Plan Costs												
Building Use (Each line item should	\$	50,000	\$	2,000	\$	6,000	\$	42,000	\$	2,000	\$	40,000
Equipment Use be reviewed to see if it		30,000		1,000		3,000		26,000		1,000		25,000
Data Processing benefits the mandate		50,000		5,000		30,000		15,000		0		15,000
Auditor to insure a fair and		20,000		0		20,000		0		0		0
Personnel equitable distribution.)		10,000		1,000		1,000		8,000		1,000		7,000
Roll Forward		10,000		0		10,000		0		0		0
Total	\$	170,000 (	E) <u>\$</u>	9,000	\$	70,000	\$	91,000	\$	4,000	\$	87,000
Total Allocable Indirect Costs					\$	300,000 (F	=)					
Distribution of Allocable Indirect Costs												
Based on Salaries & Wages			\$	15,000	\$	(300,000)	\$	285,000	\$	30,000	\$	255,000
Totals	\$	3,140,000	\$	1,001,000	\$	0	\$	2,139,000	\$	170,000	\$	1,969,000

- (1) Notes to Exhibit 1
  - (a) The department's ICRP plan for the distribution of costs to programs must follow the same format as shown on Exhibit 1. Specifically, there must be columns as follows: Description of Costs, Total Cost, Excludable and Unallowable Costs (may be combined or separated), Allowable Indirect Costs, and Allowable Direct Costs (which are further allocated to identifiable programs and other). No other format will be accepted.
  - (b) Excluded costs are all costs that are unallowable and unallocable according to specific guidelines (OMB 2 CFR Part 225 and state laws).

#### Examples:

Contributions and donations: Cost of amusement; social activities and related incidental costs such as meals, beverages, lodging, rentals, transportation and gratuities; and pass through revenues to another unit or organization.

- (c) Allocable indirect costs are costs that are not identifiable to a specific program or cost pool and indirectly benefit all cost pools.
- (d) Direct costs are costs that benefit a specific program or cost pool.
- (e) Overhead costs are distributed to the department in the cost allocation plan, which was prepared in accordance with the OMB 2 CFR Part 225. Use the same year's cost allocation plan for developing the ICRP as the year for which the ICRP is being prepared. Do not include a roll forward adjustment when the program is in its initial year.
- (f) Distribution base for the computation of the indirect cost rate is total salaries and wages.

Total Allocable Direct Costs (direct S&W)	\$950,000
Excluded and Unallowable Costs (direct S&W)	50,000
Distribution Base	\$1,000,000

Therefore, the Indirect Cost Rate for Penal Code 987.9 Program is:

$$ICRP = \frac{Allowable Indirect Costs}{Total Salaries and Wages} = \frac{\$300,000}{\$1,000,000} = 30.00\%$$

#### 9. Time Study Guidelines

#### Background

For costs incurred on or after January 1, 2005, a reasonable reimbursement methodology can be used as a "formula for reimbursing local agency and school district costs mandated by the state" that meets certain conditions specified in GC Section 17518.5(a). For costs incurred prior to January 1, 2005, time study can only substitute for continuous records of actual time spend for a specific fiscal year if the program's Ps & Gs allow for the use of time studies.

Two methods are acceptable for documenting employee time charged to mandated cost programs: Actual Time Reporting and Time Study, which are described below. Application of time study results is restricted. As explained in Time Study Results below, the results may be projected toward to a maximum of two years provided the claimant meets certain criteria.

#### Actual Time Reporting

Ps & Gs define reimbursable activities for each mandated cost program. (Some Ps & Gs refer to reimbursable activities as reimbursable components.) When employees work on multiple activities and/or programs, a distribution of their salaries or wages must be supported by personnel activity reports or equivalent documentation that meets the following standards (which clarify documentation requirements discussed under the Reimbursable Activities section of recent Ps & Gs):

- They must reflect an after-the-fact (contemporaneous) distribution of the actual activity of each employee;
- They must account for the total activity for which each employee is compensated;
- They must be prepared at least monthly and must coincide with one or more pay periods; and
- They must be signed by the employee.

Budget estimates or other distribution percentages determined before services are performed do not qualify as support for time distribution.

#### **Time Study**

In certain cases, a time study may be used to substitute for continuous records of actual time spent on multiple activities and/or programs. An effective time study requires that an activity be a task that is repetitive in nature. Activities that require a varying level of effort are not appropriate for time studies.

#### Time Study Plan

A time study plan is necessary before conducting the time study. The claimant must retain the time study plan for audit purposes. The plan needs to identify the following:

- Time period(s) to be studied The plan must show that all time periods selected are representative of the fiscal year, and the results can be reasonably projected to approximate actual costs.
- Activities and/or programs to be studied For each mandated program included, the time study
  must separately identify each reimbursable activity defined in the mandated program's Ps & Gs,
  which are derived from the program's Statement of Decision. If a reimbursable activity in the Ps
  & Gs identifies separate and distinct sub-activities, these sub-activities must also be treated as
  individual activities.

For example, sub-activities (a), (b), and (c) under Reimbursable Activity (B)(1) of the local agency's Domestic Violence Treatment Services: Authorization and Case Management program relate to information to be discussed during victim notification by the probation department and therefore are not separate and distinct activities. These sub-activities do not have to be separately studied.

- Process used to accomplish each reimbursable activity Use flowcharts or similar analytical tools and/or written desk procedures to describe the process for each activity.
- Employee universe The employee universe used in the time study must include all positions for which salaries and wages are to be allocated by means of the time study.

- Employee sample selection methodology The plan must show that employees selected are representative of the employee universe, and the results can be reasonably projected to approximate actual costs. In addition, the employee sample size should be proportional to the variation in time spent to perform a task. The sample size should be larger for tasks with significant time variations.
- Time increments to be recorded The time increments used should be sufficient to recognize the number of different activities performed and the dynamics of these responsibilities. Very large increments (such as one hour or more) might be used for employees performing only a few functions that change very slowly over time. Very small increments (a number of minutes) may be needed for employees performing more short-term tasks.

Random moment sampling is not an acceptable alternative to continuous time records for mandated cost claims. Random moment sampling techniques are most applicable in situations where employees perform many different types of activities on a variety of programs with small time increments throughout the fiscal year.

#### Time Study Documentation

Time studies must:

- Be supported by time records that are completed contemporaneously;
- Report activity on a daily basis;
- Be sufficiently detailed to reflect all mandated activities and/or programs performed during a specific time period; and
- Coincide with one or more pay periods.

Time records must be signed by the employee (electronic signatures are acceptable) and be supported by corroborating evidence, which validates that the work was actually performed. As with actual time reporting, budget estimates or other distribution percentages determined before services are performed do not qualify as valid time studies.

#### Time Study Results

Time study results must be summarized to show how the time study supports the costs claimed for each activity. Any variations from the procedures identified in the original time study plan must be documented and explained

Current-year costs must be used to prepare a time study. Claimants may project time study results to no more than two subsequent fiscal years. A claimant may not apply time study results retroactively.

- <u>Annual Reimbursement Claims</u> Claimants may use time studies to support costs incurred on or after January 1, 2005. Claimants may not use time studies for the period July 1, 2004, through December 31, 2004, unless (1) the program's Ps & Gs specifically allows time studies, and (2) the time study is prepared based on mandated activity occurring between July 1, 2004, and December 31, 2004.
- <u>Initial Claims</u> –When filing an initial claim for new mandated programs, claimants may only use time study results for costs incurred on or after January 1, 2005. Claimants may not use time studies to support costs incurred before January 1, 2005, unless (1) the program's Ps & Gs specifically allows time studies, and (2) the claimant prepares separate time studies for each fiscal year preceding January 1, 2005, based on mandated activity occurring during those years.

When projecting time study results, the claimant must certify that there have been no significant changes between years in either (1) the requirements of each mandated program activity or (2) the processes and procedures used to accomplish the activity. For all years, the claimant must maintain corroborating evidence that validates the mandated activity was actually performed. Time study results used to support subsequent years' claims are subject to the recordkeeping requirements for those claims.

### 10. Offset Against State Mandated Claims

When part or all the costs of a mandated program are specifically reimbursable from non-local agency sources (e.g., state, federal, foundation, etc.), only that portion of any increased costs payable from local agency funds is eligible for reimbursement under the provisions of Government Code Section 17561.

#### A. Example 1

This example shows how the offset against state mandated claim is determined for local agencies receiving block grant revenues not based on a formula allocation. Listed below are six situations, which may occur at a local agency level. For hypothetical program costs of \$100,000: (1) through (4) show intended funding at 100% from non-local agency sources and (5) through (6) show cost sharing on a 50/50 basis with the local agency. Of the \$100,000 program cost, \$2,500 is the cost of state mandated activity. Offset against state mandated claims is the amount of actual non-local agency funding which exceeds the difference between program costs and state mandated costs. The offset against state mandated claims can not exceed the amount of state mandated costs. In (4), non-local revenues were fully realized to cover the entire cost of the program, including the state mandate activity; therefore, the offset against state mandated claims is \$2,500. In (1), non-local revenues were less than expected. Non-local agency funding was not in excess of the difference between program costs and state mandated costs. As a result, the offset against state mandated claims is zero and \$2,500 is claimable as mandated costs. In (5), the local agency is sharing 50% of the program cost. Since non-local revenues of \$50,000 were fully realized, the offset against state mandated claims is \$1,250.

	Actual		Offset Against	
	Non-Local	State	State	Claimable
Program	Agency	Mandated	Mandated	Mandated
<u>Costs</u>	<u>Funding</u>	<u>Costs</u>	<u>Claims</u>	<u>Costs</u>

A. Block Grants (funding not based on a formula allocation)

1.	\$100,000	\$95,000	\$2,500	\$-0-	\$2,500
2.	100,000	97,000	2,500	-0-	2,500
3.	100,000	98,000	2,500	500	2,000
4.	100,000	100,000	2,500	2,500	-0-
5.	100,000 *	50,000	2,500	1,250	1,250

6. If in (5) the non-local matching share is less than the amount expected, for example \$49,000, the offset against state mandated claims is \$250. Therefore, the claimable mandated costs are \$2,250.

\* Local agency share is \$50,000 of the program costs.

#### B. Example 2

This example shows how the offset against state mandated claims are determined for local agencies receiving special project funds based on approved actual costs. Non-local revenues for special projects must be applied proportionately to approve costs. In (2), the entire program

cost was approved. Since the non-local agency source covers 75% of the program cost, it also proportionately covered 75% of the \$2,500 state mandated costs, or \$1,875.

	Actual		Offset Against	
	Non-Local	State	State	Claimable
Program	Agency	Mandated	Mandated	Mandated
<u>Costs</u>	<u>Funding</u>	<u>Costs</u>	<u>Claims</u>	<u>Costs</u>

B. Special Projects (funding based on approved actual costs)

1.	\$100,000	\$100,000	\$2,500	\$2,500	\$-0-
2.	100,000 **	75,000	2,500	1,875	625

3. If in (2) the non-local matching share is less than the amount expected, because only \$60,000 of the program costs were determined to be valid by the contracting agency, then a proportionate share of state mandated costs is likewise reduced to \$1,500. The offset against state mandated claim is \$1,125. Therefore, the claimable mandated costs are \$375.

\*\* Local agency share is \$25,000 of the program costs.

With respect to local agencies, the offset against state mandated claims for applicable federal and state local assistance programs includes, but is not limited to, the following funding sources:

#### **Federal and State Funding Sources**

#### **Governing Authority**

#### Federal Programs

CETA, PL 93-203	Federal-Health – Administration		
Federal Aid for Construction	Federal-Public Assistance – Administration		
Federal Aid for Disaster			
State Programs			
State Aid for Agriculture	State-Health – Administration		
State Aid for Construction	State-Public Assistance - Administration		
State Aid for Corrections			

#### 11. Notice of Claim Adjustment

All claims submitted to the SCO are reviewed to determine if the claim was prepared in accordance with the claiming instructions. If any adjustments are made to a claim, the claimant will receive a "Notice of Claim Adjustments" detailing adjustments made by the SCO.

#### 12. Audit of Costs

All claims submitted to the State Controller's Office (SCO) are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the Ps & Gs adopted by the Commission on State Mandates (COSM). If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

Pursuant to Government Code (GC) Section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. All documents used to support the reimbursable activities, must be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

On-site audits will be conducted by the SCO as deemed necessary. Accordingly, all documentation to support actual costs claimed must be retained for a period of three years after the end of the calendar year in which the reimbursement claim was filed or amended regardless of the year of costs incurred. When no funds are appropriated for initial claims at the time the claim is filed, supporting documents must be retained for three years from the date of initial payment of the claim. Claim documentation shall be made available to the SCO on request.

#### 13. Source Documents

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct based upon personal knowledge." Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

For costs incurred on or after January 1, 2005, a reasonable reimbursement methodology can be used as a "formula for reimbursing local agency and school district costs mandated by the state" that meets certain conditions specified in 17518.5(a). For costs incurred prior to January 1, 2005, time study can substitute for continuous records of actual time spent for a specific fiscal year only if the program's Ps & Gs allows for the use of time studies.

#### 14. Claim Forms and Instructions

A claimant may submit a computer generated report in substitution for Form-1 and Form-2, provided the format of the report and data fields contained within the report are identical to the claim forms included with these instructions. The claim forms provided with these instructions should be duplicated and used by the claimant to file an estimated or reimbursement claim. The SCO will revise the manual and claim forms as necessary.

#### A. Form-2, Component/Activity Cost Detail

This form is used to segregate the detail costs by claim component. In some mandates, specific reimbursable activities have been identified for each component. The expenses reported on this form must be supported by the official financial records of the claimant and copies of supporting documentation, as specified in the claiming instructions, must be submitted with the

claims. All supporting documents must be retained for a period of not less than three years after the reimbursement claim was filed or last amended.

#### B. Form-1, Claim Summary

This form is used to summarize direct costs by component and compute allowable indirect costs for the mandate. The direct costs summarized on this form are derived from Form-2 and are carried forward to form FAM-27.

#### C. Form FAM-27, Claim for Payment

This form contains a certification that must be signed by an authorized officer of the entity. All applicable information from Form-1 must be carried forward onto this form in order for the SCO to process the claim for payment. An original and one copy of the FAM-27 is required.

Claims should be rounded to the nearest dollar. Submit a signed original and one copy of form FAM-27, Claim for Payment, and all other forms and supporting documents (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.) Use the following mailing addresses:

If delivered by	If delivered by
U.S. Postal Service:	Other delivery services:

Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting P.O. Box 942850 Sacramento, CA 94250 Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting 3301 C Street, Suite 500 Sacramento, CA 95816

#### 15. Retention of Claiming Instructions

For your convenience, the revised claiming instructions in this package have been arranged in alphabetical order by program name. These revisions should be inserted in the Local Mandated Cost Manual and the old forms they replace should be removed. The instructions should then be retained permanently for future reference, and the forms should be duplicated to meet your filing requirements. Annually, updated forms and any other information or instructions claimants may need to file claims, as well as instructions and forms for all new programs released throughout the year will be placed on the SCO's web site at <a href="https://www.sco.ca.gov/ard/local/locreim/index.shtml">www.sco.ca.gov/ard/local/locreim/index.shtml</a>.

If you have any questions concerning mandated cost reimbursements, please write to us at the address listed for filing claims, send e-mail to Irsdar@sco.ca.gov, or call the Local Reimbursements Section at (916) 324-5729.

#### 16. Retention of Claim Records and Supporting Documentation

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the COSM's P's and G's. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Pursuant to GC Section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by local agency is subject to audit by the State Controller no later than three years after the date the actual reimbursement claim was filed or last amended, whichever is later. However, if no funds were appropriated or no

payment was made to a claimant for the program for the fiscal year for which the claim was filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. Therefore, all documentation to support actual costs claimed must be retained for the same period, and shall be made available to the SCO on request.

# A. STATE OF CALIFORNIA TRAVEL EXPENSE GUIDELINES

#### Travel Program Effective January 31, 2002

The travel reimbursement program continues to be subject to the Internal Revenue Service (IRS) requirements for an accountable plan. There are no flat rate reimbursements. All items are to be claimed for the actual amount of expense, up to the maximum allowed. If the provisions below do not require submission of a receipt for a given item of expense, it is the employee's responsibility to retain receipts and other records of the expense and have them available for audit.

Lodging and meals that are provided by the State, including hotel expenses, conference fees, or transportation costs such as airline tickets; or otherwise provided shall not be claimed for reimbursement.

Employees may be reimbursed for actual expenses for breakfast, lunch, dinner, and incidentals for each 24 hours of travel, as follows:

Breakfast	up to	\$6.00
Lunch	up to	10.00
Dinner	up to	18.00
Incidentals	up to	6.00

Incidental expenses include, but are not limited to, expenses for laundering and pressing of clothing and tips for services such as porters and baggage handlers. Incidentals do not include taxicab fares, lodging taxes, or the cost of telegrams or telephone calls.

#### Lodging

All lodging reimbursements require a receipt from a commercial lodging establishment such as a hotel, motel, bed and breakfast inn, or campground that caters to the general public. No lodging will be reimbursed without a valid receipt. Employees who stay with friends or relatives are not eligible for lodging reimbursement, but may claim their actual expenses for meals and incidentals.

#### Short-Term Travel

- **A.** For continuous short-term travel of more than 24 hours but less than 31 days, the employee will be reimbursed for actual costs up to the maximum for each meal, incidental, and lodging expense for each completed 24 hours of travel, beginning with the traveler's time of departure and return as follows:
  - 1. On the first day of travel at the beginning of a trip of more than 24 hours:

Trip begins at or before 6 a.m. - Breakfast may be claimed

Trip begins at or before 5 p.m. - Dinner may be claimed

2. On the fractional day of travel at the end of a trip of more than 24 hours:

Trip ends at or after 8 a.m. - Breakfast may be claimed

Trip ends at or after 2 p.m. - Lunch may be claimed

Trip ends at or after 7 p.m. - Dinner may be claimed

If the fractional day includes an overnight stay, receipted lodging may be claimed. No meal or lodging expenses may be claimed or reimbursed more than once on any given date or during any 24-hour period.

**B.** For continuous travel of less than 24 hours, the employee will be reimbursed for actual expenses, up to a maximum as follows:

Travel begins at or before 6 a.m. and ends at or after 9 a.m. - Breakfast may be claimed Travel begins at or before 4 p.m. and ends at or after 7 p.m. - Dinner may be claimed

If the trip extends overnight, receipted lodging may be claimed. No lunch or incidentals may be claimed on a trip of less than 24 hours.

#### Short-Term Travel Maximum Lodging Reimbursement Rate

- A. Statewide except as in (B) and (C) below, actual receipted lodging up to \$84 plus tax.
- **B.** When required to conduct state business and obtain lodging in the counties of Los Angeles and San Diego, reimbursement will be for actual receipted lodging, to a maximum of \$110 plus tax.
- **C.** When required to conduct state business and obtain lodging in the counties of Alameda, San Francisco, San Mateo, and Santa Clara, reimbursement will be for actual receipted lodging, to a maximum of \$140 plus tax.

#### Long-Term Travel

Actual expenses for long-term meals and receipted lodging will be reimbursed when the employee incurs expenses in one location comparable to those arising from the use of establishments catering to long-term visitors.

#### A. Full Long-Term Travel

To qualify for full long-term travel reimbursement, the employee on a long-term field assignment must meet the following criteria:

- a) The employee continues to maintain a permanent residence at the primary headquarters, and either,
- b) The permanent residence is occupied by the employee's dependents, or
- c) The permanent residence is maintained at a net expense to the employee exceeding \$200 per month.

The employee who is living at the long-term location may claim either:

- Reimbursement for actual individual expense, substantiated by receipts for lodging, water, sewer, gas, and electricity, up to a maximum of \$1,130 per calendar month while on the long-term assignment, and actual expenses up to \$10 for meals and incidentals, for each period of 12 to 24 hours and up to \$5 for actual meals and incidentals for each period of less than 12 hours at the long-term location, or
- 2. Long-term subsistence rates of \$24 for actual meals and incidentals, \$24 for receipted lodging for travel of 12 hours up to 24 hours, and either \$24 for actual meals or \$24 for receipted lodging for travel less than 12 hours when the employee incurs expenses in one location comparable to those arising from the use of establishments catering to long-term visitors.

#### B. Partial Long-Term Travel

An employee on long-term field assignment who does not maintain a separate residence in the headquarters area may claim long-term subsistence rates of up to \$12 for actual meals and incidentals and \$12 for receipted lodging for travel of 12 hours up to 24 hours at the long-term location, and either \$12 for actual meals or \$12 for receipted lodging for travel less than 12 hours at the long-term location.

#### Receipts

Receipts or vouchers shall be submitted for every item of expense of \$25 or more.

- a) Receipts are required for every item of transportation and business expense incurred as a result of conducting state business except for actual expenses as follows:
  - 1. Railroad and bus fares of less than \$25, when travel is wholly within the State of California.
  - 2. Street car, ferry fares, bridge and road tolls, local rapid transit system, taxi, shuttle, or hotel bus fares, and parking fees of \$10 or less for each continuous period of parking or each separate transportation expense noted in this item.
  - 3. Telephone, telegraph, tax, or other business charges related to state business of \$5 or less.
  - 4. In the absence of a receipt, reimbursement will be limited to the non-receipted amount above.
- b) Reimbursement will be claimed only for the actual and necessary expenses noted above. Regardless of the above exceptions, the approving officer may require additional certification and/or explanation in order to determine that an expense was actually and reasonably incurred. In the absence of a satisfactory explanation, the expense shall not be allowed.

#### Mileage

When an employee is authorized by his/her appointing authority or designee to operate a privately owned vehicle on state business, the employee will be allowed to claim and be reimbursed 34 cents per mile. An employee who is required to use a specialized vehicle that has been modified to accommodate disabilities may claim 37 cents per mile.

# **B. GOVERNMENT CODE SECTIONS 17500-17617**

# GC §17500: Legislative Findings and Declarations

The Legislature finds and declares that the existing system for reimbursing local agencies and school districts for the costs of state-mandated local programs has not provided for the effective determination of the state's responsibilities under Section 6 of Article XIIIB of the California Constitution. The Legislature finds and declares that the failure of the existing process to adequately and consistently resolve the complex legal questions involved in the determination of state-mandated costs has led to an increasing reliance by local agencies and school districts on the judiciary and, therefore, in order to relieve unnecessary congestion of the judicial system, it is necessary to create a mechanism which is capable of rendering sound quasi-judicial decisions and providing an effective means of resolving disputes over the existence of state-mandated local programs. It is the intent of the Legislature in enacting this part to provide for the implementation of Section 6 of Article XIIIB of the California Constitution. Further, the Legislature intends that the Commission on State Mandates, as a quasi-judicial body, will act in a deliberative manner in accordance with the requirements of Section 6 of Article XIIIB of the California Constitution.

# GC §17510: Construction of Part

Unless the context otherwise requires, the definitions contained in this chapter govern the construction of this part. The definition of a word applies to any variants thereof and the singular tense of a word includes the plural.

# GC §17511: "City"

"City" means any city whether general law or charter, except a city and county.

# GC §17512: "Commission"

"Commission" means the Commission on State Mandates.

#### GC §17513: "Cost Mandated by the Federal Government"

"Costs mandated by the federal government" means any increased costs incurred by a local agency or school district after January 1, 1973, in order to comply with the requirements of a federal statute or regulation. "Costs mandated by the federal government" includes costs resulting from enactment of a state law or regulation where failure to enact that law or regulation to meet specific federal program or service requirements imposed upon the state would result in substantial monetary penalties or loss of funds to public or private persons in the state whether the federal law was enacted before or after the enactment of the state law, regulation, or executive order. "Costs mandated by the federal government" does not include costs which are specifically reimbursed or funded by the federal or state government or programs or services which may be implemented at the option of the state, local agency, or school district.

# GC §17514: "Costs Mandated by the State"

"Costs mandated by the state" means any increased costs which a local agency or school district is required to incur after July 1, 1980, as a result of any statute enacted on or after January 1, 1975, or any executive order implementing any statute enacted on or after January 1, 1975, which mandates a new program or higher level of service of an existing program within the meaning of Section 6 of Article XIIIB of the California Constitution.

#### GC §17515: "County"

"County" means any chartered or general law county. "County" includes a city and county.

#### GC §17516: "Executive Order"

"Executive order" means any order, plan, requirement, rule, or regulation issued by any of the following: (a) The Governor. (b) Any officer or official serving at the pleasure of the Governor. (c) Any agency, department, board, or commission of state government. "Executive order" does not include any order, plan, requirement, rule, or regulation issued by the State Water Resources Control Board or by any regional water quality control board pursuant to Division 7 (commencing with Section 13000) of the Water Code. It is the intent of the Legislature that the State Water Resources Control Board and regional water quality control boards will not adopt enforcement orders against publicly owned dischargers which mandate major waste water treatment facility construction costs unless federal financial assistance and state financial assistance pursuant to the Clean Water Bond Act of 1970 and 1974, is simultaneously made available. "Major" means either a new treatment facility or an addition to an existing facility, the cost of which is in excess of 20 percent of the cost of replacing the facility.

#### GC §17517.5: "Cost Savings authorized by the state"

"Cost savings authorized by the state" means any decreased costs that a local agency or school district realizes as a result of any statute enacted or any executive order adopted that permits or requires the discontinuance of or a reduction in the level of service of an existing program that was mandated before January 1, 1975.

#### GC §17518: "Local Agency"

"Local agency" means any city, county, special district, authority, or other political subdivision of the state.

#### GC §17518.5: "Reasonable Reimbursement Methodology"

(a) "Reasonable reimbursement methodology" means a formula for reimbursing local agency and school district costs mandated by the state that meets the following conditions: (1) The total amount to be reimbursed statewide is equivalent to total estimated local agency and school district costs to implement the mandate in a cost-efficient manner. (2) For 50 percent or more of eligible local agency and school district claimants, the amount reimbursed is estimated to fully offset their projected costs to implement the mandate in a cost-efficient manner. (b) Whenever possible, a reasonable reimbursement methodology shall be based on general allocation formulas, uniform cost allowances, and other approximations of local costs mandated by the state, rather than detailed documentation of actual local costs. In cases when local agencies and school districts are projected to incur costs to implement a mandate over a period of more than one fiscal year, the determination of a reasonable reimbursement methodology may consider local costs and state reimbursements over a period of greater than one fiscal year, but not exceeding 10 years. (c) A reasonable reimbursement methodology may be developed by any of the following: (1) The Department of Finance. (2) The Controller. (3) An affected state agency. (4) A claimant. (5) An interested party.

#### GC §17519: "School District"

"School district" means any school district, community college district, or county superintendent of schools.

#### GC §17520: "Special District"

"Special district" means any agency of the state that performs governmental or proprietary functions within limited boundaries. "Special district" includes a county service area, a maintenance district or

area, an improvement district or improvement zone, or any other zone or area. "Special district" does not include a city, a county, a school district, or a community college district. County free libraries established pursuant to Chapter 2 (commencing with Section 27151) of Division 20 of the Education Code, areas receiving county fire protection services pursuant to Section 25643 of the Government Code, and county road districts established pursuant to Chapter 7 (commencing with Section 1550) of Division 2 of the Streets and Highways Code shall be considered "special districts" for all purposes of this part.

# GC §17521: "Test Claim"

"Test claim" means the first claim filed with the commission alleging that a particular statute or executive order imposes costs mandated by the state.

#### GC §17522: Definitions

(a) "Initial reimbursement claim" means a claim filed with the Controller by a local agency or school district for costs to be reimbursed for the fiscal years specified in the first claiming instructions issued by the Controller pursuant to subdivision (b) of Section 17558. (b) "Annual reimbursement claim" means a claim for actual costs incurred in a prior fiscal year filed with the Controller by a local agency or school district for which appropriations are made to the Controller for this purpose. (c) "Estimated reimbursement claim" means a claim filed with the Controller by a local agency or school district in conjunction with an initial reimbursement claim, annual reimbursement claim, or at other times, for estimated costs to be reimbursed during the current or future fiscal years, for which appropriations are made to the Controller for this purpose. (d) "Entitlement claim" means a claim filed by a local agency or school district with the Controller for the purpose of establishing or adjusting a base year entitlement. All entitlement claims are subject to Section 17616.

#### GC §17523: "Deflator"

"Deflator" means the Implicit Price Deflator for the Costs of Goods and Services to Governmental Agencies, as determined by the Department of Finance.

#### GC §17524: "Base Year Entitlement"

"Base year entitlement" means that amount determined to be the average for the approved reimbursement claims of each local agency or school district for the three preceding fiscal years adjusted by the change in the deflator. A base year entitlement shall not include any nonrecurring or initial startup costs incurred by a local agency or school district in any of those three fiscal years. For those mandates which become operative on January 1 of any year, the amount of the "approved reimbursement claim" for the first of the three years may be computed by annualizing the amount claimed for the six-month period of January through June in that first year, excluding nonrecurring or startup costs.

#### GC §17525: Members: Term and Per Diem for Specified Members

(a) There is hereby created the Commission on State Mandates, which shall consist of seven members as follows: (1) The Controller. (2) The Treasurer. (3) The Director of Finance. (4) The Director of the Office of Planning and Research. (5) A public member with experience in public finance, appointed by the Governor and approved by the Senate. (6) Two members from the following three categories appointed by the Governor and approved by the Senate, provided that no more than one member shall come from the same category: (A) A city council member. (B) A member of a county or city and county board of supervisors. (C) A governing board member of a school district as defined in Section 17519. (b) Each member appointed pursuant to paragraph (5) or (6) of subdivision (a) shall be subject to both of the following: (1) The member shall serve for a term of four years subject to renewal. (2) The member shall receive per diem of one hundred dollars (\$100) for each day actually spent in the

discharge of official duties and shall be reimbursed for any actual and necessary expenses incurred in connection with the performance of duties as a member of the commission.

#### GC §17526: Open Meetings: Executive Sessions

(a) All meetings of the commission shall be open to the public, except that the commission may meet in executive session to consider the appointment or dismissal of officers or employees of the commission or to hear complaints or charges brought against a member, officer, or employee of the commission. (b) The commission shall meet at least once every two months. (c) The time and place of meetings may be set by resolution of the commission, by written petition of a majority of the members, or by written call of the chairperson. The chairperson may, for good cause, change the starting time or place, reschedule, or cancel any meeting.

#### GC §17527: Powers of Commission

In carrying out its duties and responsibilities, the commission shall have the following powers: (a) To examine any document, report, or data, including computer programs and data files, held by any local agency or school district. (b) To meet at times and places as it may deem proper. (c) As a body or, on the authorization of the commission, as a committee composed of one or more members, to hold hearings at any time and place it may deem proper. (d) Upon a majority vote of the commission, to issue subpoenas to compel the attendance of witnesses and the production of books, records, papers, accounts, reports, and documents. (e) To administer oaths. (f) To contract with other agencies or individuals, public or private, as it deems necessary, to provide or prepare services, facilities, studies, and reports to the commission as will assist it in carrying out its duties and responsibilities. (g) To adopt, promulgate, amend, and rescind rules and regulations, which shall not be subject to the review and approval of the Office of Administrative Law pursuant to the provisions of the Administrative Procedure Act provided for in Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2. (h) To do any and all other actions necessary or convenient to enable it fully and adequately to perform its duties and to exercise the powers expressly granted to it.

#### GC §17528: Election of Officers

The members of the commission shall elect a chairperson and a vice chairperson of the commission.

# GC §17529: Appointment of Attorney: Duties

The commission may appoint as attorney to the commission an attorney at law of this state, who shall hold office at the pleasure of the commission. The attorney shall represent and appear for the commission in all actions and proceedings involving any question under this part or under any order or act of the commission. The attorney shall advise the commission and each member of the commission, when so requested, in regard to all matters in connection with the powers and duties of the commission and the members thereof. The attorney shall generally perform all duties and services as attorney to the commission which the commission may require.

#### GC §17530: Appointment of Executive Director: Duties

The commission shall appoint an executive director, who shall be exempt from civil service and shall hold office at the pleasure of the commission. The executive director shall be responsible for the executive and administrative duties of the commission and shall organize, coordinate, supervise, and direct the operations and affairs of the commission and expedite all matters within the jurisdiction of the commission. The executive director shall keep a full and true record of all proceedings of the commission, issue all necessary process, writs, warrants, and notices, and perform other duties as the commission prescribes.

#### GC §17531: Authority of Executive Director to Employ Necessary Staff

The executive director may employ those officers, examiners, experts, statisticians, accountants, inspectors, clerks, and employees as the executive director deems necessary to carry out the provisions of this part or to perform the duties and exercise the powers conferred upon the commission by law.

#### GC §17532: Quorum: Investigations, Inquiries, and Hearing

A majority of the commissioners shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power of the commission. Any investigation, inquiry, or hearing which the commission has power to undertake or to hold may be undertaken or held by or before any commissioner or commissioners designated for the purpose by the commission. The evidence in any investigation, inquiry, or hearing may be taken by the commissioner or commissioners to whom the investigation, inquiry, or hearing has been assigned or, in his or her or their behalf, by an examiner designated for that purpose. Every finding, opinion, and order made by the commissioner or commissioners so designated, pursuant to the investigation, inquiry, or hearing, when approved or confirmed by the commission and ordered filed in its office, shall be deemed to be the finding, opinion, and order of the commission.

# GC §17533: Provisions not Applicable to Hearing by Commission

Notwithstanding Section 11425.10, Chapter 4.5 (commencing with Section 11400) of Part 1 of Division 3 does not apply to a hearing by the commission under this part.

#### GC §17550: Reimbursements of Local Agencies and Special Districts

Reimbursement of local agencies and school districts for costs mandated by the state shall be provided pursuant to this chapter.

# GC §17551: Commission Hearing and Decision Upon Claims

(a) The commission, pursuant to the provisions of this chapter, shall hear and decide upon a claim by a local agency or school district that the local agency or school district is entitled to be reimbursed by the state for costs mandated by the state as required by Section 6 of Article XIIIB of the California Constitution. (b) Commission review of claims may be had pursuant to subdivision (a) only if the test claim is filed within the time limits specified in this section. (c) Local agency and school district test claims shall be filed not later than 12 months following the effective date of a statute or executive order, or within 12 months of incurring increased costs as a result of a statute or executive order, whichever is later. (d) The commission, pursuant to the provisions of this chapter, shall hear and decide upon a claim by a local agency or school district filed on or after January 1, 1985, that the Controller has incorrectly reduced payments to the local agency or school district pursuant to paragraph (2) of subdivision (d) of Section 17561.

# GC §17552: Exclusivity of Procedure by Chapter

This chapter shall provide the sole and exclusive procedure by which a local agency or school district may claim reimbursement for costs mandated by the state as required by Section 6 of Article XIIIB of the California Constitution.

#### GC §17553: Adoption of Procedure for Receiving Claims and Providing Hearings: Postponement of Hearings

(a) The commission shall adopt procedures for receiving claims pursuant to this article and for providing a hearing on those claims. The procedures shall do all of the following: (1) Provide for presentation of evidence by the claimant, the Department of Finance and any other affected department

or agency, and any other interested person. (2) Ensure that a statewide cost estimate is adopted within 12 months after receipt of a test claim, when a determination is made by the commission that a mandate exists. This deadline may be extended for up to six months upon the request of either the claimant or the commission. (3) Permit the hearing of a claim to be postponed at the request of the claimant, without prejudice, until the next scheduled hearing. (b) All test claims shall be filed on a form prescribed by the commission and shall contain at least the following elements and documents: (1) A written narrative that identifies the specific sections of statutes or executive orders alleged to contain a mandate and shall include all of the following: (A) A detailed description of the new activities and costs that arise from the mandate. (B) A detailed description of existing activities and costs that are modified by the mandate. (C) The actual increased costs incurred by the claimant during the fiscal year for which the claim was filed to implement the alleged mandate. (D) The actual or estimated annual costs that will be incurred by the claimant to implement the alleged mandate during the fiscal year immediately following the fiscal year for which the claim was filed. (E) A statewide cost estimate of increased costs that all local agencies or school districts will incur to implement the alleged mandate during the fiscal year immediately following the fiscal year for which the claim was filed. (F) Identification of all of the following: (i) Dedicated state funds appropriated for this program. (ii) Dedicated federal funds appropriated for this program. (iii) Other nonlocal agency funds dedicated for this program. (iv) The local agency's general purpose funds for this program. (v) Fee authority to offset the costs of this program. (G) Identification of prior mandate determinations made by the Board of Control or the Commission on State Mandates that may be related to the alleged mandate. (2) The written narrative shall be supported with declarations under penalty of perjury, based on the declarant's personal knowledge, information or belief, and signed by persons who are authorized and competent to do so, as follows: (A) Declarations of actual or estimated increased costs that will be incurred by the claimant to implement the alleged mandate. (B) Declarations identifying all local, state, or federal funds, or fee authority that may be used to offset the increased costs that will be incurred by the claimant to implement the alleged mandate, including direct and indirect costs. (C) Declarations describing new activities performed to implement specified provisions of the new statute or executive order alleged to impose a reimbursable state-mandated program. Specific references shall be made to chapters, articles, sections, or page numbers alleged to impose a reimbursable state-mandated program. (3) (A) The written narrative shall be supported with copies of all of the following: (i) The test claim statute that includes the bill number or executive order, alleged to impose or impact a mandate. (ii) Relevant portions of state constitutional provisions, federal statutes, and executive orders that may impact the alleged mandate. (iii) Administrative decisions and court decisions cited in the narrative. (B) State mandate determinations made by the Board of Control and the Commission on State Mandates and published court decisions on state mandate determinations made by the Commission on State Mandates are exempt from this requirement. (4) A test claim shall be signed at the end of the document, under penalty of perjury by the claimant or its authorized representative, with the declaration that the test claim is true and complete to the best of the declarant's personal knowledge or information or belief. The date of signing, the declarant's title, address, telephone number, facsimile machine telephone number, and electronic mail address shall be included. (c) If a completed test claim is not received by the commission within 30 calendar days from the date that an incomplete test claim was returned by the commission, the original test claim filing date may be disallowed, and a new test claim may be accepted on the same statute or executive order. (d) In addition, the commission shall determine whether an incorrect reduction claim is complete within 10 days after the date that the incorrect reduction claim is filed. If the commission determines that an incorrect reduction claim is not complete, the commission shall notify the local agency and school district that filed the claim stating the reasons that the claim is not complete. The local agency or school district shall have 30 days to complete the claim. The commission shall serve a copy of the complete incorrect reduction claim on the Controller. The Controller shall have no more than 90 days after the date the claim is delivered or mailed to file any rebuttal to an incorrect reduction claim. The failure of the Controller to file a rebuttal to an incorrect reduction claim shall not serve to delay the consideration of the claim by the commission.

#### GC §17554: Commission's Authority to Expedite Claim

With the agreement of all parties to the claim, the commission may waive the application of any procedural requirement imposed by this chapter or pursuant to Section 17553. The authority granted by this section includes the consolidation of claims and the shortening of time periods.

#### GC §17555: Date for Public Hearing: Test Claim Form and Procedure

(a) No later than 30 days after hearing and deciding upon a test claim pursuant to subdivision (a) of Section 17551, the commission shall notify the appropriate Senate and Assembly policy and fiscal committees, the Legislative Analyst, the Department of Finance, and the Controller of that decision. (b) For purposes of this section, the "appropriate policy committee" means the policy committee that has jurisdiction over the subject matter of the statute, regulation, or executive order, and bills relating to that subject matter would have been heard.

#### GC §17556: Criteria for not Finding Costs Mandated by the State

The commission shall not find costs mandated by the state, as defined in Section 17514, in any claim submitted by a local agency or school district, if, after a hearing, the commission finds that: (a) The claim is submitted by a local agency or school district that requested legislative authority for that local agency or school district to implement the program specified in the statute, and that statute imposes costs upon that local agency or school district requesting the legislative authority. A resolution from the governing body or a letter from a delegated representative of the governing body of a local agency or school district that requests authorization for that local agency or school district to implement a given program shall constitute a request within the meaning of this paragraph. (b) The statute or executive order affirmed for the state a mandate that had been declared existing law or regulation by action of the courts. (c) The statute or executive order imposes a requirement that is mandated by a federal law or regulation and results in costs mandated by the federal government, unless the statute or executive order mandates costs that exceed the mandate in that federal law or regulation. This subdivision applies regardless of whether the federal law or regulation was enacted or adopted prior to or after the date on which the state statute or executive order was enacted or issued. (d) The local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the mandated program or increased level of service. (e) The statute, executive order, or an appropriation in a Budget Act or other bill provides for offsetting savings to local agencies or school districts that result in no net costs to the local agencies or school districts, or includes additional revenue that was specifically intended to fund the costs of the state mandate in an amount sufficient to fund the cost of the state mandate. (f) The statute or executive order imposed duties that were expressly included in a ballot measure approved by the voters in a statewide or local election. (g) The statute created a new crime or infraction, eliminated a crime or infraction, or changed the penalty for a crime or infraction, but only for that portion of the statute relating directly to the enforcement of the crime or infraction.

#### GC §17557: Determination of Amount to be Subvened for Reimbursement: Parameters and Guidelines

(a) If the commission determines there are costs mandated by the state pursuant to Section 17551, it shall determine the amount to be subvened to local agencies and school districts for reimbursement. In so doing it shall adopt parameters and guidelines for reimbursement of any claims relating to the statute or executive order. The successful test claimants shall submit proposed parameters and guidelines within 30 days of adoption of a statement of decision on a test claim. At the request of a successful test claimant, the commission may provide for one or more extensions of this 30-day period at any time prior to its adoption of the parameters and guidelines. If proposed parameters and guidelines are not submitted within the 30-day period and the commission has not granted an extension, then the commission shall notify the test claimant that the amount of reimbursement the test claimant is entitled to for the first 12 months of incurred costs will be reduced by 20 percent, unless the test claimant can demonstrate to the commission why an extension of the 30-day period is justified. (b) In adopting parameters and guidelines, the commission may adopt a reasonable reimbursement methodology. (c)

The parameters and guidelines adopted by the commission shall specify the fiscal years for which local agencies and school districts shall be reimbursed for costs incurred. However, the commission may not specify in the parameters and guidelines any fiscal year for which payment could be provided in the annual Budget Act. (d) A local agency, school district, or the state may file a written request with the commission to amend, modify, or supplement the parameters or quidelines. The commission may, after public notice and hearing, amend, modify, or supplement the parameters and guidelines. A parameters and guidelines amendment submitted within 90 days of the claiming deadline for initial claims, as specified in the claiming instructions pursuant to Section 17561, shall apply to all years eligible for reimbursement as defined in the original parameters and guidelines. A parameters and guidelines amendment filed more than 90 days after the claiming deadline for initial claims, as specified in the claiming instructions pursuant to Section 17561, and on or before January 15 following a fiscal year, shall establish reimbursement eligibility for that fiscal year. (e) A test claim shall be submitted on or before June 30 following a fiscal year in order to establish eligibility for reimbursement for that fiscal year. The claimant may thereafter amend the test claim at any time, but before the test claim is set for a hearing, without affecting the original filing date as long as the amendment substantially relates to the original test claim. (f) In adopting parameters and guidelines, the commission shall consult with the Department of Finance, the affected state agency, the Controller, the fiscal and policy committees of the Assembly and Senate, the Legislative Analyst, and the claimants to consider a reasonable reimbursement methodology that balances accuracy with simplicity.

# GC §17558: Submission of Parameters and Guidelines to Controller: Transfer of Claims; Claiming Instructions

(a) The commission shall submit the adopted parameters and guidelines to the Controller. All claims relating to a statute or executive order that are filed after the adoption or amendment of parameters and guidelines pursuant to Section 17557 shall be transferred to the Controller who shall pay and audit the claims from funds made available for that purpose. (b) Not later than 60 days after receiving the adopted parameters and guidelines from the commission, the Controller shall issue claiming instructions for each mandate that requires state reimbursement, to assist local agencies and school districts in claiming costs to be reimbursed. In preparing claiming instructions, the Controller shall request assistance from the Department of Finance and may request the assistance of other state agencies. The claiming instructions shall be derived from the test claim decision and the parameters and guidelines adopted parameters and guidelines from the commission or other information necessitating a revision of the claiming instructions, prepare and issue revised claiming instructions for mandates that require state reimbursement to Section 17557 or after any decision or order of the commission pursuant to Section 17551. In preparing revised claiming instructions, the Controller may request the assistance of other state agencies.

#### GC §17558.5: Reimbursement Claim: Audit; Remittance Advice and Other Notices of Payment

(a) A reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed not later than two years after the date that the audit is commenced. (b) The Controller may conduct a field review of any claim after the claim has been submitted, prior to the reimbursement of the claim. (c) The Controller shall notify the claimant in writing within 30 days after issuance of a remittance advice of any adjustment to a claim for reimbursement to the local agency or school district, and the reason for the adjustment. Remittance advices and other notices of payment action shall not constitute notice of adjustment from an audit or review. (d) The interest rate charged by the Controller on reduced claims shall be set at the Pooled

Money Investment Account rate and shall be imposed on the dollar amount of the overpaid claim from the time the claim was paid until overpayment is satisfied. (e) Nothing in this section shall be construed to limit the adjustment of payments when inaccuracies are determined to be the result of the intent to defraud, or when a delay in the completion of an audit is the result of willful acts by the claimant or inability to reach agreement on terms of final settlement.

#### GC §17558.6: Legislative Intent

It is the intent of the Legislature that the Commission on State Mandates review its process by which local agencies may appeal the reduction of reimbursement claims on the basis that the reduction is incorrect in order to provide for a more expeditious and less costly process.

#### GC §17559: Judicial Review

(a) The commission may order a reconsideration of all or part of a test claim or incorrect reduction claim on petition of any party. The power to order a reconsideration or amend a test claim decision shall expire 30 days after the statement of decision is delivered or mailed to the claimant. If additional time is needed to evaluate a petition for reconsideration filed prior to the expiration of the 30-day period, the commission may grant a stay of that expiration for no more than 30 days, solely for the purpose of considering the petition. If no action is taken on a petition within the time allowed for ordering reconsideration, the petition shall be deemed denied. (b) A claimant or the state may commence a proceeding in accordance with the provisions of Section 1094.5 of the Code of Civil Procedure to set aside a decision of the commission on the ground that the commission's decision is not supported by substantial evidence. The court may order the commission to hold another hearing regarding the claim and may direct the commission on what basis the claim is to receive a rehearing.

#### GC §17560: Deadlines for Filing Reimbursement Claims

Reimbursement for state-mandated costs may be claimed as follows: (a) A local agency or school district may file an estimated reimbursement claim by January 15 of the fiscal year in which costs are to be incurred, and, by January 15 following that fiscal year shall file an annual reimbursement claim that details the costs actually incurred for that fiscal year; or it may comply with the provisions of subdivision (b). (b) A local agency or school district may, by January 15 following the fiscal year in which costs are incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year; or it may comply with the provisions of subdivision (b). (b) A local agency or school district may, by January 15 following the fiscal year in which costs are incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year. (c) In the event revised claiming instructions are issued by the Controller pursuant to subdivision (c) of Section 17558 between October 15 and January 15, a local agency or school district filing an annual reimbursement claim shall have 120 days following the issuance date of the revised claiming instructions to file a claim.

# GC §17561: Reimbursement of Costs for State Mandated Programs

(a) The state shall reimburse each local agency and school district for all "costs mandated by the state," as defined in Section 17514. (b) (1) For the initial fiscal year during which these costs are incurred, reimbursement funds shall be provided as follows: (A) Any statute mandating these costs shall provide an appropriation therefor. (B) Any executive order mandating these costs shall be accompanied by a bill appropriating the funds therefor, or alternatively, an appropriation for these costs shall be included in the Budget Bill for the next succeeding fiscal year. The executive order shall cite that item of appropriation in the Budget Bill or that appropriation in any other bill which is intended to serve as the source from which the Controller may pay the claims of local agencies and school districts. (2) In subsequent fiscal years appropriations for these costs shall be included in the annual Governor's Budget and in the accompanying Budget Bill. In addition, appropriations to reimburse local agencies and school districts for continuing costs resulting from chaptered bills or executive orders for which claims have been awarded pursuant to subdivision (a) of Section 17551 shall be included in the annual Governor's Budget and in the accompanying Budget Bill subsequent to the enactment of the local government claims bill pursuant to Section 17600 that includes the amounts awarded relating to these chaptered bills or executive orders. (c) The amount appropriated to reimburse local agencies and

school districts for costs mandated by the state shall be appropriated to the Controller for disbursement. (d) The Controller shall pay any eligible claim pursuant to this section within 60 days after the filing deadline for claims for reimbursement or 15 days after the date the appropriation for the claim is effective, whichever is later. The Controller shall disburse reimbursement funds to local agencies or school districts if the costs of these mandates are not payable to state agencies, or to state agencies that would otherwise collect the costs of these mandates from local agencies or school districts in the form of fees, premiums, or payments. When disbursing reimbursement funds to local agencies or school districts, the Controller shall disburse them as follows: (1) For initial reimbursement claims, the Controller shall issue claiming instructions to the relevant local agencies and school districts pursuant to Section 17558. Issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the commission. (A) When claiming instructions are issued by the Controller pursuant to Section 17558 for each mandate determined pursuant to Section 17551 that requires state reimbursement, each local agency or school district to which the mandate is applicable shall submit claims for initial fiscal year costs to the Controller within 120 days of the issuance date for the claiming instructions. (B) When the commission is requested to review the claiming instructions pursuant to Section 17571, each local agency or school district to which the mandate is applicable shall submit a claim for reimbursement within 120 days after the commission reviews the claiming instructions for reimbursement issued by the Controller. (C) If the local agency or school district does not submit a claim for reimbursement within the 120-day period, or submits a claim pursuant to revised claiming instructions, it may submit its claim for reimbursement as specified in Section 17560. The Controller shall pay these claims from the funds appropriated therefor, provided that the Controller (i) may audit the records of any local agency or school district to verify the actual amount of the mandated costs, and (ii) may reduce any claim that the Controller determines is excessive or unreasonable. (2) In subsequent fiscal years each local agency or school district shall submit its claims as specified in Section 17560. The Controller shall pay these claims from funds appropriated therefor, provided that the Controller (A) may audit the records of any local agency or school district to verify the actual amount of the mandated costs, (B) may reduce any claim that the Controller determines is excessive or unreasonable, and (C) shall adjust the payment to correct for any underpayments or overpayments which occurred in previous fiscal years. (3) When paying a timely filed claim for initial reimbursement, the Controller shall withhold 20 percent of the amount of the claim until the claim is audited to verify the actual amount of the mandated costs. All initial reimbursement claims for all fiscal years required to be filed on their initial filing date for a state-mandated local program shall be considered as one claim for the purpose of computing any late claim penalty. Any claim for initial reimbursement filed after the filing deadline shall be reduced by 10 percent of the amount that would have been allowed had the claim been timely filed. The Controller may withhold payment of any late claim for initial reimbursement until the next deadline for funded claims unless sufficient funds are available to pay the claim after all timely filed claims have been paid. In no case may a reimbursement claim be paid if submitted more than one vear after the filing deadline specified in the Controller's claiming instructions on funded mandates contained in a claims bill.

# GC §17561.5: Payment of Claim with Interest

The payment of an initial reimbursement claim by the Controller shall include accrued interest at the Pooled Money Investment Account rate, if the payment is being made more than 365 days after adoption of the statewide cost estimate for an initial claim or, in the case of payment of a subsequent claim relating to that same statute or executive order, if payment is being made more than 60 days after the filing deadline for, or the actual date of receipt of, the subsequent claim, whichever is later. In those instances, interest shall begin to accrue as of the 366th day after adoption of the statewide cost estimate for an initial claim and as of the 61st day after the filing deadline for, or actual date of receipt of, the subsequent claim, whichever is later.

# GC §17561.6: Payment

A budget act item or appropriation pursuant to this part for reimbursement of claims shall include an amount necessary to reimburse any interest due pursuant to Section 17561.5.

#### GC §17562: Review of Costs of State-Mandated Local Programs

(a) The Legislature hereby finds and declares that the increasing revenue constraints on state and local government and the increasing costs of financing state-mandated local programs make evaluation of state-mandated local programs imperative. Accordingly, it is the intent of the Legislature to increase information regarding state mandates and establish a method for regularly reviewing the costs and benefits of state-mandated local programs. (b) The Controller shall submit a report to the Joint Legislative Budget Committee and fiscal committees by January 1 of each year. This report shall summarize, by state mandate, the total amount of claims paid per fiscal year and the amount, if any, of mandate deficiencies or surpluses. This report shall be made available in an electronic spreadsheet format. The report shall compare the annual cost of each mandate to the statewide cost estimate adopted by the commission. (c) After the commission submits its second semiannual report to the Legislature pursuant to Section 17600, the Legislative Analyst shall submit a report to the Joint Legislative Budget Committee and legislative fiscal committees on the mandates included in the commission's reports. The report shall make recommendations as to whether the mandate should be repealed, funded, suspended, or modified. (d) In its annual analysis of the Budget Bill and based on information provided pursuant to subdivision (b), the Legislative Analyst shall identify mandates that significantly exceed the statewide cost estimate adopted by the commission. The Legislative Analyst shall make recommendations on whether the mandate should be repealed, funded, suspended, or modified. (e) (1) A statewide association of local agencies or school districts or a Member of the Legislature may submit a proposal to the Legislature recommending the elimination or modification of a state-mandated local program. To make such a proposal, the association or member shall submit a letter to the Chairs of the Assembly Committee on Education or the Assembly Committee on Local Government, as the case may be, and the Senate Committee on Education or the Senate Committee on Local Government, as the case may be, specifying the mandate and the concerns and recommendations regarding the mandate. The association or member shall include in the proposal all information relevant to the conclusions. If the chairs of the committees desire additional analysis of the submitted proposal, the chairs may refer the proposal to the Legislative Analyst for review and comment. The chairs of the committees may refer up to a total of 10 of these proposals to the Legislative Analyst for review in any year. Referrals shall be submitted to the Legislative Analyst by December 1 of each year. (2) The Legislative Analyst shall review and report to the Legislature with regard to each proposal that is referred to the office pursuant to paragraph (1). The Legislative Analyst shall recommend that the Legislature adopt, reject, or modify the proposal. The report and recommendations shall be submitted annually to the Legislature by March 1 of the year subsequent to the year in which referrals are submitted to the Legislative Analyst. (3) The Department of Finance shall review all statutes enacted each year that contain provisions making inoperative Section 17561 or Section 17565 that have resulted in costs or revenue losses mandated by the state that were not identified when the statute was enacted. The review shall identify the costs or revenue losses involved in complying with the statutes. The Department of Finance shall also review all statutes enacted each year that may result in cost savings authorized by the state. The Department of Finance shall submit an annual report of the review required by this subdivision, together with the recommendations as it may deem appropriate, by December 1 of each year. (f) It is the intent of the Legislature that the Assembly Committee on Local Government and the Senate Committee on Local Government hold a joint hearing each year regarding the following: (1) The reports and recommendations submitted pursuant to subdivision (e). (2) The reports submitted pursuant to Sections 17570, 17600, and 17601. (3) Legislation to continue, eliminate, or modify any provision of law reviewed pursuant to this subdivision. The legislation may be by subject area or by year or years of enactment.

# GC §17563: Use of Funds Received for Public Purpose

Any funds received by a local agency or school district pursuant to the provisions of this chapter may be used for any public purpose.

# GC §17564: Filing of Claims: Threshold Amount

(a) No claim shall be made pursuant to Sections 17551 and 17561, nor shall any payment be made on claims submitted pursuant to Sections 17551 and 17561, unless these claims exceed one thousand dollars (\$1,000), provided that a county superintendent of schools or county may submit a combined claim on behalf of school districts, direct service districts, or special districts within their county if the combined claim exceeds one thousand dollars (\$1,000) even if the individual school district's, direct service district's, or special district's claims do not each exceed one thousand dollars (\$1,000). The county superintendent of schools or the county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each school, direct service, or special district. These combined claims may be filed only when the county superintendent of schools or the districts. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a school district, direct service district, or special district provides to the county superintendent of schools or county and to the Controller, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim. (b) Claims for direct and indirect costs filed pursuant to Section 17561 shall be filed in the manner prescribed in the parameters and guidelines and claiming instructions.

#### GC §17565: Reimbursement of Subsequently Mandated Costs

If a local agency or a school district, at its option, has been incurring costs which are subsequently mandated by the state, the state shall reimburse the local agency or school district for those costs incurred after the operative date of the mandate.

#### GC §17567: Insufficiency of Appropriation: Proration of Claims

In the event that the amount appropriated for reimbursement purposes pursuant to Section 17561 is not sufficient to pay all of the claims approved by the Controller, the Controller shall prorate claims in proportion to the dollar amount of approved claims timely filed and on hand at the time of proration. The Controller shall adjust prorated claims if supplementary funds are appropriated for this purpose. In the event that the Controller finds it necessary to prorate claims as provided by this section, the Controller shall immediately report this action to the Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each house of the Legislature which considers appropriated on a timely basis in the Budget Act, the Controller shall transmit this information to the commission which shall include these amounts in its report to the Legislature pursuant to Section 17600 to assure that an appropriation sufficient to pay the claims is included in the local government claims bills or other appropriation bills. If the local government claims bills required by Section 17612 have been introduced in the Legislature which considers appropriation of a sufficient appropriation in the Legislature which considers appropriated appropriation in the Legislature, the Controller shall report directly to the chairperson of the respective committee in each house of the Legislature which considers appropriation of a sufficient appropriation in the claims bills.

# GC §17568: Payment of Claims Submitted After Deadline

If a local agency or school district submits an otherwise valid reimbursement claim to the Controller after the deadline specified in Section 17560, the Controller shall reduce the reimbursement claim in an amount equal to 10 percent of the amount which would have been allowed had the reimbursement claim been timely filed, provided that the amount of this reduction shall not exceed one thousand dollars (\$1,000). In no case shall a reimbursement claim be paid which is submitted more than one year after the deadline specified in Section 17560. Estimated claims which were filed by the deadline specified in that section shall be paid in full before payments are made on estimated claims filed after the deadline. In the event the amount appropriated to the Controller for reimbursement purposes is not sufficient to pay the estimated claims approved by the Controller, the Controller shall prorate those claims in proportion to the dollar amount of approved claims filed after the deadline and shall report to the commission or the Legislature in the same manner as described in Section 17566 in order to assure appropriation of funds sufficient to pay those claims.

# GC §17570: Annual Report to Legislature

The Legislative Analyst shall review each unfunded statutory or regulatory mandate for which claims have been approved by the Legislature pursuant to a claims bill during the preceding fiscal year. Any recommendations by the Legislative Analyst to eliminate or modify the mandates shall be contained in the annual analysis of the Budget Bill prepared by the Legislative Analyst.

#### GC §17571: Review and Modification of Claiming Instructions

The commission, upon request of a local agency or school district, shall review the claiming instructions issued by the Controller or any other authorized state agency for reimbursement of mandated costs. If the commission determines that the claiming instructions do not conform to the parameters and guidelines, the commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the commission.

#### GC §17572: Amended Animal Adoption Parameters and Guidelines

(a) The commission shall amend the parameters and guidelines for the state-mandated local program contained in Chapter 752 of the Statutes of 1998, known as the Animal Adoption mandate (Case No. 98-TC-11), as specified below: (1) Amend the formula for determining the reimbursable portion of acquiring or building additional shelter space that is larger than needed to comply with the increased holding period to specify that costs incurred to address preexisting shelter overcrowding or animal population growth are not reimbursable. (2) Clarify how the costs for care and maintenance shall be calculated. (3) Detail the documentation necessary to support reimbursement claims under this mandate, in consultation with the Bureau of State Audits and the Controller's office. (b) The parameters and guidelines, as amended pursuant to this section, shall apply to claims for costs incurred in fiscal years commencing with the 2005-06 fiscal year in which Chapter 752 of the Statutes of 1998 is not suspended pursuant to Section 17581. (c) Before funds are appropriated to reimburse local agencies for claims related to costs incurred in fiscal years commencing with the 2005-06 fiscal year pursuant to Sections 1834 and 1846 of the Civil Code, and Sections 31108, 31752, 31752, 31753, 32001, and 32003 of the Food and Agricultural Code, known as the Animal Adoption mandate, local agencies shall file reimbursement claims pursuant to the parameters and guidelines amended pursuant to this section, and the Controller's revised claiming instructions.

# GC §17575: Review of Bills

When a bill is introduced in the Legislature, and each time a bill is amended, on and after January 1, 1985, the Legislative Counsel shall determine whether the bill mandates a new program or higher level of service pursuant to Section 6 of Article XIIIB of the California Constitution. The Legislative Counsel shall make this determination known in the digest of the bill and shall describe in the digest the basis for this determination. The determination by the Legislative Counsel shall not be binding on the commission in making its determination pursuant to Section 17555.

#### GC §17576: Amendment of Bills on Floor: Notification by Legislative Counsel

Whenever the Legislative Counsel determines that a bill will mandate a new program or higher level of service pursuant to Section 6 of Article XIII B of the California Constitution, the Department of Finance shall prepare an estimate of the amount of reimbursement which will be required. This estimate shall be prepared for the respective committees of each house of the Legislature which consider taxation measures and appropriation measures and shall be prepared prior to any hearing on the bill by any such committee.

#### GC §17577: Amount of Estimates

The estimate required by Section 17576 shall be the amount estimated to be required during the first fiscal year of a bill's operation in order to reimburse local agencies and school districts for costs mandated by the state by the bill.

#### GC §17578: Amendment of Bills on Floor: Notification by Legislative Counsel

In the event that a bill is amended on the floor of either house, whether by adoption of the report of a conference committee or otherwise, in such a manner as to mandate a new program or higher level of service pursuant to Section 6 of Article XIIIB of the California Constitution, the Legislative Counsel shall immediately inform, respectively, the Speaker of the Assembly and the President of the Senate of that fact. Notification from the Legislative Counsel shall be published in the journal of the respective houses of the Legislature.

# GC §17579: Requirement for New Mandates to Specify Reimbursement Requirements: Appropriations

Any bill introduced or amended for which the Legislative Counsel has determined the bill will mandate a new program or higher level of service pursuant to Section 6 of Article XIIIB of the California Constitution shall contain a section specifying that reimbursement shall be made pursuant to this chapter or that the mandate is being disclaimed and the reason therefor.

# GC §17581: Conditions for Exemption from Implementation of Statute or Executive Order

(a) No local agency shall be required to implement or give effect to any statute or executive order, or portion thereof, during any fiscal year and for the period immediately following that fiscal year for which the Budget Act has not been enacted for the subsequent fiscal year if all of the following apply: (1) The statute or executive order, or portion thereof, has been determined by the Legislature, the commission, or any court to mandate a new program or higher level of service requiring reimbursement of local agencies pursuant to Section 6 of Article XIIIB of the California Constitution. (2) The statute or executive order, or portion thereof, has been specifically identified by the Legislature in the Budget Act for the fiscal year as being one for which reimbursement is not provided for that fiscal year. For purposes of this paragraph, a mandate shall be considered to have been specifically identified by the Legislature only if it has been included within the schedule of reimbursable mandates shown in the Budget Act and it is specifically identified in the language of a provision of the item providing the appropriation for mandate reimbursements. (b) Notwithstanding any other provision of law, if a local agency elects to implement or give effect to a statute or executive order described in subdivision (a), the local agency may assess fees to persons or entities which benefit from the statute or executive order. Any fee assessed pursuant to this subdivision shall not exceed the costs reasonably borne by the local agency. (c) This section shall not apply to any state-mandated local program for the trial courts, as specified in Section 77203. (d) This section shall not apply to any state-mandated local program for which the reimbursement funding counts toward the minimum General Fund requirements of Section 8 of Article XVI of the Constitution.

# GC §17581.5 Exemption from Provisions of School Bus Safety II Mandate and School Crimes Reporting II Mandate

(a) A school district may not be required to implement or give effect to the statutes, or portion thereof, identified in subdivision (b) during any fiscal year and for the period immediately following that fiscal year for which the Budget Act has not been enacted for the subsequent fiscal year if all of the following apply: (1) The statute or portion thereof, has been determined by the Legislature, the commission, or any court to mandate a new program or higher level of service requiring reimbursement of school districts pursuant to Section 6 of Article XIIIB of the California Constitution. (2) The statute, or portion thereof, has been specifically identified by the Legislature in the Budget Act for the fiscal year as being

one for which reimbursement is not provided for that fiscal year. For purposes of this paragraph, a mandate shall be considered to have been specifically identified by the Legislature only if it has been included within the schedule of reimbursable mandates shown in the Budget Act and it is specifically identified in the language of a provision of the item providing the appropriation for mandate reimbursements. (b) This section applies only to the following mandates: (1) The School Bus Safety I (CSM-4433) and II (97-TC-22) mandates (Chapter 642 of the Statutes of 1992; Chapter 831 of the Statutes of 1994; and Chapter 739 of the Statutes of 1997). (2) The School Crimes Reporting II mandate (97-TC-03; and Chapter 759 of the Statutes of 1992 and Chapter 410 of the Statutes of 1995). (3) Investment reports (96-358-02; and Chapter 783 of the Statutes of 1995 and Chapter 784 of the Statutes of 1995). (4) County treasury oversight committees (96-365-03; and Chapter 784 of the Statutes of 1995) and Chapter 156 of the Statutes of 1996).

#### GC §17600: Report on Number of Mandates and Their Costs

At least twice each calendar year the commission shall report to the Legislature on the number of mandates it has found pursuant to Article 1 (commencing with Section 17550) and the estimated statewide costs of these mandates. This report shall identify the statewide costs estimated for each mandate and the reasons for recommending reimbursement.

#### GC §17601: Report on Claims Denied

The commission shall report to the Legislature on January 15, 1986, and each January 15 thereafter, on the number of claims it denied during the preceding calendar year and the basis on which the particular claims were denied.

#### GC §17612: Local Government Claims Bills: Judicial Review of Funding Deletions

(a) Immediately upon receipt of the report submitted by the commission pursuant to Section 17600, a local government claims bill shall be introduced in the Legislature. The local government claims bill, at the time of its introduction, shall provide for an appropriation sufficient to pay the estimated costs of these mandates. (b) The Legislature may amend, modify, or supplement the parameters and guidelines for mandates contained in the local government claims bill. If the Legislature amends, modifies, or supplements the parameters and guidelines, it shall make a declaration in the local government claims bill specifying the basis for the amendment, modification, or supplement. (c) If the Legislature deletes from a local government claims bill funding for a mandate, the local agency or school district may file in the Superior Court of the County of Sacramento an action in declaratory relief to declare the mandate unenforceable and enjoin its enforcement.

#### GC §17613: Authorization of Augmentation for Mandated Costs

(a) The Director of Finance may, upon receipt of any report submitted pursuant to Section 17567, authorize the augmentation of the amount available for expenditure to reimburse costs mandated by the state, as defined in Section 17514, as follows: (1) For augmentation of (A) any schedule in any item to reimburse costs mandated by the state in any budget act, or (B) the amount appropriated in a local government claims bill for reimbursement of the claims of local agencies, as defined by Section 17518, from the unencumbered balance of any other item to reimburse costs mandated by the state in that budget act or another budget act or in an appropriation for reimbursement of the claims of local agencies in another local government claims bill. (2) For augmentation of (A) any schedule in any budget act item, or (B) any amount appropriated in a local government claims bill, when either of these augmentations is for reimbursement of mandated claims of school districts, as defined in Section 17519, when the source of this augmentation is (A) the unencumbered balance of any other scheduled amount in that budget act or another budget act, or (B) an appropriation in another local government claims bill, when either of these appropriations is for reimbursement of mandate claims of school districts. This paragraph applies only to appropriations that are made for the purpose of meeting the minimum funding guarantee for educational programs pursuant to Section 8 of Article XVI of the California Constitution. (b) No authorization for an augmentation pursuant to this section may be made

sooner than 30 days after the notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time as the chairperson of the joint committee, or his or her designee, may in each instance determine.

# GC §17615: Legislative Findings and Intent

The Legislature finds and declares that the existing system for reimbursing local agencies and school districts for actual costs mandated by the state on an annual claim basis is time consuming, cumbersome, and expensive at both the local and state levels. The Controller must process voluminous claims with all claims subject to a desk audit and selected claims also subject to a field audit. Local agencies are required to maintain extensive documentation of all claims in anticipation of such an audit. The volume of these records is substantial and will continue to grow with no relief in sight as new programs are mandated. The cost to local agencies and school districts for filing claims, and for maintaining documentation and responding to the Controller's audits is substantial. The current administrative cost to both state and local governments represents a significant expenditure of public funds with no apparent benefit to the taxpayers. It is the intent of the Legislature to streamline the reimbursement process for costs mandated by the state by creating a system of state mandate apportionments to fund the costs of certain programs mandated by the state.

# GC §17615.1: Review of Programs for Inclusion in System

The commission shall establish a procedure for reviewing, upon request, mandated cost programs for which appropriations have been made by the Legislature for the 1982-83, 1983-84, and 1984-85 fiscal years, or any three consecutive fiscal years thereafter. At the request of the Department of Finance, the Controller, or any local agency or school district receiving reimbursement for the mandated program, the commission shall review the mandated cost program to determine whether the program should be included in the State Mandates Apportionment System. If the costs of the state-mandated program, the commission shall direct the Controller to include the program in the State Mandates Apportionment System.

#### GC §17615.2: Calculation of Disbursement Amounts

(a) Notwithstanding Section 17561, after November 30, 1985, for those programs included in the State Mandates Apportionment System, after approval by the commission, there shall be disbursed by the Controller to each local agency and school district which has submitted a reimbursement claim for costs mandated by the state in the 1982-83, 1983-84, and the 1984-85 fiscal years, or any three consecutive fiscal years thereafter, an amount computed by averaging the approved reimbursement claims for this three-year period. The amount shall first be adjusted according to any changes in the deflator. The deflator shall be applied separately to each year's costs for the three years which comprise the base period. Funds for these purposes shall be available to the extent they are provided for in the Budget Act of 1985 and the Budget Act for any subsequent fiscal year thereafter. For purposes of this article, "base period" means the three fiscal years immediately succeeding the commission's approval. (b) When the Controller has made payment on claims prior to commission approval of the program for inclusion in the State Mandates Apportionment System, the payment shall be adjusted in the next apportionment to the amount which would have been subvened to the local agency or school district for that fiscal year had the State Mandates Apportionment System been in effect at the time of the initial payment.

# GC §17615.3: Annual Recalculation of Allocation

Notwithstanding Section 17561, by November 30, 1986, and by November 30 of each year thereafter, for those programs included in the State Mandates Apportionment System, the Controller shall recalculate each allocation for each local agency and school district for the 1985-86 fiscal year, by using the actual change in the deflator for that year. That recalculated allocation shall then be adjusted by the estimated change in the deflator for the 1986 -87 fiscal year, and each fiscal year thereafter, to

establish the allocation amount for the 1986-87 fiscal year, and each fiscal year thereafter. Additionally, for programs approved by the commission for inclusion in the State Mandates Apportionment System on or after January 1, 1988, the allocation for each year succeeding the three-year base period shall be adjusted according to any changes in both the deflator and workload. The Controller shall then subvene that amount after adjusting it by any amount of overpayment or underpayment in the 1985-86 fiscal year, and each fiscal year thereafter, due to a discrepancy between the actual change and the estimated change in the deflator or workload. Funds for these purposes shall be available to the extent they are provided for in the Budget Act of 1986 and the Budget Act for any subsequent fiscal year thereafter. For purposes of this article, "workload" means, for school districts and county offices of education, changes in the average daily attendance; for community colleges, changes in the number of full-time equivalent students; for cities and counties, changes in the population within their boundaries; and for special districts, changes in the population of the county in which the largest percentage of the district's population is located.

#### GC §17615.4: Procedure for Newly Mandated Program

(a) When a new mandate imposes costs that are funded either by legislation or in local government claims bills, local agencies and school districts may file reimbursement claims as required by Section 17561, for a minimum of three years after the initial funding of the new mandate. (b) After actual cost claims are submitted for three fiscal years against such a new mandate, the commission shall determine, upon request of the Controller or a local entity or school district receiving reimbursement for the program, whether the amount of the base year entitlement adjusted by changes in the deflator and workload accurately reflects the costs incurred by the local agency or school district. If the commission determines that the base year entitlement, as adjusted, does accurately reflect the costs of the program, the commission shall direct the Controller to include the program in the State Mandates Apportionment System. (c) The Controller's recommendations for each new mandate submitted for inclusion in the State Mandates Apportionment System pursuant to this section are also subject to the audit provisions of Section 17616.

#### GC §17615.5: Procedure Where No Base Year Entitlement Has Been Established

(a) If any local agency or school district has an established base year entitlement which does not include costs for a particular mandate, that local agency or school district may submit reimbursement claims for a minimum of three consecutive years, adjusted pursuant to Section 17615.3 by changes in the deflator and workload, or entitlement claims covering a minimum of three consecutive years, after which time its base year entitlement may be adjusted by an amount necessary to fund the costs of that mandate. (b) If any local agency or school district has no base year entitlement, but wishes to begin claiming costs of one or more of the mandates included in the State Mandates Apportionment System, that local agency or school district may submit reimbursement claims for a minimum of three consecutive years, or entitlement claims covering the preceding three consecutive years, which shall be adjusted pursuant to Sections 17615.2 and 17615.3 by changes in the deflator and workload, after which time a base year entitlement may be established in an amount necessary to fund the costs of the mandate or mandates.

# GC §17615.6: Procedure Where Program is No Longer Mandatory

If a local agency or school district realizes a decrease in the amount of costs incurred because a mandate is discontinued, or made permissive, the Controller shall determine the amount of the entitlement attributable to that mandate by determining the base year amount for that mandate for the local agency or school district plus the annual adjustments. This amount shall be subtracted from the annual subvention which would otherwise have been allocated to the local agency or school district.

# GC §17615.7: Procedure Where Program is Modified

If a mandated program included in the State Mandates Apportionment System is modified or amended by the Legislature or by executive order, and the modification or amendment significantly affects the costs of the program, as determined by the commission, the program shall be removed from the State Mandate Apportionment System, and the payments reduced accordingly. Local entities or school districts may submit actual costs claims for a period of three years, after which the program may be considered for inclusion in the State Mandates Apportionment System, pursuant to the provisions of Section 17615.4.

#### GC §17615.8: Review of Base Year Entitlement

(a) The commission shall establish a procedure for reviewing, upon request, any apportionment or base year entitlement of a local agency or school district. (b) Local agencies and school districts which request such a review shall maintain and provide those records and documentation as the commission or its designee determines are necessary for the commission or its designee to make the required determinations. With the exception of records required to verify base year entitlements, the records may not be used to adjust current or prior apportionments, but may be used to adjust future apportionments. (c) If the commission determines that an apportionment or base year entitlement for funding costs mandated by the state does not accurately reflect the costs incurred by the local agency or school district for all mandates upon which that apportionment is based, the commission shall direct the Controller to adjust the apportionment accordingly. For the purposes of this section, an apportionment or a base year entitlement does not accurately reflect the costs incurred by a local agency or school district if it falls short of reimbursing, or overreimburses, that local agency's or school district's actual costs by 20 percent or by one thousand dollars (\$1,000), whichever is less. (d) If the commission determines that an apportionment or base year entitlement for funding costs mandated by the state accurately reflects the costs incurred by the local agency or school district for all mandates upon which that apportionment is based, the commission may, in its discretion, direct the Controller to withhold, and, if so directed, the Controller shall withhold the costs of the commission's review from the next apportionment to the local agency or school district, if the commission review was requested by the local agency or school district.

# GC §17615.9: Review of Programs Under SMAS

The commission shall periodically review programs funded under the State Mandate Apportionments System to evaluate the effectiveness or continued statewide need for each such mandate.

#### GC §17616: Audits and Verification by Controller

The Controller shall have the authority to do either or both of the following: (a) Audit the fiscal years comprising the base year entitlement no later than three years after the year in which the base year entitlement is established. The results of such audits shall be used to adjust the base year entitlements and any subsequent apportionments based on that entitlement, in addition to adjusting actual cost payments made for the base years audited. (b) Verify that any local agency or school district receiving funds pursuant to this article is providing the reimbursed activities.

# GC §17617: Local Agency Payment

The total amount due to each city, county, city and county, and special district, for which the state has determined, as of June 30, 2005, that reimbursement is required under Section 6 of Article XIIIB of the California Constitution, shall be appropriated for payment to these entities over a period of not more than five years, commencing with the Budget Act for the 2006-07 fiscal year and concluding with the Budget Act for the 2011-12 fiscal year.

#### **Table of Contents**

# OFFICE OF THE STATE CONTROLLER STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2006-11 ANIMAL ADOPTION 2005

#### April 3, 2006

In accordance with Government Code (GC) section 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of costs incurred for state mandated cost programs. The following are claiming instructions and forms that eligible claimants will use for filing claims for the Animal Adoption (AA) program. These claiming instructions are issued subsequent to adoption of the program's Parameters and Guidelines (P's & G's) by the Commission on State Mandates (COSM).

On January 25, 2001, the COSM determined that Chapter 752, Statutes of 1998, established costs mandated by the State according to the provisions listed in the P's & G's. For your reference, the P's & G's are included as an integral part of the claiming instructions.

#### **Eligible Claimants**

Any city, county, city and county, dependent special district, or joint powers authority comprised of a city, county, and/or city and county that incurs increased costs as a result of this mandate, is eligible to claim reimbursement of these costs.

#### **Filing Deadlines**

#### A. Reimbursement Claims

Initial reimbursement claims must be filed within 120 days from the issuance date of claiming instructions. Costs incurred for this program are reimbursable for fiscal year 2005-06. Estimated claims for fiscal year 2005-06 must be filed on or before **August 1, 2006**. Actual reimbursement claims for fiscal year 2005-06 and estimated claims for fiscal year 2006-07 must be filed on or before **January 16, 2007**.

In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. Claims filed more than one year after the deadline or without the requested supporting documentation will not be accepted.

# **B.** Late Penalty

# 1. Initial Claims

AB 3000, enacted into law on September 30, 2002, amended the late penalty assessments on initial claims. Late initial claims submitted **on or after September 30, 2002,** are assessed a late penalty of 10% of the total amount of the initial claims **without limitation.** 

#### 2. Annual Reimbursement Claims

All late annual reimbursement claims are assessed a late penalty of 10% subject to the \$1,000 limitation regardless of when the claims were filed.

# C. Estimated Claims

Unless otherwise specified in the claiming instructions local agencies are not required to provide cost schedules and supporting documents with an estimated claim if the estimated amount does not exceed the previous fiscal year's actual costs by more than 10%. Claimants can simply enter the estimated amount on form FAM-27, line (07).

However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, claimants must complete supplemental claim forms to support their estimated costs as specified for the program to explain the reason for the increased costs. If no explanation supporting the higher estimate is provided with the claim, it will automatically be adjusted to 110% of the previous fiscal year's actual costs. Future estimated claims filed with the SCO must be postmarked by January 15 of the fiscal year in which costs will be incurred. Claims filed timely will be paid before late claims.

# Minimum Claim Cost

GC section 17564(a) provides that no claim shall be filed pursuant to Sections 17551 and 17561, unless such claim exceeds one thousand dollars (\$1,000).

# **Reimbursement of Claims**

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs incurred to implement the mandated activities. These costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question.

Source documents may include, but are not limited to, employee time records or time logs, signin sheets, invoices, and receipts. Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. It may also include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

# **Certification of Claim**

In accordance with the provisions of GC section 17561, an authorized representative of the claimant shall be required to provide a certification of claim stating: "I certify, (or declare), under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of the Code of Civil Procedure section 2015.5, for those costs mandated by the State and contained herein.

# Audit of Costs

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the P's & G's adopted by the COSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

Pursuant to GC section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency pursuant to this chapter is subject to the initiation of an audit by the SCO no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the SCO to initiate an audit shall commence to run from the date of initial payment of the claim.

In any case, an audit shall be completed no later than two years after the date that the audit is commenced. All documents used to support the reimbursable activities must be retained during the period subject to audit. If an audit has been initiated by the SCO during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings. On-site audits will be conducted by the SCO as deemed necessary.

# **Retention of Claiming Instructions**

The claiming instructions and forms in this package should be retained permanently in your Mandated Cost Manual for future reference and use in filing claims. These forms should be duplicated to meet your filing requirements. You will be notified of updated forms or changes to claiming instructions as necessary.

Questions, or requests for hard copies of these instructions, should be faxed to Angie Lowi-Teng at (916) 323-6527 or e-mailed to **LRSDAR@sco.ca.gov.** Or, if you wish, you may call the Local Reimbursements Section at (916) 324-5729.

For your reference, these and future mandated costs claiming instructions and forms can be found on the Internet at <u>www.sco.ca.gov/ard/local/locreim/index.shtml</u>.

# **Address for Filing Claims**

Claims should be rounded to the nearest dollar. Submit a signed original and a copy of form FAM-27, Claim for Payment, and all other forms and supporting documents. (To expedite the payment process, please sign the form in blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)

Use the following mailing addresses:

If delivered by U.S. Postal Service:

Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting P.O. Box 942850 Sacramento, CA 94250 If delivered by other delivery services:

Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting 3301 C Street, Suite 500 Sacramento, CA 95816 Amended: January 26, 2006 Adopted: February 28, 2002 j:mandates/2004/pga/04pga01 and 02/draftpga

#### PARAMETERS AND GUIDELINES AMENDMENT

Civil Code Sections 1834 and 1846; Food and Agriculture Code Sections 31108, 31752, 31752.5, 31753, 32001, and 32003 As Added or Amended by Statutes of 1998, Chapter 752

#### AND

Amended Pursuant to Statutes 2004, Chapter 313 (AB 2224) and Request of the State Controller's Office

#### **Animal Adoption**

#### I. Summary of the Mandate

The test claim legislation was enacted in an attempt to end the euthanasia of adoptable and treatable animals. Generally, the test claim legislation increased the holding period for stray and abandoned dogs, cats, and other specified animals; required the verification of the temperament of feral cats; required the posting of lost and found lists; required the maintenance of records for impounded animals; and required that impounded animals receive "necessary and prompt veterinary care."

The Commission partially approved this test claim, pursuant to article XIII B, section 6 of the California Constitution and Government Code section 17514, for the *increased costs* in performing the following activities only:

- 1. Providing care and maintenance during the increased holding period for impounded dogs and cats that are ultimately euthanized. The increased holding period shall be measured by calculating the difference between three days from the day of capture and four business days from the day after impoundment, as specified below in 3 (a) and 3 (b), or six business days from the day after impoundment (Food & Agr. Code, §§ 31108, 31752);
- 2. Providing care and maintenance for four business days from the day after impoundment, as specified below in 3 (a) and 3 (b), or six business days from the day after impoundment, for impounded rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles, or tortoises legally allowed as personal property that are ultimately euthanized (Food & Agr. Code, § 31753);
- 3. For dogs, cats, and other specified animals held for four business days after the day of impoundment, either:

(a) Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or

(b) For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed (Food & Agr., Code §§ 31108, 31752, and 31753);

- 4. Verifying whether a cat is feral or tame by using a standardized protocol (Food & Agr. Code, § 31752.5);
- 5. Posting lost and found lists (Food & Agr. Code, § 32001);
- 6. Maintaining records on animals that are not medically treated by a veterinarian, but are either taken up, euthanized after the holding period, or impounded (Food & Agr. Code, § 32003); and
- 7. Providing "necessary and prompt veterinary care" for abandoned animals, other than injured cats and dogs given emergency treatment, that are ultimately euthanized (Civ.Code, §§ 1834 and 1846).

# II. Eligible Claimants

Any city, county, city and county, dependent special district, and joint powers authority comprised of a city, county, and/or city and county that incurs increased costs as a result of this reimbursable state mandated program is eligible to claim reimbursement of those costs.

# III. Period of Reimbursement

The period of reimbursement for the activities in this parameters and guidelines amendment begins on July 1, 2005.

Pursuant to Government Code section 17560, reimbursement for statemandated costs may be claimed as follows:

- 1. A local agency may file an estimated reimbursement claim by January 15 of the fiscal year in which costs are to be incurred, and, by January 15 following that fiscal year shall file an annual reimbursement claim that details the costs actually incurred for that fiscal year; or it may comply with the provisions of subdivision (b).
- 2. A local agency may, by January 15 following the fiscal year in which costs are incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year.
- 3. In the event revised claiming instructions are issued by the Controller pursuant to subdivision (c) of section 17558 between October 15 and January 15, a local agency filing an annual reimbursement claim shall have 120 days following the issuance date of the revised claiming instructions to file a claim.

Reimbursable actual costs for one fiscal year shall be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to Government Code section 17561, subdivision (d)(1), all claims for reimbursement of initial years' costs shall be submitted within

120 days of the issuance of the State Controller's claiming instructions. If the total costs for a given fiscal year do not exceed \$1,000, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

There shall be no reimbursement for any period in which the Legislature has suspended the operation of a mandate pursuant to state law.

# IV. Reimbursable Activities

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of Code of Civil Procedure section 2015.5. Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

The claimant is only allowed to claim and be reimbursed for increased costs for reimbursable activities identified below. Increased cost is limited to the cost of an activity that the claimant is required to incur as a result of the mandate.

For each eligible claimant, the following activities are reimbursable:

A. One Time Activities

- 1. Develop policies and procedures to implement the reimbursable activities listed in Section IV (B) of these parameters and guidelines.
- 2. Train staff on the reimbursable activities listed in Section IV (B) of these parameters and guidelines. (One-time per employee.)
- 3. Develop or procure computer software for the maintenance of records on animals specified in Section IV (B) (8) of these parameters and guidelines to the extent these costs are not claimed as an indirect cost under Section V (B) (8) of these parameters and guidelines. If the computer software is utilized in some way that is not directly related to the maintenance of records specified in Section IV (B) (8), only the

pro rata portion of the activity that is used for compliance with Section IV(B)(8) is reimbursable.

- B. Ongoing Activities
  - 1. Acquisition of Additional Space and/or Construction of New Facilities

Beginning January 1, 1999 - Acquiring additional space by purchase or lease and/or construction of new facilities to provide appropriate or adequate shelter necessary to comply with the mandated activities during the increased holding period for impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that die during the increased holding period or are ultimately euthanized.

Eligible claimants are only entitled to reimbursement for the proportionate share of actual costs required to plan, design, acquire, and/or build facilities in a given fiscal year based on the pro rata representation of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that are held during the *increased* holding period specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines and die during the increased holding period or are ultimately euthanized, to the total population of animals housed in the facility (including those animals that are excluded from reimbursement, as specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines) during the entire holding period required by Food and Agriculture Code sections 31108, 31752 and 31753.

Formula for Proportionate Share of Actual Costs:

Where:

- (A) = Shelter square footage, 1998
- (B) = Total animal average daily census (ADC), 1998
- (C) = Square footage per ADC, 1998 (=A/B)
- (D) = Total dog/cat ADC, 1998
- (E) = Shelter square footage, claim year
- (F) = Total dog/cat ADC, claim year
- (G) = Eligible dog/cat ADC, claim year
- (H) = Eligible other animal ADC, claim year
- (I) = Eligible dog/cat square footage, claim year

For shelters that meet the conditions of to Food and Agricultural Code section 31108(a)(1) or (2) for dogs, and section 31752(a)(1) or (2) for cats:<sup>1</sup>

 $(I) = 2/5 \times C \times F$ 

For shelters that do not meet the conditions of Food and Agricultural Code section 31108(a)(1) or (2) for dogs, and section 31752(a)(1) or (2) for cats:

(I) – 4/7 x C x F

(J) = Reduction in eligible square footage due to decline in total dog/cat population (cannot exceed 0)

For shelters that meet the conditions of Food and Agricultural Code section 31108(a)(1) or (2) for dogs, and section 31752(a)(1) or (2) for cats:<sup>2</sup>

 $(J) = [(F/5 - D/3 \times C \times D] / (D/3)]$ 

For shelters that do not meet the conditions of Food and Agricultural Code section 31108(a)(10 or (2) for dogs, and section 31752(a)(1) or (2) for cats:

 $(J) = [(F/7 - D/3) \times C \times D] / (D/3)$ 

(K) = Net eligible dog/cat square footage (cannot be less than 0)

(K = I + J)

(L) = Percentage of eligible dog/cat ADC, claim year (L = G/F)

(M) = Allowable dog/cat square footage  $(M = K \times L)$ 

(N) = Allowable square footage for other animals specified by Food and Agricultural Code section 31573 (N = C x H)

(P) = Eligible percentage of acquisition/construction costs (cannot exceed 100%) [P = (M+N) / ((E-A)]

Statutes 2004, chapter 313 specifies that costs incurred to address preexisting shelter overcrowding or animal population growth are not reimbursable. The mandate reimburses for costs required due to the

<sup>2</sup> In order to select this option claimants must either make the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or (b) Have fewer than three full-time employees or are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.

<sup>&</sup>lt;sup>1</sup> In order to select this option claimants must either make the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or (b) Have fewer than three full-time employees or are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.

increased holding period required by Statutes 1998, chapter 752. In calculating net eligible dog/cat square footage, the formula recognizes that a decline in the number of animals sheltered may offset the effect of the increased holding period. For example, if the dog/cat average daily census does not change between the 1998 base year and the claim year, there is no additional square footage required.

The mandate reimburses only for costs attributable to eligible animals. Prior to Statutes 1998, chapter 752, shelters were required to hold dogs and cats for three days, whereas there was no required holding period for other animals. Therefore, the mandate reimbursable percentage formula separately calculates allowable square footage for dogs and cats, and allowable square footage for other animals specified by Food and Agricultural Code section 31753.

Acquisition/construction costs that are less than or equal to the cost of contract services for eligible animals are reimbursable.

Claimants may recalculate the eligible percentage of acquisition/construction costs each year, based on current animal population statistics. However, claimants may only claim allowable costs that have not been claimed in previous fiscal years.

#### Supporting Documentation Submitted with the Initial and Subsequent Reimbursement Claims

Acquiring additional space and/or construction of new facilities is reimbursable only to the extent that an eligible claimant submits, with the initial and/or subsequent reimbursement claim, documentation reflecting the following:

A determination by the governing board that acquiring additional space and/or constructing new facilities is necessary for the increased holding period required by Statutes of 1998, Chapter 752 because the existing facilities do not reasonably accommodate impounded stray or abandoned dogs, cats and other specified animals that are ultimately euthanized. The determination by the governing board shall include all of the following findings:

- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in 1998. For purposes of claiming reimbursement under section IV.B.1, average Daily Census is defined as the average number of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 housed on any given day, in a 365-day period;
- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in a given year under the

holding periods required by Food and Agriculture Code sections 31108, 31752, and 31753, as added or amended by Statutes of 1998, Chapter 752;

- Existing facilities are not appropriately configured and/or equipped to comply with the increased holding period required by Statutes of 1998, Chapter 752;
- Remodeling existing facilities is not feasible or is more expensive than acquiring additional space and/or constructing new facilities to comply with the increased holding period required by Statutes 1998, chapter 752; and
- Contracting with existing private or public shelters in the area to house the increase of impounded stray or abandoned dogs, cats, or other animals specified in Statutes 1998, chapter 752 is not feasible or is more expensive than acquiring additional space and/or constructing new facilities to comply with the increased holder period required by Statutes 1998, chapter 752. This finding should include the cost to contract with existing shelters..

Documentation requirements may be satisfied in whole or in part by staff agenda items, staff reports, minutes of governing board meetings, transcripts of governing board meetings, certification by the governing board describing the findings and determination, and/or a resolution adopted by the governing board pursuant to Food and Agriculture Code section 31755, as added by Statutes of 1999, Chapter 81 (Assembly Bill 1482).

2. Remodeling/Renovating Existing Facilities

Beginning January 1, 1999 - Remodeling/renovating existing facilities to provide appropriate or adequate shelter necessary to comply with the mandated activities during the increased holding period for impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that die during the increased holding period or are ultimately euthanized.

Eligible claimants are only entitled to reimbursement for the proportionate share of actual costs required to plan, design, remodel and/or renovate existing facilities in a given fiscal year based on the pro rata representation of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that are held during the *increased* holding period specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines and die during the increased holding period or are ultimately euthanized, to the total population of animals housed in the facility (including those animals that are excluded from reimbursement, as specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines) during the entire

holding period required by Food and Agriculture Code sections 31108, 31752 and 31753.

Since the remodeling/renovation will not increase square footage to address existing overcrowding or future growth issues, the mandate reimbursable percentage formula for remodeling/renovation would exclude the eligible percentage of square footage factor.

Formula for proportionate share of actual remodeling/renovation costs:

(A) = Shelter square footage

(B) = Total animal average daily census (ADC), claim year

(C) = Square footage per ADC, claim year (C = A/B)

(G) = Eligible dog/cat ADC, claim year

(H) = Eligible other animal ADC, claim year

(M) = Eligible dog/cat square footage, claim year

For shelters that meet the requirements of Food and Agricultural Code section 31108 (a)(1) or (2) for dogs, and section 31752 (a)(1) or (2) for cats,  $M = 2/5 \times C \times G$ .

For shelters that do not meet the requirements of Food and Agricultural Code section 31108(a)(1) or (2) for dogs, and section 31752(a)(1) or (2) for cats,  $M = 4/7 \times C \times G$ .

(N) = Allowable square footage for other animals specified by Food and Agricultural Code section 31753, claim year (N = C x H)

 $(P) = Eligible \ percentage \ of \ remodeling/removation \ costs \\ [P = (M + N) \ / \ A]$ 

Claimants may recalculate the eligible percentage of remodeling/renovation costs each year, based on current animal population statistics. However, claimants may only claim allowable costs that have not been claimed in previous fiscal years.

Supporting Documentation Submitted with the Initial and Subsequent Reimbursement Claims

Remodeling/renovating existing facilities is reimbursable only to the extent that an eligible claimant submits, with the initial and/or subsequent reimbursement claim, documentation reflecting the following:

A determination by the governing board or a delegated representative that remodeling/renovating existing facilities is necessary because the existing facilities do not reasonably accommodate impounded stray or abandoned dogs, cats and other specified animals that are ultimately euthanized for the increased holding period required by Statutes of 1998, Chapter 752. The determination by the governing board or delegated representative shall include all of the following findings:

- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in 1998. For purposes of claiming reimbursement under section IV.B.2, average Daily Census is defined as the average number of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 housed on any given day, in a 365-day period;
- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 in a given year under the holding periods required by Food and Agriculture Code sections 31108, 31752, and 31753, as added or amended by Statutes of 1998, Chapter 752;
- Existing facilities are not appropriately configured and/or equipped to comply with the increased holding period required by Statutes of 1998, Chapter 752;
- Contracting with existing private or public shelters in the area to house the increase of impounded stray or abandoned dogs, cats, or other animals specified in Statutes of 1998, Chapter 752 is not feasible or is more expensive than remodeling/renovating existing facilities to comply with the increased holding period required by Statutes 1998, chapter 752.

Documentation requirements may be satisfied in whole or in part by staff agenda items, staff reports, minutes of governing board meetings, transcripts of governing board meetings, certification by the governing board or declaration from the delegated representative describing the findings and determination, and/or a resolution adopted by the governing board pursuant to Food and Agriculture Code section 31755, as added by Statutes of 1999, Chapter 81 (Assembly Bill 1482).

3. Care and Maintenance for Impounded Stray or Abandoned Dogs and Cats that Die During the Increased Holding Period or are Ultimately Euthanized (Food & Agr. Code, §§ 31108, 31752)

Beginning July 1, 1999 - Providing care and maintenance during the increased holding period for impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized. The increased holding period shall be measured by calculating the difference between three days from the day of capture, and four or six business days from the day after impoundment.

# Exclusions

Eligible claimants are *not* entitled to reimbursement for the care and maintenance of the following population of dogs and cats:

- Stray or abandoned dogs and cats that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);
- Newborn stray or abandoned dogs and cats that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- Stray or abandoned dogs and cats too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- Owner relinquished dogs and cats; and
- Stray or abandoned dogs and cats that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

# Methods for Claiming Costs

Eligible claimants may elect one of following two methods to claim costs for the care and maintenance of impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized:

- Actual Cost Method Under the actual cost method, actual reimbursable care and maintenance costs per animal per day are computed for an annual claim period.
  - a) Determine the total annual cost of care and maintenance for all dogs and cats impounded at a facility. Total cost of care and maintenance includes labor, materials, supplies, indirect costs, and contract services.
  - b) Determine the average daily census of all dogs and cats impounded at a facility. For purposes of claiming reimbursement under IV.B.3, average daily census is defined as the average number of all dogs and cats at a facility housed on any given day, in a 365-day period..
  - c) Multiply the average daily census of dogs and cats by 365 = yearly census of dogs and cats.
  - d) Divide the total annual cost of care by the yearly census of dogs and cats = cost per animal per day.
  - e) Multiply the cost per animal per day, by the number of impounded stray or abandoned dogs and cats that die

during the increased holding period or are ultimately euthanized, by each reimbursable day (the difference between three days from the day of capture, and four or six business days from the day after impoundment).

• Time Study Method – Under the time study method, a random sample of impounded stray or abandoned dogs and cats are observed to determine the amount of time to provide care and maintenance during a reimbursable day.

The time study shall be developed using one representative month each quarter and be supported with actual source documentation. Time studies shall be conducted on a more frequent basis if there are significant variations of time expended from month to month. The time study shall identify hours devoted to each specific category. If the time study supports a fixed-cost approach such as an animal day (i.e., dogday, cat-day, etc.), the eligible claimant shall document the analysis supporting the method used.

Time records used to support the time study shall:

- a) Reflect an after-the-fact distribution of each employee's actual activity;
- b) Account for the total activity for which each employee is compensated;
- c) Account for the total labor hours of the month;
- d) Be signed and dated by the employee not later than the end of the pay period that follows the pay period covered by the report; and
- e) Document, by signature or initials and date, supervisor approval.
- Care and Maintenance for Impounded Stray or Abandoned Animals Specified in Food and Agriculture Code Section 31753 that Die During the Increased Holding Period or are Ultimately Euthanized (Food & Agr. Code, § 31753)

Beginning January 1, 1999 - Providing care and maintenance for four or six business days from the day after impoundment for impounded stray or abandoned rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles, and tortoises legally allowed as personal property that die during the increased holding period or are ultimately euthanized.

#### **Exclusions**

Eligible claimants are *not* entitled to reimbursement for the care and maintenance of the following population of animals:

- Stray or abandoned animals that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);
- Newborn animals that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- Stray or abandoned animals too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- Owner relinquished animals; and
- Stray or abandoned animals that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

## Methods for Claiming Costs

Eligible claimants may elect one of following two methods to claim costs for the care and maintenance of impounded stray or abandoned animals specified in Food and Agriculture Code section 31753 that die during the increased holding period or are ultimately euthanized:

- Actual Cost Method –Under the actual cost method, actual reimbursable care and maintenance costs per animal per day are computed for an annual claim period.
  - a) Determine the total annual cost of care and maintenance for all animals specified in Food and Agriculture Code section 31753 that are impounded at a facility. Total cost of care and maintenance includes labor, materials, supplies, indirect costs, and contract services.
  - b) Determine the average daily census of the animals specified in Food and Agriculture Code section 31753.
  - c) Multiply the average daily census of the animals specified in Food and Agriculture Code section 31753 by 365 = yearly census of animals specified in Food and Agriculture Code section 31753.
  - d) Divide the total annual cost of care by the yearly census of animals specified in Food and Agriculture Code section 31753 = cost per animal per day.
  - e) Multiply the cost per animal per day, by the number of impounded stray or abandoned animals specified in Food and Agriculture Code section 31753 that die during the increased holding period or are ultimately euthanized, by

each reimbursable day (four or six business days from the day after impoundment).

• Time Study Method – Under the time study method, a random sample of impounded stray or abandoned animals are observed to determine the amount of time to provide care and maintenance during a reimbursable day.

The time study shall be developed using one representative month each quarter and be supported with actual source documentation. Time studies shall be conducted on a more frequent basis if there are significant variations of time expended from month to month. The time study shall identify hours devoted to each specific category. If the time study supports a fixed-cost approach such as an animal day, the eligible claimant shall document the analysis supporting the method used.

Time records used to support the time study shall:

- a) Reflect an after-the-fact distribution of each employee's actual activity;
- b) Account for the total activity for which each employee is compensated;
- c) Account for the total labor hours of the month;
- d) Be signed and dated by the employee not later than the end of the pay period that follows the pay period covered by the report; and
- e) Document, by signature or initials and date, supervisor approval.
- 4. Agencies Using the Holding Period of Four Business Days After the Day of Impoundment (Food & Agr. Code, §§ 31108, 31752, 31753)

Beginning January 1, 1999 - For impounded animals specified in Food and Agriculture Code section 31753, either:

- Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or
- For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.

Beginning July 1, 1999 - For impounded dogs and cats, either:

- Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or
- For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.
- 5. Feral Cats (Food & Agr. Code, § 31752.5)

Beginning January 1, 1999 - Verifying whether a cat is feral or tame by using a standardized protocol within the first three days of the required holding period if an apparently feral cat has not been reclaimed by its owner or caretaker.

6. Lost and Found Lists (Food & Agr. Code, § 32001)

Beginning January 1, 1999 - Providing owners of lost animals and those who find lost animals with all of the following:

- Ability to list the animals they have lost or found on "lost and found" lists maintained by the local agency;
- Referrals to animals listed that may be the animals the owner or finders have lost or found;
- The telephone numbers and addresses of other pounds and shelters in the same vicinity;
- Advice as to means of publishing and disseminating information regarding lost animals; and
- The telephone numbers and addresses of volunteer groups that may be of assistance in locating lost animals.
- 7. Maintaining Non-Medical Records (Food & Agr. Code, § 32003)

Beginning January 1, 1999 - Maintaining non-medical records on animals that are either taken up, euthanized after the holding period, or impounded. Such records shall include the following:

- The date the animal was taken up, euthanized, or impounded;
- The circumstances under which the animal is taken up, euthanized, or impounded;
- The names of the personnel who took up, euthanized, or impounded the animal; and

• The final disposition of the animal, including the name of the person who euthanized the animal or the name and address of the adopting party.

The cost of software license renewal contracts, to the extent these costs are not claimed as an indirect cost under these parameters and guidelines, is eligible for reimbursement under Section V (A) (2) of these parameters and guidelines. If the computer software is utilized in some way that is not directly related to the maintenance of records specified in this section, only the pro rata portion of the software license renewal contract that is used for compliance with this section is reimbursable.

8. "Necessary and Prompt Veterinary Care" (Civ. Code, §§ 1834 and 1846)

Beginning January 1, 1999 - Providing "necessary and prompt veterinary care" for stray and abandoned animals, other than injured cats and dogs given emergency treatment, that die during the holding period or are ultimately euthanized, during the holding periods specified in Statutes of 1998, Chapter 752.

"Necessary and prompt veterinary care" means all reasonably necessary medical procedures performed by a veterinarian or someone under the supervision of a veterinarian to make stray or abandoned animals "adoptable." The following veterinary procedures, if conducted, are eligible for reimbursement:

- An initial physical examination of the animal to determine the animal's baseline health status and classification as "adoptable," "treatable," or "non-rehabilitatable."
- A wellness vaccine administered to "treatable" or "adoptable" animals.
- Veterinary care to stabilize and/or relieve the suffering of a "treatable" animal.
- Veterinary care intended to remedy any applicable disease, injury, or congenital or hereditary condition that adversely affects the health of a "treatable" animal or that is likely to adversely affect the animal's health in the future, until the animal becomes "adoptable."

## Population Exclusions

Eligible claimants are *not* entitled to reimbursement for providing "necessary and prompt veterinary care" to the following population of animals:

• Animals that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);

- Newborn animals that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- Animals too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal. (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- Owner relinquished animals; and
- Stray or abandoned animals that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

## Veterinary Care Exclusions

Eligible claimants are *not* entitled to reimbursement for providing the following veterinary procedures:

- Emergency treatment given to injured cats and dogs (Pen. Code, § 597f, subd. (b));
- Administration of rabies vaccination to dogs (Health & Saf. Code, § 121690);
- Implantation of microchip identification;
- Spay or neuter surgery and treatment;
- Euthanasia.
- 10. Beginning January 1, 1999 Procuring medical, kennel, and computer equipment necessary to comply with the reimbursable activities listed in Section IV (B) of these parameters and guidelines, to the extent these costs are not claimed as an indirect cost under Section V (B) of these parameters and guidelines. If the medical, kennel, and computer equipment is utilized in some way not directly related to the mandated program or the population of animals listed in Section IV (B), only the pro rata portion of the activity that is used for the purposes of the mandated program is reimbursable.

## V. Claim Preparation and Submission

Each of the following cost elements must be identified for each reimbursable activity identified in Section IV, Reimbursable Activities, of this document. Each claimed reimbursable cost must be supported by source documentation as described in Section IV. Additionally, each reimbursement claim must be filed in a timely manner.

## A.Direct Cost Reporting

Direct costs are those costs incurred specifically for the reimbursable activities. The following direct costs are eligible for reimbursement.

## 1. Salaries and Benefits

Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

## 2. Materials and Supplies

Report the cost of materials and supplies that have been consumed or expended for the purpose of the reimbursable activities. Purchases shall be claimed at the actual price after deducting discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged on an appropriate and recognized method of costing, consistently applied.

## 3. Contracted Services

Report the name of the contractor and services performed to implement the reimbursable activities. If the contractor bills for time and materials, report the number of hours spent on the activities and all costs charged. If the contract is a fixed price, report the services that were performed during the period covered by the reimbursement claim. If the contract services are also used for purposes other than the reimbursable activities, only the pro-rata portion of the services used to implement the reimbursable activities can be claimed. Submit contract consultant and attorney invoices with the claim and a description of the contract scope of services.

## 4. Fixed Assets and Equipment

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

## 5. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element A.1, Salaries and Benefits, for each applicable reimbursable activity.

## 6. Training

Report the cost of training an employee to perform the reimbursable activities, as specified in Section IV of this document. Report the name and job classification of each employee preparing for, attending, and/or conducting training necessary to implement the reimbursable activities. Provide the title, subject, and purpose (related to the mandate of the training session), dates

attended, and location. If the training encompasses subjects broader than the reimbursable activities, only the pro-rata portion can be claimed. Report employee training time for each applicable reimbursable activity according to the rules of cost element A.1, Salaries and Benefits, and A.2, Materials and Supplies. Report the cost of consultants who conduct the training according to the rules of cost element A.3, Contracted Services.

### B. Indirect Cost Rates

Indirect costs are costs that are incurred for a common or joint purpose, benefiting more than one program, and are not directly assignable to a particular department or program without efforts disproportionate to the result achieved. Indirect costs may include both (1) overhead costs of the unit performing the mandate; and (2) the costs of the central government services distributed to the other departments based on a systematic and rational basis through a cost allocation plan.

Compensation for indirect costs is eligible for reimbursement utilizing the procedure provided in the Office of Management and Budget (OMB) Circular A-87. Claimants have the option of using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal (ICRP) if the indirect cost rate claimed exceeds 10%.

If the claimant chooses to prepare an ICRP, both the direct costs (as defined and described in OMB Circular A-87 Attachments A and B) and the indirect costs shall exclude capital expenditures and unallowable costs (as defined and described in OMB Circular A-87 Attachments A and B). However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable.

The distribution base may be (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.), (2) direct salaries and wages, or (3) another base which results in an equitable distribution.

In calculating an ICRP, the claimant shall have the choice of one of the following methodologies:

- 1. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) classifying a department's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected; or
- 2. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) separating a department into groups, such as divisions or sections,

and then classifying the division's or section's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate that is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected.

## VI. RECORD RETENTION

Pursuant to Government Code section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter<sup>3</sup> is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed not later than two years after the date that the audit is commenced. All documents used to support the reimbursable activities, as described in Section IV, must be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

## VII. OFFSETTING SAVINGS AND OTHER REIMBURSEMENTS

Any offsetting savings that the claimant experiences as a direct result of this mandate must be deducted from the costs claimed. Additionally, reimbursement for this mandate received from any source shall be identified and deducted from this claim. These sources shall include, but not be limited to, rewards received under the authority of Civil Code section 1845; licensing fees and fines received and applied pursuant to Food and Agriculture Code section 30652, Government Code section 28502, and Penal Code section 597f; other state funds, and federal funds. The fees and fines received pursuant to Food and Agriculture Code and Agriculture Code section 30652 shall be deducted from the claim according to the priority specified in the statute and stated below:

- First, to pay fees for the issuance of dog license tags pursuant to Food and Agriculture Code section 30652, subdivision (a);
- Second, in accordance with Food and Agriculture Code section 30652, subdivision (b), any excess revenue held after the payment of dog license tags shall be applied to the fees, salaries, costs, expenses, or any or all of them for the enforcement of Division 14 of the Food and Agriculture Code, including Food and Agriculture Code section 31108, and all ordinances that are made pursuant to Division 14. Costs incurred under Food and Agriculture Code section 31108 are specified in Section IV (B) (1), (2), (3), and (5), and Section IV (A) of

<sup>&</sup>lt;sup>3</sup> This refers to Title 2, division 4, part 7, chapter 4 of the Government Code.

these parameters and guidelines. Any or all excess revenue must be applied to the costs incurred under Food and Agriculture Code section 31108 before any revenue can be applied to subdivisions (c) and (d) of Food and Agriculture Code section 30652.

## VIII. STATE CONTROLLER'S REVISED CLAIMING INSTRUCTIONS

Pursuant to Government Code section 17558, subdivision (c), the Controller shall issue revised claiming instructions for each mandate that requires state reimbursement not later than 60 days after receiving the revised parameters and guidelines from the Commission, to assist local agencies and school districts in claiming costs to be reimbursed. The revised claiming instructions shall be derived from the test claim decision and the revised parameters and guidelines adopted by the Commission.

Pursuant to Government Code section 17561, subdivision (d)(2), issuance of the revised claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon the revised parameters and guidelines adopted by the Commission.

## IX. REMEDIES BEFORE THE COMMISSION

Upon request of a local agency or school district, the Commission shall review the claiming instructions issued by the State Controller or any other authorized state agency for reimbursement of mandated costs pursuant to Government Code section 17571. If the Commission determines that the claiming instructions do not conform to the parameters and guidelines, the Commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the Commission.

In addition, requests may be made to amend parameters and guidelines pursuant to Government Code section 17557, subdivision (d), and California Code of Regulations, title 2, section 1183.2.

# X. LEGAL AND FACTUAL BASIS FOR THE PARAMETERS AND GUIDELINES

The Statement of Decision is legally binding on all parties and provides the legal and factual basis for the parameters and guidelines. The support for the legal and factual findings is found in the administrative record for the test claim. The administrative record, including the Statement of Decision, is on file with the Commission.

#### **State Controller's Office**

Mandated Cost Manual

		CLAIM FOR PAYMEN	Г	For State Controller Use Only Program				
	Pursuan	t to Government Code Se	ection 17561	(19) Program Number 00				
		ANIMAL ADOPTION 20	05	(20) Date Filed/	<u> </u>			
				(21) LRS Input/	_/			
L	(01) Claimant Identification Nur	nber		Reimburseme	ent Claim Data			
BE	(02) Claimant Name			(22) AA-1, (04)(A)(1)(g)				
L	County of Location			(23) AA-1, (04)(A)(2)(g)				
H E R	Street Address or P.O. Box		Suite	(24) AA-1, (04)(A)(3)(g)				
E	City	State	Zip Code	(25) AA-1, (04)(B)(1)(g)				
	Type of Claim	Estimated Claim	Reimbursement Claim	(26) AA-1, (04)(B)(2)(g)				
		(03) Estimated	(09) Reimbursement	(27) AA-1, (04)(B)(3)(g)				
		(04) Combined	(10) Combined	(28) AA-1, (04)(B)(4)(g)				
		(05) Amended	(11) Amended	(29) AA-1, (04)(B)(5)(g)				
	Fiscal Year of Cost	(06) <b>20/20</b>	(12) <b>20 /20</b>	(30) AA-1, (04)(B)(6)(g)				
	Total Claimed Amount	(07)	(13)	(31) AA-1, (04)(B)(7)(g)				
	Less: 10% Late Penalty, not to exceed \$1,000		(14)	(32) AA-1, (04)(B)(8)(g)				
	Less: Prior Claim Paym	ent Received	(15)	(33) AA-1, (04)(B)(9)(g)				
	Net Claimed Amount		(16)	(34) AA-1, (04)(B)(10)(g)				
	Due from State	(08)	(17)	(35) AA-1, (06)				
	Due to State		(18)	(36)				
	(37) CERTIFICATION	OF CLAIM						

In accordance with the provisions of Government Code §17561, I certify that I am the officer authorized by the local agency to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.

I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.

The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Officer		Date
Type or Print Name		Title
(38) Name of Contact Person for Claim	Telephone Number	<u>() - Ext.</u>
	E-Mail Address	

Form FAM-27 (Revised 04/06)

Program       ANIMAL ADOPTION 2005         Certification Claim Form       Instructions	FORM FAM-27
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	(01)	Enter the payee number assigned by the State Controller's Office.
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- (02) Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.
- (03) If filing an estimated claim, enter an "X" in the box on line (03) Estimated.
- (04) If filing a combined estimated claim on behalf of districts within the county, enter an "X" in the box on line (04) Combined.
- (05) If filing an amended estimated claim, enter an "X" in the box on line (05) Amended.
- (06) Enter the fiscal year in which costs are to be incurred.
- (07) Enter the amount of the estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete form AA-1 and enter the amount from line (11).
- (08) Enter the same amount as shown on line (07).
- (09) If filing a reimbursement claim, enter an "X" in the box on line (09) Reimbursement.
- (10) If filing a combined reimbursement claim on behalf of districts within the county, enter an "X" in the box on line (10) Combined.
- (11) If filing an amended reimbursement claim, enter an "X" in the box on line (11) Amended.
- (12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 for each fiscal year.
- (13) Enter the amount of the reimbursement claim from form AA-1, line (11). The total claimed amount must exceed \$1,000.
- (14) Estimated claims for fiscal year 2005-06 must be filed on or before August 1, 2006. Actual reimbursement claims for fiscal year 2005-06 and estimated claims for fiscal year 2006-07 must be filed on or before January 16, 2007. Enter zero if the claim was timely filed, otherwise, enter the product of multiplying line (13) by the factor 0.10 (10% penalty), or \$1,000, whichever is less.
- (15) If filing a reimbursement claim and an estimated claim was previously filed for the same fiscal year, enter the amount received for the claim. Otherwise, enter a zero.
- (16) Enter the result of subtracting line (14) and line (15) from line (13).
- (17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17), Due from State.
- (18) If line (16), Net Claimed Amount, is negative, enter that amount on line (18), Due to State.
- (19) to (21) Leave blank.
- (22) to (36) Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim, e.g., AA-1, (04)(A)(1)(g), means the information is located on form AA-1, line (04)(A)(1), column (g). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 34.19% should be shown as 34. Completion of this data block will expedite the payment process.
- (37) Read the statement "Certification of Claim." If it is true, the claim must be dated, signed by the agency's authorized officer, and must include the person's name and title, typed or printed. Claims cannot be paid unless accompanied by an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)
- (38) Enter the name, telephone number, and e-mail address of the person to contact if additional information is required.

SUBMIT A SIGNED ORIGINAL, AND A COPY OF FORM FAM-27, WITH ALL OTHER FORMS AND SUPPORTING DOCUMENTS TO:

Address, if delivered by U.S. Postal Service:

OFFICE OF THE STATE CONTROLLER ATTN: Local Reimbursements Section Division of Accounting and Reporting P.O. Box 942850 Sacramento, CA 94250 Address, if delivered by other delivery service:

OFFICE OF THE STATE CONTROLLER ATTN: Local Reimbursements Section Division of Accounting and Reporting 3301 C Street, Suite 500 Sacramento, CA 95816

State Controller's Office Mandated Co					ost Manual		
Program 213		MANDATED COSTS ANIMAL ADOPTION 2005 CLAIM SUMMARY					FORM AA-1
(01) Claimant			(0	2) Type of Cl	aim		Fiscal Year
				Reimburse Estimated	ement	20	/20
(03) Department				Lotiniatoa			
Direct Costs			C	bject Accou	nts		
(04) Reimbursable Components A. One-Time Activities	(a) Salaries	Materials & Contract Travel & Fived				(g) Total	
1. Policies and Procedures							
2. Training							
3. Computer Software							
B. Ongoing Activities					1		<u> </u>
1 Acquiring Space/Facilities							
2. Renovating Facilities							
3. Care of Dogs & Cats							
4. Care of Other Animals							
5. Holding Period							
6. Feral Cats							
7. Lost and Found Lists							
8. Non-Medical Records							
9. Veterinary Care							
10. Procuring Equipment							
(05) Total Direct Costs							
Indirect Costs							
(06) Indirect Cost Rate [From ICRP]							%
(07) Total Indirect Costs [Line (06) x line (05)(a)] or [Line (06) x {line (05)(a) + line (05)(b)}]							
(08) Total Direct and Indirect Costs [Line (05)(g) + line (07)]							
Cost Reduction							
(09) Less: Offsetting Savings							
(10) Less: Other Reimbu	ursements						
(11) Total Claimed Amou	int		[Line	(08) - {line (09)	+ line (10)}]		
<b>P</b>							

Revised 04/06

#### **Program ANIMAL ADOPTION 2005** FORM **CLAIM SUMMARY** AA-1 Instructions (01) Enter the name of the claimant. (02) Type of Claim. Check a box, Reimbursement or Estimated, to identify the type of claim being filed. Enter the fiscal year of costs. Form AA-1 must be filed for a reimbursement claim. Do not complete form AA-1 if you are filing an estimated claim and the estimate does not exceed the previous fiscal year's actual costs by more than 10%. Simply enter the amount of the estimated claim on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, form AA-1 must be completed and a statement attached explaining the increased costs. Without this information the high estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs. (03)Department. If more than one department has incurred costs for this mandate, give the name of each department. A separate form AA-1 should be completed for each department. (04)Reimbursable Components. For each reimbursable component, enter the total from form AA-2, line (05), columns (d) through (i) to form AA-1, block (05), columns (a) through (f) in the appropriate row. Total each row. (05) Total Direct Costs. Total columns (a) through (g). (06)Indirect Cost Rate. Indirect costs may be computed as 10% of direct labor costs, excluding fringe benefits, without preparing an ICRP. If an indirect cost rate of greater than 10% is used, include the Indirect Cost Rate Proposal (ICRP) with the claim. (07)Total Indirect Costs. If the 10% flat rate is used for indirect costs, multiply Total Salaries, line (05)(a), by the Indirect Cost Rate, line (06). If an ICRP is submitted and both salaries and benefits were used in the distribution base for the computation of the indirect cost rate, then multiply the sum of Total Salaries, line (05)(a), and Total Benefits, line (05)(b), by the Indirect Cost Rate, line (06). If more than one department is reporting costs, each must have its own ICRP for the program. (08) Total Direct and Indirect Costs. Enter the sum of Total Direct Costs, line (05)(g), and Total Indirect Costs, line (07). (09)Less: Offsetting Savings. If applicable, enter the total savings experienced by the claimant as a direct result of this mandate. Submit a detailed schedule of savings with the claim. (10)Less: Other Reimbursements. Reimbursement received from any source shall be identified and deducted from this claim. Sources shall include, but are not limited to, rewards received under authority of Civil Code section 1845, licensing fees and fines received and applied pursuant to Food and Agriculture Code section 30652, Government Code section 28502, and Penal Code section 597f, and other state funds, and federal funds. Fees and fines received pursuant to Food & Agriculture Code section 30652 shall be deducted according to the priority specified on page 15 of the P's and G's. Total Claimed Amount. From Total Direct and Indirect Costs, line (08), subtract the sum of Offsetting (11)Savings, line (09), and Other Reimbursements, line (10). Enter the remainder on this line and carry the amount forward to form FAM-27, line (07) for the Estimated Claim or line (13) for the Reimbursement Claim.

State Controller's Office         Mandated Cost Manual									
Program <b>213</b>			MANDA ANIMAL A ONENT/AC		N 2005	AIL			FORM AA-2
(01) Claima	ant			(02) F	iscal Yea	r			
	ursable Components:		-	-	to identify	the comp		-	J.
One-Time	Policies and Proce			raining				r Software	
Ongoing	Acquiring Space/F	acilities		Renovating Fa			Care of D	ogs & Cats	
	Care of Other Anir	nals	— H	Iolding Perio	d		Feral Cat	S	
Lost and Found Lists			Ion-Medical I	Records		Veterinar	y Care		
	Procuring Equipme	ent							
(04) Descri	ption of Expenses					Object A	ccounts		
Classification	(a) byee Names, Job hs, Functions Performed cription of Expenses	(b) Hourly Rate or Unit Cost	(C) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f) Materials and Supplies	(g) Contract Services	(h) Fixed Assets	(i) Travel and Training
(05) Total 🗌	Subtotal	Page:	of						

Program	ANIMAL ADOPTION 2005	FORM
213	COMPONENT/ACTIVITY COST DETAIL	AA-2
210	INSTRUCTIONS	

- (01) Claimant. Enter the name of the claimant. If more than one department has incurred costs for this mandate, give the name of each department. A separate form AA-2 should be completed for each department.
- (02) Fiscal Year. Enter the fiscal year for which costs were incurred.
- (03) Reimbursable Components. Check the box which indicates the cost component being claimed. Check only one box per form. A separate form AA-2 shall be prepared for each applicable component.
- (04) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the component activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, travel and training expenses. The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed. For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the date the claim was filed or last amended, whichever is later. If no funds were appropriated and no payment was made at the time the claim was filed, the time for the Controller to initiate an audit shall be from the date of initial payment of the claim. Such documents shall be made available to the State Controller's Office on request.

Object/ Sub object				Colu	mns				Submit supporting documents
Accounts	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	with the claim
Salaries	Employee Name/Title	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked					
Benefits	Activities Performed	Benefit Rate		Benefits = Benefit Rate x Salaries					
Materials and Supplies	Description of Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used				
Contract Services	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service			Cost = Hourly Rate x Hours Worked	I		Copy of Contract
Fixed Assets	Description of Equipment Purchased	Unit Cost	Usage				Cost = Unit Cost x Usage		Supporting Documentation
Travel and Training Travel	Purpose of Trip Name and Title Departure and Return Date	Per Diem Rate Mileage Rate Travel Cost	Days Miles Travel Mode					Cost = Rate x Days or Miles or Total Travel Cost	
Training	Employee Name/Title Name of Class		Dates Attended					Registration Fee	

(05) Total line (04), columns (d) through (i) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the component/activity costs, number each page. Enter totals from line (05), columns (d) through (i) to form AA-1, block (04), columns (a) through (f) in the appropriate row.

## GENERAL CLAIMING INSTRUCTIONS

#### **Reimbursable State Mandated Costs Programs**

Local agencies may file claims with the SCO for the cost of complying with the following state mandated programs. An "x" indicates the agencies that are eligible to file claims for the given program. For your convenience, the programs are listed in alphabetical order by program name.

Program Number	Program Name	Counties	Cities	Special Districts
2	Absentee Ballots	Х	Х	х
248	Absentee Ballots-Tabulation by Precinct	х		
246	Administrative License Suspension	х	х	
73	AIDS: Search Warrants	х	Х	
178	Airport Land Use Commission/Plans <sup>1</sup>	х	Х	х
152	Allocation of Property Tax Revenue	х		
213	Animal Adoption	х	Х	х
6	Brendon Maguire Act	Х	Х	Х
13	Child Abduction and Recovery	Х		
67	Conservatorship: Developmentally Disabled Adults	Х		
273	Consolidation of HDS, HDSII, and Seriously Emotionally Disturbed Pupils (SED)	x		
88	Coroners	х		
90	Countywide Tax Rates - Unitary	х		
262	Crime Victim's Domestic Violence Incident Reports	х	Х	
158	Crime Victims' Rights	х		
87	Developmentally Disabled: Attorneys' Services	х		
266	DNA Database	Х	х	
274	Domestic Violence Arrest and Victim Assistance	х	Х	
167	Domestic Violence Arrest Policies and Standards	x	х	
177	Domestic Violence Treatment Services Authorization and			
	Case Management	x		
257	False Reports of Police Misconduct	х	х	х
23	Firefighters' Cancer Presumption <sup>2</sup>	х	Х	х
197	Health Benefits for Survivors of Peace Officers and Firefighters	x	х	x
259	Local Elections: Consolidation	х		
43	Medi-Cal Beneficiary Death Notices	x		
203	Mentally Disordered Offenders' Extended Commitment Proceedings	x		
39	Mentally Disordered Sex Offenders: Extended Commitments	x		
66	Mentally Retarded Defendants: Diversion	x		
200	Not Guilty by Reason of Insanity II	x		
122	Pacific Beach Safety	X		
118	Peace Officers" Cancer Presumption <sup>3</sup>	x	х	х
264	Peace Officer Personnel Records: Unfounded Complaints and Discovery	x	x	

<sup>&</sup>lt;sup>1</sup> This program is suspended for 08-09 per Item 8885-295-0042, Schedule (1) of the Budget Act of 08-09.

Commission on State Mandates

<sup>&</sup>lt;sup>2</sup> Beginning 7/1/08, reimbursement for programs 23 and 118 are not required per Amended P's & G's adopted on 9/27/2007, pursuant to AB 1805.

<sup>&</sup>lt;sup>3</sup> From 7/1/08, reimbursement for this program is not required per Amended P's & G's adopted on 9/27/07.

Program Number	Program Name	Counties	Cities	Special Districts
187	Peace Officers Procedural Bill of Rights	х	Х	х
124	Perinatal Services	х		
83	Permanent Absent Voters	х		
121	Pesticide Use Reports	х		
215	Photographic Record of Evidence	х	х	х
279	Post Conviction: DNA Court Proceedings	Х	Х	х
255	Postmortem Examination	Х	Х	
127	Rape Victims Counseling Center Notices	Х	Х	
18	Senior Citizens Property Tax Postponement	Х		
175	Sexually Violent Predators	Х		
120	Stolen Vehicle Notification	Х	Х	
163	Threats Against Peace Officers	Х	Х	х
56	Voter Registration Procedures	Х		
	Initial Claims			
284	Binding Arbitration <sup>1</sup>	Х	Х	
288	CA Fire Incident Reporting System (CFIRS) <sup>2</sup>	Х	Х	х
290	Fifteen-Day Close of Voter Registration <sup>3</sup>	Х		
293	Firearm Hearings for Discharged Inpatients <sup>4</sup>	Х		
283	Fire Safety Inspections of Care Facilities <sup>5</sup>	X	Х	х
289	In-Home Supportive Services II <sup>6</sup>	X	Х	х
285	Local Recreational Areas: Background Screenings <sup>7</sup>	X	Х	х
282	Racial Profiling: Law Enforcement Training <sup>8</sup>	х	Х	

## **Reimbursable State Mandated Costs Programs (continued)**

## The Commission on State Mandates set aside Parameters and Guidelines for the following programs:

#### Program

#### Number

Turnoci			
207	Chapter	156/96	County Treasury Oversight Committees
161	Chapter	783/95	Investment Reports
132	Chapter	1281/80	Involuntary Lien Notices
41	Chapter	486/75	Mandate Reimbursement Process <sup>9</sup>
138	Chapter	1105/92	Misdemeanors: Booking and Fingerprinting
82	Chapter	1051/83	Mobilehome Property Tax Deferral Program
219	Chapter	641/86	Open Meetings/Brown Act Reform <sup>9</sup>
28	Chapter	494/79	Physically Handicapped Voter Accessibility
222	Chapter	18/99	Presidential Primaries
52	Chapter	48/87	Property Tax: Family Transfers
55	Chapter	1143/80	Regional Housing Needs Determination
174	Chapter	1297/94	Two-Way Traffic Signal Communications

<sup>&</sup>lt;sup>1</sup> Reimbursable for 01/01/01 to 04/30/03 only.

 $<sup>^{2}</sup>$  Reimbursable for 07/01/90 to 06/29/92 only.

<sup>&</sup>lt;sup>3</sup> Reimbursable for 01/01/01 to 06/30/01 and fiscal years 01-02 and subsequent fiscal years.

<sup>&</sup>lt;sup>4</sup> Reimbursable for fiscal years 98-99 to 06-07 and subsequent fiscal years.

<sup>&</sup>lt;sup>5</sup> Reimbursable for fiscal years 00-01 to 06-07 and subsequent fiscal years.

<sup>&</sup>lt;sup>6</sup> Ch. 90/99 is reimbursable for 07/12/99 to 12/31/02 and Ch. 445/00 for 09/14/00 and subsequent fiscal years.

 $<sup>^7</sup>$  Reimbursable for 01/01/02 to 06/30/02 and fiscal years 02-03 and subsequent years.

<sup>&</sup>lt;sup>8</sup> Reimbursable from 01/01/01 to 07/01/04 only.

<sup>&</sup>lt;sup>9</sup> This program has been set aside by the Commission on State Mandates pursuant to AB 138, Statutes of 2005.

## PROGRAMS SUSPENDED FOR THE 2007-08 AND 2008-09 FISCAL YEARS

Pursuant to Government Code Section 17581, the following state mandated programs are identified in the 2007 and 2008 State Budget Act, with a \$0 appropriation by the Legislature. Therefore, no claims for these programs may be filed for the 2007-08 and 2008-09 fiscal years.

#### Item 8885-295-0001, Provision 3

Program

Numb	er
------	----

(a)	Chapter	1170/96	Grand Jury Proceedings
	Chapter	502/92	Sex Crime Confidentiality
(C)	Chapter	1032/80	Deaf Teletype Equipment
(d)	Chapter	908/96	Sex Offenders: Disclosure by Law Enforcement
(e)	Chapter	1456/88	Missing Persons Report
	Chapter	494/79	Handicapped Voter Access Information
	Chapter	238/74	Sub-Standard Housing
(h)	Chapter	1123/77	Adult Felony Restitution
(i)	Chapter	1188/92	Very High Fire Hazard Severity Zones
(j)	Chapter	1330/76	Local Coastal Plans
(k)	Chapter	1111/89	SIDS Training for Firefighters
(I)	Chapter	268/91	SIDS Contacts by Local Health Officers
(m)	Chapter	955/89	SIDS Autopsies
(n)	Chapter	1597/88	Inmate AIDS Testing
(o)	Chapter	453/74	SIDS Notices
(p)	Chapter	1357/76	Guardianship/Conservatorship Filings
(q)	Chapter	332/81	Victims' Statements-Minors
(r)	Chapter	267/98	Extended Commitment, Youth Authority
(S)	Chapter	820/91	Prisoner Parental Rights
(t)	Chapter	Title 8	Structural and Wildland Firefighter Safety Clothing and Equipment
(u)	Chapter	Title 8	Personal Alarm Devices
	Chapter	126/93	Law Enforcement Sexual Harassment Training
(w)	Chapter	444/97	Elder Abuse Law Enforcement Training
(x)	Chapter	39/98	Redevelopment Agencies Tax Disbursement Reporting
(y)	Chapter	486/75	Mandate Reimbursement Process
(Z)	Chapter	845/78	Filipino Employee Surveys
(aa)	Chapter	1609/84	Domestic Violence Information
(bb)	Chapter	1334/87	Pocket Masks
	(d) (e) (f) (g) (h) (i) (j) (k) (l) (n) (o) (p) (r) (s) (t) (v) (v) (x) (z) (aa)	<ul> <li>(b) Chapter</li> <li>(c) Chapter</li> <li>(d) Chapter</li> <li>(e) Chapter</li> <li>(f) Chapter</li> <li>(g) Chapter</li> <li>(h) Chapter</li> <li>(i) Chapter</li> <li>(j) Chapter</li> <li>(j) Chapter</li> <li>(k) Chapter</li> <li>(l) Chapter</li> <li>(m) Chapter</li> <li>(m) Chapter</li> <li>(m) Chapter</li> <li>(n) Chapter</li> <li>(n) Chapter</li> <li>(o) Chapter</li> <li>(p) Chapter</li> <li>(q) Chapter</li> <li>(q) Chapter</li> <li>(r) Chapter</li> <li>(s) Chapter</li> <li>(t) Chapter</li> <li>(u) Chapter</li> <li>(v) Chapter</li> <li>(w) Chapter</li> <li>(w) Chapter</li> <li>(y) Chapter</li> <li>(y) Chapter</li> <li>(z) Chapter</li> <li>(a) Chapter</li> </ul>	(b)         Chapter         502/92           (c)         Chapter         1032/80           (d)         Chapter         908/96           (e)         Chapter         1456/88           (f)         Chapter         494/79           (g)         Chapter         238/74           (h)         Chapter         1123/77           (i)         Chapter         1188/92           (j)         Chapter         1330/76           (k)         Chapter         1330/76           (k)         Chapter         1111/89           (l)         Chapter         268/91           (m)         Chapter         1597/88           (o)         Chapter         1597/88           (o)         Chapter         1357/76           (q)         Chapter         32/81           (r)         Chapter         267/98           (s)         Chapter         267/98           (s)         Chapter         267/98           (s)         Chapter         126/93           (w)         Chapter         126/93           (w)         Chapter         126/93           (w)         Chapter         39/98

#### Item 8885-295-0042

Program

Number				
178	(1)	Chapter	644/94	Airport Land Use Commissions/Plans

## APPROPRIATIONS FOR THE STATE MANDATED COST PROGRAMS

## Source of the State Mandated Costs Appropriations – 2008 State Budget Act (Chapter 268/269)

				Mandated Programs	Amounts Appropriated
Item 8885-295-0001 Commission on State Mandates					Appropriated
(1) F					
years	S:				\$11,000,000.00
158	(a)	Ch.		Crime Victim Rights	
163	(b)	Ch.		Threats Against Peace Officers	
13	(C)	Ch.		Child Abduction and Recovery	
120	(d)	Ch.		Stolen Vehicle Notification	
2	(e)	Ch.		Absentee Ballots	
83 56	(f)	Ch.		Permanent Absent Voters	
56 248	(g)	Ch.		Voter Registration Procedures	
240 6	(h)	Ch.		Absentee Ballots-Tabulation by Precinct	
43	(i) (j)	Ch. Ch.	391/88 102/81	Brendon Maguire Act Medi-Cal Beneficiary Death Notices	
122	(k)	Ch.		Pacific Beach Safety	
124	(K) (I)	Ch.	1603/90	Perinatal Services	
73	(n) (m)	Ch.	1088/88	AIDS/Search Warrant	
66	(n)	Ch.	1253/80	Mentally Retarded Defendants Representation	
35	(o)	Ch.	644/80	Judicial Proceedings	
67	(e) (p)	Ch.	1304/80	Conservatorship: Developmentally Disabled Adults	
87	(q)	Ch.	694/75	Developmentally Disabled Attorneys Services	
88	(r)	Ch.	498/77	Coroners Costs	
200	(s)	Ch.	1114/79	Not Guilty by Reason of Insanity	
203	(t)	Ch.	435/91	Mentally Disordered Offenders' Extended	
				Commitments	
175	(u)	Ch.	762/95	Sexually Violent Predators	
39	(v)	Ch.	1036/78	Mentally Disordered Sex Offenders Recommitments	
177	(w)	Ch.	183/92	Domestic Violence Treatment Services	
118	(x)	Ch.	1171/89	Peace Officers Cancer Presumption	
23	(y)	Ch.	1568/82	Firefighters Cancer Presumption	
167	(z)	Ch.	246/95	Domestic Violence Arrest Policies	
213	(aa)	Ch.	752/98	Animal Adoption	
90	(bb)	Ch.		Unitary Countywide Tax Rates	
18	(CC)	Ch.	1242/77	Senior Citizens Property Tax Deferral	
152	(dd)	Ch.		Allocation of Property Tax Revenues	
215	(ee)	Ch.		Photographic Record of Evidence	
127	(ff)	Ch.	999/91	Rape Victims Counseling	
197	(gg)	Ch.	1120/96	Health Benefits for Survivors-Peace Officers Firefighters	
255	(hh)	Ch.	284/00	Postmortem Examinations	
257	(ii)	Ch.	590/95	False Reports of Police Misconduct	
262	(jj)	Ch.	1022/99	Crime Victim's Domestic Violence Incident Reports	
264	(kk)	Ch.	630/78	Peace Officer Personnel Records: Unfounded	
				Complaints and Discovery	
274	(  )	Ch.	698/98	Domestic Violence Arrests and Victims Assistance	
279	(mm)	Ch.	943/01	Post Conviction: DNA Court Proceedings	

## **APPROPRIATIONS FOR THE STATE MANDATED COST PROGRAMS (continued)**

## Source of the State Mandated Costs Appropriations (continued)

Mandated Programs Amounts Appropriated				
	yment of	claims for	ion on State Mandates (Cont'd.) costs incurred in fiscal years 2005-06 and 2006-07	
266 (nn)	Ch.	822/00		
263 (00)	Ch.	1128/94	Examinations: Unidentified Bodies Handicapped and Disabled Students II <sup>1</sup>	
(2) For pa	iyment o	f mandate o	claims for the 2005-06 and 2006-07 fiscal year for:	
187 (2)	Ch.	675/90	Peace Officers' Procedural Bill of Rights	0
Item 8885	-295-0042	2 Departme	ent of Transportation	
178 (1)	Ch.	644/94	Airport Land Use Commission/Plans	0
	yment of		ent of Motor Vehicles ing mandate claims for the 2005-06 and 2006-07	
246 (1)	Ch.	1460/89	Administrative License Suspension, Per Se	1,700,000.00
Item 8885-295-0106 Department of Pesticide Regulation (1) For payment of the following mandate claims for the 2005-06 and 2006-07 fiscal years:				
121 (1) Grand To	Ch. al	1200/89	Pesticide Use Reports	160,000.00 \$12,860,000.00

<sup>&</sup>lt;sup>1</sup> Program 263 is for fiscal year 05-06 only; for 06-07 and subsequent fiscal years, program 273, the consolidation of HDS I & II and Seriously Emotionally Disturbed Pupils, must be used.

## FILING A CLAIM

#### 1. Introduction

The law in the State of California, (GC Sections 17500 through 17617), provides for the reimbursement of costs incurred by local agencies for costs mandated by the State. Costs mandated by the State means any increased costs which a local agency is required to incur after July 1, 1980, as a result of any statute enacted after January 1, 1975, or any executive order implementing such statute which mandates a new program or higher level of service of an existing program.

A reimbursement claim is defined in GC Section 17522 as any claim filed with SCO by a local agency for reimbursement of costs incurred for which an appropriation is made for the purpose of paying the claim. An actual claim for the 2007-08 fiscal year, may be filed by February 15, 2009, without a late penalty. If the filing deadline falls on a weekend or holiday, the filing deadline will be the next business day. However, since the 15<sup>th</sup> falls on a weekend in 2009, claims will be accepted without penalty if postmarked or delivered on before February 17<sup>th</sup>, 2009. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$10,000. Amended claims filed after the deadline will be reduced by 10% of the increased amount not to exceed \$10,000 for the total claim. Claims filed more than one year after the deadline will not be accepted by the SCO.

In order for a claim to be considered properly filed, it must include documentation to support the indirect cost rate. A full discussion of the indirect cost methods available to local agencies may be found in Section 8 of these instructions. Documentation to support actual costs must be kept on hand by the claimant and made available to SCO upon request as explained in Section 16 of these instructions.

When a program has been reimbursed for three or more years, the Commission on State Mandates (CSM) may approve the program for inclusion in the State Mandates Apportionment System (SMAS). For programs included in SMAS, SCO determines the amount of each claimant's entitlement based on an average of three consecutive fiscal years of actual costs adjusted by any changes in the Implicit Price Deflator (IPD). Claimants with an established entitlement receive an annual apportionment adjusted by any changes in the IPD and, under certain circumstances, by any changes in workload. Claimants with an established entitlement do not need to file further claims for the program.

SCO is authorized to make payments for costs of mandated programs from amounts appropriated by the State Budget Act, by the State Mandates Claims Fund, or by specific legislation. In the event the appropriation is insufficient to pay claims in full, claimants will receive prorated payments in proportion to the dollar amount of approved claims for the program. Balances of prorated payments will be made when supplementary funds become available.

These claiming instructions are issued to help claimants prepare paper, and electronic mandated cost claims, for submission to SCO. These instructions are based upon the State of California statutes, regulations, and parameters and guidelines (P's & G's) adopted by CSM. Since each mandate is administered separately, it is important to refer to the specific program for information relating to established policies on eligible reimbursable costs.

#### 2. Local Government Electronic Claims (LGeC)

LGeC enables claimants and their consultants to securely prepare and submit mandated cost claims via the Internet. LGeC uses a series of data input screens to collect the information needed to prepare a claim and also provides a web service so claims can be uploaded in batch files. LGeC also incorporates an attachment feature so claimants can electronically attach supporting documentation if required. In order for a claim to be considered properly filed it must include a copy of the Indirect Cost Rate Proposal (ICRP) if the indirect cost rate exceeds ten

<u>percent</u>. All other documentation to support actual costs must be kept on hand by the claimant and made available to SCO upon request as explained in Section 16 of these instructions.

The LGeC system provides an easy and straightforward approach to the claiming process.

Filing claims using LGeC eliminates the manual preparation and submission of paper claims by the locals and the receiving, processing, key entry, verification, and storage of paper claims by SCO. LGeC also provides mathematical checks and automated error detection to reduce erroneous and incomplete claims, provides the state with an electronic workflow process, and stores the claims in an electronic format. Making the change from paper claims to electronic claims reduces the manual handling of paper claims and decreases the costs incurred by local entities for handling, postage, and storage of claims filed using the LGeC system.

In order to use the LGeC system you will need to obtain a user ID and password for each person who will access the LGeC system. To obtain a User ID and password you must file an application with the SCO. The application and instructions are available on the LGeC website located at <a href="https://www.sco/ard/local/lgec/index.shtml">https://www.sco/ard/local/lgec/index.shtml</a>. Complete the application and other documents as requested and mail them to the SCO using the address provided on the form. The application will be processed and a User ID and password will be issued to each applicant to provide access to the LGeC system.

In addition, you may want to subscribe to an email distribution list to automatically receive timely, comprehensive information regarding mandated cost claim receipts, payments, test claims, guidelines, electronic claims, and other news and updates. You also will receive related audit reports and mandate information disseminated by other state agencies.

You can find more information about LGeC and the email distribution lists at <u>https://www.sco/ard/local/lgec/index.shtml</u>. This website provides access to the LGeC system, an application for User ID's and passwords, an instructional guide, FAQ's and additional help files. Questions about the information on this website may be directed to <u>LRSDAR@sco.ca.gov</u>, or to Angie Lowi Teng at the Division of Accounting and Reporting, Local Reimbursements Section, Local Government e-Claims, (916) 323-0706.

#### 3. Types of Claims

What is the difference between a reimbursement and entitlement claim? A claimant may file a reimbursement claim for actual mandated costs incurred in the prior fiscal year. An entitlement claim may be filed for the purpose of establishing a base year entitlement amount for mandated programs included in SMAS. A claimant, who has established a base year entitlement for a program, would receive an automatic annual payment which is reflective of the current costs for the program.

All claims received by SCO will be reviewed to verify actual costs. An adjustment of the claim will be made if the amount claimed is determined to be excessive, improper, or unreasonable.

#### A. Reimbursement Claim

A reimbursement claim is defined in GC Section 17522 as any claim filed with SCO by a Local Agency for reimbursement of costs incurred for which an appropriation is made for paying the claim.

Initial reimbursement claims are first-time claims for reimbursement of costs for one or more prior fiscal year(s) of a program that was previously unfunded. Claims are due 120 days from the date of issuance of the claiming instructions for the program by SCO. The first statute that appropriates funds for the mandated program will specify the fiscal years for which costs are eligible for reimbursement.

Annual ongoing reimbursement claims must be filed by February 15<sup>th</sup> following the fiscal year in which costs were incurred for the program. If the filing deadline falls on a weekend or holiday,

the filing deadline will be the next business day. Since February 15<sup>th</sup> falls on a weekend in 2009, claims will be accepted without penalty if postmarked or delivered on before February 17<sup>th</sup>, 2009. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$10,000. However, initial reimbursement claims will be reduced by a late penalty of 10% with no limitation. Amended claims filed after the deadline will be reduced by 10% of the increased amount not to exceed \$10,000 for the total claim. Amended claims filed after the deadline will be reduced by 10% of the increased amount not to exceed \$10,000 for the total claim. Claims filed more than one year after the deadline will not be accepted for reimbursement.

In order for a claim to be considered properly filed, it must include the Indirect Cost Rate Proposal (ICRP) to support the indirect cost rate if the indirect cost rate exceeds ten percent. A more detailed discussion of the indirect cost methods available to local agencies may be found in Section 8 of these instructions. Documentation to support actual costs must be kept on hand by the claimant and made available to the SCO upon request as explained in Section 16 of these instructions.

#### Estimated Claims

Pursuant to AB 8, Chapter 6, Statutes of 2008, the option to file estimated claims has been eliminated. Therefore, estimated claims filed on or after February 16, 2008, will not be accepted by SCO.

#### B. Entitlement Claim

An entitlement claim is defined in GC Section 17522 as any claim filed by a Local Agency with SCO for the sole purpose of establishing or adjusting a base year entitlement for a mandated program that has been included in SMAS. An entitlement claim should not contain nonrecurring or initial start-up costs. There is no statutory deadline for the filing of entitlement claims. However, entitlement claims should be filed by February 15, following the third fiscal year used to develop the entitlement claim, to permit an orderly processing of claims. When the claims are approved and a base year entitlement amount is determined, the claimant will receive an apportionment reflective of the program's current year costs.

The automatic apportionment is determined by adjusting the claimant's base year entitlement for changes in the IPD of costs of goods and services to governmental agencies, as determined by the State Department of Finance. For programs approved by CSM for inclusion in SMAS on or after January 1, 1988, the payment for each year succeeding the three year base period is adjusted according to any changes by both the IPD and average daily attendance (ADA).

SCO will perform this computation for each claimant who has filed claims for three consecutive years. If a claimant has incurred costs for three consecutive years but has not filed a claim in each of those years, the claimant may file an entitlement claim, form FAM-43, to establish a base year entitlement. The form FAM-43 is included in the claiming instructions for SMAS programs. An entitlement claim does not result in the claimant being reimbursed for the costs incurred, but rather entitles the claimant to receive automatic payments from SMAS. Annual apportionments for programs included in the system are paid on or before November 30 of each year.

#### 4. Minimum Claim Amount

For initial claims and annual claims filed on or after September 30 2002, if the total costs for a given year do not exceed \$1,000, no reimbursement shall be allowed except as otherwise allowed by GC Section 17564.

#### 5. Filing Deadline for Claims

Pursuant to GC Section 17561(d) initial reimbursement claims (first time claims) for reimbursement of costs of a previously unfunded mandated program must be filed within 120 days from the date SCO issues the claiming instructions for the program.

When paying a timely filed claim for initial reimbursement, the Controller shall withhold 20 percent of the amount of the claim until the claim is audited to verify the actual amount of the mandated costs.

All initial reimbursement claims for all fiscal years required to be filed on their initial filing date for a state-mandated local program shall be considered as one claim for the purpose of computing any late claim penalty.

Any claim for initial reimbursement filed after the filing deadline shall be reduced by 10 percent of the amount that would have been allowed had the claim been timely filed. The Controller may withhold payment of any late claim for initial reimbursement until the next deadline for funded claims unless sufficient funds are available to pay the claim after all timely filed claims have been paid.

In no case may a reimbursement claim be paid if submitted more than one year after the filing deadline specified in the Controller's claiming instructions on funded mandates.

Pursuant to GC Section 17560, annual reimbursement claims (recurring claims) for costs incurred during the previous fiscal year must be filed with SCO and postmarked on or before February 15th following the fiscal year in which costs were incurred. If the filing deadline falls on a weekend or holiday, the filing deadline will be the next business day. Since February 15th falls on a weekend in 2009, claims will be accepted without penalty if postmarked or delivered on before February 17th, 2009.

If the annual reimbursement claim is filed after the deadline, but within one year of the deadline, the approved claim must be reduced by a 10% late penalty, not to exceed \$10,000. Amended claims filed after the deadline will be reduced by 10% of the increased amount not to exceed \$10,000 for the total claim. Claims filed more than one year after the deadline cannot be accepted for reimbursement.

Entitlement claims do not have a filing deadline. However, entitlement claims should be filed by February 15th to permit orderly processing of the claims.

#### 6. Payment of Claims

In order for SCO to authorize payment of a claim, the Certification of Claim, form FAM-27, must be properly filled out, signed, and dated by the entity's authorized officer. When using the LGeC system the logon id and password of the authorized officer is used for the signature and is applied by the LGeC system when the claim is submitted. Pursuant to GC 17561(d), reimbursement claims are paid by August 15, or 45 days after the date the appropriation for the claim is effective, whichever is later. In the event the amount appropriated by the Legislature is insufficient to pay the approved amount in full for a program, claimants will receive a prorated payment in proportion to the amount of approved claims timely filed and on hand at the time of proration.

A claimant is entitled to receive accrued interest at the pooled money investment account rate if the payment was made more than 60 days after the claim filing deadline or the actual date of claim receipt, whichever is later. For an initial claim, interest begins to accrue when the payment is made more than 365 days after the adoption of the program's statewide cost estimate. SCO may withhold up to 20 percent of the amount of an initial claim until the claim is audited to verify the actual amount of the mandated costs.

SCO reports the amounts of insufficient appropriations to the State Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each house of the Legislature, who consider appropriations in order to assure

appropriation of these funds in the Budget Act. If these funds cannot be appropriated on a timely basis in the Budget Act, this information is transmitted to CSM which will include these amounts in its report to assure that an appropriation sufficient to pay the claims is included in the next local government claims bill or other appropriation bills. When the supplementary funds are made available, the balance of the claims will be paid.

Unless specified in the statutes, regulations, or P's & G's, the determination of allowable and unallowable costs for mandates is based on the P's & G's adopted by CSM. The determination of allowable reimbursable mandated costs for unfunded mandates is made by CSM. SCO determines allowable reimbursable costs, subject to amendment by CSM, for mandates funded by special legislation. Allowable costs are those direct and indirect costs, less applicable credits, considered eligible for reimbursement. In order for costs to be allowable and thus eligible for reimbursement, the costs must meet the following general criteria:

- 1. The cost is necessary and reasonable for proper and efficient administration of the mandate and not a general expense required to carry out the overall responsibilities of government.
- 2. The cost is allocable to a particular cost objective identified in the P's & G's.
- 3. The cost is net of any applicable credits that offset or reduce expenses of items allocable to the mandate.

The SCO has identified certain costs that should not be claimed as direct program costs unless specified as reimbursable under the program's P's & G's. These costs include, but are not limited to, subscriptions, depreciation, memberships, conferences, workshops, general education, and travel costs.

#### 7. State Mandates Apportionment System (SMAS)

Chapter 1534, Statutes of 1985, established SMAS, a method of paying certain mandated programs as apportionments. This method is utilized whenever a program has been approved for inclusion in SMAS by the CSM.

When a mandated program has been included in SMAS, the SCO will determine a base year entitlement amount for each local agency that has submitted reimbursement claims, (or entitlement claims), for three consecutive fiscal years. A base year entitlement amount is determined by averaging the approved reimbursement claims, (or entitlement claims), for 1982-83, 1983-84, and 1984-85 years or any three consecutive fiscal years thereafter. The amounts are first adjusted by any change in the IPD, which is applied separately to each year's costs for the three years that comprise the base period. The base period means the three fiscal years immediately succeeding the CSM's approval.

Each local agency with an established base year entitlement for the program will receive automatic annual payments from the SCO reflective of the program's current year costs. The amount of apportionment is adjusted annually for any change in the IPD. If the mandated program was included in SMAS after January 1, 1988, the annual apportionment is adjusted for any change in both the IPD and workload.

For cities and counties, "workload" means a change in population within their boundaries; for special districts, a change in population of the county in which the largest percentage of the district's population is located.

In the event a local agency has incurred costs for three consecutive fiscal years but did not file a reimbursement claim in one or more of those fiscal years, the local agency may file an entitlement claim for each of those missed years to establish a base year entitlement. An "entitlement claim" means any claim filed by a local agency with the SCO for the sole purpose of establishing a base year entitlement. A base year entitlement shall not include any non-recurring or initial start-up costs.

Initial apportionments are made on an individual program basis. After the initial year, all apportionments are made by November 30th. The amount to be apportioned is the base year

entitlement adjusted by annual changes in the IPD for the cost of goods and services to governmental agencies as determined by the State Department of Finance.

In the event the local agency determines that the amount of apportionment does not accurately reflect costs incurred to comply with a mandate, the process of adjusting an established base year entitlement upon which the apportionment is based, is set forth in GC Section 17615.8 and requires the approval of the CSM.

The following programs are placed in SMAS:

Program Name	Chapter/Statute	Program Number
Conservatorship: Developmentally Disabled Adults	Ch. 1304/80	67
Coroners	Ch. 498/77	88
Mentally Retarded Defendants: Diversion	Ch. 1253/80	66
Senior Citizens Property Tax Postponement	Ch. 1242/77	18

Listed are state mandated local programs and counties that are entitled to receive automatic apportionments in those fiscal years in which the program is funded.

Counties of:	Ch. 498/77 Coroners	Ch. 1242/77 Senior Citizens Property Tax Postponement	Ch. 1253/80 Mentally Retarded Defendants: Diversion	Ch. 1304/80 Developmentally Disabled Adults: Conservatorship
Alameda		X	Х	Х
Butte		Х	Х	Х
Calaveras		X	Х	Х
Contra Costa		X	Х	Х
El Dorado		X	Х	Х
Fresno		x	х	х
Humbolt		Х	х	X
Kern		Х	х	Х
Lake		x	х	х
Los Angeles	Х	х	х	х
Marin		Х	х	X
Mendocino		Х	х	Х
Monterey		Х	х	X
Napa	Х	Х	х	х
Nevada		Х	х	Х
Orange	Х	Х	х	х
Placer		Х	х	X
Plumas		Х	х	Х
Riverside		Х	х	X
Sacramento		Х	х	Х
San Bernardino	Х	Х	х	Х
San Diego		Х	х	X
San Francisco		Х	х	Х
San Joaquin	Х	Х		
San Luis Obispo	Х	Х	х	Х
San Mateo		x	х	х
Santa Barbara		x	х	х
Santa Clara	Х	X	х	х
Santa Cruz		x	х	х
Shasta		x	х	х
Solano		x	х	х
Sonoma	Х	Х	х	Х
Stanislaus		x	х	х
Tulare	х	x	х	х
Tuolumne		x		
Ventura	х	x	х	х
Yolo		x	х	x
Yuba		x		

#### 8. Direct Costs

A direct cost is a cost that can be identified specifically with a particular program or activity. Documentation to support direct costs must be kept on hand by the claimant and made available to SCO upon request as explained in Section 17 of these instructions. Costs that are typically classified as direct costs are:

#### (1) Employee Wages, Salaries, and Fringe Benefits

For each of the mandated activities performed, the claimant must list the names of the employees who worked on the mandate, their job classification, hours worked on the mandate, and rate of pay. The claimant may, in-lieu of reporting actual compensation and fringe benefits, use a productive hourly rate:

#### (a) Productive Hourly Rate Options

A local agency may use one of the following methods to compute productive hourly rates:

- Actual annual productive hours for each employee
- The weighted-average annual productive hours for each job title, or
- 1,800\* annual productive hours for all employees

If actual annual productive hours or weighted-average annual productive hours for each job title is chosen, the claim must include a computation of how these hours were computed. Documentation to support these costs must be kept on hand by the claimant and made available to SCO upon request as explained in Section 17 of these instructions.

- \* 1,800 annual productive hours excludes the following employee time:
- o Paid holidays
- o Vacation earned
- o Sick leave taken
- o Informal time off
- o Jury duty
- o Military leave taken.

#### (b) Compute a Productive Hourly Rate

1. Compute a productive hourly rate for salaried employees to include actual fringe benefit costs. The methodology for converting a salary to a productive hourly rate is to compute the employee's annual salary and fringe benefits and divide by the annual productive hours.

#### Table 1: Productive Hourly Rate, Annual Salary + Benefits Method

Formula:	Description:
[(EAS + Benefits) ÷ APH] = PHR	EAS = Employee's Annual Salary
	APH = Annual Productive Hours
[(\$26,000 + \$8,099)] ÷ 1,800 hrs = 18.94	PHR = Productive Hourly Rate

As illustrated in Table 1, if you assume an employee's compensation was \$26,000 and \$8,099 for annual salary and fringe benefits, respectively, using the "Salary + Benefits Method," the productive hourly rate would be \$18.94. To convert a biweekly salary to EAS, multiply the biweekly salary by 26. To convert a monthly salary to

EAS, multiply the monthly salary by 12. Use the same methodology to convert other salary periods.

2. A claimant may also compute the productive hourly rate by using the "Percent of Salary Method."

Example:		
<b>Step 1:</b> Fringe Benefits as a Pe Salary	ercent of	Step 2: Productive Hourly Rate
Retirement	15.00 %	Formula:
Social Security & Medicare	7.65	[(EAS x (1 + FBR)) ÷ APH] = PHR
Health & Dental Insurance	5.25	
Workers Compensation	3.25	[(\$26,000 x (1.3115)) ÷ 1,800 ] = \$18.94
Total	31.15 %	
Description:		
EAS = Employee's Annual Salar	у	APH = Annual Productive Hours
FBR = Fringe Benefit Rate		PHR = Productive Hourly Rate

Table 2:	Productive	<b>Hourly Rate</b>	, Percent of	Salary	Method
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• As illustrated in Table 2, both methods produce the same productive hourly rate.

Reimbursement for personnel services includes, but is not limited to, compensation paid for salaries, wages and employee fringe benefits. Employee fringe benefits include employer's contributions for social security, pension plans, insurance, worker's compensation insurance and similar payments. These benefits are eligible for reimbursement as long as they are distributed equitably to all activities. Whether these costs are allowable is based on the following presumptions:

- The amount of compensation is reasonable for the service rendered.
- The compensation paid and benefits received are appropriately authorized by the governing board.
- Amounts charged for personnel services are based on payroll documents that are supported by time and attendance or equivalent records for individual employees.
- The methods used to distribute personnel services should produce an equitable distribution of direct and indirect allowable costs.

For each of the employees included in the claim, the claimant must use reasonable rates and hours in computing the wage cost. If a person of a higher-level job position performs an activity which normally would be performed by a lower-level position, reimbursement for time spent is allowable at the average salary range for the lower-level position. The salary rate of the person at the higher-level position may be claimed if it can be shown that it was more cost effective in comparison to the performance by a person at the lower-level position under normal circumstances and conditions. The number of hours charged to an activity should reflect the time expected to complete the activity under normal circumstances and conditions. The numbers of normal expected hours are not reimbursable. Documentation to support these costs must be kept on hand by the claimant and made available to SCO upon request as explained in Section 17 of these instructions.

### (c) Calculating an Average Productive Hourly Rate

In those instances where the claiming instructions allow a unit as a basis of claiming costs, the direct labor component of the unit cost should be expressed as an average productive hourly rate and can be determined as follows:

	<u>Time</u> Spent	Productive Hourly Rate	Total Cost by Employee	
Employee A	1.25 hrs	\$6.00	\$7.50	
Employee B	0.75 hrs	4.50	3.38	
Employee C	3.50 hrs	10.00	35.00	
Total	5.50 hrs		\$45.88	
Average Productive Hourly Rate is \$45.88/5.50 hrs. = \$8.34				

Table 3:	Calculating an A	verage Productive	Hourly Rate
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## (d) Employer's Fringe Benefits Contribution

A local agency has the option of claiming actual employer's fringe benefit contributions or may compute an average fringe benefit cost for the employee's job classification and claim it as a percentage of direct labor. The same time base should be used for both salary and fringe benefits when computing a percentage. For example, if health and dental insurance payments are made annually, use an annual salary. After the percentage of salary for each fringe benefit is computed, total them. Documentation to support these costs must be kept on hand by the claimant and made available to SCO upon request as explained in Section 17 of these instructions.

For example:

Employer's Contribution	<u>% to Salary</u>
Retirement	15.00%
Social Security	7.65%
Health and Dental	5.25%
Insurance	5.2570
Worker's Compensation	0.75%
Total	28.65%

#### (e) Materials and Supplies

Only actual expenses can be claimed for materials and supplies, which were acquired and consumed specifically for the purpose of a mandated program. The claimant must list the materials and supplies that were used to perform the mandated activity, the number of units consumed, the cost per unit, and the total dollar amount claimed. Materials and supplies purchased to perform a particular mandated activity are expected to be reasonable in quality, quantity and cost. Purchases in excess of reasonable quality, quantity, and cost are not reimbursable. Materials and supplies withdrawn from inventory and charged to the mandated activity must be based on a recognized method of pricing, consistently applied. Purchases shall be claimed at the actual price after deducting discounts, rebates and allowances received by local agencies. Documentation to support these costs must be kept on hand by the claimant and made available to SCO upon request as explained in Section 17 of these instructions.

#### (f) Calculating a Unit Cost for Materials and Supplies

In those instances where the claiming instructions suggest that a unit cost be developed for use as a basis of claiming costs mandated by the State, the materials and supplies component of the unit cost should be expressed as a unit cost of materials and supplies as shown in Table 1 or Table 2.

Supplies	<u>Cost Per Unit</u>	Amount of Supplies Used <u>Per Activity</u>	Unit Cost of Supplies <u>Per Activity</u>
Paper	0.02	4	\$0.08
Files	0.10	1	0.10
Envelopes	0.03	2	0.06
Photocopies	0.10	4	0.40
			<u>\$0.64</u>

#### Table 1: Calculating a Unit Cost for Materials and Supplies

## Table 2: Calculating a Unit Cost for Materials and Supplies

Supplies	Supplies <u>Used</u>	Unit Cost of Supplies <u>Per Activity</u>
Paper (\$10.00 for 500 sheet ream)	250 Sheets	\$5.00
Files (\$2.50 for box of 25)	10 Folders	1.00
Envelopes (\$3.00 for box of 100)	50 Envelopes	1.50
Photocopies (\$0.05 per copy)	40 Copies	2.00
		\$9.50
If the number of reimbursable instances are	e 25, then the unit cost of	supplies is \$0.38

#### (g) Contract Services

per reimbursable instance (\$9.50/25).

The cost of contract services is allowable if the local agency lacks the staff resources or necessary expertise, or it is economically feasible to hire a contractor to perform the mandated activity. The claimant must give the name of the contractor; explain the reason for having to hire a contractor; describe the mandated activities performed; give the dates when the activities were performed, the number of hours spent performing the mandate, the hourly billing rate, and the total cost. The hourly billing rate shall not exceed the rate specified in the claiming instructions for the mandated program. The contractor's invoice, or statement, which includes an itemized list of costs for activities performed, must accompany the claim. Documentation to support these costs must be kept on hand by the claimant and made available to SCO upon request as explained in Section 17 of these instructions.

#### (h) Equipment Rental Costs

Equipment purchases and leases (with an option to purchase) are not reimbursable as a direct cost unless specifically allowed by the claiming instructions for the particular mandate. Equipment rentals used solely for the mandate, are reimbursable to the extent such costs do not exceed the retail purchase price of the equipment plus a finance charge. The claimant must explain the purpose and use for the equipment, the time period for which the equipment was rented and the total cost of the rental. If the equipment is used for purposes other than reimbursable activities, only the prorata portion of the rental costs can be claimed. Documentation to support these costs must be kept on hand by the claimant and made available to SCO upon request as explained in Section 17 of these instructions.

#### (i) Capital Outlay

Capital outlays for land, buildings, equipment, furniture and fixtures may be claimed if the claiming instructions specify them as allowable. If they are allowable, the claiming instructions for the program will specify a basis for the reimbursement. If the fixed asset or equipment is also used for purposes other than reimbursable activities for a specific mandate, only the prorata portion of the purchase price used to implement the reimbursable activities can be claimed. Documentation to support these costs must be kept on hand by the claimant and made available to SCO upon request as explained in Section 17 of these instructions.

#### (j) Travel Expenses

Travel expenses are normally reimbursable in accordance with travel rules and regulations of the local jurisdiction. For some programs, however, the claiming instructions may specify certain limitations on expenses, or that expenses can only be reimbursed in accordance with the State Board of Control travel standards. When claiming travel expenses, the claimant must explain the purpose of the trip, identify the name and address of the persons incurring the expense, the date and time of departure and return for the trip, description of each expense claimed, the cost of transportation, number of private auto miles traveled, and the cost of tolls and parking with receipts required for charges over \$10.00. Documentation to support these costs must be kept on hand by the claimant and made available to SCO upon request as explained in Section 17 of these instructions.

#### (k) Documentation

It is the responsibility of the claimant to make available to the SCO, upon request, documentation in the form of general and subsidiary ledgers, purchase orders, invoices, contracts, canceled warrants, equipment usage records, land deeds, receipts, employee time sheets, agency travel guidelines, inventory records, and other relevant documents to support claimed costs. The type of documentation necessary for each claim may differ with the type of mandate.

#### 9. Indirect Costs

GC Section 17564(b) provides that claims for indirect costs shall be filed in the manner prescribed by the SCO. Indirect costs (or overhead) are those costs incurred for a common or joint purpose, benefiting more than one program and are not directly assignable to a particular program without efforts disproportionate to the result achieved. Indirect costs may include both (1) the overhead costs for the unit performing the mandate and (2) the costs of central government services distributed through the central service cost allocation plan and not otherwise treated as a direct cost.

Previously, the costs of elected officials were considered "expenses related to general government" and, thus, were unallowable for reimbursement purposes. Recent interpretation has moved in the opposite direction, except for those items of cost, which are unallowable in the cost principles set forth in Office of Management and Budget (OMB) Circular A-87 (Title 2 CFR Part 225). A cost that is necessary for proper and efficient administration of a program and is identifiable to that program is eligible for consideration as allocable indirect costs. Allocable costs for time spent on programs, must be supported by time record.

Local agencies have the option of using 10% of direct labor as indirect costs or claiming indirect costs through a department's Indirect Cost Rate Proposal (ICRP) for the program prepared in accordance with the provisions of Office of Management and Budget OMB Circular A-87 (Title 2 CFR Part 225.) (Refer to the Appendix-Costs Computation: Indirect Costs). An ICRP must be prepared if the claim for indirect costs is in excess of 10% of direct salaries; <u>the ICRP must be submitted with the claim</u>.

#### A. Fixed 10% Rate Method

Indirect costs may be computed as 10% of direct labor costs, excluding fringe benefits. The use of the 10% rate may benefit small agencies where it is inefficient to prepare an ICRP.

Direct Costs Incurred By	On Behalf of					
	Welfare	Health				
Auditor	Administration	<u>Department</u>				
Warrant Writing:						
A. Salary of employee working	\$5,000	\$1,000				
B. Benefits of above	800	200				
C. Cost of paper	350	100				
D. First-line supervision	3,000	500				
(salaries)						
E. Indirect cost 10% of A + D	800	150				
Total amount charged to benefited						
departments for warrant writing						
services	\$9,950	\$1,950				
Direct Costs Incurred By	On Behalf of					
	Welfare	Health				
Building & Grounds Department	Administration	<u>Department</u>				
Maintenance of Buildings:						
A. Salary of employees	\$1,000	\$500				
performing maintenance						
B. Benefits of above	200	100				
C. Cleaning supplies	250	150				
D. First-line supervision	500	200				
(salaries)						
E. Indirect cost 10% of A + D	150	70				
Total amount charged to		_				
benefited departments for						
building maintenance services	\$2,100	\$1,020				

Any local agency using this method for claiming costs must submit a statement similar to the example above and with supporting data. The cost data required for desk audit purposes are described in the claiming instructions for that mandated program under Salaries and Employee Benefits, Materials and Supplies, Contract Services, Travel Expenses, etc.

#### B. Indirect Cost Rate Proposal Method

If a local agency elects not to utilize the 10% fixed rate method but wants to claim indirect costs, it must prepare an ICRP. The proposal must follow the provisions of the Office of Management and Budget (OMB) Circular A-87 (Title 2 CFR Part 225), *Cost Principles for State, Local, and Indian Tribal Governments*. The development of the indirect cost rate proposal requires that the indirect cost pool include only those costs which are incurred for a common or joint purpose that benefit more than one cost objective. The indirect cost pool may only include costs that can be shown to provide benefits to the program. In addition, total allocable indirect costs may only include costs, which cannot be directly charged to an identifiable cost center (i.e., program).

A method for preparing a departmental indirect cost rate proposal for programs is presented as Exhibit 1. Only this format is acceptable under the SCO reimbursement requirements. If more than one department is involved in the reimbursement program, each department must have their own indirect cost rate proposal for the program.

#### Local Agencies Mandated Costs Manual INDIRECT COST RATE PROPOSAL PUBLIC DEFENDER'S OFFICE INVESTIGATION PROGRAM FISCAL YEAR 20\_\_\_-20\_\_\_

		F	(B) Excludable		(C) Allowable		(D) Allowable		Identifiable F	Program	o Costs
	Total		nallowable		Indirect	1	Direct	١n	estigation		
(A) Description of Costs	Costs	Ū	Costs		Costs		Costs		PC 987.9	ŀ	All Others
Salaries & Benefits											
Salaries & Wages	\$ 1,150,000	\$	50,000 (F	)\$	150,000	\$	950,000 (F	)\$	100,000	\$	850,000
Overtime	20,000		0		20,000		0		0		0
Benefits	 230,000		10,000		30,000		190,000		20,000		170,000
Total	\$ 1,400,000	\$	60,000	\$	200,000	\$	1,140,000	\$	120,000	\$	1,020,000
Services & Supplies											
Office Expense	\$ 200,000	\$	10,000	\$	20,000	\$	170,000	\$	10,000	\$	160,000
Communications	100,000		2,000		10,000		88,000		1,000		87,000
Transportation	120,000		5,000		0		115,000		5,000		110,000
Special Dept Expense (Contracts)	250,000		0		0		250,000		0		250,000
Other, Pass Through Program	800,000		800,000		0		0		0		0
Total	\$ 1,470,000	\$	817,000	\$	30,000	\$	623,000	\$	16,000	\$	607,000
Capital Expenditures	\$ 100,000	\$	100,000								
Total Budgetary Expenditures	\$ 2,970,000	\$	977,000	\$	230,000	\$	1,763,000	\$	136,000	\$	1,627,000
Distribution Base											
Cost Plan Costs											
Building Use (Each line item should	\$ 50,000	\$	2,000	\$	6,000	\$	42,000	\$	2,000	\$	40,000
Equipment Use be reviewed to see if it	30,000		1,000		3,000		26,000		1,000		25,000
Data Processing benefits the mandate to insure a fair and	50,000		5,000		30,000		15,000		0		15,000
	20,000		0		20,000		0		0		0
I EISUIIIEI	10,000		1,000		1,000		8,000		1,000		7,000
Roll Forward	 10,000		0		10,000		0		0		0
Total	\$ 170,000 (	E) <u>\$</u>	9,000	\$	70,000	\$	91,000	\$	4,000	\$	87,000
Total Allocable Indirect Costs				\$	300,000 (F	F)					
Distribution of Allocable Indirect Costs											
Based on Salaries & Wages		\$	15,000	\$	(300,000)	\$	285,000	\$	30,000	\$	255,000
Totals	\$ 3,140,000	\$	1,001,000	\$	0	\$	2,139,000	\$	170,000	\$	1,969,000

Exhibit 1

- (1) Notes to Exhibit 1
  - (a) The department's ICRP plan for the distribution of costs to programs must follow the same format as shown on Exhibit 1. Specifically, there must be columns as follows: Description of Costs, Total Cost, Excludable and Unallowable Costs (may be combined or separated), Allowable Indirect Costs, and Allowable Direct Costs (which are further allocated to identifiable programs and other). No other format will be accepted.
  - (b) Excluded costs are all costs that are unallowable and unallocable according to specific guidelines (OMB 2 CFR Part 225 and state laws).

#### Examples:

Contributions and donations: Cost of amusement; social activities and related incidental costs such as meals, beverages, lodging, rentals, transportation and gratuities; and pass through revenues to another unit or organization.

- (c) Allocable indirect costs are costs that are not identifiable to a specific program or cost pool and indirectly benefit all cost pools.
- (d) Direct costs are costs that benefit a specific program or cost pool.
- (e) Overhead costs are distributed to the department in the cost allocation plan, which was prepared in accordance with the OMB 2 CFR Part 225. Use the same year's cost allocation plan for developing the ICRP as the year for which the ICRP is being prepared. Do not include a roll forward adjustment when the program is in its initial year.
- (f) Distribution base for the computation of the indirect cost rate is total salaries and wages.

Total Allocable Direct Costs (direct S&W)	\$950,000
Excluded and Unallowable Costs (direct S&W)	50,000
Distribution Base	\$1,000,000

Therefore, the Indirect Cost Rate for Penal Code 987.9 Program is:

$$ICRP = \frac{Allowable Indirect Costs}{Total Salaries and Wages} = \frac{\$300,000}{\$1,000,000} = 30.00\%$$

#### 10. Time Study Guidelines

#### Background

For costs incurred on or after January 1, 2005, a reasonable reimbursement methodology can be used as a "formula for reimbursing local agency and school district costs mandated by the state" that meets certain conditions specified in GC Section 17518.5(a). For costs incurred prior to January 1, 2005, time study can only substitute for continuous records of actual time spend for a specific fiscal year if the program's Ps & Gs allow for the use of time studies.

Two methods are acceptable for documenting employee time charged to mandated cost programs: Actual Time Reporting and Time Study, which are described below. Application of time study results is restricted. As explained in Time Study Results below, the results may be projected toward to a maximum of two years provided the claimant meets certain criteria.

# Actual Time Reporting

Ps & Gs define reimbursable activities for each mandated cost program. (Some Ps & Gs refer to reimbursable activities as reimbursable components.) When employees work on multiple activities and/or programs, a distribution of their salaries or wages must be supported by personnel activity reports or equivalent documentation that meets the following standards (which clarify documentation requirements discussed under the Reimbursable Activities section of recent Ps & Gs):

- They must reflect an after-the-fact (contemporaneous) distribution of the actual activity of each employee;
- They must account for the total activity for which each employee is compensated;
- They must be prepared at least monthly and must coincide with one or more pay periods; and
- They must be signed by the employee.

Budget estimates or other distribution percentages determined before services are performed do not qualify as support for time distribution.

#### **Time Study**

In certain cases, a time study may be used to substitute for continuous records of actual time spent on multiple activities and/or programs. An effective time study requires that an activity be a task that is repetitive in nature. Activities that require a varying level of effort are not appropriate for time studies.

#### Time Study Plan

A time study plan is necessary before conducting the time study. The claimant must retain the time study plan for audit purposes. The plan needs to identify the following:

- Time period(s) to be studied The plan must show that all time periods selected are representative of the fiscal year, and the results can be reasonably projected to approximate actual costs.
- Activities and/or programs to be studied For each mandated program included, the time study
  must separately identify each reimbursable activity defined in the mandated program's Ps & Gs,
  which are derived from the program's Statement of Decision. If a reimbursable activity in the Ps
  & Gs identifies separate and distinct sub-activities, these sub-activities must also be treated as
  individual activities.

For example, sub-activities (a), (b), and (c) under Reimbursable Activity (B)(1) of the local agency's Domestic Violence Treatment Services: Authorization and Case Management program relate to information to be discussed during victim notification by the probation department and therefore are not separate and distinct activities. These sub-activities do not have to be separately studied.

- Process used to accomplish each reimbursable activity Use flowcharts or similar analytical tools and/or written desk procedures to describe the process for each activity.
- Employee universe The employee universe used in the time study must include all positions for which salaries and wages are to be allocated by means of the time study.

- Employee sample selection methodology The plan must show that employees selected are
  representative of the employee universe, and the results can be reasonably projected to
  approximate actual costs. In addition, the employee sample size should be proportional to the
  variation in time spent to perform a task. The sample size should be larger for tasks with
  significant time variations.
- Time increments to be recorded The time increments used should be sufficient to recognize the number of different activities performed and the dynamics of these responsibilities. Very large increments (such as one hour or more) might be used for employees performing only a few functions that change very slowly over time. Very small increments (a number of minutes) may be needed for employees performing more short-term tasks.

Random moment sampling is not an acceptable alternative to continuous time records for mandated cost claims. Random moment sampling techniques are most applicable in situations where employees perform many different types of activities on a variety of programs with small time increments throughout the fiscal year.

# **Time Study Documentation**

Time studies must:

- Be supported by time records that are completed contemporaneously;
- Report activity on a daily basis;
- Be sufficiently detailed to reflect all mandated activities and/or programs performed during a specific time period; and
- Coincide with one or more pay periods.

Time records must be signed by the employee (electronic signatures are acceptable) and be supported by corroborating evidence, which validates that the work was actually performed. As with actual time reporting, budget estimates or other distribution percentages determined before services are performed do not qualify as valid time studies.

#### Time Study Results

Time study results must be summarized to show how the time study supports the costs claimed for each activity. Any variations from the procedures identified in the original time study plan must be documented and explained

Current-year costs must be used to prepare a time study. Claimants may project time study results to no more than two subsequent fiscal years. A claimant may not apply time study results retroactively.

- <u>Annual Reimbursement Claims</u> Claimants may use time studies to support costs incurred on or after January 1, 2005. Claimants may not use time studies for the period July 1, 2004, through December 31, 2004, unless (1) the program's Ps & Gs specifically allows time studies, and (2) the time study is prepared based on mandated activity occurring between July 1, 2004, and December 31, 2004.
- <u>Initial Claims</u> –When filing an initial claim for new mandated programs, claimants may only use time study results for costs incurred on or after January 1, 2005. Claimants may not use time studies to support costs incurred before January 1, 2005, unless (1) the program's Ps & Gs specifically allows time studies, and (2) the claimant prepares separate time studies for each fiscal year preceding January 1, 2005, based on mandated activity occurring during those years.

When projecting time study results, the claimant must certify that there have been no significant changes between years in either (1) the requirements of each mandated program activity or (2) the processes and procedures used to accomplish the activity. For all years, the claimant must maintain corroborating evidence that validates the mandated activity was actually performed. Time study results used to support subsequent years' claims are subject to the recordkeeping requirements for those claims.

#### 11. Offset Against State Mandated Claims

When part or all the costs of a mandated program are specifically reimbursable from non-local agency sources (e.g., state, federal, foundation, etc.), only that portion of any increased costs payable from local agency funds is eligible for reimbursement under the provisions of Government Code Section 17561.

#### A. Example 1

This example shows how the offset against state mandated claim is determined for local agencies receiving block grant revenues not based on a formula allocation. Listed below are six situations, which may occur at a local agency level. For hypothetical program costs of \$100,000: (1) through (4) show intended funding at 100% from non-local agency sources and (5) through (6) show cost sharing on a 50/50 basis with the local agency. Of the \$100,000 program cost, \$2,500 is the cost of state mandated activity. Offset against state mandated claims is the amount of actual non-local agency funding which exceeds the difference between program costs and state mandated costs. The offset against state mandated claims can not exceed the amount of state mandated costs. In (4), non-local revenues were fully realized to cover the entire cost of the program, including the state mandate activity; therefore, the offset against state mandated claims is \$2,500. In (1), non-local revenues were less than expected. Non-local agency funding was not in excess of the difference between program costs and state mandated costs. As a result, the offset against state mandated claims is zero and \$2,500 is claimable as mandated costs. In (5), the local agency is sharing 50% of the program cost. Since non-local revenues of \$50,000 were fully realized, the offset against state mandated claims is \$1,250.

	Actual	Offset Against		
	Non-Local	State	State	Claimable
Program	Agency	Mandated	Mandated	Mandated
<u>Costs</u>	<u>Funding</u>	<u>Costs</u>	<u>Claims</u>	<u>Costs</u>

A. Block Grants (funding not based on a formula allocation)

1.	\$100,000	\$95,000	\$2,500	\$-0-	\$2,500
2.	100,000	97,000	2,500	-0-	2,500
3.	100,000	98,000	2,500	500	2,000
4.	100,000	100,000	2,500	2,500	-0-
5.	100,000 *	50,000	2,500	1,250	1,250

6. If in (5) the non-local matching share is less than the amount expected, for example \$49,000, the offset against state mandated claims is \$250. Therefore, the claimable mandated costs are \$2,250.

\* Local agency share is \$50,000 of the program costs.

#### B. Example 2

This example shows how the offset against state mandated claims are determined for local agencies receiving special project funds based on approved actual costs. Non-local revenues for special projects must be applied proportionately to approve costs. In (2), the entire program

cost was approved. Since the non-local agency source covers 75% of the program cost, it also proportionately covered 75% of the \$2,500 state mandated costs, or \$1,875.

	Actual Offset Against			
	Non-Local	State	State	Claimable
Program	Agency	Mandated	Mandated	Mandated
<u>Costs</u>	<u>Funding</u>	<u>Costs</u>	<u>Claims</u>	<u>Costs</u>

B. Special Projects (funding based on approved actual costs)

1.	\$100,000	\$100,000	\$2,500	\$2,500	\$-0-
2.	100,000 **	75,000	2,500	1,875	625

3. If in (2) the non-local matching share is less than the amount expected, because only \$60,000 of the program costs were determined to be valid by the contracting agency, then a proportionate share of state mandated costs is likewise reduced to \$1,500. The offset against state mandated claim is \$1,125. Therefore, the claimable mandated costs are \$375.

\*\* Local agency share is \$25,000 of the program costs.

With respect to local agencies, the offset against state mandated claims for applicable federal and state local assistance programs includes, but is not limited to, the following funding sources:

#### **Federal and State Funding Sources**

#### **Governing Authority**

#### **Federal Programs**

CETA, PL 93-203	Federal-Health – Administration		
Federal Aid for Construction	Federal-Public Assistance – Administration		
Federal Aid for Disaster			
State Programs			
State Aid for Agriculture	State-Health – Administration		
State Aid for Construction	State-Public Assistance - Administration		
State Aid for Corrections			

#### 12. Notice of Claim Adjustment

All claims submitted to the SCO are reviewed to determine if the claim was prepared in accordance with the claiming instructions. If any adjustments are made to a claim, the claimant will receive a "Notice of Claim Adjustments" detailing adjustments made by the SCO.

#### 13. Audit of Costs

Pursuant to GC Section 17558.5, subdivision (b) The SCO may conduct a field review of any claim after the claim has been submitted, prior to the reimbursement of the claim to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with SCO's claiming instructions and the P's & G's adopted by CSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days

after payment of the claim.

Pursuant to Government Code (GC) Section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. All documents used to support the reimbursable activities, must be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

#### 14. Source Documents

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct based upon personal knowledge." Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

For costs incurred on or after January 1, 2005, a reasonable reimbursement methodology can be used as a "formula for reimbursing local agency and school district costs mandated by the state" that meets certain conditions specified in 17518.5(a).

#### **15.** Claim Forms and Instructions

A claimant may submit a computer generated report in substitution for Form-1 and Form-2 provided the format of the report and data fields contained within the report are identical to the claim forms included with these instructions. The claim forms provided with these instructions should be duplicated and used by the claimant to file a reimbursement claim. The SCO will revise the manual and claim forms as necessary.

#### A. Form-2, Component/Activity Cost Detail

This form is used to segregate the detail costs by claim component. In some mandates, specific reimbursable activities have been identified for each component. The expenses reported on this form must be supported by the official financial records of the claimant and copies of supporting documentation, as specified in the claiming instructions, must be submitted with the claims. All supporting documents must be retained for a period of not less than three years after the reimbursement claim was filed or last amended.

#### B. Form-1, Claim Summary

This form is used to summarize direct costs by component and compute allowable indirect costs for the mandate. The direct costs summarized on this form are derived from Form-2 and

are carried forward to form FAM-27.

#### C. Form FAM-27, Claim for Payment

This form contains a certification that must be signed by an authorized officer of the Local Agency. All applicable information from Form-1 must be carried forward onto this form in order for SCO to process the claim for payment. An original and one copy of the FAM-27 are required.

Claims should be rounded to the nearest dollar. Submit a signed original and one copy of form FAM-27, Claim for Payment. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.) Use the following mailing addresses:

If delivered by	If delivered by
U.S. Postal Service:	Other delivery services:
Office of the State Controller	Office of the State Controller
Attn: Local Reimbursements Section	Attn: Local Reimbursements Section
Division of Accounting and Reporting	Division of Accounting and Reporting
P.O. Box 942850	3301 C Street, Suite 500
Sacramento, CA 94250	Sacramento, CA 95816

#### 16. Retention of Claiming Instructions

For your convenience, the revised claiming instructions in this package have been arranged in alphabetical order by program name. These revisions should be inserted in the Local Mandated Cost Manual and the old forms they replace should be removed. The instructions should then be retained permanently for future reference, and the forms should be duplicated to meet your filing requirements. Annually, updated forms and any other information or instructions claimants may need to file claims, as well as instructions and forms for all new programs released throughout the year will be placed on the SCO's web site at <a href="https://www.sco.ca.gov/ard/local/locreim/index.shtml">www.sco.ca.gov/ard/local/locreim/index.shtml</a>.

If you have any questions concerning mandated cost reimbursements, please write to us at the address listed for filing claims, send e-mail to Irsdar@sco.ca.gov, or call the Local Reimbursements Section at (916) 324-5729.

#### 17. Retention of Claim Records and Supporting Documentation

Pursuant to Government Code section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency pursuant to this chapter is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds were appropriated or no payment was made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed not later than two years after the date that the audit is commenced. All documents used to support the reimbursable activities must be retained during the period subject to audit. If the Controller has initiated an audit during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings. Supporting documents must be made available to SCO on request.

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# A. STATE OF CALIFORNIA TRAVEL EXPENSE GUIDELINES

#### Travel Program Effective January 31, 2002

The travel reimbursement program continues to be subject to the Internal Revenue Service (IRS) requirements for an accountable plan. There are no flat rate reimbursements. All items are to be claimed for the actual amount of expense, up to the maximum allowed. If the provisions below do not require submission of a receipt for a given item of expense, it is the employee's responsibility to retain receipts and other records of the expense and have them available for audit.

Lodging and meals that are provided by the State, including hotel expenses, conference fees, or transportation costs such as airline tickets; or otherwise provided shall not be claimed for reimbursement.

Employees may be reimbursed for actual expenses for breakfast, lunch, dinner, and incidentals for each 24 hours of travel, as follows:

Breakfast	up to	\$6.00
Lunch	up to	10.00
Dinner	up to	18.00
Incidentals	up to	6.00

Incidental expenses include, but are not limited to, expenses for laundering and pressing of clothing and tips for services such as porters and baggage handlers. Incidentals do not include taxicab fares, lodging taxes, or the cost of telegrams or telephone calls.

#### Lodging

All lodging reimbursements require a receipt from a commercial lodging establishment such as a hotel, motel, bed and breakfast inn, or campground that caters to the general public. No lodging will be reimbursed without a valid receipt. Employees who stay with friends or relatives are not eligible for lodging reimbursement, but may claim their actual expenses for meals and incidentals.

#### Short-Term Travel

- **A.** For continuous short-term travel of more than 24 hours but less than 31 days, the employee will be reimbursed for actual costs up to the maximum for each meal, incidental, and lodging expense for each completed 24 hours of travel, beginning with the traveler's time of departure and return as follows:
  - 1. On the first day of travel at the beginning of a trip of more than 24 hours:

Trip begins at or before 6 a.m. - Breakfast may be claimed

Trip begins at or before 5 p.m. - Dinner may be claimed

2. On the fractional day of travel at the end of a trip of more than 24 hours:

Trip ends at or after 8 a.m. - Breakfast may be claimed

Trip ends at or after 2 p.m. - Lunch may be claimed

Trip ends at or after 7 p.m. - Dinner may be claimed

If the fractional day includes an overnight stay, receipted lodging may be claimed. No meal or lodging expenses may be claimed or reimbursed more than once on any given date or during any 24-hour period.

**B.** For continuous travel of less than 24 hours, the employee will be reimbursed for actual expenses, up to a maximum as follows:

Travel begins at or before 6 a.m. and ends at or after 9 a.m. - Breakfast may be claimed Travel begins at or before 4 p.m. and ends at or after 7 p.m. - Dinner may be claimed

If the trip extends overnight, receipted lodging may be claimed. No lunch or incidentals may be claimed on a trip of less than 24 hours.

#### Short-Term Travel Maximum Lodging Reimbursement Rate

- A. Statewide except as in (B) and (C) below, actual receipted lodging up to \$84 plus tax.
- **B.** When required to conduct state business and obtain lodging in the counties of Los Angeles and San Diego, reimbursement will be for actual receipted lodging, to a maximum of \$110 plus tax.
- **C.** When required to conduct state business and obtain lodging in the counties of Alameda, San Francisco, San Mateo, and Santa Clara, reimbursement will be for actual receipted lodging, to a maximum of \$140 plus tax.

#### Long-Term Travel

Actual expenses for long-term meals and receipted lodging will be reimbursed when the employee incurs expenses in one location comparable to those arising from the use of establishments catering to long-term visitors.

#### A. Full Long-Term Travel

To qualify for full long-term travel reimbursement, the employee on a long-term field assignment must meet the following criteria:

- a) The employee continues to maintain a permanent residence at the primary headquarters, and either,
- b) The permanent residence is occupied by the employee's dependents, or
- c) The permanent residence is maintained at a net expense to the employee exceeding \$200 per month.

The employee who is living at the long-term location may claim either:

- Reimbursement for actual individual expense, substantiated by receipts for lodging, water, sewer, gas, and electricity, up to a maximum of \$1,130 per calendar month while on the long-term assignment, and actual expenses up to \$10 for meals and incidentals, for each period of 12 to 24 hours and up to \$5 for actual meals and incidentals for each period of less than 12 hours at the long-term location, or
- 2. Long-term subsistence rates of \$24 for actual meals and incidentals, \$24 for receipted lodging for travel of 12 hours up to 24 hours, and either \$24 for actual meals or \$24 for receipted lodging for travel less than 12 hours when the employee incurs expenses in one location comparable to those arising from the use of establishments catering to long-term visitors.

#### B. Partial Long-Term Travel

An employee on long-term field assignment who does not maintain a separate residence in the headquarters area may claim long-term subsistence rates of up to \$12 for actual meals and incidentals and \$12 for receipted lodging for travel of 12 hours up to 24 hours at the long-term location, and either \$12 for actual meals or \$12 for receipted lodging for travel less than 12 hours at the long-term location.

#### Receipts

Receipts or vouchers shall be submitted for every item of expense of \$25 or more.

- a) Receipts are required for every item of transportation and business expense incurred as a result of conducting state business except for actual expenses as follows:
  - 1. Railroad and bus fares of less than \$25, when travel is wholly within the State of California.
  - 2. Street car, ferry fares, bridge and road tolls, local rapid transit system, taxi, shuttle, or hotel bus fares, and parking fees of \$10 or less for each continuous period of parking or each separate transportation expense noted in this item.
  - 3. Telephone, telegraph, tax, or other business charges related to state business of \$5 or less.
  - 4. In the absence of a receipt, reimbursement will be limited to the non-receipted amount above.
- b) Reimbursement will be claimed only for the actual and necessary expenses noted above. Regardless of the above exceptions, the approving officer may require additional certification and/or explanation in order to determine that an expense was actually and reasonably incurred. In the absence of a satisfactory explanation, the expense shall not be allowed.

#### Mileage

When an employee is authorized by his/her appointing authority or designee to operate a privately owned vehicle on state business, effective January 1, 2009, the employee will be allowed to claim and be reimbursed 55 cents per mile.

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# **B. GOVERNMENT CODE SECTIONS 17500-17617**

# GC §17500: Legislative Findings and Declarations

The Legislature finds and declares that the existing system for reimbursing local agencies and school districts for the costs of state-mandated local programs has not provided for the effective determination of the state's responsibilities under Section 6 of Article XIIIB of the California Constitution. The Legislature finds and declares that the failure of the existing process to adequately and consistently resolve the complex legal questions involved in the determination of state-mandated costs has led to an increasing reliance by local agencies and school districts on the judiciary and, therefore, in order to relieve unnecessary congestion of the judicial system, it is necessary to create a mechanism which is capable of rendering sound quasi-judicial decisions and providing an effective means of resolving disputes over the existence of state-mandated local programs. It is the intent of the Legislature in enacting this part to provide for the implementation of Section 6 of Article XIIIB of the California Constitution. Further, the Legislature intends that the Commission on State Mandates, as a quasi-judicial body, will act in a deliberative manner in accordance with the requirements of Section 6 of Article XIIIB of the California Constitution.

#### GC §17510: Construction of Part

Unless the context otherwise requires, the definitions contained in this chapter govern the construction of this part. The definition of a word applies to any variants thereof and the singular tense of a word includes the plural.

#### GC §17511: "City"

"City" means any city whether general law or charter, except a city and county.

#### GC §17512: "Commission"

"Commission" means the Commission on State Mandates.

#### GC §17513: "Cost Mandated by the Federal Government"

"Costs mandated by the federal government" means any increased costs incurred by a local agency or school district after January 1, 1973, in order to comply with the requirements of a federal statute or regulation. "Costs mandated by the federal government" includes costs resulting from enactment of a state law or regulation where failure to enact that law or regulation to meet specific federal program or service requirements imposed upon the state would result in substantial monetary penalties or loss of funds to public or private persons in the state whether the federal law was enacted before or after the enactment of the state law, regulation, or executive order. "Costs mandated by the federal government" does not include costs which are specifically reimbursed or funded by the federal or state government or programs or services which may be implemented at the option of the state, local agency, or school district.

#### GC §17514: "Costs Mandated by the State"

"Costs mandated by the state" means any increased costs which a local agency or school district is required to incur after July 1, 1980, as a result of any statute enacted on or after January 1, 1975, or any executive order implementing any statute enacted on or after January 1, 1975, which mandates a new program or higher level of service of an existing program within the meaning of Section 6 of Article XIIIB of the California Constitution.

# GC §17515: "County"

"County" means any chartered or general law county. "County" includes a city and county.

#### GC §17516: "Executive Order"

"Executive order" means any order, plan, requirement, rule, or regulation issued by any of the following: (a) The Governor. (b) Any officer or official serving at the pleasure of the Governor. (c) Any agency, department, board, or commission of state government. "Executive order" does not include any order, plan, requirement, rule, or regulation issued by the State Water Resources Control Board or by any regional water quality control board pursuant to Division 7 (commencing with Section 13000) of the Water Code. It is the intent of the Legislature that the State Water Resources Control Board and regional water quality control boards will not adopt enforcement orders against publicly owned dischargers which mandate major waste water treatment facility construction costs unless federal financial assistance and state financial assistance pursuant to the Clean Water Bond Act of 1970 and 1974, is simultaneously made available. "Major" means either a new treatment facility or an addition to an existing facility, the cost of which is in excess of 20 percent of the cost of replacing the facility.

# GC §17517.5: "Cost Savings authorized by the state"

"Cost savings authorized by the state" means any decreased costs that a local agency or school district realizes as a result of any statute enacted or any executive order adopted that permits or requires the discontinuance of or a reduction in the level of service of an existing program that was mandated before January 1, 1975.

# GC §17518: "Local Agency"

"Local agency" means any city, county, special district, authority, or other political subdivision of the state.

#### GC §17518.5: "Reasonable Reimbursement Methodology"

(a) "Reasonable reimbursement methodology" means a formula for reimbursing local agencies and school districts for costs mandated by the state, as defined in Section 17514. (b) A reasonable reimbursement methodology shall be based on cost information from a representative sample of eligible claimants, information provided by associations of local agencies and school districts, or other projections of local costs. (c) A reasonable reimbursement methodology shall consider the variation in costs among local agencies and school districts to implement the mandate in a cost-efficient manner. (d) Whenever possible, a reasonable reimbursement methodology shall be based on general allocation formulas, uniform cost allowances, and other approximations of local costs mandated by the state, rather than detailed documentation of actual local costs. In cases when local agencies and school districts are projected to incur costs to implement a mandate over a period of more than one fiscal year, the determination of a reasonable reimbursement methodology may consider local costs and state reimbursements over a period of greater than one fiscal year, but not exceeding 10 years. (e) A reasonable reimbursement methodology may be developed by any of the following: (1) The Department of Finance. (2) The Controller. (3) An affected state agency. (4) A claimant. (5) An interested party.

#### GC §17519: "School District"

"School district" means any school district, community college district, or county superintendent of schools.

# GC §17520: "Special District"

"Special district" means any agency of the state that performs governmental or proprietary functions within limited boundaries. "Special district" includes a county service area, a maintenance district or area, an improvement district or improvement zone, or any other zone or area. "Special district" does not include a city, a county, a school district, or a community college district. County free libraries established pursuant to Chapter 2 (commencing with Section 27151) of Division 20 of the Education Code, areas receiving county fire protection services pursuant to Section 25643 of the Government Code, and county road districts established pursuant to Chapter 7 (commencing with Section 1550) of Division 2 of the Streets and Highways Code shall be considered "special districts" for all purposes of this part.

# GC §17521: "Test Claim"

"Test claim" means the first claim filed with the commission alleging that a particular statute or executive order imposes costs mandated by the state, and includes a claim filed pursuant to Section 17574.

# GC §17521.5: "Legislatively Determined Mandate"

"Legislatively determined mandate" means the provisions of a statute or executive order that the Legislature, pursuant to Article 1.5, has declared by statute to be a mandate for which reimbursement is required by Section 6 of Article XIIIB of the California Constitution.

#### GC §17522: Definitions

(a) "Initial reimbursement claim" means a claim filed with the Controller by a local agency or school district for costs to be reimbursed for the fiscal years specified in the first claiming instructions issued by the Controller pursuant to subdivision (b) of Section 17558. (b) "Annual reimbursement claim" means a claim for actual costs incurred in a prior fiscal year filed with the Controller by a local agency or school district for which appropriations are made to the Controller for this purpose. (c) "Estimated reimbursement claim" means a claim filed with the Controller by a local agency or school district in conjunction with an initial reimbursement claim, annual reimbursement claim, or at other times, for estimated costs to be reimbursed during the current or future fiscal years, for which appropriations are made to the Controller set years, for which appropriations are made to the Controller set years, for which appropriations are made to the Controller for this purpose. (d) "Entitlement claim" means a claim filed by a local agency or school district with the Controller for the purpose of establishing or adjusting a base year entitlement. All entitlement claims are subject to Section 17616.

#### GC §17523: "Deflator"

"Deflator" means the Implicit Price Deflator for the Costs of Goods and Services to Governmental Agencies, as determined by the Department of Finance.

### GC §17524: "Base Year Entitlement"

"Base year entitlement" means that amount determined to be the average for the approved reimbursement claims of each local agency or school district for the three preceding fiscal years adjusted by the change in the deflator. A base year entitlement shall not include any nonrecurring or initial startup costs incurred by a local agency or school district in any of those three fiscal years. For those mandates which become operative on January 1 of any year, the amount of the "approved reimbursement claim" for the first of the three years may be computed by annualizing the amount claimed for the six-month period of January through June in that first year, excluding nonrecurring or startup costs.

### GC §17525: Members: Term and Per Diem for Specified Members

(a) There is hereby created the Commission on State Mandates, which shall consist of seven members as follows: (1) The Controller. (2) The Treasurer. (3) The Director of Finance. (4) The Director of the Office of Planning and Research. (5) A public member with experience in public finance, appointed by the Governor and approved by the Senate. (6) Two members from the following three categories appointed by the Governor and approved by the Senate, provided that no more than one member shall come from the same category: (A) A city council member. (B) A member of a county or city and county board of supervisors. (C) A governing board member of a school district as defined in Section 17519. (b) Each member appointed pursuant to paragraph (5) or (6) of subdivision (a) shall be subject to both of the following: (1) The member shall serve for a term of four years subject to renewal. (2) The member shall receive per diem of one hundred dollars (\$100) for each day actually spent in the discharge of official duties and shall be reimbursed for any actual and necessary expenses incurred in connection with the performance of duties as a member of the commission.

# GC §17526: Commission Meetings

(a) All meetings of the commission shall be open to the public, except that the commission may meet in executive session to consider the appointment or dismissal of officers or employees of the commission or to hear complaints or charges brought against a member, officer, or employee of the commission. (b) The commission shall meet at least once every two months. (c) The time and place of meetings may be set by resolution of the commission, by written petition of a majority of the members, or by written call of the chairperson. The chairperson may, for good cause, change the starting time or place, reschedule, or cancel any meeting.

# GC §17527: Powers of Commission

In carrying out its duties and responsibilities, the commission shall have the following powers: (a) To examine any document, report, or data, including computer programs and data files, held by any local agency or school district. (b) To meet at times and places as it may deem proper. (c) As a body or, on the authorization of the commission, as a committee composed of one or more members, to hold hearings at any time and place it may deem proper. (d) Upon a majority vote of the commission, to issue subpoenas to compel the attendance of witnesses and the production of books, records, papers, accounts, reports, and documents. (e) To administer oaths. (f) To contract with other agencies or individuals, public or private, as it deems necessary, to provide or prepare services, facilities, studies, and reports to the commission as will assist it in carrying out its duties and responsibilities. (g) To adopt, promulgate, amend, and rescind rules and regulations, which shall not be subject to the review and approval of the Office of Administrative Law pursuant to the provisions of the Administrative Procedure Act provided for in Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2. (h) To do any and all other actions necessary or convenient to enable it fully and adequately to perform its duties and to exercise the powers expressly granted to it.

# GC §17528: Election of Officers

The members of the commission shall elect a chairperson and a vice chairperson of the commission.

#### GC §17529: Appointment of Attorney: Duties

The commission may appoint as attorney to the commission an attorney at law of this state, who shall hold office at the pleasure of the commission. The attorney shall represent and appear for the commission in all actions and proceedings involving any question under this part or under any order or act of the commission. The attorney shall advise the commission and each member of the commission, when so requested, in regard to all matters in connection with the powers and duties of the commission and the members thereof. The attorney shall generally perform all duties and services as attorney to the commission which the commission may require.

# GC §17530: Appointment of Executive Director: Duties

The commission shall appoint an executive director, who shall be exempt from civil service and shall hold office at the pleasure of the commission. The executive director shall be responsible for the executive and administrative duties of the commission and shall organize, coordinate, supervise, and direct the operations and affairs of the commission and expedite all matters within the jurisdiction of the commission. The executive director shall keep a full and true record of all proceedings of the commission, issue all necessary process, writs, warrants, and notices, and perform other duties as the commission prescribes.

### GC §17531: Authority of Executive Director to Employ Necessary Staff

The executive director may employ those officers, examiners, experts, statisticians, accountants, inspectors, clerks, and employees as the executive director deems necessary to carry out the provisions of this part or to perform the duties and exercise the powers conferred upon the commission by law.

#### GC §17532: Quorum: Investigations, Inquiries, and Hearing

A majority of the commissioners shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power of the commission. Any investigation, inquiry, or hearing which the commission has power to undertake or to hold may be undertaken or held by or before any commissioner or commissioners designated for the purpose by the commission. The evidence in any investigation, inquiry, or hearing may be taken by the commissioner or commissioners to whom the investigation, inquiry, or hearing has been assigned or, in his or her or their behalf, by an examiner designated for that purpose. Every finding, opinion, and order made by the commissioner or commissioners so designated, pursuant to the investigation, inquiry, or hearing, when approved or confirmed by the commission and ordered filed in its office, shall be deemed to be the finding, opinion, and order of the commission.

# GC §17533: Provisions not Applicable to Hearing by Commission

Notwithstanding Section 11425.10, Chapter 4.5 (commencing with Section 11400) of Part 1 of Division 3 does not apply to a hearing by the commission under this part.

#### GC §17550: Reimbursements of Local Agencies and Special Districts

Reimbursement of local agencies and school districts for costs mandated by the state shall be provided pursuant to this chapter.

#### GC §17551: Commission Hearing and Decision Upon Claims

(a) The commission, pursuant to the provisions of this chapter, shall hear and decide upon a claim by a local agency or school district that the local agency or school district is entitled to be reimbursed by the state for costs mandated by the state as required by Section 6 of Article XIIIB of the California Constitution. (b) Except as provided in Sections 17573 and 17574, commission review of claims may be had pursuant to subdivision (a) only if the test claim is filed within the time limits specified in this section. (c) Local agency and school district test claims shall be filed not later than 12 months following the effective date of a statute or executive order, or within 12 months of incurring increased costs as a result of a statute or executive order, whichever is later. (d) The commission, pursuant to the provisions of this chapter, shall hear and decide upon a claim by a local agency or school district filed on or after January 1, 1985, that the Controller has incorrectly reduced payments to the local agency or school district pursuant to paragraph (2) of subdivision (d) of Section 17561.

# GC §17552: Exclusivity of Procedure by Chapter

This chapter shall provide the sole and exclusive procedure by which a local agency or school district may claim reimbursement for costs mandated by the state as required by Section 6 of Article XIIIB of the California Constitution.

# GC §17553: Adoption of Procedure for Receiving Claims and Providing Hearings: Postponement of Hearings

(a) The commission shall adopt procedures for receiving claims filed pursuant to this article and Section 17574 for providing a hearing on those claims. The procedures shall do all of the following: (1) Provide for presentation of evidence by the claimant, the Department of Finance and any other affected department or agency, and any other interested person. (2) Ensure that a statewide cost estimate is adopted within 12 months after receipt of a test claim, when a determination is made by the commission that a mandate exists. This deadline may be extended for up to six months upon the request of either the claimant or the commission. (3) Permit the hearing of a claim to be postponed at the request of the claimant, without prejudice, until the next scheduled hearing. (b) All test claims shall be filed on a form prescribed by the commission and shall contain at least the following elements and documents: (1) A written narrative that identifies the specific sections of statutes or executive orders and the effective date and register number of regulations alleged to contain a mandate and shall include all of the following: (A) A detailed description of the new activities and costs that arise from the mandate. (B) A detailed description of existing activities and costs that are modified by the mandate. (C) The actual increased costs incurred by the claimant during the fiscal year for which the claim was filed to implement the alleged mandate. (D) The actual or estimated annual costs that will be incurred by the claimant to implement the alleged mandate during the fiscal year immediately following the fiscal year for which the claim was filed. (E) A statewide cost estimate of increased costs that all local agencies or school districts will incur to implement the alleged mandate during the fiscal year immediately following the fiscal year for which the claim was filed. (F) Identification of all of the following: (i) Dedicated state funds appropriated for this program. (ii) Dedicated federal funds appropriated for this program. (iii) Other non-local agency funds dedicated for this program. (iv) The local agency's general purpose funds for this program. (v) Fee authority to offset the costs of this program. (G) Identification of prior mandate determinations made by the Commission on State Mandates or a predecessor agency that may be related to the alleged mandate. (H) Identification of a legislatively determined mandate pursuant to Section 17573 that is on the same statute or executive order. (2) The written narrative shall be supported with declarations under penalty of perjury, based on the declarant's personal knowledge, information or belief, and signed by persons who are authorized and competent to do so, as follows: (A) Declarations of actual or estimated increased costs that will be incurred by the claimant to implement the alleged mandate. (B) Declarations identifying all local, state, or federal funds, or fee authority that may be used to offset the increased costs that will be incurred by the claimant to implement the alleged mandate, including direct and indirect costs, (C) Declarations describing new activities performed to implement specified provisions of the new statute or executive order alleged to impose a reimbursable state-mandated program. Specific references shall be made to chapters, articles, sections, or page numbers alleged to impose a reimbursable state-mandated program. (D) If applicable, declarations describing the period of reimbursement and payments received for full reimbursement of costs for a legislatively determined mandate pursuant to Section 17573, and the authority to file a test claim pursuant to paragraph (1) of Section 17574. (3) (A) The written narrative shall be supported with copies of all of the following: (i) The test claim statute that includes the bill number or executive order, alleged to impose or impact a mandate. (ii) Relevant portions of state constitutional provisions, federal statutes, and executive orders that may impact the alleged mandate. (iii) Administrative decisions and court decisions cited in the narrative. (B) State mandate determinations made by the Commission on State Mandates or a predecessor agency and published court decisions on state mandate determinations made by the Commission on State Mandates are exempt from this requirement. (4) A test claim shall be signed at the end of the document, under penalty of perjury by the claimant or its authorized representative, with the declaration that the test claim is true and complete to the best of the declarant's personal knowledge or information or belief. The date of signing, the declarant's title, address, telephone number, facsimile machine telephone number, and electronic mail address shall be included.

(c) If a completed test claim is not received by the commission within 30 calendar days from the date that an incomplete test claim was returned by the commission, the original test claim filing date may be disallowed, and a new test claim may be accepted on the same statute or executive order. (d) In addition, the commission shall determine whether an incorrect reduction claim is complete within 10 days after the date that the incorrect reduction claim is filed. If the commission determines that an incorrect reduction claim is not complete, the commission shall notify the local agency and school district that filed the claim stating the reasons that the claim is not complete. The local agency or school district shall have 30 days to complete the claim. The commission shall serve a copy of the complete incorrect reduction claim is delivered or mailed to file any rebuttal to an incorrect reduction claim. The failure of the Controller to file a rebuttal to an incorrect reduction claim shall not serve to delay the consideration of the claim by the commission.

# GC §17554: Commission's Authority to Expedite Claim

With the agreement of all parties to the claim, the commission may waive the application of any procedural requirement imposed by this chapter or pursuant to Section 17553. The authority granted by this section includes the consolidation of claims and the shortening of time periods.

# GC §17555: Date for Public Hearing: Test Claim Form and Procedure

(a) No later than 30 days after hearing and deciding upon a test claim pursuant to subdivision (a) of Section 17551, and determining the amount to be subvened to local agencies and school districts for reimbursement pursuant to subdivision (a) of Section 17557, the commission shall notify the appropriate Senate and Assembly policy and fiscal committees, the Legislative Analyst, the Department of Finance, and the Controller of that decision. (b) For purposes of this section, the "appropriate policy committee" means the policy committee that has jurisdiction over the subject matter of the statute, regulation, or executive order, and bills relating to that subject matter would have been heard.

# GC §17556: Criteria for not Finding Costs Mandated by the State

The commission shall not find costs mandated by the state, as defined in Section 17514, in any claim submitted by a local agency or school district, if, after a hearing, the commission finds any one of the following: (a) The claim is submitted by a local agency or school district that requested legislative authority for that local agency or school district to implement the program specified in the statute, and that statute imposes costs upon that local agency or school district requesting the legislative authority. A resolution from the governing body or a letter from a delegated representative of the governing body of a local agency or school district that requests authorization for that local agency or school district to implement a given program shall constitute a request within the meaning of this subdivision. (b) The statute or executive order affirmed for the state a mandate that had been declared existing law or regulation by action of the courts. (c) The statute or executive order imposes a requirement that is mandated by a federal law or regulation and results in costs mandated by the federal government. unless the statute or executive order mandates costs that exceed the mandate in that federal law or regulation. This subdivision applies regardless of whether the federal law or regulation was enacted or adopted prior to or after the date on which the state statute or executive order was enacted or issued. (d) The local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the mandated program or increased level of service. (e) The statute, executive order, or an appropriation in a Budget Act or other bill provides for offsetting savings to local agencies or school districts that result in no net costs to the local agencies or school districts, or includes additional revenue that was specifically intended to fund the costs of the state mandate in an amount sufficient to fund the cost of the state mandate. (f) The statute or executive order imposes duties that are necessary to implement, reasonably within the scope of, or expressly included in, a ballot measure approved by the votes in a statewide or local election. This subdivision applies regardless of whether the statute or executive order was enacted or adopted before or after the date on which the ballot measure was approved by the voters. (g) The statute created a new crime or infraction, eliminated a

crime or infraction, or changed the penalty for a crime or infraction, but only for that portion of the statute relating directly to the enforcement of the crime or infraction.

#### GC §17557: Determination of Amount to be Subvened for Reimbursement: Parameters and Guidelines

(a) If the commission determines there are costs mandated by the state pursuant to Section 17551, it shall determine the amount to be subvened to local agencies and school districts for reimbursement. In so doing it shall adopt parameters and guidelines for reimbursement of any claims relating to the statute or executive order. The successful test claimants shall submit proposed parameters and guidelines within 30 days of adoption of a statement of decision on a test claim. At the request of a successful test claimant, the commission may provide for one or more extensions of this 30-day period at any time prior to its adoption of the parameters and guidelines. If proposed parameters and guidelines are not submitted within the 30-day period and the commission has not granted an extension, then the commission shall notify the test claimant that the amount of reimbursement the test claimant is entitled to for the first 12 months of incurred costs will be reduced by 20 percent, unless the test claimant can demonstrate to the commission why an extension of the 30-day period is justified. (b) In adopting parameters and guidelines, the commission may adopt a reasonable reimbursement methodology. (c) The parameters and guidelines adopted by the commission shall specify the fiscal years for which local agencies and school districts shall be reimbursed for costs incurred. However, the commission may not specify in the parameters and guidelines any fiscal year for which payment could be provided in the annual Budget Act. (d) A local agency, school district, or the state may file a written request with the commission to amend, modify, or supplement the parameters or guidelines. The commission may, after public notice and hearing, amend, modify, or supplement the parameters and guidelines. A parameters and guidelines amendment submitted within 90 days of the claiming deadline for initial claims, as specified in the claiming instructions pursuant to Section 17561, shall apply to all years eligible for reimbursement as defined in the original parameters and guidelines. A parameters and guidelines amendment filed more than 90 days after the claiming deadline for initial claims, as specified in the claiming instructions pursuant to Section 17561, and on or before the claiming deadline following a fiscal year, shall establish reimbursement eligibility for that fiscal year. (e) A test claim shall be submitted on or before June 30 following a fiscal year in order to establish eligibility for reimbursement for that fiscal year. The claimant may thereafter amend the test claim at any time, but before the test claim is set for a hearing, without affecting the original filing date as long as the amendment substantially relates to the original test claim. (f) In adopting parameters and guidelines, the commission shall consult with the Department of Finance, the affected state agency, the Controller, the fiscal and policy committees of the Assembly and Senate, the Legislative Analyst, and the claimants to consider a reasonable reimbursement methodology that balances accuracy with simplicity.

# GC §17557.1: Statement of Decision on Test Claim

(a) Notwithstanding any other provision of this part within 30 days of the commission's adoption of a statement of decision on a test claim, the test claimant and the Department of Finance may notify the executive director of the commission in writing of their intent to follow the process described in this section to develop a reasonable reimbursement methodology and statewide estimate of costs for the initial claiming period and budget year for reimbursement of costs mandated by the state in accordance with the statement of decision. The letter of intent shall include the date on which the test claimant and the Department of Finance will submit a plan to ensure that costs from a representative sample of eligible local agency or school district claimants are considered in the development of a reasonable reimbursement methodology. (b) This plan shall also include all of the following information: (1) The date on which the test claimant and Department of Finance will submit to the executive director an informational update regarding their progress in developing the reasonable reimbursement methodology. (2) The date on which the test claimant and Department of Finance will submit to the executive director the draft reasonable reimbursement methodology and proposed statewide estimate of costs for the initial claiming period and budget year. This date shall be no later than 180 days after the date the letter of intent is sent by the test claimant and Department of Finance to the executive

director. (c) At the request of the test claimant and Department of Finance, the executive director may provide for up to four extensions of this 180-day period. (d) The test claimant or Department of Finance may notify the executive director at any time that the claimant or Department of Finance no longer intends to develop a reasonable reimbursement methodology pursuant to this section. In this case, paragraph (2) of subdivision (a) of Section 17553 and Section 17557 shall apply to the test claim. Upon receipt of this notification, the executive director shall notify the test claimant of the duty to submit proposed parameters and guidelines within 30 days under subdivision (a) of Section 17557.

# GC §17557.2: Broad Support Required; Joint Proposal Prior to Commission Hearing

(a) A reasonable reimbursement methodology developed pursuant to Section 17557.1 or a joint request for early termination of a reasonable reimbursement methodology shall have broad support from a wide range of local agencies or school districts. The test claimant and Department of Finance may demonstrate broad support from a wide range of local agencies or school districts in different ways including, but not limited to, obtaining endorsement by one or more statewide associations of local agencies or school districts and securing letters of approval from local agencies or school districts. (b) No later than 60 days before a commission hearing, the test claimant and Department of Finance shall submit to the commission joint proposal that shall include all of the following: (1) The draft reasonable reimbursement methodology. (2) The proposed statewide estimate of costs for the initial claiming period and budget year. (3) A description of the steps the test claimant and the Department of Finance undertook to determine the level of support by local agencies or school districts for the draft reasonable reimbursement methodology. (4) An agreement that the reasonable reimbursement methodology developed and approved under this section shall be in effect for a period of five years unless a different term is approved by the commission, or upon submission to the commission of a letter indicating the Department of Finance and test claimant's joint interest in early termination of the reasonable reimbursement methodology. (5) An agreement that, at the conclusion of the period established in paragraph (4), the Department of Finance and the test claimant will consider jointly whether amendments to the methodology are necessary. (c) The commission shall approve the draft reasonable reimbursement methodology if review of the information submitted pursuant to Section 17557.1 and subdivision (b) of this section demonstrates that the draft reasonable reimbursement methodology and statewide estimate of costs for the initial claiming period and budget year have been developed in accordance with Section 17557.1 and meet the requirements of subdivision (a). The commission thereafter shall adopt the proposed statewide estimate of costs for the initial claiming period and budget year. Statewide cost estimates adopted under this section shall be included in the report to the Legislature required under Section 17600 and shall be reported by the commission to the appropriate Senate and Assembly policy and fiscal committees, the Legislative Analyst, and the Department of Finance not later than 30 days after adoption. (d) Unless amendments are proposed pursuant to this subdivision, the reasonable reimbursement methodology approved by the commission pursuant to this section shall expire after either five years, any other term approved by the commission, or upon submission to the commission of a letter indication the Department of Finance's and test claimant's joint interest in early termination of the reasonable reimbursement methodology. (e) The commission shall approved a joint request for early termination of a reasonable reimbursement methodology if the request meets the requirements of subdivision (a). If the commission approves a joint request for early termination, the commission shall notify the test claimant of the duty to submit proposed parameters and guidelines to the commission pursuant to subdivision (a) of Section 17557. (f) At least one year before the expiration of a reasonable reimbursement methodology, the commission shall notify the Department of Finance and the test claimant that they may do one of the following: (1) Jointly propose amendments to the reasonable reimbursement methodology by submitting the information described in paragraphs (1), (3), and (4) of subdivision (b), and providing an estimate of the mandate's annual cost for the subsequent budget year. (2) Jointly propose that the reasonable reimbursement methodology remain in effect. (3) Allow the reasonable reimbursement methodology to expire and notify the commission that the test claimant will submit proposed parameters and guidelines to the commission pursuant to subdivision (a) of Section 17557 to replace the reasonable reimbursement methodology. (g) The commission shall either approve the continuation of the reasonable reimbursement methodology or approve the jointly proposed amendments to the reasonable reimbursement methodology if the

information submitted in accordance with paragraph (1) of subdivision (d) demonstrates that the proposed amendments were developed in accordance with Section 17557.1 and meet the requirements of subdivision (a) of this section.

# GC §17558: Submission of Parameters and Guidelines to Controller: Transfer of Claims; Claiming Instructions

(a) The commission shall submit the adopted parameters and guidelines or a reasonable reimbursement methodology approved pursuant to Section 17557.2 to the Controller. As used in this chapter, a "reasonable reimbursement methodology" approved pursuant to Section 17557.2 includes all amendments to the reasonable reimbursement methodology. When the Legislature declares a legislatively determined mandate in accordance with Section 17573 in which claiming instructions are necessary, the Department of Finance shall notify the Controller. (b) Not later than 60 days after receiving the adopted parameters and guidelines, a reasonable reimbursement methodology from the commission, or notification from the Department of Finance, the Controller shall issue claiming instructions for each mandate that requires state reimbursement, to assist local agencies and school districts in claiming costs to be reimbursed. In preparing claiming instructions, the Controller shall request assistance from the Department of Finance and may request the assistance of other state agencies. The claiming instructions shall be derived from the test claim decision and the adopted parameters and guidelines, reasonable reimbursement methodology, or statute declaring a legislatively determined mandate. (c) The Controller shall, within 60 days after receiving adopted parameters and guidelines, an amended reasonable reimbursement methodology from the commission or other information necessitating a revision of the claiming instructions, prepare and issue revised claiming instructions for mandates that require state reimbursement that have been established by commission action pursuant to Section 17557. Section 17557.2 or after any decision or order of the commission pursuant to Section 17557.2, or after any action by the Legislature pursuant to Section 17573. In preparing revised claiming instructions, the Controller may request the assistance of other state agencies.

# GC §17558.5: Reimbursement Claim: Audit; Remittance Advice and Other Notices of Payment

(a) A reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed not later than two years after the date that the audit is commenced. (b) The Controller may conduct a field review of any claim after the claim has been submitted, prior to the reimbursement of the claim. (c) The Controller shall notify the claimant in writing within 30 days after issuance of a remittance advice of any adjustment to a claim for reimbursement that results from an audit or review. The notification shall specify the claim components adjusted, the amounts adjusted, interest charges on claims adjusted to reduce the overall reimbursement to the local agency or school district, and the reason for the adjustment. Remittance advices and other notices of payment action shall not constitute notice of adjustment from an audit or review. (d) The interest rate charged by the Controller on reduced claims shall be set at the Pooled Money Investment Account rate and shall be imposed on the dollar amount of the overpaid claim from the time the claim was paid until overpayment is satisfied. (e) Nothing in this section shall be construed to limit the adjustment of payments when inaccuracies are determined to be the result of the intent to defraud, or when a delay in the completion of an audit is the result of willful acts by the claimant or inability to reach agreement on terms of final settlement.

# GC §17558.6: Legislative Intent

It is the intent of the Legislature that the Commission on State Mandates review its process by which local agencies may appeal the reduction of reimbursement claims on the basis that the reduction is incorrect in order to provide for a more expeditious and less costly process.

### GC §17559: Judicial Review

(a) The commission may order a reconsideration of all or part of a test claim or incorrect reduction claim on petition of any party. The power to order a reconsideration or amend a test claim decision shall expire 30 days after the statement of decision is delivered or mailed to the claimant. If additional time is needed to evaluate a petition for reconsideration filed prior to the expiration of the 30-day period, the commission may grant a stay of that expiration for no more than 30 days, solely for the purpose of considering the petition. If no action is taken on a petition within the time allowed for ordering reconsideration, the petition shall be deemed denied. (b) A claimant or the state may commence a proceeding in accordance with the provisions of Section 1094.5 of the Code of Civil Procedure to set aside a decision of the commission on the ground that the commission's decision is not supported by substantial evidence. The court may order the commission to hold another hearing regarding the claim and may direct the commission on what basis the claim is to receive a rehearing.

# GC §17560: Deadlines for Filing Reimbursement Claims

Reimbursement for state-mandated costs may be claimed as follows: (a) A local agency or school district may, by February 15 following the fiscal year in which costs are incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year. (b) In the event revised claiming instructions are issued by the Controller pursuant to subdivision (c) of Section 17558 between November 15 and February 15, a local agency or school district filing an annual reimbursement claim shall have 120 days following the issuance date of the revised claiming instructions to file a claim.

#### GC §17561: Reimbursement of Costs for State Mandated Programs

(a) The state shall reimburse each local agency and school district for all "costs mandated by the state." as defined in Section 17514 and for legislatively determined mandates in accordance with Section 17573. (b) (1) For the initial fiscal year during which these costs are incurred, reimbursement funds shall be provided as follows: (A) Any statute mandating these costs shall provide an appropriation therefor. (B) Any executive order mandating these costs shall be accompanied by a bill appropriating the funds therefor, or alternatively, an appropriation for these costs shall be included in the Budget Bill for the next succeeding fiscal year. The executive order shall cite that item of appropriation in the Budget Bill or that appropriation in any other bill that is intended to serve as the source from which the Controller may pay the claims of local agencies and school districts. (2) In subsequent fiscal years appropriations for these costs shall be included in the annual Governor's Budget and in the accompanying Budget Bill. In addition, appropriations to reimburse local agencies and school districts for continuing costs resulting from chaptered bills or executive orders for which claims have been awarded pursuant to subdivision (a) of Section 17551 shall be included in the annual Governor's Budget and in the accompanying Budget Bill. (c) The amount appropriated to reimburse local agencies and school districts for costs mandated by the state shall be appropriated to the Controller for disbursement. (d) The Controller shall pay any eligible claim pursuant to this section by August 15 or 45 days after the date of the appropriation for the claim is effective, whichever is later. The Controller shall disburse reimbursement funds to local agencies or school districts if the costs of these mandates are not payable to state agencies, or to state agencies that would otherwise collect the costs of these mandates from local agencies or school districts in the form of fees, premiums, or payments. When disbursing reimbursement funds to local agencies or school districts, the Controller shall disburse them as follows: (1) For initial reimbursement claims, the Controller shall issue claiming instructions to the relevant local agencies and school districts pursuant to Section 17558. Issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the commission, the

reasonable reimbursement methodology approved by the commission pursuant to Section 17557.2, or statutory declaration of a legislative determined and reimbursement methodology pursuant to Section 17573. (A) When claiming instructions are issued by the Controller pursuant to Section 17558 for each mandate determined pursuant to Section 17551 or 17573 that requires state reimbursement, each local agency or school district to which the mandate is applicable shall submit claims for initial fiscal year costs to the Controller within 120 days of the issuance date for the claiming instructions. (B) When the commission is requested to review the claiming instructions pursuant to Section 17571, each local agency or school district to which the mandate is applicable shall submit a claim for reimbursement within 120 days after the commission reviews the claiming instructions for reimbursement issued by the Controller. (C) If the local agency or school district does not submit a claim for reimbursement within the 120-day period, or submits a claim pursuant to revised claiming instructions, it may submit its claim for reimbursement as specified in Section 17560. The Controller shall pay these claims from the funds appropriated therefor, provided that the Controller (i) may audit the records of any local agency or school district to verify the actual amount of the mandated costs, the application of a reasonable reimbursement methodology, or application of a legislatively enacted reimbursement methodology under Section 17573, and (ii) may reduce any claim that the Controller determines is excessive or unreasonable. (2) In subsequent fiscal years each local agency or school district shall submit its claims as specified in Section 17560. The Controller shall pay these claims from funds appropriated therefor, provided that the Controller (A) may audit (i) the records of any local agency or school district to verify the actual amount of the mandated costs, (ii) the application of a reasonable reimbursement methodology, or (iii) application of a legislatively enacted reimbursement methodology under Section 17573.(B) may reduce any claim that the Controller determines is excessive or unreasonable, and (C) shall adjust the payment to correct for any underpayments or overpayments which occurred in previous fiscal years. (3) When paying a timely filed claim for initial reimbursement, the Controller shall withhold 20 percent of the amount of the claim until the claim is audited to verify the actual amount of the mandated costs. All initial reimbursement claims for all fiscal years required to be filed on their initial filing date for a state-mandated local program shall be considered as one claim for the purpose of computing any late claim penalty. Any claim for initial reimbursement filed after the filing deadline shall be reduced by 10 percent of the amount that would have been allowed had the claim been timely filed. The Controller may withhold payment of any late claim for initial reimbursement until the next deadline for funded claims unless sufficient funds are available to pay the claim after all timely filed claims have been paid. In no case may a reimbursement claim be paid if submitted more than one year after the filing deadline specified in the Controller's claiming instructions on funded mandates . (e) (1) Except as specified in paragraph (2), for the purposes of determining the state's payment obligation under paragraph (1) of subdivision (b) of Section 6 of Article XIIIB of the Constitution, a mandate that is "determined in a preceding fiscal year to be payable by the state" means any mandate for which the commission adopted a statewide cost estimate pursuant to this part during a previous fiscal year or that were identified as mandates by a predecessor agency to the commission, or that the Legislature declared by statute to be a legislatively determined mandate, unless the mandate has been repealed or otherwise eliminated. (2) If the commission adopts a statewide cost estimate for a mandate during the months of April, May, or June, the state's payment obligation under subdivision (b) of Section 6 of Article XIIIB shall commence one year after the time specified in paragraph (1).

# GC §17561.5: Payment of Claim with Interest

The payment of an initial reimbursement claim by the Controller shall include accrued interest at the Pooled Money Investment Account rate, if the payment is being made more than 365 days after adoption of the statewide cost estimate for an initial claim or, in the case of payment of a subsequent claim relating to that same statute or executive order, if payment is being made more than 60 days after the filing deadline for, or the actual date of receipt of, the subsequent claim, whichever is later. In those instances, interest shall begin to accrue as of the 366th day after adoption of the statewide cost estimate for an initial claim and as of the 61st day after the filing deadline for, or actual date of receipt of, the subsequent claim, whichever is later.

# GC §17561.6: Payment

A budget act item or appropriation pursuant to this part for reimbursement of claims shall include an amount necessary to reimburse any interest due pursuant to Section 17561.5.

# GC §17562: Review of Costs of State-Mandated Local Programs

(a) The Legislature hereby finds and declares that the increasing revenue constraints on state and local government and the increasing costs of financing state-mandated local programs make evaluation of state-mandated local programs imperative. Accordingly, it is the intent of the Legislature to increase information regarding state mandates and establish a method for regularly reviewing the costs and benefits of state-mandated local programs. (b) The Controller shall submit a report to the Joint Legislative Budget Committee and fiscal committees by October 31 of each fiscal year beginning with the 2007-08 fiscal year. This report shall summarize, by state mandate, the total amount of claims paid per fiscal year and the amount, if any, of mandate deficiencies or surpluses. This report shall be made available in an electronic spreadsheet format. The report shall compare the annual cost of each mandate. In the preceding fiscal year to the amount determined to be payable by the state for that fiscal year. (2) The Controller shall submit a report to the Joint Legislative Budget Committee, the applicable fiscal committees, and the Director of Finance by April 30 of each fiscal year. This report shall summarize, by state mandate, the total amount of unpaid claims by fiscal year that were submitted before April 1 of that fiscal year. The report shall also summarize any mandate deficiencies or surpluses. It shall be made available in an electronic spreadsheet, and shall be used for the purpose of determining the state's payment obligation under paragraph (1) of subdivision (b) of Section 6 of Article XIIIB of the California Constitution. (c) After the commission submits its second semiannual report to the Legislature pursuant to Section 17600, the Legislative Analyst shall submit a report to the Joint Legislative Budget Committee and legislative fiscal committees on the mandates included in the commission's reports. The report shall make recommendations as to whether the mandate should be repealed, funded, suspended, or modified. (d) In its annual analysis of the Budget Bill and based on information provided pursuant to subdivision (b), the Legislative Analyst shall report total annual state costs for mandated programs and, as appropriate, provide and analysis of specific mandates and make recommendations on whether the mandate should be repealed, funded, suspended, or modified. (e) (1) A statewide association of local agencies or school districts or a Member of the Legislature may submit a proposal to the Legislature recommending the elimination or modification of a state-mandated local program. To make such a proposal, the association or member shall submit a letter to the Chairs of the Assembly Committee on Education or the Assembly Committee on Local Government, as the case may be, and the Senate Committee on Education or the Senate Committee on Local Government, as the case may be, specifying the mandate and the concerns and recommendations regarding the mandate. The association or member shall include in the proposal all information relevant to the conclusions. If the chairs of the committees desire additional analysis of the submitted proposal, the chairs may refer the proposal to the Legislative Analyst for review and comment. The chairs of the committees may refer up to a total of 10 of these proposals to the Legislative Analyst for review in any year. Referrals shall be submitted to the Legislative Analyst by December 1 of each year. (2) The Legislative Analyst shall review and report to the Legislature with regard to each proposal that is referred to the office pursuant to paragraph (1). The Legislative Analyst shall recommend that the Legislature adopt, reject, or modify the proposal. The report and recommendations shall be submitted annually to the Legislature by March 1 of the year subsequent to the year in which referrals are submitted to the Legislative Analyst. (3) The Department of Finance shall review all statutes enacted each year that contain provisions making inoperative Section 17561 or Section 17565 that have resulted in costs or revenue losses mandated by the state that were not identified when the statute was enacted. The review shall identify the costs or revenue losses involved in complying with the statutes. The Department of Finance shall also review all statutes enacted each year that may result in cost savings authorized by the state. The Department of Finance shall submit an annual report of the review required by this subdivision, together with the recommendations as it may deem appropriate, by December 1 of each year. (f) It is the intent of the Legislature that the Assembly Committee on Local Government and the Senate Committee on Local Government hold a joint hearing each year regarding the following: (1) The reports and recommendations submitted pursuant to subdivision (e). (2) The reports submitted pursuant to Sections

17570, 17600, and 17601. (3) Legislation to continue, eliminate, or modify any provision of law reviewed pursuant to this subdivision. The legislation may be by subject area or by year or years of enactment.

# GC §17563: Use of Funds Received for Public Purpose

Any funds received by a local agency or school district pursuant to the provisions of this chapter may be used for any public purpose.

### GC §17564: Filing of Claims: Threshold Amount

(a) No claim shall be made pursuant to Sections 17551, 17561, or 17573, nor shall any payment be made on claims submitted pursuant to Sections 17551 or 17561, or pursuant to a legislative determination under Section 17573, unless these claims exceed one thousand dollars (\$1,000), provided that a county superintendent of schools or county may submit a combined claim on behalf of school districts, direct service districts, or special districts within their county if the combined claim exceeds one thousand dollars (\$1,000) even if the individual school district's, direct service district's, or special district's claims do not each exceed one thousand dollars (\$1,000). The county superintendent of schools or the county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each school, direct service, or special district. These combined claims may be filed only when the county superintendent of schools or the county is the fiscal agent for the districts. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a school district, direct service district, or special district provides to the county superintendent of schools or county and to the Controller, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim. (b) Claims for direct and indirect costs filed pursuant to Section 17561 shall be filed in the manner prescribed in the parameters and guidelines or reasonable reimbursement methodology and claiming instructions. (c) Claims for direct and indirect costs filed pursuant to a legislatively determined mandate pursuant to Section 17573 shall be filed and paid in the manner prescribed in the Budget Act or other bill, or claiming instructions, if applicable,

#### GC §17565: Reimbursement of Subsequently Mandated Costs

If a local agency or a school district, at its option, has been incurring costs which are subsequently mandated by the state, the state shall reimburse the local agency or school district for those costs incurred after the operative date of the mandate.

#### GC §17567: Insufficiency of Appropriation: Proration of Claims

In the event that the amount appropriated for reimbursement purposes pursuant to Section 17561 is not sufficient to pay all of the claims approved by the Controller, the Controller shall prorate claims in proportion to the dollar amount of approved claims timely filed and on hand at the time of proration. The Controller shall adjust prorated claims if supplementary funds are appropriated for this purpose. In the event that the Controller finds it necessary to prorate claims as provided by this section, the Controller shall immediately report this action to the Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each house of the Legislature which considers appropriations in order to assure appropriation of these funds in the Budget Act.

#### GC §17568: Payment of Claims Submitted After Deadline

If a local agency or school district submits an otherwise valid reimbursement claim to the Controller after the deadline specified in Section 17560, the Controller shall reduce the reimbursement claim in an amount equal to 10 percent of the amount which would have been allowed had the reimbursement claim been timely filed, provided that the amount of this reduction shall not exceed ten thousand dollars (\$10,000). In no case shall a reimbursement claim be paid which is submitted more than one year after

the deadline specified in Section 17560. Estimated claims which were filed by the deadline specified in that section shall be paid in full before payments are made on estimated claims filed after the deadline. In the event the amount appropriated to the Controller for reimbursement purposes is not sufficient to pay the estimated claims approved by the Controller, the Controller shall prorate those claims in proportion to the dollar amount of approved claims filed after the deadline and shall report to the commission or the Legislature in the same manner as described in Section 17566 in order to assure appropriation of funds sufficient to pay those claims.

# GC §17570: Annual Report to Legislature

The Legislative Analyst shall review each unfunded statutory or regulatory mandate for which claims have been approved by the Legislature pursuant to a claims bill during the preceding fiscal year. Any recommendations by the Legislative Analyst to eliminate or modify the mandates shall be contained in the annual analysis of the Budget Bill prepared by the Legislative Analyst.

# GC §17571: Review and Modification of Claiming Instructions

The commission, upon request of a local agency or school district, shall review the claiming instructions issued by the Controller or any other authorized state agency for reimbursement of mandated costs. If the commission determines that the claiming instructions do not conform to the parameters and guidelines, the commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the commission.

# GC §17575: Review of Bills

When a bill is introduced in the Legislature, and each time a bill is amended, on and after January 1, 1985, the Legislative Counsel shall determine whether the bill mandates a new program or higher level of service pursuant to Section 6 of Article XIIIB of the California Constitution. The Legislative Counsel shall make this determination known in the digest of the bill and shall describe in the digest the basis for this determination. The determination by the Legislative Counsel shall not be binding on the commission in making its determination pursuant to Section 17555.

#### GC §17576: Determination of Bills by the Legislative Counsel

Whenever the Legislative Counsel determines that a bill will mandate a new program or higher level of service pursuant to Section 6 of Article XIII B of the California Constitution, the Department of Finance shall prepare an estimate of the amount of reimbursement which will be required. This estimate shall be prepared for the respective committees of each house of the Legislature which consider taxation measures and appropriation measures and shall be prepared prior to any hearing on the bill by any such committee.

#### GC §17577: Amount of Estimates

The estimate required by Section 17576 shall be the amount estimated to be required during the first fiscal year of a bill's operation in order to reimburse local agencies and school districts for costs mandated by the state by the bill.

#### GC §17578: Amendment of Bills on Floor: Notification by Legislative Counsel

In the event that a bill is amended on the floor of either house, whether by adoption of the report of a conference committee or otherwise, in such a manner as to mandate a new program or higher level of service pursuant to Section 6 of Article XIIIB of the California Constitution, the Legislative Counsel shall immediately inform, respectively, the Speaker of the Assembly and the President of the Senate of that fact. Notification from the Legislative Counsel shall be published in the journal of the respective houses of the Legislature.

# GC §17579: Requirement for New Mandates to Specify Reimbursement Requirements: Appropriations

Any bill introduced or amended for which the Legislative Counsel has determined the bill will mandate a new program or higher level of service pursuant to Section 6 of Article XIIIB of the California Constitution shall contain a section specifying that reimbursement shall be made pursuant to this chapter or that the mandate is being disclaimed and the reason therefor.

# GC §17581: Conditions for Exemption from Implementation of Statute or Executive Order

(a) No local agency shall be required to implement or give effect to any statute or executive order, or portion thereof, during any fiscal year and for the period immediately following that fiscal year for which the Budget Act has not been enacted for the subsequent fiscal year if all of the following apply: (1) The statute or executive order, or portion thereof, has been determined by the Legislature, the commission, or any court to mandate a new program or higher level of service requiring reimbursement of local agencies pursuant to Section 6 of Article XIIIB of the California Constitution. (2) The statute or executive order, or portion thereof, has been specifically identified by the Legislature in the Budget Act for the fiscal year as being one for which reimbursement is not provided for that fiscal year. For purposes of this paragraph, a mandate shall be considered to have been specifically identified by the Legislature only if it has been included within the schedule of reimbursable mandates shown in the Budget Act and it is specifically identified in the language of a provision of the item providing the appropriation for mandate reimbursements. (b) Within 30 days after enactment of the Budget Act, the Department of Finance shall notify local agencies of any statute or executive order, or portion thereof, for which operation of the mandate is suspended because reimbursement is not provided for that fiscal year pursuant to this section and Section 6 of Article XIIIB of the California Constitution. (c) Notwithstanding any other provision of law, if a local agency elects to implement or give effect to a statute or executive order described in subdivision (a), the local agency may assess fees to persons or entities which benefit from the statute or executive order. Any fee assessed pursuant to this subdivision shall not exceed the costs reasonably borne by the local agency. (c) This section shall not apply to any state-mandated local program for the trial courts, as specified in Section 77203. (d) This section shall not apply to any state-mandated local program for which the reimbursement funding counts toward the minimum General Fund requirements of Section 8 of Article XVI of the Constitution.

# GC §17581.5 Exemption from Provisions of School Bus Safety II Mandate and School Crimes Reporting II Mandate

(a) A school district may not be required to implement or give effect to the statutes, or portion thereof, identified in subdivision (b) during any fiscal year and for the period immediately following that fiscal year for which the Budget Act has not been enacted for the subsequent fiscal year if all of the following apply: (1) The statute or portion thereof, has been determined by the Legislature, the commission, or any court to mandate a new program or higher level of service requiring reimbursement of school districts pursuant to Section 6 of Article XIIIB of the California Constitution. (2) The statute, or portion thereof, has been specifically identified by the Legislature in the Budget Act for the fiscal year as being one for which reimbursement is not provided for that fiscal year. For purposes of this paragraph, a mandate shall be considered to have been specifically identified by the Legislature only if it has been included within the schedule of reimbursable mandates shown in the Budget Act and it is specifically identified in the language of a provision of the item providing the appropriation for mandate reimbursements. (b) This section applies only to the following mandates: (1) The School Bus Safety I (CSM-4433) and II (97-TC-22) mandates (Chapter 642 of the Statutes of 1992; Chapter 831 of the Statutes of 1994; and Chapter 739 of the Statutes of 1997). (2) The School Crimes Reporting II mandate (97-TC-03; and Chapter 759 of the Statutes of 1992 and Chapter 410 of the Statutes of 1995). (3) Investment reports (96-358-02; and Chapter 783 of the Statutes of 1995 and Chapters 156 and 749 of the Statutes of 1996). (4) County treasury oversight committees (96-365-03; and Chapter 784 of the Statutes of 1995 and Chapter 156 of the Statutes of 1996).

### GC §17600: Report on Number of Mandates and Their Costs

At least twice each calendar year the commission shall report to the Legislature on the number of mandates it has found pursuant to Article 1 (commencing with Section 17550) and the estimated statewide costs of these mandates. This report shall identify the statewide costs estimated for each mandate and the reasons for recommending reimbursement.

# GC §17601: Report on Claims Denied

The commission shall report to the Legislature on January 15, 1986, and each January 15 thereafter, on the number of claims it denied during the preceding calendar year and the basis on which the particular claims were denied.

# GC §17612: Local Government Claims Bills: Judicial Review of Funding Deletions

(a) Upon receipt of the report submitted by the commission pursuant to Section 17600, funding shall be provided in the subsequent Budget Act for costs incurred in prior years. No funding shall be provided for years in which a mandate is suspended. (b) The Legislature may amend, modify, or supplement the parameters and guidelines for mandates contained in the local government claims bill. If the Legislature amends, modifies, or supplements the parameters and guidelines, reasonable reimbursement methodology, and adopted statewide estimate of costs for the initial claiming period and budget year for mandates contained in the annual Budget Act. If the Legislature amends, modifies, or supplements the parameters and guidelines, reasonable reimbursement methodology, and adopted statewide estimate of costs for the initial claiming period and budget year for costs for the initial claiming period and budget year, it shall make a declaration in a separate legislation specifying the basis for the amendment, modification, or supplement. (c) If the Legislature deletes from a local government claims bill funding for a mandate, the local agency or school district may file in the Superior Court of the County of Sacramento an action in declaratory relief to declare the mandate unenforceable and enjoin its enforcement.

#### GC §17613: Authorization of Augmentation for Mandated Costs

(a) The Director of Finance may, upon receipt of any report submitted pursuant to Section 17567, authorize the augmentation of the amount available for expenditure to reimburse costs mandated by the state, as defined in Section 17514, as follows: (1) For augmentation of (A) any schedule in any item to reimburse costs mandated by the state in any budget act, or (B) the amount appropriated in a local government claims bill for reimbursement of the claims of local agencies, as defined by Section 17518, from the unencumbered balance of any other item to reimburse costs mandated by the state in that budget act or another budget act or in an appropriation for reimbursement of the claims of local agencies in another local government claims bill. (2) For augmentation of (A) any schedule in any budget act item, or (B) any amount appropriated in a local government claims bill, when either of these augmentations is for reimbursement of mandated claims of school districts, as defined in Section 17519, when the source of this augmentation is (A) the unencumbered balance of any other scheduled amount in that budget act or another budget act, or (B) an appropriation in another local government claims bill, when either of these appropriations is for reimbursement of mandate claims of school districts. This paragraph applies only to appropriations that are made for the purpose of meeting the minimum funding guarantee for educational programs pursuant to Section 8 of Article XVI of the California Constitution. (b) No authorization for an augmentation pursuant to this section may be made sooner than 30 days after the notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time as the chairperson of the joint committee, or his or her designee, may in each instance determine.

#### GC §17615: Legislative Findings and Intent

The Legislature finds and declares that the existing system for reimbursing local agencies and school districts for actual costs mandated by the state on an annual claim basis is time consuming,

cumbersome, and expensive at both the local and state levels. The Controller must process voluminous claims with all claims subject to a desk audit and selected claims also subject to a field audit. Local agencies are required to maintain extensive documentation of all claims in anticipation of such an audit. The volume of these records is substantial and will continue to grow with no relief in sight as new programs are mandated. The cost to local agencies and school districts for filing claims, and for maintaining documentation and responding to the Controller's audits is substantial. The current administrative cost to both state and local governments represents a significant expenditure of public funds with no apparent benefit to the taxpayers. It is the intent of the Legislature to streamline the reimbursement process for costs mandated by the state by creating a system of state mandate apportionments to fund the costs of certain programs mandated by the state.

# GC §17615.1: Review of Programs for Inclusion in System

The commission shall establish a procedure for reviewing, upon request, mandated cost programs for which appropriations have been made by the Legislature for the 1982-83, 1983-84, and 1984-85 fiscal years, or any three consecutive fiscal years thereafter. At the request of the Department of Finance, the Controller, or any local agency or school district receiving reimbursement for the mandated program, the commission shall review the mandated cost program to determine whether the program should be included in the State Mandates Apportionment System. If the costs of the state-mandated program, the commission shall direct the Controller to include the program in the State Mandates Apportionment System.

# GC §17615.2: Calculation of Disbursement Amounts

(a) Notwithstanding Section 17561, after November 30, 1985, for those programs included in the State Mandates Apportionment System, after approval by the commission, there shall be disbursed by the Controller to each local agency and school district which has submitted a reimbursement claim for costs mandated by the state in the 1982-83, 1983-84, and the 1984-85 fiscal years, or any three consecutive fiscal years thereafter, an amount computed by averaging the approved reimbursement claims for this three-year period. The amount shall first be adjusted according to any changes in the deflator. The deflator shall be applied separately to each year's costs for the three years which comprise the base period. Funds for these purposes shall be available to the extent they are provided for in the Budget Act of 1985 and the Budget Act for any subsequent fiscal year thereafter. For purposes of this article, "base period" means the three fiscal years immediately succeeding the commission's approval. (b) When the Controller has made payment on claims prior to commission approval of the program for inclusion in the State Mandates Apportionment System, the payment shall be adjusted in the next apportionment to the amount which would have been subvened to the local agency or school district for that fiscal year had the State Mandates Apportionment System been in effect at the time of the initial payment.

# GC §17615.3: Annual Recalculation of Allocation

Notwithstanding Section 17561, by November 30, 1986, and by November 30 of each year thereafter, for those programs included in the State Mandates Apportionment System, the Controller shall recalculate each allocation for each local agency and school district for the 1985-86 fiscal year, by using the actual change in the deflator for that year. That recalculated allocation shall then be adjusted by the estimated change in the deflator for the 1986-87 fiscal year, and each fiscal year thereafter, to establish the allocation amount for the 1986-87 fiscal year, and each fiscal year thereafter. Additionally, for programs approved by the commission for inclusion in the State Mandates Apportionment System on or after January 1, 1988, the allocation for each year succeeding the three-year base period shall be adjusted according to any changes in both the deflator and workload. The Controller shall then subvene that amount after adjusting it by any amount of overpayment or underpayment in the 1985-86 fiscal year, and each fiscal year thereafter, due to a discrepancy between the actual change and the estimated change in the deflator or workload. Funds for these purposes shall be available to the extent they are provided for in the Budget Act of 1986 and the Budget Act for any subsequent fiscal year thereafter. For purposes of this article, "workload" means, for school districts and county offices of

education, changes in the average daily attendance; for community colleges, changes in the number of full-time equivalent students; for cities and counties, changes in the population within their boundaries; and for special districts, changes in the population of the county in which the largest percentage of the district's population is located.

# GC §17615.4: Procedure for Newly Mandated Program

(a) When a new mandate imposes costs that are funded either by legislation or in local government claims bills, local agencies and school districts may file reimbursement claims as required by Section 17561, for a minimum of three years after the initial funding of the new mandate. (b) After actual cost claims are submitted for three fiscal years against such a new mandate, the commission shall determine, upon request of the Controller or a local entity or school district receiving reimbursement for the program, whether the amount of the base year entitlement adjusted by changes in the deflator and workload accurately reflects the costs incurred by the local agency or school district. If the commission determines that the base year entitlement, as adjusted, does accurately reflect the costs of the program, the commission shall direct the Controller to include the program in the State Mandates Apportionment System. (c) The Controller's recommendations for each new mandate submitted for inclusion in the State Mandates Apportionment System pursuant to this section are also subject to the audit provisions of Section 17616.

#### GC §17615.5: Procedure Where No Base Year Entitlement Has Been Established

(a) If any local agency or school district has an established base year entitlement which does not include costs for a particular mandate, that local agency or school district may submit reimbursement claims for a minimum of three consecutive years, adjusted pursuant to Section 17615.3 by changes in the deflator and workload, or entitlement claims covering a minimum of three consecutive years, after which time its base year entitlement may be adjusted by an amount necessary to fund the costs of that mandate. (b) If any local agency or school district has no base year entitlement, but wishes to begin claiming costs of one or more of the mandates included in the State Mandates Apportionment System, that local agency or school district may submit reimbursement claims for a minimum of three consecutive years, or entitlement claims covering the preceding three consecutive years, which shall be adjusted pursuant to Sections 17615.2 and 17615.3 by changes in the deflator and workload, after which time a base year entitlement may be established in an amount necessary to fund the costs of the mandate or mandates.

# GC §17615.6: Procedure Where Program is No Longer Mandatory

If a local agency or school district realizes a decrease in the amount of costs incurred because a mandate is discontinued, or made permissive, the Controller shall determine the amount of the entitlement attributable to that mandate by determining the base year amount for that mandate for the local agency or school district plus the annual adjustments. This amount shall be subtracted from the annual subvention which would otherwise have been allocated to the local agency or school district.

# GC §17615.7: Procedure Where Program is Modified

If a mandated program included in the State Mandates Apportionment System is modified or amended by the Legislature or by executive order, and the modification or amendment significantly affects the costs of the program, as determined by the commission, the program shall be removed from the State Mandate Apportionment System, and the payments reduced accordingly. Local entities or school districts may submit actual costs claims for a period of three years, after which the program may be considered for inclusion in the State Mandates Apportionment System, pursuant to the provisions of Section 17615.4.

# GC §17615.8: Review of Base Year Entitlement

(a) The commission shall establish a procedure for reviewing, upon request, any apportionment or base year entitlement of a local agency or school district. (b) Local agencies and school districts which request such a review shall maintain and provide those records and documentation as the commission or its designee determines are necessary for the commission or its designee to make the required determinations. With the exception of records required to verify base year entitlements, the records may not be used to adjust current or prior apportionments, but may be used to adjust future apportionments. (c) If the commission determines that an apportionment or base year entitlement for funding costs mandated by the state does not accurately reflect the costs incurred by the local agency or school district for all mandates upon which that apportionment is based, the commission shall direct the Controller to adjust the apportionment accordingly. For the purposes of this section, an apportionment or a base year entitlement does not accurately reflect the costs incurred by a local agency or school district if it falls short of reimbursing, or overreimburses, that local agency's or school district's actual costs by 20 percent or by one thousand dollars (\$1,000), whichever is less. (d) If the commission determines that an apportionment or base year entitlement for funding costs mandated by the state accurately reflects the costs incurred by the local agency or school district for all mandates upon which that apportionment is based, the commission may, in its discretion, direct the Controller to withhold, and, if so directed, the Controller shall withhold the costs of the commission's review from the next apportionment to the local agency or school district, if the commission review was requested by the local agency or school district.

# GC §17615.9: Review of Programs Under SMAS

The commission shall periodically review programs funded under the State Mandate Apportionments System to evaluate the effectiveness or continued statewide need for each such mandate.

# GC §17616: Audits and Verification by Controller

The Controller shall have the authority to do either or both of the following: (a) Audit the fiscal years comprising the base year entitlement no later than three years after the year in which the base year entitlement is established. The results of such audits shall be used to adjust the base year entitlements and any subsequent apportionments based on that entitlement, in addition to adjusting actual cost payments made for the base years audited. (b) Verify that any local agency or school district receiving funds pursuant to this article is providing the reimbursed activities.

# GC §17617: Local Agency Payment

The total amount due to each city, county, city and county, and special district, for which the state has determined, as of June 30, 2005, that reimbursement is required under Section 6 of Article XIIIB of the California Constitution, shall be appropriated for payment to these entities over a period of not more than five years, commencing with the Budget Act for the 2006-07 fiscal year and concluding with the Budget Act for the 2011-12 fiscal year.

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# OFFICE OF THE STATE CONTROLLER

STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2006-11

# ANIMAL ADOPTION 2005

# April 3, 2006

# Revised January 30, 2009

In accordance with Government Code (GC) section 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of costs incurred for state mandated cost programs. The following are claiming instructions and forms that eligible claimants will use for filing claims for the Animal Adoption (AA) program. These claiming instructions are issued subsequent to adoption of the program's Parameters and Guidelines (P's & G's) by the Commission on State Mandates (CSM).

On January 25, 2001, the CSM determined that Chapter 752, Statutes of 1998, established costs mandated by the State according to the provisions listed in the P's & G's. For your reference, the P's & G's are included as an integral part of the claiming instructions.

# **Eligible Claimants**

Any city, county, or city and county, which incurs increased costs, as a direct result of this mandate is eligible to claim reimbursement of these costs.

# **Filing Deadlines**

# A. Reimbursement Claims

A reimbursement claim is defined in GC Section 17522 as any claim filed with the SCO by a local agency for reimbursement of costs incurred for which an appropriation is made for the purpose of paying the claim.

An actual claim may be filed by February 15 following the fiscal year in which costs were incurred. If the filing deadline falls on a weekend or holiday, the filing deadline will be the next business day. Since the 15<sup>th</sup> falls on a weekend in 2009 claims for fiscal year 2007-08 will be accepted without penalty if postmarked or delivered on or before February 17, 2009. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$10,000. A claim filed more than one year after the deadline cannot be accepted for reimbursement.

In order for a claim to be considered properly filed, it must include the Indirect Cost Rate Proposal (ICRP) if the indirect cost rate exceeds 10%. A more detailed discussion of the ICRP may be found in Section 8 of the instructions.

Documentation to support actual costs must be kept on hand by the claimant and made available to the SCO upon request as explained in Section 17 of the instructions.

# **B.** Estimated Claims

Pursuant to AB 8, Chapter 6, Statutes of 2008, the option to file estimated claims has been eliminated. Therefore, estimated claims filed on or after February 16, 2008, will not be accepted for reimbursement.

# **Minimum Claim Cost**

GC section 17564(a) provides that no claim shall be filed pursuant to Sections 17551 and 17561, unless such a claim exceeds one thousand dollars (**\$1,000**), provided that a county may submit a combined claim on behalf of direct service districts or special districts within their county if the combined claim exceeds **\$1,000**, even if the individual direct service district's or special district's claim does not each exceed **\$1,000**. The county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each direct service district or special district. These combined claims may be filed only when the county is the fiscal agent for the districts. A combined claim must show the individual claim costs for each eligible district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a direct service district or special district provides a written notice of its intent to file a separate claim to the county and to the SCO, at least 180 days prior to the deadline for filing the claim.

# **Reimbursement of Claims**

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities.

A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, notices of order of suspension or revocation, sworn reports, arrest reports, notices to appear, employee time records, or time logs, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, and declarations.

Declarations must include a certification or declaration stating, "I certify, (or declare), under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of the Code of Civil Procedure section 2015.5.

Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

# **Certification of Claim**

In accordance with the provisions of GC section 17561, an authorized representative of the claimant shall be required to provide a certification of claim stating: "I certify, (or declare), under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of the Code of Civil Procedure section 2015.5, for those costs mandated by the State and contained herein.

# **Audit of Costs**

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the P's & G's adopted by the CSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim activity adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

Pursuant to GC section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to the initiation of an audit by the SCO no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed not later than two years after the date that the audit is commenced.

All documents used to support the reimbursable activities must be retained during the period subject to audit. If an audit has been initiated by the SCO during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings. Supporting documents shall be made available to the SCO on request.

# **Retention of Claiming Instructions**

The claiming instructions and forms in this package should be retained permanently in your Mandated Cost Manual for future reference and use in filing claims. These forms should be duplicated to meet your filing requirements. You will be notified of updated forms or changes to claiming instructions as necessary.

Questions or requests for hard copies of these instructions should be faxed to Angie Teng at (916) 323-6527, or e-mailed to **LRSDAR@sco.ca.gov.** Or, if you wish, you may call the Local Reimbursements Section at (916) 324-5729.

For your reference, these and future mandated costs claiming instructions and forms can be found on the Internet at http://www.sco.ca.gov/ard/local/locreim/index.shtml.

# Address for Filing Claims

Claims should be rounded to the nearest dollar. Submit a signed original and a copy of form FAM-27, Claim for Payment, and all other forms and supporting documents. (To expedite the payment process, please sign the form in blue ink, and attach a copy of the form FAM-27 to the top of the claim package.) Use the following mailing addresses:

If delivered by U.S. Postal Service:	If delivered by other delivery services:
Office of the State Controller	Office of the State Controller
Attn: Local Reimbursements Section	Attn: Local Reimbursements Section
Division of Accounting and Reporting	Division of Accounting and Reporting
P.O. Box 942850	3301 C Street, Suite 500
Sacramento, CA 94250	Sacramento, CA 95816

Amended: January 26, 2006 Adopted: February 28, 2002 j:mandates/2004/pga/04pga01 and 02/draftpga

# PARAMETERS AND GUIDELINES AMENDMENT

Civil Code Sections 1834 and 1846; Food and Agriculture Code Sections 31108, 31752, 31752.5, 31753, 32001, and 32003 As Added or Amended by Statutes of 1998, Chapter 752

#### AND

Amended Pursuant to Statutes 2004, Chapter 313 (AB 2224) and Request of the State Controller's Office

# **Animal Adoption**

# I. Summary of the Mandate

The test claim legislation was enacted in an attempt to end the euthanasia of adoptable and treatable animals. Generally, the test claim legislation increased the holding period for stray and abandoned dogs, cats, and other specified animals; required the verification of the temperament of feral cats; required the posting of lost and found lists; required the maintenance of records for impounded animals; and required that impounded animals receive "necessary and prompt veterinary care."

The Commission partially approved this test claim, pursuant to article XIII B, section 6 of the California Constitution and Government Code section 17514, for the *increased costs* in performing the following activities only:

- 1. Providing care and maintenance during the increased holding period for impounded dogs and cats that are ultimately euthanized. The increased holding period shall be measured by calculating the difference between three days from the day of capture and four business days from the day after impoundment, as specified below in 3 (a) and 3 (b), or six business days from the day after impoundment (Food & Agr. Code, §§ 31108, 31752);
- 2. Providing care and maintenance for four business days from the day after impoundment, as specified below in 3 (a) and 3 (b), or six business days from the day after impoundment, for impounded rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles, or tortoises legally allowed as personal property that are ultimately euthanized (Food & Agr. Code, § 31753);
- 3. For dogs, cats, and other specified animals held for four business days after the day of impoundment, either:

(a) Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or

(b) For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed (Food & Agr., Code §§ 31108, 31752, and 31753);

- 4. Verifying whether a cat is feral or tame by using a standardized protocol (Food & Agr. Code, § 31752.5);
- 5. Posting lost and found lists (Food & Agr. Code, § 32001);
- 6. Maintaining records on animals that are not medically treated by a veterinarian, but are either taken up, euthanized after the holding period, or impounded (Food & Agr. Code, § 32003); and
- 7. Providing "necessary and prompt veterinary care" for abandoned animals, other than injured cats and dogs given emergency treatment, that are ultimately euthanized (Civ.Code, §§ 1834 and 1846).

# II. Eligible Claimants

Any city, county, city and county, dependent special district, and joint powers authority comprised of a city, county, and/or city and county that incurs increased costs as a result of this reimbursable state mandated program is eligible to claim reimbursement of those costs.

# III. Period of Reimbursement

The period of reimbursement for the activities in this parameters and guidelines amendment begins on July 1, 2005.

Pursuant to Government Code section 17560, reimbursement for statemandated costs may be claimed as follows:

- 1. A local agency may file an estimated reimbursement claim by January 15 of the fiscal year in which costs are to be incurred, and, by January 15 following that fiscal year shall file an annual reimbursement claim that details the costs actually incurred for that fiscal year; or it may comply with the provisions of subdivision (b).
- 2. A local agency may, by January 15 following the fiscal year in which costs are incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year.
- 3. In the event revised claiming instructions are issued by the Controller pursuant to subdivision (c) of section 17558 between October 15 and January 15, a local agency filing an annual reimbursement claim shall have 120 days following the issuance date of the revised claiming instructions to file a claim.

Reimbursable actual costs for one fiscal year shall be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to Government Code section 17561, subdivision (d)(1), all claims for reimbursement of initial years' costs shall be submitted within

120 days of the issuance of the State Controller's claiming instructions. If the total costs for a given fiscal year do not exceed \$1,000, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

There shall be no reimbursement for any period in which the Legislature has suspended the operation of a mandate pursuant to state law.

# IV. Reimbursable Activities

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of Code of Civil Procedure section 2015.5. Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

The claimant is only allowed to claim and be reimbursed for increased costs for reimbursable activities identified below. Increased cost is limited to the cost of an activity that the claimant is required to incur as a result of the mandate.

For each eligible claimant, the following activities are reimbursable:

A. One Time Activities

- 1. Develop policies and procedures to implement the reimbursable activities listed in Section IV (B) of these parameters and guidelines.
- 2. Train staff on the reimbursable activities listed in Section IV (B) of these parameters and guidelines. (One-time per employee.)
- 3. Develop or procure computer software for the maintenance of records on animals specified in Section IV (B) (8) of these parameters and guidelines to the extent these costs are not claimed as an indirect cost under Section V (B) (8) of these parameters and guidelines. If the computer software is utilized in some way that is not directly related to the maintenance of records specified in Section IV (B) (8), only the

pro rata portion of the activity that is used for compliance with Section IV(B)(8) is reimbursable.

- B. Ongoing Activities
  - 1. Acquisition of Additional Space and/or Construction of New Facilities

Beginning January 1, 1999 - Acquiring additional space by purchase or lease and/or construction of new facilities to provide appropriate or adequate shelter necessary to comply with the mandated activities during the increased holding period for impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that die during the increased holding period or are ultimately euthanized.

Eligible claimants are only entitled to reimbursement for the proportionate share of actual costs required to plan, design, acquire, and/or build facilities in a given fiscal year based on the pro rata representation of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that are held during the *increased* holding period specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines and die during the increased holding period or are ultimately euthanized, to the total population of animals housed in the facility (including those animals that are excluded from reimbursement, as specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines) during the entire holding period required by Food and Agriculture Code sections 31108, 31752 and 31753.

Formula for Proportionate Share of Actual Costs:

Where:

- (A) = Shelter square footage, 1998
- (B) = Total animal average daily census (ADC), 1998
- (C) = Square footage per ADC, 1998 (=A/B)
- (D) = Total dog/cat ADC, 1998
- (E) = Shelter square footage, claim year
- (F) = Total dog/cat ADC, claim year
- (G) = Eligible dog/cat ADC, claim year
- (H) = Eligible other animal ADC, claim year
- (I) = Eligible dog/cat square footage, claim year

For shelters that meet the conditions of to Food and Agricultural Code section 31108(a)(1) or (2) for dogs, and section 31752(a)(1) or (2) for cats:<sup>1</sup>

 $(I) = 2/5 \times C \times F$ 

For shelters that do not meet the conditions of Food and Agricultural Code section 31108(a)(1) or (2) for dogs, and section 31752(a)(1) or (2) for cats:

(I) – 4/7 x C x F

(J) = Reduction in eligible square footage due to decline in total dog/cat population (cannot exceed 0)

For shelters that meet the conditions of Food and Agricultural Code section 31108(a)(1) or (2) for dogs, and section 31752(a)(1) or (2) for cats:<sup>2</sup>

 $(J) = [(F/5 - D/3 \times C \times D] / (D/3)]$ 

For shelters that do not meet the conditions of Food and Agricultural Code section 31108(a)(10 or (2) for dogs, and section 31752(a)(1) or (2) for cats:

 $(J) = [(F/7 - D/3) \times C \times D] / (D/3)$ 

(K) = Net eligible dog/cat square footage (cannot be less than 0)

(K = I + J)

(L) = Percentage of eligible dog/cat ADC, claim year (L = G/F)

(M) = Allowable dog/cat square footage  $(M = K \times L)$ 

(N) = Allowable square footage for other animals specified by Food and Agricultural Code section 31573 (N = C x H)

(P) = Eligible percentage of acquisition/construction costs (cannot exceed 100%) [P = (M+N) / ((E-A)]

Statutes 2004, chapter 313 specifies that costs incurred to address preexisting shelter overcrowding or animal population growth are not reimbursable. The mandate reimburses for costs required due to the

<sup>2</sup> In order to select this option claimants must either make the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or (b) Have fewer than three full-time employees or are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.

<sup>&</sup>lt;sup>1</sup> In order to select this option claimants must either make the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or (b) Have fewer than three full-time employees or are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.

increased holding period required by Statutes 1998, chapter 752. In calculating net eligible dog/cat square footage, the formula recognizes that a decline in the number of animals sheltered may offset the effect of the increased holding period. For example, if the dog/cat average daily census does not change between the 1998 base year and the claim year, there is no additional square footage required.

The mandate reimburses only for costs attributable to eligible animals. Prior to Statutes 1998, chapter 752, shelters were required to hold dogs and cats for three days, whereas there was no required holding period for other animals. Therefore, the mandate reimbursable percentage formula separately calculates allowable square footage for dogs and cats, and allowable square footage for other animals specified by Food and Agricultural Code section 31753.

Acquisition/construction costs that are less than or equal to the cost of contract services for eligible animals are reimbursable.

Claimants may recalculate the eligible percentage of acquisition/construction costs each year, based on current animal population statistics. However, claimants may only claim allowable costs that have not been claimed in previous fiscal years.

#### Supporting Documentation Submitted with the Initial and Subsequent Reimbursement Claims

Acquiring additional space and/or construction of new facilities is reimbursable only to the extent that an eligible claimant submits, with the initial and/or subsequent reimbursement claim, documentation reflecting the following:

A determination by the governing board that acquiring additional space and/or constructing new facilities is necessary for the increased holding period required by Statutes of 1998, Chapter 752 because the existing facilities do not reasonably accommodate impounded stray or abandoned dogs, cats and other specified animals that are ultimately euthanized. The determination by the governing board shall include all of the following findings:

- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in 1998. For purposes of claiming reimbursement under section IV.B.1, average Daily Census is defined as the average number of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 housed on any given day, in a 365-day period;
- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in a given year under the

holding periods required by Food and Agriculture Code sections 31108, 31752, and 31753, as added or amended by Statutes of 1998, Chapter 752;

- Existing facilities are not appropriately configured and/or equipped to comply with the increased holding period required by Statutes of 1998, Chapter 752;
- Remodeling existing facilities is not feasible or is more expensive than acquiring additional space and/or constructing new facilities to comply with the increased holding period required by Statutes 1998, chapter 752; and
- Contracting with existing private or public shelters in the area to house the increase of impounded stray or abandoned dogs, cats, or other animals specified in Statutes 1998, chapter 752 is not feasible or is more expensive than acquiring additional space and/or constructing new facilities to comply with the increased holder period required by Statutes 1998, chapter 752. This finding should include the cost to contract with existing shelters..

Documentation requirements may be satisfied in whole or in part by staff agenda items, staff reports, minutes of governing board meetings, transcripts of governing board meetings, certification by the governing board describing the findings and determination, and/or a resolution adopted by the governing board pursuant to Food and Agriculture Code section 31755, as added by Statutes of 1999, Chapter 81 (Assembly Bill 1482).

2. Remodeling/Renovating Existing Facilities

Beginning January 1, 1999 - Remodeling/renovating existing facilities to provide appropriate or adequate shelter necessary to comply with the mandated activities during the increased holding period for impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that die during the increased holding period or are ultimately euthanized.

Eligible claimants are only entitled to reimbursement for the proportionate share of actual costs required to plan, design, remodel and/or renovate existing facilities in a given fiscal year based on the pro rata representation of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that are held during the *increased* holding period specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines and die during the increased holding period or are ultimately euthanized, to the total population of animals housed in the facility (including those animals that are excluded from reimbursement, as specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines) during the entire

holding period required by Food and Agriculture Code sections 31108, 31752 and 31753.

Since the remodeling/renovation will not increase square footage to address existing overcrowding or future growth issues, the mandate reimbursable percentage formula for remodeling/renovation would exclude the eligible percentage of square footage factor.

Formula for proportionate share of actual remodeling/renovation costs:

(A) = Shelter square footage

(B) = Total animal average daily census (ADC), claim year

(C) = Square footage per ADC, claim year (C = A/B)

(G) = Eligible dog/cat ADC, claim year

(H) = Eligible other animal ADC, claim year

(M) = Eligible dog/cat square footage, claim year

For shelters that meet the requirements of Food and Agricultural Code section 31108 (a)(1) or (2) for dogs, and section 31752 (a)(1) or (2) for cats,  $M = 2/5 \times C \times G$ .

For shelters that do not meet the requirements of Food and Agricultural Code section 31108(a)(1) or (2) for dogs, and section 31752(a)(1) or (2) for cats,  $M = 4/7 \times C \times G$ .

(N) = Allowable square footage for other animals specified by Food and Agricultural Code section 31753, claim year (N = C x H)

 $(P) = Eligible \ percentage \ of \ remodeling/removation \ costs \\ [P = (M + N) \ / \ A]$ 

Claimants may recalculate the eligible percentage of remodeling/renovation costs each year, based on current animal population statistics. However, claimants may only claim allowable costs that have not been claimed in previous fiscal years.

Supporting Documentation Submitted with the Initial and Subsequent Reimbursement Claims

Remodeling/renovating existing facilities is reimbursable only to the extent that an eligible claimant submits, with the initial and/or subsequent reimbursement claim, documentation reflecting the following:

A determination by the governing board or a delegated representative that remodeling/renovating existing facilities is necessary because the existing facilities do not reasonably accommodate impounded stray or abandoned dogs, cats and other specified animals that are ultimately euthanized for the increased holding period required by Statutes of 1998, Chapter 752. The determination by the governing board or delegated representative shall include all of the following findings:

- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in 1998. For purposes of claiming reimbursement under section IV.B.2, average Daily Census is defined as the average number of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 housed on any given day, in a 365-day period;
- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 in a given year under the holding periods required by Food and Agriculture Code sections 31108, 31752, and 31753, as added or amended by Statutes of 1998, Chapter 752;
- Existing facilities are not appropriately configured and/or equipped to comply with the increased holding period required by Statutes of 1998, Chapter 752;
- Contracting with existing private or public shelters in the area to house the increase of impounded stray or abandoned dogs, cats, or other animals specified in Statutes of 1998, Chapter 752 is not feasible or is more expensive than remodeling/renovating existing facilities to comply with the increased holding period required by Statutes 1998, chapter 752.

Documentation requirements may be satisfied in whole or in part by staff agenda items, staff reports, minutes of governing board meetings, transcripts of governing board meetings, certification by the governing board or declaration from the delegated representative describing the findings and determination, and/or a resolution adopted by the governing board pursuant to Food and Agriculture Code section 31755, as added by Statutes of 1999, Chapter 81 (Assembly Bill 1482).

3. Care and Maintenance for Impounded Stray or Abandoned Dogs and Cats that Die During the Increased Holding Period or are Ultimately Euthanized (Food & Agr. Code, §§ 31108, 31752)

Beginning July 1, 1999 - Providing care and maintenance during the increased holding period for impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized. The increased holding period shall be measured by calculating the difference between three days from the day of capture, and four or six business days from the day after impoundment.

#### Exclusions

Eligible claimants are *not* entitled to reimbursement for the care and maintenance of the following population of dogs and cats:

- Stray or abandoned dogs and cats that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);
- Newborn stray or abandoned dogs and cats that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- Stray or abandoned dogs and cats too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- Owner relinquished dogs and cats; and
- Stray or abandoned dogs and cats that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

#### Methods for Claiming Costs

Eligible claimants may elect one of following two methods to claim costs for the care and maintenance of impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized:

- Actual Cost Method Under the actual cost method, actual reimbursable care and maintenance costs per animal per day are computed for an annual claim period.
  - a) Determine the total annual cost of care and maintenance for all dogs and cats impounded at a facility. Total cost of care and maintenance includes labor, materials, supplies, indirect costs, and contract services.
  - b) Determine the average daily census of all dogs and cats impounded at a facility. For purposes of claiming reimbursement under IV.B.3, average daily census is defined as the average number of all dogs and cats at a facility housed on any given day, in a 365-day period..
  - c) Multiply the average daily census of dogs and cats by 365 = yearly census of dogs and cats.
  - d) Divide the total annual cost of care by the yearly census of dogs and cats = cost per animal per day.
  - e) Multiply the cost per animal per day, by the number of impounded stray or abandoned dogs and cats that die

during the increased holding period or are ultimately euthanized, by each reimbursable day (the difference between three days from the day of capture, and four or six business days from the day after impoundment).

• Time Study Method – Under the time study method, a random sample of impounded stray or abandoned dogs and cats are observed to determine the amount of time to provide care and maintenance during a reimbursable day.

The time study shall be developed using one representative month each quarter and be supported with actual source documentation. Time studies shall be conducted on a more frequent basis if there are significant variations of time expended from month to month. The time study shall identify hours devoted to each specific category. If the time study supports a fixed-cost approach such as an animal day (i.e., dogday, cat-day, etc.), the eligible claimant shall document the analysis supporting the method used.

Time records used to support the time study shall:

- a) Reflect an after-the-fact distribution of each employee's actual activity;
- b) Account for the total activity for which each employee is compensated;
- c) Account for the total labor hours of the month;
- d) Be signed and dated by the employee not later than the end of the pay period that follows the pay period covered by the report; and
- e) Document, by signature or initials and date, supervisor approval.
- Care and Maintenance for Impounded Stray or Abandoned Animals Specified in Food and Agriculture Code Section 31753 that Die During the Increased Holding Period or are Ultimately Euthanized (Food & Agr. Code, § 31753)

Beginning January 1, 1999 - Providing care and maintenance for four or six business days from the day after impoundment for impounded stray or abandoned rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles, and tortoises legally allowed as personal property that die during the increased holding period or are ultimately euthanized.

#### **Exclusions**

Eligible claimants are *not* entitled to reimbursement for the care and maintenance of the following population of animals:

- Stray or abandoned animals that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);
- Newborn animals that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- Stray or abandoned animals too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- Owner relinquished animals; and
- Stray or abandoned animals that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

#### Methods for Claiming Costs

Eligible claimants may elect one of following two methods to claim costs for the care and maintenance of impounded stray or abandoned animals specified in Food and Agriculture Code section 31753 that die during the increased holding period or are ultimately euthanized:

- Actual Cost Method –Under the actual cost method, actual reimbursable care and maintenance costs per animal per day are computed for an annual claim period.
  - a) Determine the total annual cost of care and maintenance for all animals specified in Food and Agriculture Code section 31753 that are impounded at a facility. Total cost of care and maintenance includes labor, materials, supplies, indirect costs, and contract services.
  - b) Determine the average daily census of the animals specified in Food and Agriculture Code section 31753.
  - c) Multiply the average daily census of the animals specified in Food and Agriculture Code section 31753 by 365 = yearly census of animals specified in Food and Agriculture Code section 31753.
  - d) Divide the total annual cost of care by the yearly census of animals specified in Food and Agriculture Code section 31753 = cost per animal per day.
  - e) Multiply the cost per animal per day, by the number of impounded stray or abandoned animals specified in Food and Agriculture Code section 31753 that die during the increased holding period or are ultimately euthanized, by

each reimbursable day (four or six business days from the day after impoundment).

• Time Study Method – Under the time study method, a random sample of impounded stray or abandoned animals are observed to determine the amount of time to provide care and maintenance during a reimbursable day.

The time study shall be developed using one representative month each quarter and be supported with actual source documentation. Time studies shall be conducted on a more frequent basis if there are significant variations of time expended from month to month. The time study shall identify hours devoted to each specific category. If the time study supports a fixed-cost approach such as an animal day, the eligible claimant shall document the analysis supporting the method used.

Time records used to support the time study shall:

- a) Reflect an after-the-fact distribution of each employee's actual activity;
- b) Account for the total activity for which each employee is compensated;
- c) Account for the total labor hours of the month;
- d) Be signed and dated by the employee not later than the end of the pay period that follows the pay period covered by the report; and
- e) Document, by signature or initials and date, supervisor approval.
- 4. Agencies Using the Holding Period of Four Business Days After the Day of Impoundment (Food & Agr. Code, §§ 31108, 31752, 31753)

Beginning January 1, 1999 - For impounded animals specified in Food and Agriculture Code section 31753, either:

- Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or
- For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.

Beginning July 1, 1999 - For impounded dogs and cats, either:

- Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or
- For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.
- 5. Feral Cats (Food & Agr. Code, § 31752.5)

Beginning January 1, 1999 - Verifying whether a cat is feral or tame by using a standardized protocol within the first three days of the required holding period if an apparently feral cat has not been reclaimed by its owner or caretaker.

6. Lost and Found Lists (Food & Agr. Code, § 32001)

Beginning January 1, 1999 - Providing owners of lost animals and those who find lost animals with all of the following:

- Ability to list the animals they have lost or found on "lost and found" lists maintained by the local agency;
- Referrals to animals listed that may be the animals the owner or finders have lost or found;
- The telephone numbers and addresses of other pounds and shelters in the same vicinity;
- Advice as to means of publishing and disseminating information regarding lost animals; and
- The telephone numbers and addresses of volunteer groups that may be of assistance in locating lost animals.
- 7. Maintaining Non-Medical Records (Food & Agr. Code, § 32003)

Beginning January 1, 1999 - Maintaining non-medical records on animals that are either taken up, euthanized after the holding period, or impounded. Such records shall include the following:

- The date the animal was taken up, euthanized, or impounded;
- The circumstances under which the animal is taken up, euthanized, or impounded;
- The names of the personnel who took up, euthanized, or impounded the animal; and

• The final disposition of the animal, including the name of the person who euthanized the animal or the name and address of the adopting party.

The cost of software license renewal contracts, to the extent these costs are not claimed as an indirect cost under these parameters and guidelines, is eligible for reimbursement under Section V (A) (2) of these parameters and guidelines. If the computer software is utilized in some way that is not directly related to the maintenance of records specified in this section, only the pro rata portion of the software license renewal contract that is used for compliance with this section is reimbursable.

8. "Necessary and Prompt Veterinary Care" (Civ. Code, §§ 1834 and 1846)

Beginning January 1, 1999 - Providing "necessary and prompt veterinary care" for stray and abandoned animals, other than injured cats and dogs given emergency treatment, that die during the holding period or are ultimately euthanized, during the holding periods specified in Statutes of 1998, Chapter 752.

"Necessary and prompt veterinary care" means all reasonably necessary medical procedures performed by a veterinarian or someone under the supervision of a veterinarian to make stray or abandoned animals "adoptable." The following veterinary procedures, if conducted, are eligible for reimbursement:

- An initial physical examination of the animal to determine the animal's baseline health status and classification as "adoptable," "treatable," or "non-rehabilitatable."
- A wellness vaccine administered to "treatable" or "adoptable" animals.
- Veterinary care to stabilize and/or relieve the suffering of a "treatable" animal.
- Veterinary care intended to remedy any applicable disease, injury, or congenital or hereditary condition that adversely affects the health of a "treatable" animal or that is likely to adversely affect the animal's health in the future, until the animal becomes "adoptable."

#### Population Exclusions

Eligible claimants are *not* entitled to reimbursement for providing "necessary and prompt veterinary care" to the following population of animals:

• Animals that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);

- Newborn animals that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- Animals too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal. (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- Owner relinquished animals; and
- Stray or abandoned animals that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

#### Veterinary Care Exclusions

Eligible claimants are *not* entitled to reimbursement for providing the following veterinary procedures:

- Emergency treatment given to injured cats and dogs (Pen. Code, § 597f, subd. (b));
- Administration of rabies vaccination to dogs (Health & Saf. Code, § 121690);
- Implantation of microchip identification;
- Spay or neuter surgery and treatment;
- Euthanasia.
- 10. Beginning January 1, 1999 Procuring medical, kennel, and computer equipment necessary to comply with the reimbursable activities listed in Section IV (B) of these parameters and guidelines, to the extent these costs are not claimed as an indirect cost under Section V (B) of these parameters and guidelines. If the medical, kennel, and computer equipment is utilized in some way not directly related to the mandated program or the population of animals listed in Section IV (B), only the pro rata portion of the activity that is used for the purposes of the mandated program is reimbursable.

#### V. Claim Preparation and Submission

Each of the following cost elements must be identified for each reimbursable activity identified in Section IV, Reimbursable Activities, of this document. Each claimed reimbursable cost must be supported by source documentation as described in Section IV. Additionally, each reimbursement claim must be filed in a timely manner.

#### A.Direct Cost Reporting

Direct costs are those costs incurred specifically for the reimbursable activities. The following direct costs are eligible for reimbursement.

#### 1. Salaries and Benefits

Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

#### 2. Materials and Supplies

Report the cost of materials and supplies that have been consumed or expended for the purpose of the reimbursable activities. Purchases shall be claimed at the actual price after deducting discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged on an appropriate and recognized method of costing, consistently applied.

#### 3. Contracted Services

Report the name of the contractor and services performed to implement the reimbursable activities. If the contractor bills for time and materials, report the number of hours spent on the activities and all costs charged. If the contract is a fixed price, report the services that were performed during the period covered by the reimbursement claim. If the contract services are also used for purposes other than the reimbursable activities, only the pro-rata portion of the services used to implement the reimbursable activities can be claimed. Submit contract consultant and attorney invoices with the claim and a description of the contract scope of services.

#### 4. Fixed Assets and Equipment

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

#### 5. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element A.1, Salaries and Benefits, for each applicable reimbursable activity.

#### 6. Training

Report the cost of training an employee to perform the reimbursable activities, as specified in Section IV of this document. Report the name and job classification of each employee preparing for, attending, and/or conducting training necessary to implement the reimbursable activities. Provide the title, subject, and purpose (related to the mandate of the training session), dates

attended, and location. If the training encompasses subjects broader than the reimbursable activities, only the pro-rata portion can be claimed. Report employee training time for each applicable reimbursable activity according to the rules of cost element A.1, Salaries and Benefits, and A.2, Materials and Supplies. Report the cost of consultants who conduct the training according to the rules of cost element A.3, Contracted Services.

#### B. Indirect Cost Rates

Indirect costs are costs that are incurred for a common or joint purpose, benefiting more than one program, and are not directly assignable to a particular department or program without efforts disproportionate to the result achieved. Indirect costs may include both (1) overhead costs of the unit performing the mandate; and (2) the costs of the central government services distributed to the other departments based on a systematic and rational basis through a cost allocation plan.

Compensation for indirect costs is eligible for reimbursement utilizing the procedure provided in the Office of Management and Budget (OMB) Circular A-87. Claimants have the option of using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal (ICRP) if the indirect cost rate claimed exceeds 10%.

If the claimant chooses to prepare an ICRP, both the direct costs (as defined and described in OMB Circular A-87 Attachments A and B) and the indirect costs shall exclude capital expenditures and unallowable costs (as defined and described in OMB Circular A-87 Attachments A and B). However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable.

The distribution base may be (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.), (2) direct salaries and wages, or (3) another base which results in an equitable distribution.

In calculating an ICRP, the claimant shall have the choice of one of the following methodologies:

- 1. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) classifying a department's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected; or
- 2. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) separating a department into groups, such as divisions or sections,

and then classifying the division's or section's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate that is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected.

### VI. RECORD RETENTION

Pursuant to Government Code section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter<sup>3</sup> is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed not later than two years after the date that the audit is commenced. All documents used to support the reimbursable activities, as described in Section IV, must be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

#### VII. OFFSETTING SAVINGS AND OTHER REIMBURSEMENTS

Any offsetting savings that the claimant experiences as a direct result of this mandate must be deducted from the costs claimed. Additionally, reimbursement for this mandate received from any source shall be identified and deducted from this claim. These sources shall include, but not be limited to, rewards received under the authority of Civil Code section 1845; licensing fees and fines received and applied pursuant to Food and Agriculture Code section 30652, Government Code section 28502, and Penal Code section 597f; other state funds, and federal funds. The fees and fines received pursuant to Food and Agriculture Code and Agriculture Code section 30652 shall be deducted from the claim according to the priority specified in the statute and stated below:

- First, to pay fees for the issuance of dog license tags pursuant to Food and Agriculture Code section 30652, subdivision (a);
- Second, in accordance with Food and Agriculture Code section 30652, subdivision (b), any excess revenue held after the payment of dog license tags shall be applied to the fees, salaries, costs, expenses, or any or all of them for the enforcement of Division 14 of the Food and Agriculture Code, including Food and Agriculture Code section 31108, and all ordinances that are made pursuant to Division 14. Costs incurred under Food and Agriculture Code section 31108 are specified in Section IV (B) (1), (2), (3), and (5), and Section IV (A) of

<sup>&</sup>lt;sup>3</sup> This refers to Title 2, division 4, part 7, chapter 4 of the Government Code.

these parameters and guidelines. Any or all excess revenue must be applied to the costs incurred under Food and Agriculture Code section 31108 before any revenue can be applied to subdivisions (c) and (d) of Food and Agriculture Code section 30652.

## VIII. STATE CONTROLLER'S REVISED CLAIMING INSTRUCTIONS

Pursuant to Government Code section 17558, subdivision (c), the Controller shall issue revised claiming instructions for each mandate that requires state reimbursement not later than 60 days after receiving the revised parameters and guidelines from the Commission, to assist local agencies and school districts in claiming costs to be reimbursed. The revised claiming instructions shall be derived from the test claim decision and the revised parameters and guidelines adopted by the Commission.

Pursuant to Government Code section 17561, subdivision (d)(2), issuance of the revised claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon the revised parameters and guidelines adopted by the Commission.

# IX. REMEDIES BEFORE THE COMMISSION

Upon request of a local agency or school district, the Commission shall review the claiming instructions issued by the State Controller or any other authorized state agency for reimbursement of mandated costs pursuant to Government Code section 17571. If the Commission determines that the claiming instructions do not conform to the parameters and guidelines, the Commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the Commission.

In addition, requests may be made to amend parameters and guidelines pursuant to Government Code section 17557, subdivision (d), and California Code of Regulations, title 2, section 1183.2.

# X. LEGAL AND FACTUAL BASIS FOR THE PARAMETERS AND GUIDELINES

The Statement of Decision is legally binding on all parties and provides the legal and factual basis for the parameters and guidelines. The support for the legal and factual findings is found in the administrative record for the test claim. The administrative record, including the Statement of Decision, is on file with the Commission.

#### State Controller's Office

Local Mandated Cost Manual

State Controller	s once	For State Controller Use Only PROGRAM			
Pursu	CLAIM FOR PAYI ant to Government Co ANIMAL ADOPT	For State Controller Use OnlyPROGE(19) Program Number 0021321(20) Date Filed21(21) LRS Input100			
(01) Claimant Ident	ification Number		Reimbursement Claim Data		
(02) Claimant Name	e		(22) FORM-1, (04)(A)(1)(g)		
Address			(23) FORM-1, (04)(A)(2)(g)		
			(24) FORM-1, (04)(A)(3)(g)		
			(25) FORM-1, (04)(B)(1)(g)		
Type of Claim	Estimated Claim	Reimbursement Claim	(26) FORM-1, (04)(B)(2)(g)		
	(03) Estimated	(09) Reimbursement	(27) FORM-1, (04)(B)(3)(g)		
	(04) Combined	(10) Combined	(28) FORM-1, (04)(B)(4)(g)		
	(05) Amended	(11) Amended	(29) FORM-1, (04)(B)(5)(g)		
Fiscal Year of Cost	(06)	(12)	(30) FORM-1, (04)(B)(6)(g)		
Total Claimed Amount	(07)	(13)	(31) FORM-1, (04)(B)(7)(g)		
Less: 10% Late I instructions)	Penalty (refer to claiming	(14)	(32) FORM-1, (04)(B)(8)(g)		
,	n Payment Received	(15)	(33) FORM-1, (04)(B)(9)(g)		
Net Claimed Am	ount	(16)	(34) FORM-1, (04)(B)(10)(g)		
Due from State	(08)	(17)	(35) FORM-1, (06)		
Due to State		(18)	(36)		
In accordance with mandated cost cla		nia for this program, and certif	t I am the officer authorized by the figure of the second se		
of costs claimed h savings and reimb	erein; and such costs are fo	r a new program or increased Parameters and Guidelines a	nor any grant or payment received level of services of an existing pro re identified, and all costs claime	ogram. All offsetting	
			e for payment of actual costs set f California that the foregoing is true		
Signature of Author	rized Officer		Date		
Type or Print Name	9		Title		
(38) Name of Conta	act Person for Claim	Telephone Number			
		E-mail Address			

Progra	ANIMAL ADOPTION					
213	Certification Claim Form					
	Instruction	s	FAM-27			
(01)	Enter the payee number assigned by the State Controller's Office	9.				
(02)	Enter your Official Name, County of Location, Street or P. O. Boy	address, City, State, and Zip Code.				
(03)	Leave blank.					
(04)	Leave blank.					
(05)	Leave blank.					
(06)	Leave blank.					
(07)	Leave blank.					
(08)	Leave blank.					
(09)	If filing a reimbursement claim, enter an "X" in the box on line (09	9) Reimbursement.				
(10)	If filing a combined reimbursement claim on behalf of districts wit	hin the county, enter an "X" in the box on line (10	0) Combined.			
(11)	If filing an amended reimbursement claim, enter an "X" in the box on line (11) Amended.					
(12)	Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed complete a separate form FAM-27 for each fiscal year.					
(13)	Enter the amount of the reimbursement claim from Form-1.1, line (11). The total claimed amount must exceed \$1,000.					
(14)	Reimbursement claims must be filed by <b>February 15</b> of the following fiscal year in which costs were incurred or the claims will be reduced by a late penalty. Enter zero if the claim was timely filed, otherwise, enter the product of multiplying line (13) by the factor 0.10 (10% penalty), not to exceed \$10,000.					
(15)	If filing a reimbursement claim or a claim was previously filed for Otherwise, enter a zero.	or the same fiscal year, enter the amount receive	ed for the claim			
(16)	Enter the result of subtracting line (14) and line (15) from line (13	).				
(17)	If line (16), Net Claimed Amount, is positive, enter that amount of	n line (17), Due from State.				
(18)	If line (16), Net Claimed Amount, is negative, enter that amount of	on line (18), Due to State.				
(19) to (21)	Leave blank.					
(22) to (28)	Reimbursement Claim Data. Bring forward the cost information at the reimbursement claim, e.g., Form-1, $(04)(A)(1)(g)$ , means the Enter the information on the same line but in the right-hand col i.e., no cents. Indirect costs percentage should be shown as a will be shown as 35. Completion of this data block will expedite the	e information is located on Form-1, block (04)(A lumn. Cost information should be rounded to the hole number and without the percent symbol, i.e.	)(1), column (g e nearest dolla			
(37)	Read the statement "Certification of Claim." If it is true, the clair must include the person's name and title, typed or printed. Claim certification. (To expedite the payment process, please sig form FAM-27 to the top of the claim package.)	ns cannot be paid unless accompanied by an	original signe			
(38)	Enter the name, telephone number, and e-mail address of the pe	erson to contact if additional information is require	ed.			
	SUBMIT A SIGNED ORIGINAL, AND A COPY OF FORM DOCUMENTS TO:	FAM-27, WITH ALL OTHER FORMS AND	SUPPORTIN			
	Address, if delivered by U.S. Postal Service:	Address, if delivered by other delivery servi	ce:			
	OFFICE OF THE STATE CONTROLLER ATTN: Local Reimbursements Section Division of Accounting and Reporting P.O. Box 942850 Sacramento, CA 94250	OFFICE OF THE STATE CONTROLLER ATTN: Local Reimbursements Section Division of Accounting and Reporting 3301 C Street, Suite 500 Sacramento, CA 95816				

Program 213	MANDATED COSTS ANIMAL ADOPTION CLAIM SUMMARY					FORM 1	
(01) Claimant			(02	)			Fiscal Year
							20/20
(03) Department							
Direct Costs			Ok	ject Accou	nts		
<ul><li>(04) Reimbursable Activities</li><li>A. One-Time Activities</li></ul>	(a) Salaries	(b) Benefits	(c) Materials & Supplies	(d) Contract Services	(e) Travel & Training	(f) Fixed Assets	(g) Total
1. Policies and Procedures							
2. Training							
3. Computer Software							
B. Ongoing Activities			-				
1 Acquiring Space/Facilities							
2. Renovating Facilities							
3. Care of Dogs & Cats							
4. Care of Other Animals							
5. Holding Period							
6. Feral Cats							
7. Lost and Found Lists							
8. Non-Medical Records							
9. Veterinary Care							
<sup>10</sup> Procuring Equipment							
(05) Total Direct Costs							
Indirect Costs			·				
(06) Indirect Cost Rate				[From ICRF	2]		%
(07) Total Indirect Costs			[5	See claim instru	ctions]		
(08) Total Direct and Ind	irect Costs		[L	ine (05)(g) + lin	ne (07)]		
Cost Reduction							
(09) Less: Offsetting Sa	vings						
(10) Less: Other Reimbu	ursements						+
(11) Total Claimed Amou	unt		[Line (	08) - {line (09)	+ line (10)}]		

Progr		FORM 1
(01)	Enter the name of the claimant.	
(02)	Enter the fiscal year of costs.	
(03)	Department. If more than one department has incurred costs for this mandate, give the r department. A separate Form-1 should be completed for each department.	name of each
(04)	Reimbursable Activities. For each reimbursable activity, enter the total from Form-2, line (d) through (i) to Form-1, block (05), columns (a) through (f) in the appropriate row. Total e	
(05)	Total Direct Costs. Total columns (a) through (g).	
(06)	Indirect Cost Rate. Indirect costs may be computed as 10% of direct labor costs, explored benefits, without preparing an ICRP. If an indirect cost rate of greater than 10% is used Indirect Cost Rate Proposal (ICRP) with the claim.	
(07)	Total Indirect Costs. If the 10% flat rate is used for indirect costs, multiply Total Salaries, li the Indirect Cost Rate, line (06). If an ICRP is submitted and both salaries and benefits we distribution base for the computation of the indirect cost rate, then multiply the sum of T line (05)(a), and Total Benefits, line (05)(b), by the Indirect Cost Rate, line (06). If m department is reporting costs, each must have its own ICRP for the program.	re used in the otal Salaries,
(08)	Total Direct and Indirect Costs. Enter the sum of Total Direct Costs, line (05)(g), and Total line (07).	Indirect Costs
(09)	Less: Offsetting Savings. If applicable, enter the total savings experienced by the claima result of this mandate. Submit a detailed schedule of savings with the claim.	nt as a direct
(10)	Less: Other Reimbursements. Reimbursement received from any source shall be i deducted from this claim. Sources shall include, but are not limited to, rewards received up of Civil Code section 1845, licensing fees and fines received and applied pursuant Agriculture Code section 30652, Government Code section 28502, and Penal Code sect other state funds, and federal funds. Fees and fines received pursuant to Food & Agr section 30652 shall be deducted according to the priority specified on page 15 of the G's.	nder authority to Food and ion 597f, and
(11)	Total Claimed Amount. From Total Direct and Indirect Costs, line (08), subtract the sum Savings, line (09), and Other Reimbursements, line (10). Enter the remainder on this line amount forward to form FAM-27, line (13) for the Reimbursement Claim.	

(01) Claimant       (02) Fiscal Year         (03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.         One-Time       Policies and Procedures         Procentiation       Training         Care of Other Animals       Holding Period         Care of Other Animals       Non-Medical Records         Procuring Equipment         (04) Description of Expenses         (a)       (b)         (b)       (c)         (d)       (e)         (f)       (g)         Classifications, Functions Performed and Description of Expenses       Outer of States         Outer of Expenses       Unit Cost         Outer of Expenses       Outer of States         Ind Description of Expenses       Unit Cost         Outer of Expenses       Unit Cost         Outer of Expenses       International and Beach of Expenses         International and Description of Expenses       International and Beach of Expenses         International and Description of Expenses       International and Beach of Expenses         International and Description of Expenses       International and Beach of Expense         International and Description of Expenses       International and Beach of Expense         Internation and Description of Expense       Internatio	Program 213			ATED COS L ADOPTI COST DI	ON				FORM 2
One-Time       Policies and Procedures       Training       Computer Software         Ongoing       Acquiring Space/Facilities       Renovating Facilities       Care of Dogs & Cats         Care of Other Animals       Holding Period       Feral Cats         Lost and Found Lists       Non-Medical Records       Veterinary Care         Procuring Equipment       Object Accounts         (04)       Description of Expenses       Object Accounts         (a)       (b)       (c)       (d)       (e)       (f)       (g)       (h)       (i)         Employee Names, Job Classifications, Functions Performed       Hourly Rate or       Hours Worked or       Salaries       Benefits       Materials and       Contract Contract       Fixed Acapta       Travel and	01) Claimant			(02) F	Fiscal Yea	r			
Ongoing       Acquiring Space/Facilities       Renovating Facilities       Care of Dogs & Cats         Care of Other Animals       Holding Period       Feral Cats         Lost and Found Lists       Non-Medical Records       Veterinary Care         Procuring Equipment       Procuring Equipment         (04) Description of Expenses       (b)       (c)       (d)       (e)       (f)       (g)       (h)       (i)         Employee Names, Job Classifications, Functions Performed       Hourly Rate or       Korked or       Salaries       Benefits       and       Contract       Fixed Angeta       Travel and		-	-		dentify the	e activity be			
(04) Description of Expenses (a) (b) (c) (d) (e) (f) (g) (h) (i) Employee Names, Job Classifications, Functions Performed Rate or Worked or Salaries Benefits and Somiana Contract Fixed Anapta and	Ongoing Acquiring Space/Fi	acilities nals sts		Renovating Fa	d		Care of D	ogs & Cat s	5
Employee Names, Job Hourly Hours Classifications, Functions Performed Rate or Worked or Salaries Benefits And Services Accepted Accepted and						Object A	ccounts		
	Employee Names, Job Classifications, Functions Performed	Hourly Rate or	Hours Worked or			Materials and	Contract	Fixed	Travel and

# ProgramANIMAL ADOPTIONFORM213ACTIVITY COST DETAIL<br/>INSTRUCTIONS2

- (01) Claimant. Enter the name of the claimant. If more than one department has incurred costs for this mandate, give the name of each department. A separate Form-2 should be completed for each department.
- (02) Fiscal Year. Enter the fiscal year for which costs were incurred.
- (03) Reimbursable Activities. Check the box which indicates the cost activity being claimed. Check only one box per form. A separate Form -2 shall be prepared for each applicable activity.
- (04) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, travel and training expenses. The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed. For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the date the claim was filed or last amended, whichever is later. If no funds were appropriated and no payment was made at the time the claim was filed, the time for the Controller to initiate an audit shall be from the date of initial payment of the claim. Such documents shall be made available to the State Controller's Office on request.

Object/ Sub object		Columns							Submit supporting documents	
Accounts	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	with the claim	
Salaries	Employee Name/Title	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked						
Benefits	Activities Performed	Benefit Rate		Benefits = Benefit Rate x Salaries						
Materials and Supplies	Description of Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used					
Contract Services	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service			Cost = Hourly Rate x Hours Worked	I		Copy of Contract	
Fixed Assets	Description of Equipment Purchased	Unit Cost	Usage				Cost = Unit Cost x Usage		Supporting Documentation	
Travel and Training Travel	Purpose of Trip Name and Title Departure and Return Date	Per Diem Rate Mileage Rate Travel Cost	Days Miles Travel Mode					Cost = Rate x Days or Miles or Total Travel Cost		
Training	Employee Name/Title Name of Class		Dates Attended					Registration Fee		

(05) Total line (04), columns (d) through (i) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the activity costs, number each page. Enter totals from line (05), columns (d) through (i) to Form-1, block (04), columns (a) through (f) in the appropriate row.

# FILING A CLAIM

**RECEIVED** May 19, 2014 **Commission on State Mandates** 

#### 1. Introduction

The law in the State of California (Government Code Sections 17500 through 17616) provides for the reimbursement of costs incurred by local agencies for costs mandated by the State. These are costs that local agencies are required to incur after July 1, 1980, as a result of any statute enacted after January 1, 1975, or any executive order implementing such statute which mandates a new program or higher level of service of an existing program.

A reimbursement claim is defined in GC Section 17522 as any claim filed with SCO by a local agency for reimbursement of costs incurred for which an appropriation is made for the purpose of paying the claim. An actual claim for the 2008-09 fiscal year, may be filed by February 16, 2010, without a late penalty. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$10,000. Amended claims filed after the deadline will be reduced by 10% of the increased amount not to exceed \$10,000 for the total claim. Claims filed more than one year after the deadline will not be accepted by the SCO.

In order for a claim to be considered properly filed, it must include documentation to support the indirect cost rate. A full discussion of the indirect cost methods available to local agencies may be found in Section 8 of these instructions.

When a program has been reimbursed for three or more years, the Commission may approve the program for inclusion in the State Mandates Apportionment System (SMAS). For programs included in SMAS, the SCO determines the amount of each claimant's entitlement based on an average of three consecutive fiscal years of actual costs adjusted by any changes in the Implicit Price Deflator (IPD). Claimants with an established entitlement receive an annual apportionment adjusted by any changes in the IPD and, under certain circumstances, by any changes in workload. Claimants with an established entitlement are not required to file further claims for the program.

The SCO is authorized to make payments for costs of mandated programs from amounts appropriated by the State Budget Act, by the State Mandates Claims Fund, or by specific legislation. In the event the appropriation is insufficient to pay claims in full, claimants will receive prorated payments in proportion to the dollar amount of approved claims for the program. Balances of prorated payments will be made when supplementary funds become available.

These claiming instructions are issued to help claimants prepare paper, and electronic mandated cost claims, for submission to SCO. These instructions are based upon the State of California statutes, regulations, and parameters and guidelines (P's & G's) adopted by the Commission. Since each mandate is administered separately, it is important to refer to the specific program for information relating to established policies on eligible reimbursable costs.

#### 2. Local Government Electronic Claims (LGeC)

LGeC enables claimants and their consultants to securely prepare and submit mandated cost claims via the Internet. LGeC uses a series of data input screens to collect the information needed to prepare a claim and also provides a web service so claims can be uploaded in batch files. LGeC also incorporates an attachment feature so claimants can electronically attach supporting documentation if required. In order for a claim to be considered properly filed it must included a copy of the Indirect Cost Rate Proposal (ICRP) if the indirect cost rate exceeds ten percent.

The LGeC system provides an easy and straightforward approach to the claiming process. Filing claims using LGeC eliminates the manual preparation and submission of paper claims by the locals and the receiving, processing, key entry, verification, and storage of paper claims by the SCO. LGeC also provides mathematical checks and automated error detection to reduce erroneous and incomplete claims, provides the state with an electronic workflow process, and

stores the claims in an electronic format. Making the change from paper claims to electronic claims reduces the manual handling of paper claims and decreases the costs incurred by local entities for handling, postage, and storage of claims filed using the LGeC system.

In order to use the LGeC system you will need to obtain a user ID and password for each person who will access the LGeC system. To obtain a User ID and password you must file an application with the SCO. The application and instructions are available on the LGeC Web site located at http://www.sco.ca.gov/ard\_lgec.html. Complete the application and other documents as requested and mail them to the SCO using the address provided on the form. The SCO will process the application and issue a User ID and password to each applicant.

In addition, you may want to subscribe to an email distribution list to automatically receive timely, comprehensive information regarding mandated cost claim receipts, payments, test claims, guidelines, electronic claims, and other news and updates. You also will receive related audit reports and mandate information disseminated by other state agencies.

You can find more information about LGeC and the email distribution lists at http://www.sco.ca.gov/ard\_lgec.html. This Web site provides access to the LGeC system, an application for User ID's and passwords, an instructional guide, frequently ask questions (FAQ's) and additional help files. Questions may be directed to LRSDAR@sco.ca.gov, or you may call Local Reimbursements Section, Local Government e-Claims at (916) 324-5729.

#### 3. Types of Claims

Claimant may file a reimbursement claim for actual mandated costs incurred in the prior fiscal year. An entitlement claim may be filed for the purpose of establishing a base year entitlement amount for mandated programs included in SMAS. A claimant who has established a base year entitlement for a program would receive an automatic annual payment, which is reflective of the current costs for the program.

All claims received by the SCO will be reviewed to verify actual costs. An adjustment of the claim will be made if the amount claimed is determined to be excessive, improper, or unreasonable.

#### A. Reimbursement Claim

A reimbursement claim is defined in GC Section 17522 as any claim filed with the SCO by a local agency for reimbursement of costs incurred for which an appropriation is made for the purpose of paying the claim.

Initial reimbursement claims are first-time claims for reimbursement of costs for one or more prior fiscal year(s) of a program that was previously unfunded. Claims are due 120 days from the date of issuance of the claiming instructions for the program by the SCO. The first statute that appropriates funds for the mandated program will specify the fiscal years for which costs are eligible for reimbursement.

Annual ongoing reimbursement claims must be filed by February 15th following the fiscal year in which costs were incurred for the program. Claims for fiscal year 2008-09 will be accepted without late penalty if postmarked or delivered on before February 16<sup>th</sup>, 2010. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$10,000. However, initial reimbursement claims will be reduced by a late penalty of 10% with no limitation. Amended claims filed after the deadline will be reduced by 10% of the increased amount not to exceed \$10,000 for the claim. Claims filed more than one year after the deadline will not be accepted for reimbursement.

In order for a claim to be considered properly filed, it must include the Indirect Cost Rate Proposal (ICRP) to support the indirect cost rate if the indirect cost rate exceeds ten percent. A more detailed discussion of the indirect cost methods available to local agencies may be found in Section 2, Filing a Claim, Page 11 of these instructions.

#### B. Entitlement Claim

An entitlement claim is defined in GC Section 17522 as any claim filed by a Local Agency with the SCO for the sole purpose of establishing or adjusting a base year entitlement for a mandated program that has been included in SMAS. An entitlement claim should not contain nonrecurring or initial start-up costs. There is no statutory deadline for the filing of entitlement claims. However, entitlement claims and supporting documents should be filed by February 15, following the third fiscal year used to develop the entitlement claim, to permit an orderly processing of claims. When the claims are approved and a base year entitlement amount is determined, the claimant will receive an apportionment reflective of the program's current year costs.

The automatic apportionment is determined by adjusting the claimant's base year entitlement for changes in the IPD of costs of goods and services to governmental agencies, as determined by the State Department of Finance. For programs approved by CSM for inclusion in SMAS on or after January 1, 1988, the payment for each year succeeding the three year in base period is adjusted according to any changes by both the IPD and average daily attendance (ADA).

SCO will perform this computation for each claimant who has filed claims for three consecutive years. If a claimant has incurred costs for three consecutive years but has not filed a claim in each of those years, the claimant may file an entitlement claim, form FAM-43, to establish a base year entitlement. The form FAM-43 is included in the claiming instructions for SMAS programs. An entitlement claim does not result in the claimant being reimbursed for the costs incurred, but rather entitles the claimant to receive automatic payments from SMAS. Annual apportionments for programs included in the system are paid on or before November 30 of each year.

#### 4. Minimum Claim Amount

For initial claims and annual claims filed on or after September 30, 2002, if the total costs for a given year do not exceed \$1,000, no reimbursement shall be allowed except as otherwise allowed by GC Section 17564. Combined claims may be filed only when the county is the fiscal agent for the special districts. The county shall determine if the submission of a combined claim is economically feasible and shall be responsible for disbursing the funds to each special district. A combined claim must show the individual claim costs for each eligible school district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a special district provides to the county and to the Controller, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim.

GC Section 17564(a) provides that no claim shall be filed pursuant to Sections 17551 and 17561, unless such a claim exceeds one thousand dollars (\$1,000), provided that a county may submit a combined claim on behalf of direct service districts or special districts within their county if the combined claim exceeds \$1,000, even if the individual direct service district's or special district's claim does not each exceed \$1,000. The county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each direct service district or special district. These combined claims may be filed only when the county is the fiscal agent for the districts. A combined claim must show the individual claim costs for each eligible district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a special district provides a written notice of its intent to file a separate claim to the county and to the SCO at least 180 days prior to the deadline for filing the claim.

#### 5. Filing Deadline for Claims

Pursuant to GC Section 17561(d) initial reimbursement claims (first time claims) for reimbursement of costs of a previously unfunded mandated program must be filed within 120 days from the date SCO issues the claiming instructions for the program.

When paying a timely filed claim for initial reimbursement, the Controller shall withhold 20 percent of the amount of the claim until the claim is audited to verify the actual amount of the mandated costs.

All initial reimbursement claims for all fiscal years required to be filed on their initial filing date for a state-mandated local program shall be considered as one claim for the purpose of computing any late claim penalty.

Any claim for initial reimbursement filed after the filing deadline shall be reduced by 10 percent of the amount that would have been allowed had the claim been timely filed. The Controller may withhold payment of any late claim for initial reimbursement until the next deadline for funded claims unless sufficient funds are available to pay the claim after all timely filed claims have been paid.

In no case may a reimbursement claim be paid if submitted more than one year after the filing deadline specified in the Controller's claiming instructions on funded mandates.

Pursuant to GC Section 17560, annual reimbursement claims (recurring claims) for costs incurred during the previous fiscal year must be filed with SCO and postmarked on or before February 15<sup>th</sup> following the fiscal year in which costs were incurred. Claims for fiscal 2008-09 will be accepted without penalty if postmarked or delivered on before February 16, 2010.

If the annual reimbursement claim is filed after the deadline, but within one year of the deadline, the approved claim must be reduced by a 10% late penalty, not to exceed \$10,000. Amended claims filed after the deadline will be reduced by 10% of the increased amount not to exceed \$10,000 for the total claim. Claims filed more than one year after the deadline cannot be accepted for reimbursement.

Entitlement claims do not have a filing deadline. However, entitlement claims should be filed by February 15<sup>th</sup> to permit orderly processing of the claims.

#### 6. Payment of Claims

In order for the SCO to authorize payment of a claim, the Certification of Claim, form FAM-27, must be properly filled out, signed, and dated by the entity's authorized officer. When using the LGeC system the logon id and password of the authorized officer is used for the signature and is applied by the LGeC system when the claim is submitted. Pursuant to GC 17561(d), reimbursement claims are paid by October 15 or sixty days after the date the appropriation for the claim is effective, whichever is later. In the event the amount appropriated by the Legislature is insufficient to pay the approved amount in full for a program, claimants will receive a prorated payment in proportion to the amount of approved claims timely filed and on hand at the time of proration.

A claimant is entitled to receive accrued interest at the pooled money investment account rate if the payment was made more than 60 days after the claim filing deadline or the actual date of claim receipt, whichever is later. For an initial claim, interest begins to accrue when the payment is made more than one year after the adoption of the program's statewide cost estimate. SCO may withhold up to twenty percent of the amount of an initial claim until the claim is audited to verify the actual amount of the mandated costs.

SCO reports the amounts of insufficient appropriations to the State Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each House of the Legislature, who consider appropriations in order to assure appropriation of these funds in the Budget Act. If these funds cannot be appropriated on a timely basis in the Budget Act, this information is transmitted to the Commission which will include these amounts in its report to assure that an appropriation is sufficient to pay the claims that was included in the next local government claims bill or other appropriation bills. When the supplementary funds become available, the balance of the claims will be paid.

Unless specified in the statutes, regulations, or P's & G's, the determination of allowable and unallowable costs for mandates is based on the P's & G's adopted by the Commission. The

determination of allowable reimbursable mandated costs for unfunded mandates is made by the Commission. SCO determines allowable reimbursable costs, subject to amendment by the Commission, for mandates funded by special legislation. Allowable costs are those direct and indirect costs, less applicable credits, considered eligible for reimbursement. In order for costs to be allowable and thus eligible for reimbursement, the costs must meet the following general criteria:

- 1. The cost is necessary and reasonable for proper and efficient administration of the mandate and not a general expense required to carry out the overall responsibilities of government.
- 2. The cost is allocable to a particular cost objective identified in the P's & G's.
- 3. The cost is net of any applicable credits that offset or reduce expenses of items allocable to the mandate.

The SCO has identified certain costs that, should not be claimed as direct program costs unless specified as reimbursable under the program's P's & G's. These costs include, but are not limited to, subscriptions, depreciation, memberships, conferences, workshops, general education, and travel costs.

#### 7. State Mandates Apportionment System (SMAS)

Chapter 1534, Statutes of 1985, established SMAS, a method of paying certain mandated programs as apportionments. This method is utilized whenever a program has been approved for inclusion in SMAS by the Commission.

When a mandated program has been included in SMAS, the SCO will determine a base year entitlement amount for each local agency that has submitted reimbursement claims, (or entitlement claims), for three consecutive fiscal years. A base year entitlement amount is determined by averaging the approved reimbursement claims, (or entitlement claims), for 1982-83, 1983-84, and 1984-85 years or any three consecutive fiscal years thereafter. The amounts are first adjusted by any change in the IPD, which is applied separately to each year's costs for the three years that comprise the base period. The base period means the three fiscal years immediately succeeding the Commission's approval.

Each local agency with an established base year entitlement for the program will receive automatic annual payments from the SCO reflective of the program's current year costs. The amount of apportionment is adjusted annually for any change in the IPD. If the mandated program was included in SMAS after January 1, 1988, the annual apportionment is adjusted for any change in both the IPD and workload.

For cities and counties, workload means a change in population within their boundaries; for special districts, a change in population of the county in which the largest percentage of the district's population is located.

In the event a local agency has incurred costs for three consecutive fiscal years but did not file a reimbursement claim in one or more of those fiscal years, the local agency may file an entitlement claim for each of those missed years to establish a base year entitlement. An entitlement claim means any claim filed by a local agency with the SCO for the sole purpose of establishing a base year entitlement. A base year entitlement shall not include any non-recurring or initial start-up costs.

Initial apportionments are made on an individual program basis. After the initial year, all apportionments are made by November 30th. The amount to be apportioned is the base year entitlement adjusted by annual changes in the IPD for the cost of goods and services to governmental agencies as determined by the State Department of Finance.

In the event the local agency determines that the amount of apportionment does not accurately reflect costs incurred to comply with a mandate, the process of adjusting an established base year entitlement upon which the apportionment is based is set forth in GC Section 17615.8 and requires the approval of the Commission.

The following programs are placed in SMAS:

Program Name	Chapter/Statute	Program Number
Conservatorship: Developmentally Disabled Adults	Ch. 1304/80	67
Coroners	Ch. 498/77	88
Mentally Retarded Defendants: Diversion	Ch. 1253/80	66
Senior Citizens Property Tax Postponement	Ch. 1242/77	18

Listed are state mandated local programs and counties that are entitled to receive automatic apportionments in those fiscal years in which the program is funded.

Counties of:	Ch. 498/77 Coroners	Ch. 1242/77 Senior Citizens Property Tax Postponement	Ch. 1253/80 Mentally Retarded Defendants: Diversion	Ch. 1304/80 Developmentally Disabled Adults: Conservatorship
Alameda		Х	Х	Х
Butte		Х	Х	Х
Calaveras		Х	Х	Х
Contra Costa		Х	Х	Х
El Dorado		Х	Х	Х
Fresno		Х	х	Х
Humbolt		х	х	Х
Kern		Х	х	Х
Lake		Х	х	Х
Los Angeles	X	Х	х	Х
Marin		х	х	Х
Mendocino		Х	х	Х
Monterey		Х	х	Х
Napa	Х	Х	х	Х
Nevada		Х	х	Х
Orange	X	Х	х	Х
Placer		х	х	Х
Plumas		Х	х	Х
Riverside		Х	х	Х
Sacramento		Х	х	Х
San Bernardino	Х	Х	х	Х
San Diego		Х	х	Х
San Francisco		х	х	Х
San Joaquin	х	х		
San Luis Obispo	х	х	х	Х
San Mateo		Х	х	Х
Santa Barbara		Х	х	х

Santa Clara	Х	Х	Х	Х
Santa Cruz		Х	х	х
Shasta		Х	х	х
Solano		Х	х	х
Sonoma	Х	Х	х	х
Stanislaus		Х	х	х
Tulare	х	Х	х	Х
Tuolumne		Х		
Ventura	Х	Х	х	х
Yolo		Х	х	х
Yuba		х		

#### 8. Direct Costs

A direct cost is a cost that can be identified specifically with a particular program or activity. Costs that are typically classified as direct costs are:

#### (1) Employee Wages, Salaries, and Fringe Benefits

For each of the mandated activities performed, the claimant must list the names of the employees who worked on the mandate, their job classification, hours worked on the mandate, and rate of pay. The claimant may, in-lieu of reporting actual compensation and fringe benefits, use a productive hourly rate:

#### (a) Productive Hourly Rate Options

A local agency may use one of the following methods to compute productive hourly rates:

- Actual annual productive hours for each employee
- The weighted-average annual productive hours for each job title, or
- 1,800\* annual productive hours for all employees

If actual annual productive hours or weighted-average annual productive hours for each job title is chosen, the claimant must maintain documentation of how these hours were computed.

- \* 1,800 annual productive hours excludes the following employee time:
- Paid holidays
- o Vacation earned
- o Sick leave taken
- o Informal time off
- o Jury duty
- o Military leave taken.

#### (b) Compute a Productive Hourly Rate

1. Compute a productive hourly rate for salaried employees to include actual fringe benefit costs. The methodology for converting a salary to a productive hourly rate is to compute the employee's annual salary and fringe benefits and divide by the annual productive hours.

Formula:	Description:
[(EAS + Benefits) ÷ APH] = PHR	EAS = Employee's Annual Salary
	APH = Annual Productive Hours
[(\$26,000 + \$8,099)] ÷ 1,800 hrs = 18.94	PHR = Productive Hourly Rate

#### Table 1: Productive Hourly Rate, Annual Salary + Benefits Method

- As illustrated in Table 1, if you assume an employee's compensation was \$26,000 and \$8,099 for annual salary and fringe benefits, respectively, using the "Salary + Benefits Method," the productive hourly rate would be \$18.94. To convert a biweekly salary to Annual Salary, multiply the biweekly salary by 26. To convert a monthly salary to Annual Salary, multiply the monthly salary by 12. Use the same methodology to convert other salary periods.
- 2. A claimant may also compute the productive hourly rate by using the "Percent of Salary Method."

Example:		
Step 1: Fringe Benefits as a Percent of Salary		Step 2: Productive Hourly Rate
Retirement	15.00 %	Formula:
Social Security & Medicare	7.65	[(EAS x (1 + FBR)) ÷ APH] = PHR
Health & Dental Insurance	5.25	
Workers Compensation	3.25	[(\$26,000 x (1.3115)) ÷ 1,800 ] = \$18.94
Total	31.15 %	
Description:		
EAS = Employee's Annual Salar	у	APH = Annual Productive Hours
FBR = Fringe Benefit Rate		PHR = Productive Hourly Rate

#### Table 2: Productive Hourly Rate, Percent of Salary Method

• As illustrated in Table 2, both methods produce the same productive hourly rate.

Reimbursement for personnel services includes, but is not limited to, compensation paid for salaries, wages and employee fringe benefits. Employee fringe benefits include employer's contributions for social security, pension plans, insurance, worker's compensation insurance and similar payments. These benefits are eligible for reimbursement as long as they are distributed equitably to all activities. Whether these costs are allowable is based on the following presumptions:

- The amount of compensation is reasonable for the service rendered.
- The compensation paid and benefits received are appropriately authorized by the governing board.
- Amounts charged for personnel services are based on payroll documents that are supported by time and attendance or equivalent records for individual employees.
- The methods used to distribute personnel services should produce an equitable distribution of direct and indirect allowable costs.

For each of the employees included in the claim, the claimant must use reasonable rates and hours in computing the wage cost. If a person of a higher-level job position performs an activity which normally would be performed by a lower-level position, reimbursement for time spent is allowable at the average salary range for the lower-level position. The salary rate of the person at the higher-level position may be claimed if it can be shown that it was more cost effective in comparison to the performance by a person at the lower-level position under normal circumstances and conditions. The number of hours charged to an activity should reflect the time expected to complete the activity under normal circumstances and conditions. The numbers of hours in excess of normal expected hours are not reimbursable.

#### (c) Calculating an Average Productive Hourly Rate

In those instances where the claiming instructions allow a unit as a basis of claiming costs, the direct labor component of the unit cost should be expressed as an average productive hourly rate and can be determined as follows:

	<u>Time</u> <u>Spent</u>	Productive Hourly Rate	Total Cost by Employee		
Employee A	1.25 hrs	\$6.00	\$7.50		
Employee B	0.75 hrs	4.50	3.38		
Employee C	3.50 hrs	10.00	35.00		
Total	5.50 hrs		\$45.88		
Average Productive Hourly Rate is \$45.88 ÷ 5.50 hrs. = \$8.34					

#### Table 3: Calculating an Average Productive Hourly Rate

#### (d) Employer's Fringe Benefits Contribution

A local agency has the option of claiming actual employer's fringe benefit contributions or may compute an average fringe benefit cost for the employee's job classification and claim it as a percentage of direct labor. The same time base should be used for both salary and fringe benefits when computing a percentage. For example, if health and dental insurance payments are made annually, use an annual salary. After the percentage of salary for each fringe benefit is computed, total them. For example:

Employer's Contribution	<u>% to Salary</u>
Retirement	15.00%
Social Security	7.65%
Health and Dental	5.25%
Insurance	0.2070
Worker's Compensation	0.75%
Total	28.65%

#### (e) Materials and Supplies

Only actual expenses can be claimed for materials and supplies, which were acquired and consumed specifically for the purpose of a mandated program. The claimant must list the materials and supplies that were used to perform the mandated activity, the number of units consumed, the cost per unit, and the total dollar amount claimed. Materials and supplies purchased to perform a particular mandated activity are expected to be reasonable in quality, quantity and cost. Purchases in excess of reasonable quality, quantity, and cost are not reimbursable. Materials and supplies withdrawn from inventory and charged to the mandated activity must be based on a recognized method of pricing, consistently applied. Purchases shall be claimed at the actual price after deducting discounts, rebates and allowances received by local agencies.

#### (f) Calculating a Unit Cost for Materials and Supplies

In those instances where the claiming instructions suggest that a unit cost be developed for use as a basis of claiming costs mandated by the State, the materials and supplies component of the unit cost should be expressed as a unit cost of materials and supplies as shown in Table 1 or Table 2:

Supplies	<u>Cost Per Unit</u>	Amount of Supplies Used <u>Per Activity</u>	Unit Cost of Supplies <u>Per Activity</u>
Paper	0.02	4	\$0.08
Files	0.10	1	0.10
Envelopes	0.03	2	0.06
Photocopies	0.10	4	0.40
			<u>\$0.64</u>

#### Table 1: Calculating a Unit Cost for Materials and Supplies

#### Table 2: Calculating a Unit Cost for Materials and Supplies

Supplies	Supplies <u>Used</u>	Unit Cost of Supplies <u>Per Activity</u>					
Paper (\$10.00 for 500 sheet ream)	250 Sheets	\$5.00					
Files (\$2.50 for box of 25)	10 Folders	1.00					
Envelopes (\$3.00 for box of 100)	50 Envelopes	1.50					
Photocopies (\$0.05 per copy)	40 Copies	2.00					
		\$9.50					
If the number of reimbursable instances are 25, then the unit cost of supplies is $0.38$ per reimbursable instance ( $9.50 \div 25$ ).							

#### (g) Contract Services

The cost of contract services is allowable if the local agency lacks the staff resources or necessary expertise, or it is economically feasible to hire a contractor to perform the mandated activity. The claimant must give the name of the contractor; explain the reason for having to hire a contractor; describe the mandated activities performed; give the dates when the activities were performed, the number of hours spent performing the mandate, the hourly billing rate, and the total cost. The hourly billing rate shall not exceed the rate specified in the claiming instructions for the mandated program. The

contractor's invoice, or statement, which includes an itemized list of costs for activities performed, must accompany the claim.

#### (h) Equipment Rental Costs

Equipment purchases and leases (with an option to purchase) are not reimbursable as a direct cost unless specifically allowed by the claiming instructions for the particular mandate. Equipment rentals used solely for the mandate, are reimbursable to the extent such costs do not exceed the retail purchase price of the equipment plus a finance charge. The claimant must explain the purpose and use for the equipment, the time period for which the equipment was rented and the total cost of the rental. If the equipment is used for purposes other than reimbursable activities, only the prorata portion of the rental costs can be claimed.

#### (i) Capital Outlay

Capital outlays for land, buildings, equipment, furniture and fixtures may be claimed if the claiming instructions specify them as allowable. If they are allowable, the claiming instructions for the program will specify a basis for the reimbursement. If the fixed asset or equipment is also used for purposes other than reimbursable activities for a specific mandate, only the prorata portion of the purchase price used to implement the reimbursable activities can be claimed.

#### (j) Travel Expenses

Travel expenses are normally reimbursable in accordance with travel rules and regulations of the local jurisdiction. For some programs, however, the claiming instructions may specify certain limitations on expenses, or that expenses can only be reimbursed in accordance with the State Board of Control travel standards. When claiming travel expenses, the claimant must explain the purpose of the trip, identify the name and address of the persons incurring the expense, the date and time of departure and return for the trip, description of each expense claimed, the cost of transportation, number of private auto mileage traveled, and the cost of tolls and parking with receipts required for charges over \$10.00.

#### (k) Documentation

It is the responsibility of the claimant to make available to the SCO, upon request, documentation in the form of general and subsidiary ledgers, purchase orders, invoices, contracts, canceled warrants, equipment usage records, land deeds, receipts, employee time sheets, agency travel guidelines, inventory records, and other relevant documents to support claimed costs. The type of documentation necessary for each claim may differ with the type of mandate.

#### 9. Indirect Costs

GC Section 17564(b) provides that claims for indirect costs shall be filed in the manner prescribed by the SCO. Indirect costs (or overhead) are those costs incurred for a common or joint purpose, benefiting more than one program and are not directly assignable to a particular program without efforts disproportionate to the result achieved. Indirect costs may include both (1) the overhead costs for the unit performing the mandate and (2) the costs of central government services distributed through the central service cost allocation plan and not otherwise treated as a direct cost.

Previously, the costs of elected officials were considered expenses related to general government and, thus, were unallowable for reimbursement purposes. Recent interpretation has moved in the opposite direction, except for those items of cost, which are unallowable in the cost principles set forth in Office of Management and Budget Circular (OMB) Circular A-87 (Title 2 CFR Part 225). A cost that is necessary for proper and efficient administration of a program and is identifiable to that program is eligible for consideration as allocable indirect costs. Allocable costs for time spent on programs, must be supported by time record.

Local agencies have the option of using 10% of direct labor as indirect costs or claiming indirect costs through a department's Indirect Cost Rate Proposal (ICRP) for the program prepared in accordance with the provisions of Office of Management and Budget OMB Circular A-87 (Title 2 CFR Part 225.) (Refer to the Appendix-Costs Computation: Indirect Costs). An ICRP must be prepared if the claim for indirect costs is in excess of 10% of direct salaries; the ICRP must be submitted with the claim.

#### A. Fixed 10% Rate Method

Indirect costs may be computed as 10% of direct labor costs, excluding fringe benefits. The use of the 10% rate may benefit small agencies where it is inefficient to prepare an ICRP.

Direct Costs Incurred By	On Behalf of					
	Welfare	Health				
Auditor	Administration	<b>Department</b>				
Warrant Writing:						
A. Salary of employee working	\$5,000	\$1,000				
B. Benefits of above	800	200				
C. Cost of paper	350	100				
D. First-line supervision	3,000	500				
(salaries)						
E. Indirect cost 10% of A + D	800	150				
Total amount charged to benefited						
departments for warrant writing						
services	\$9,950	\$1,950				
Direct Costs Incurred By	On Behalf of					
	Welfare	Health				
Building & Grounds Department	Administration	<u>Department</u>				
Maintenance of Buildings:						
A. Salary of employees	\$1,000	\$500				
performing maintenance						
B. Benefits of above	200	100				
C. Cleaning supplies	250	150				
D. First-line supervision	500	200				
(salaries)						
E. Indirect cost 10% of A + D	150	70				
Total amount charged to						
benefited departments for						
building maintenance services	\$2,100	\$1,020				

Any local agency using this method for claiming costs must submit a statement similar to the example above and with supporting data. The cost data required for desk audit purposes are described in the claiming instructions for that mandated program under Salaries and Employee

Benefits, Materials and Supplies, Contract Services, Travel Expenses, etc.

#### B. Indirect Cost Rate Proposal Method

If a local agency elects not to utilize the 10% fixed rate method but wants to claim indirect costs, it must prepare an ICRP for the program. The proposal must follow the provisions of the Office of Management and Budget (OMB) Circular A-87 (Title 2 CFR Part 225), *Cost Principles for State, Local, and Indian Tribal Governments*. The development of the indirect cost rate proposal requires that the indirect cost pool include only those costs which are incurred for a common or joint purpose that benefit more than one cost objective. The indirect cost pool may only include costs that can be shown to provide benefits to the program. In addition, total allocable indirect costs may only include costs, which cannot be directly charged to an identifiable cost center (i.e., program).

A method for preparing a departmental indirect cost rate proposal for programs is presented as Exhibit 1. Only this format is acceptable under the SCO reimbursement requirements. If more than one department is involved in the reimbursement program, each department must have their own indirect cost rate proposal for the program.

#### INDIRECT COST RATE PROPOSAL PUBLIC DEFENDER'S OFFICE INVESTIGATION PROGRAM FISCAL YEAR 20\_\_\_\_20\_\_\_

Exhibit 1

			-	(B) Excludable	,	(C) Allowable	,	(D) Allowable	 Identifiable P	rogram	Costs
(A) Description of Cos	ts	 Total Costs	-	nallowable Costs	-	Indirect Costs	F	Direct Costs	estigation C 987.9	<i>H</i>	All Others
Salaries & Benefits Salaries & Wages Overtime Benefits		\$ 1,150,000 20,000 230,000	\$	50,000 (F) 0 10,000	\$	150,000 20,000 30,000	\$	950,000 (F) 0 190,000	\$ 100,000 0 20,000	\$	850,000 0 170,000
Total		\$ 1,400,000	\$	60,000	\$	200,000	\$	1,140,000	\$ 120,000	\$	1,020,000
Services & Supplies Office Expense Communications Transportation Special Dept Exper Other, Pass Throug Total		\$ 200,000 100,000 120,000 250,000 800,000 1,470,000	\$	10,000 2,000 5,000 0 800,000 817,000	\$	20,000 10,000 0 0 0 30,000	\$	170,000 88,000 115,000 250,000 0 623,000	\$ 10,000 1,000 5,000 0 0 16,000	\$	160,000 87,000 110,000 250,000 0 607,000
Capital Expenditures		\$ 100,000	\$	100,000							
Total Budgetary Exper	nditures	\$ 2,970,000	\$	977,000	\$	230,000	\$	1,763,000	\$ 136,000	\$	1,627,000
Cost Plan Costs Building Use Equipment Use Data Processing Auditor Personnel Roll Forward Total	Distribution Base (Each line item should be reviewed to see if it benefits the mandate to insure a fair and equitable distribution.)	\$ 50,000 30,000 50,000 20,000 10,000 10,000 170,000 (E	\$ E) <u>\$</u>	2,000 1,000 5,000 0 1,000 0 9,000	\$	6,000 3,000 30,000 20,000 1,000 10,000 70,000	\$	42,000 26,000 15,000 0 8,000 0 91,000	\$ 2,000 1,000 0 1,000 0 4,000	\$	40,000 25,000 15,000 0 7,000 0 87,000
Total Allocable Indirec	t Costs				\$	300,000 (F	-)				
Distribution of Allocabl Based on Salaries			\$	15,000	\$	(300,000)	\$	285,000	\$ 30,000	\$	255,000
Totals		\$ 3,140,000	\$	1,001,000	\$	0	\$	2,139,000	\$ 170,000	\$	1,969,000

- (1) Notes to Exhibit 1
  - (a) The department's ICRP plan for the distribution of costs to programs must follow the same format as shown on Exhibit 1. Specifically, there must be columns as follows: Description of Costs, Total Cost, Excludable and Unallowable Costs (may be combined or separated), Allowable Indirect Costs, and Allowable Direct Costs (which are further allocated to identifiable programs and other). No other format will be accepted.
  - (b) Excluded costs are all costs that are unallowable and unallocable according to specific guidelines (OMB 2 CFR Part 225 and state laws).

#### Examples:

Contributions and donations: Cost of amusement; social activities and related incidental costs such as meals, beverages, lodging, rentals, transportation and gratuities; and pass through revenues to another unit or organization.

- (c) Allocable indirect costs are costs that are not identifiable to a specific program or cost pool and indirectly benefit all cost pools.
- (d) Direct costs are costs that benefit a specific program or cost pool.
- (e) Overhead costs are distributed to the department in the cost allocation plan, which was prepared in accordance with the OMB 2 CFR Part 225. Use the same year's cost allocation plan for developing the ICRP as the year for which the ICRP is being prepared. Do not include a roll forward adjustment when the program is in its initial year.
- (f) Distribution base for the computation of the indirect cost rate is total salaries and wages.

Total Allocable Direct Costs (direct S&W)	\$950,000
Excluded and Unallowable Costs (direct S&W)	50,000
Distribution Base	\$1,000,000

Therefore, the Indirect Cost Rate for Penal Code 987.9 Program is:

$$ICRP = \frac{Allowable Indirect Costs}{Total Salaries and Wages} = \frac{\$300,000}{\$1,000,000} = 30.00\%$$

### **10.** Time Study Guidelines

#### Background

For costs incurred on or after January 1, 2005, a reasonable reimbursement methodology can be used as a formula for reimbursing local agency and school district costs mandated by the state that meets certain conditions specified in GC Section 17518.5(a). These costs can only be substituted for continuous records of actual time spend for a specific fiscal year if the program's P's & G's allow for the use of time studies.

Two methods are acceptable for documenting employee time charged to mandated cost programs: Actual Time Reporting and Time Study, which are described below. Application of time study results is restricted. As explained in Time Study Results below, the results may be projected toward to a maximum of two years provided the claimant meets certain criteria.

### Actual Time Reporting

P's & G's define reimbursable activities for each mandated cost program. When employees work on multiple activities, a distribution of their salaries or wages must be supported by personnel activity reports or equivalent documentation that meets the following standards:

- They must reflect an after-the-fact (contemporaneous) distribution of the actual activity of each employee;
- They must account for the total activity for which each employee is compensated;
- They must be prepared at least monthly and must coincide with one or more pay periods; and
- They must be signed by the employee.

Budget estimates or other distribution percentages determined before services are performed do not qualify as support for time distribution.

#### Time Study

In certain cases, a time study may be used to substitute for continuous records of actual time spent on multiple activities and/or programs. An effective time study requires that an activity be a task that is repetitive in nature. Activities that require a varying level of effort are not appropriate for time studies.

## Time Study Plan

A time study plan is necessary before conducting the time study. The claimant must retain the time study plan for audit purposes. The plan needs to identify the following:

- Time period(s) to be studied The plan must show that all time periods selected are representative of the fiscal year, and the results can be reasonably projected to approximate actual costs;
- Activities and/or programs to be studied For each mandated program included, the time study
  must separately identify each reimbursable activity defined in the mandated program's
  parameters and guidelines, which are derived from the program's Statement of Decision. If a
  reimbursable activity in the parameters and guidelines identifies separate and distinct subactivities, these sub-activities must also be treated as individual activities;

For example, sub-activities (a), (b), and (c) under Reimbursable Activity (B)(1) of the local agency's Domestic Violence Treatment Services: Authorization and Case Management program relate to information to be discussed during victim notification by the probation department and therefore are not separate and distinct activities. These sub-activities do not have to be separately studied.

- Process used to accomplish each reimbursable activity Use flowcharts or similar analytical tools and/or written desk procedures to describe the process for each activity;
- Employee universe The employee universe used in the time study must include all positions for which salaries and wages are to be allocated by means of the time study;
- Employee sample selection methodology The plan must show that employees selected are representative of the employee universe, and the results can be reasonably projected to approximate actual costs. In addition, the employee sample size should be proportional to the variation in time spent to perform a task. The sample size should be larger for tasks with significant time variations;

 Time increments to be recorded – The time increments used should be sufficient to recognize the number of different activities performed and the dynamics of these responsibilities. Very large increments (such as one hour or more) might be used for employees performing only a few functions that change very slowly over time. Very small increments (a number of minutes) may be needed for employees performing more short-term tasks.

Random moment sampling is not an acceptable alternative to continuous time records for mandated cost claims. Random moment sampling techniques are most applicable in situations where employees perform many different types of activities on a variety of programs with small time increments throughout the fiscal year.

### Time Study Documentation

Time studies must:

- Be supported by time records that are completed contemporaneously;
- Report activity on a daily basis;
- Be sufficiently detailed to reflect all mandated activities and/or programs performed during a specific time period; and
- Coincide with one or more pay periods.

Time records must be signed by the employee (electronic signatures are acceptable) and be supported by corroborating evidence, which validates that the work was actually performed. As with actual time reporting, budget estimates or other distribution percentages determined before services are performed do not qualify as valid time studies.

#### Time Study Results

Time study results must be summarized to show how the time study supports the costs claimed for each activity. Any variations from the procedures identified in the original time study plan must be documented and explained

Current-year costs must be used to prepare a time study. Claimants may project time study results to no more than two subsequent fiscal years. A claimant may not apply time study results retroactively.

- <u>Annual Reimbursement Claims</u> Claimants may use time studies to support costs incurred on or after January 1, 2005. Claimants may not use time studies for the period July 1, 2004, through December 31, 2004, unless (1) the program's P's & G's specifically allows time studies, and (2) the time study is prepared based on mandated activity occurring between July 1, 2004, and December 31, 2004.
- <u>Initial Claims</u> –When filing an initial claim for new mandated programs, claimants may only use time study results for costs incurred on or after January 1, 2005. Claimants may not use time studies to support costs incurred before January 1, 2005, unless (1) the program's P's & G's specifically allows time studies, and (2) the claimant prepares separate time studies for each fiscal year preceding January 1, 2005, based on mandated activity occurring during those years.

When projecting time study results, the claimant must certify that there have been no significant changes between years in either (1) the requirements of each mandated program activity or (2) the processes and procedures used to accomplish the activity. For all years, the claimant must maintain corroborating evidence that validates the mandated activity was actually performed. Time study results used to support subsequent years' claims are subject to the recordkeeping

requirements for those claims.

### 11. Offset Against State Mandated Claims

When part or all the costs of a mandated program are specifically reimbursable from non-local agency sources (e.g., state, federal, foundation, etc.), only that portion of any increased costs payable from local agency funds is eligible for reimbursement under the provisions of Government Code Section 17561.

#### A. Example 1

This example shows how the offset against state mandated claim is determined for local agencies receiving block grant revenues not based on a formula allocation. Listed below are six situations, which may occur at a local agency level. For hypothetical program costs of \$100,000: (1) through (4) show intended funding at 100% from non-local agency sources and (5) through (6) show cost sharing on a 50/50 basis with the local agency. Of the \$100,000 program cost, \$2,500 is the cost of state mandated activity. Offset against state mandated claims is the amount of actual non-local agency funding which exceeds the difference between program costs and state mandated costs. The offset against state mandated claims can not exceed the amount of state mandated costs. In (4), non-local revenues were fully realized to cover the entire cost of the program, including the state mandate activity; therefore, the offset against state mandated claims is \$2,500. In (1), non-local revenues were less than expected. Non-local agency funding was not in excess of the difference between program costs and state mandated costs. As a result, the offset against state mandated claims is zero and \$2,500 is claimable as mandated costs. In (5), the local agency is sharing 50% of the program cost. Since non-local revenues of \$50,000 were fully realized, the offset against state mandated claims is \$1,250.

	Program <u>Costs</u>	Actual Non-Local Agency <u>Funding</u>	State Mandated <u>Costs</u>	Offset Against State Mandated <u>Claims</u>	Claimable Mandated <u>Costs</u>
A.	Block Grants (f	unding not base	ed on a formula	a allocation)	
1.	\$100,000	\$95,000	\$2,500	\$-0-	\$2,500
2.	100,000	97,000	2,500	-0-	2,500
3.	100,000	98,000	2,500	500	2,000
4.	100,000	100,000	2,500	2,500	-0-
5.	100,000 *	50,000	2,500	1,250	1,250

6. If in (5) the non-local matching share is less than the amount expected, for example \$49,000, the offset against state mandated claims is \$250. Therefore, the claimable mandated costs are \$2,250.

\* Local agency share is \$50,000 of the program costs.

#### B. Example 2

This example shows how the offset against state mandated claims are determined for local agencies receiving special project funds based on approved actual costs. Non-local revenues for special projects must be applied proportionately to approve costs. In (2), the entire program cost was approved. Since the non-local agency source covers 75% of the program cost, it also proportionately covered 75% of the \$2,500 state mandated costs, or \$1,875.

	Actual		Offset Against	
	Non-Local	State	State	Claimable
Program	Agency	Mandated	Mandated	Mandated
Costs	Funding	<u>Costs</u>	<u>Claims</u>	<u>Costs</u>

B. Special Projects (funding based on approved actual costs)

1.	\$100,000	\$100,000	\$2,500	\$2,500	\$-0-
2.	100,000 **	75,000	2,500	1,875	625

3. If in (2) the non-local matching share is less than the amount expected, because only \$60,000 of the program costs were determined to be valid by the contracting agency, then a proportionate share of state mandated costs is likewise reduced to \$1,500. The offset against state mandated claim is \$1,125. Therefore, the claimable mandated costs are \$375.

\*\* Local agency share is \$25,000 of the program costs.

With respect to local agencies, the offset against state mandated claims for applicable federal and state local assistance programs includes, but is not limited to, the following funding sources:

#### Federal and State Funding Sources

#### **Governing Authority**

#### **Federal Programs**

Federal-Health – Administration				
Federal-Public Assistance – Administration				
State Programs				
State-Health – Administration				
State-Public Assistance - Administration				

### 12. Notice of Claim Adjustment

All claims submitted to the SCO are reviewed to determine if the claim was prepared in accordance with the claiming instructions. Claimants will receive a *Notice of Claim Adjustments* detailing adjustments made by the SCO.

### 13. Audit of Costs

Pursuant to GC Section 17558.5, Subdivision (b), the SCO may conduct a field review of any claim after it has been submitted, prior to the reimbursement of the claim to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with SCO's claiming instructions and the P's & G's adopted by the Commission. If any adjustments are made to a claim, a Notice of Claim Adjustment specifying the claim activity adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within thirty days after payment of the claim.

#### 14. Source Documents

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. These costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification stating, "I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of Code of Civil Procedure Section 2015.5. Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

For costs incurred on or after January 1, 2005, an RRM can be used for reimbursing local agency that meets certain conditions specified in 17518.5(a).

### **15.** Claim Forms and Instructions

A claimant may submit a computer generated report in substitution for Form-1 and Form-2 provided the format of the report and data fields contained within the report are identical to the claim forms included with these instructions. The claim forms provided with these instructions should be duplicated and used by the claimant to file a reimbursement claim. The SCO will revise the manual and claim forms as necessary.

#### A. Form-2, Component/Activity Cost Detail

This form is used to segregate the detail costs by claim component. In some mandates, specific reimbursable activities have been identified for each component. The expenses reported on this form must be supported by the official financial records of the claimant and copies of supporting documentation, as specified in the claiming instructions, must be submitted with the claims.

#### B. Form-1, Claim Summary

This form is used to summarize direct costs by component and compute allowable indirect costs for the mandate. The direct costs summarized on this form are derived from Form-2 and are carried forward to form FAM-27.

#### C. Form FAM-27, Claim for Payment

This form contains a certification that must be signed by an authorized officer of the entity. All applicable information from Form-1 must be carried forward onto this form in order for the SCO to process the claim for payment. An original and one copy of the FAM-27 are required.

Claims should be rounded to the nearest dollar. Submit a signed original and one copy of form FAM-27, Claim for Payment. To expedite the payment process, please sign the FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.

Use the following mailing addresses:

If delivered by U.S. Postal Service:

If delivered by Other delivery services:

Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting P.O. Box 942850 Sacramento, CA 94250 Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting 3301 C Street, Suite 700 Sacramento, CA 95816

## 16. Retention of Claiming Instructions

For your convenience, the revised claiming instructions in this package have been arranged in alphabetical order by program name. These revisions should be inserted in the Local Mandated Cost Manual and the old forms they replace should be removed. The instructions should then be retained for future reference, and the forms should be duplicated to meet your filing requirements. Annually, updated forms and any other information or instructions claimants may need to file claims, as well as instructions and forms for all new programs released throughout the year will be placed on the SCO's web site at www.sco.ca.gov/ard\_mancost.html.

If you have any questions concerning mandated cost reimbursements, please write to us at the address listed for filing claims, send e-mail to Irsdar@sco.ca.gov, or call the Local Reimbursements Section at (916) 324-5729.

#### 17. Retention of Claim Records and Supporting Documentation

Pursuant to GC Section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by local agency pursuant to this chapter is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds were appropriated or no payment was made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit will be completed not later than two years after the date that the audit is commenced. All documents used to support the reimbursable activities must be retained during the period subject to audit. If the Controller has initiated an audit during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings. Supporting documents shall be made available to SCO on request.

# A. STATE OF CALIFORNIA TRAVEL EXPENSE GUIDELINES

#### Travel Program Effective January 31, 2002

The travel reimbursement program continues to be subject to the Internal Revenue Service (IRS) requirements for an accountable plan. There are no flat rate reimbursements. All items are to be claimed for the actual amount of expense, up to the maximum allowed. If the provisions below do not require submission of a receipt for a given item of expense, it is the employee's responsibility to retain receipts and other records of the expense and have them available for audit.

Lodging and meals that are provided by the State, including hotel expenses, conference fees, or transportation costs such as airline tickets; or otherwise provided shall not be claimed for reimbursement.

Employees may be reimbursed for actual expenses for breakfast, lunch, dinner, and incidentals for each 24 hours of travel, as follows:

Breakfast	up to	\$ 6.00
Lunch	up to	10.00
Dinner	up to	18.00
Incidentals	up to	6.00

Incidental expenses include, but are not limited to, expenses for laundering and pressing of clothing and tips for services such as porters and baggage handlers. Incidentals do not include taxicab fares, lodging taxes, or the cost of telegrams or telephone calls.

#### Lodging

All lodging reimbursements require a receipt from a commercial lodging establishment such as a hotel, motel, bed and breakfast inn, or campground that caters to the general public. No lodging will be reimbursed without a valid receipt. Employees who stay with friends or relatives are not eligible for lodging reimbursement, but may claim their actual expenses for meals and incidentals.

### Short-Term Travel

- A. For continuous short-term travel of more than 24 hours but less than 31 days, the employee will be reimbursed for actual costs up to the maximum for each meal, incidental, and lodging expense for each completed 24 hours of travel, beginning with the traveler's time of departure and return as follows:
  - 1. On the first day of travel at the beginning of a trip of more than 24 hours:

Trip begins at or before 6 a.m. - Breakfast may be claimed

Trip begins at or	before 11 a.m	Lunch may be claimed

Trip begins at or before 5 p.m. - Dinner may be claimed

2. On the fractional day of travel at the end of a trip of more than 24 hours:

Trip ends at or after 8 a.m. - Breakfast may be claimed

Trip ends at or after 2 p.m. - Lunch may be claimed

Trip ends at or after 7 p.m. - Dinner may be claimed

If the fractional day includes an overnight stay, receipted lodging may be claimed. No meal or lodging expenses may be claimed or reimbursed more than once on any given date or during any 24-hour period.

**B.** For continuous travel of less than 24 hours, the employee will be reimbursed for actual expenses, up to a maximum as follows:

Travel begins at or before 6 a.m. and ends at or after 9 a.m. - Breakfast may be claimed Travel begins at or before 4 p.m. and ends at or after 7 p.m. - Dinner may be claimed

If the trip extends overnight, receipted lodging may be claimed. No lunch or incidentals may be claimed on a trip of less than 24 hours.

#### Short-Term Travel Maximum Lodging Reimbursement Rate

- A. Statewide except as in (B) and (C) below, actual receipted lodging up to \$84 plus tax.
- **B.** When required to conduct state business and obtain lodging in the counties of Los Angeles and San Diego, reimbursement will be for actual receipted lodging, to a maximum of \$110 plus tax.
- **C.** When required to conduct state business and obtain lodging in the counties of Alameda, San Francisco, San Mateo, and Santa Clara, reimbursement will be for actual receipted lodging, to a maximum of \$140 plus tax.

#### Long-Term Travel

Actual expenses for long-term meals and receipted lodging will be reimbursed when the employee incurs expenses in one location comparable to those arising from the use of establishments catering to long-term visitors.

#### A. Full Long-Term Travel

To qualify for full long-term travel reimbursement, the employee on a long-term field assignment must meet the following criteria:

- a) The employee continues to maintain a permanent residence at the primary headquarters, and either,
- b) The permanent residence is occupied by the employee's dependents, or
- c) The permanent residence is maintained at a net expense to the employee exceeding \$200 per month.

The employee who is living at the long-term location may claim either:

- 1. Reimbursement for actual individual expense, substantiated by receipts for lodging, water, sewer, gas, and electricity, up to a maximum of \$1,130 per calendar month while on the long-term assignment, and actual expenses up to \$10 for meals and incidentals, for each period of 12 to 24 hours and up to \$5 for actual meals and incidentals for each period of less than 12 hours at the long-term location, or
- 2. Long-term subsistence rates of \$24 for actual meals and incidentals, \$24 for receipted lodging for travel of 12 hours up to 24 hours, and either \$24 for actual meals or \$24 for receipted lodging for travel less than 12 hours when the employee incurs expenses in one location comparable to those arising from the use of establishments catering to long-term visitors.

#### B. Partial Long-Term Travel

An employee on long-term field assignment who does not maintain a separate residence in the headquarters area may claim long-term subsistence rates of up to \$12 for actual meals and incidentals and \$12 for receipted lodging for travel of 12 hours up to 24 hours at the long-term location, and either \$12 for actual meals or \$12 for receipted lodging for travel less than 12 hours at the long-term location.

#### Receipts

Receipts or vouchers shall be submitted for every item of expense of \$25 or more.

- a) Receipts are required for every item of transportation and business expense incurred as a result of conducting state business except for actual expenses as follows:
  - 1. Railroad and bus fares of less than \$25, when travel is wholly within the State of California.
  - 2. Street car, ferry fares, bridge and road tolls, local rapid transit system, taxi, shuttle, or hotel bus fares, and parking fees of \$10 or less for each continuous period of parking or each separate transportation expense noted in this item.
  - 3. Telephone, telegraph, tax, or other business charges related to state business of \$5 or less.
  - 4. In the absence of a receipt, reimbursement will be limited to the non-receipted amount above.
- b) Reimbursement will be claimed only for the actual and necessary expenses noted above. Regardless of the above exceptions, the approving officer may require additional certification and/or explanation in order to determine that an expense was actually and reasonably incurred. In the absence of a satisfactory explanation, the expense shall not be allowed.

#### Mileage

When an employee is authorized by his/her appointing authority or designee to operate a privately owned vehicle on state business, effective January 1, 2009, the employee will be allowed to claim and be reimbursed 55 cents per mile.

# B. GOVERNMENT CODE SECTIONS 17500-17617

17500. The Legislature finds and declares that the existing system for reimbursing local agencies and school districts for the costs of state mandated local programs has not provided for the effective determination of the state's responsibilities under Section 6 of Article XIII B of the California Constitution. The Legislature finds and declares that the failure of the existing process to adequately and consistently resolve the complex legal questions involved in the determination of state-mandated costs has led to an increasing reliance by local agencies and school districts on the judiciary and, therefore, in order to relieve unnecessary congestion of the judicial system, it is necessary to create a mechanism which is capable of rendering sound quasi-judicial decisions and providing an effective means of resolving disputes over the existence of state-mandated local programs. It is the intent of the Legislature in enacting this part to provide for the implementation of Section 6 of Article XIII B of the California Constitution. Further, the Legislature intends that the Commission on State Mandates, as a quasi-judicial body, will act in a deliberative manner in accordance with the requirements of Section 6 of Article XIII B of the California Constitution.

Government Code Sections 17510-17524

17510. Unless the context otherwise requires, the definitions contained in this chapter govern the construction of this part. The definition of a word applies to any variants thereof and the singular tense of a word includes the plural.

17511. "City" means any city whether general law or charter, except a city and county.

17512. "Commission" means the Commission on State Mandates.

17513. "Costs mandated by the federal government" means any increased costs incurred by a local agency or school district after January 1, 1973, in order to comply with the requirements of a federal statute or regulation. "Costs mandated by the federal government" includes costs resulting from enactment of a state law or regulation where failure to enact that law or regulation to meet specific federal program or service requirements imposed upon the state would result in substantial monetary penalties or loss of funds to public or private persons in the state whether the federal law was enacted before or after the enactment of the state law, regulation, or executive order. "Costs mandated by the federal government" does not include costs which are specifically reimbursed or funded by the federal or state government or programs or services which may be implemented at the option of the state, local agency, or school district.

17514. "Costs mandated by the state" means any increased costs which a local agency or school district is required to incur after July 1, 1980, as a result of any statute enacted on or after January 1, 1975, or any executive order implementing any statute enacted on or after January 1, 1975, which mandates a new program or higher level of service of an existing program within the meaning of Section 6 of Article XIII B of the California Constitution.

17515. "County" means any chartered or general law county. "County" includes a city and county.

17516. "Executive order" means any order, plan, requirement, rule, or regulation issued by any of the following:

(a) The Governor.

(b) Any officer or official serving at the pleasure of the Governor.

(c) Any agency, department, board, or commission of state government.

"Executive order" does not include any order, plan, requirement, rule, or regulation issued by the State Water Resources Control Board or by any regional water quality control board pursuant to Division 7 (commencing with Section 13000) of the Water Code. It is the intent of the Legislature that the State Water Resources Control Board and regional water quality control boards will not adopt enforcement orders against publicly owned dischargers which mandate major waste water treatment facility construction costs

unless federal financial assistance and state financial assistance pursuant to the Clean Water Bond Act of 1970 and 1974, is simultaneously made available. "Major" means either a new treatment facility or an addition to an existing facility, the cost of which is in excess of 20 percent of the cost of replacing the facility.

17517.5. "Cost savings authorized by the state" means any decreased costs that a local agency or school district realizes as a result of any statute enacted or any executive order adopted that permits or requires the discontinuance of or a reduction in the level of service of an existing program that was mandated before January 1, 1975.

17518. "Local agency" means any city, county, special district, authority, or other political subdivision of the state.

17518.5. (a) "Reasonable reimbursement methodology" means a formula for reimbursing local agencies and school districts for costs mandated by the state, as defined in Section 17514.

(b) A reasonable reimbursement methodology shall be based on cost information from a representative sample of eligible claimants, information provided by associations of local agencies and school districts, or other projections of local costs.

(c) A reasonable reimbursement methodology shall consider the variation in costs among local agencies and school districts to implement the mandate in a cost-efficient manner.

(d) Whenever possible, a reasonable reimbursement methodology shall be based on general allocation formulas, uniform cost allowances, and other approximations of local costs mandated by the state, rather than detailed documentation of actual local costs. In cases when local agencies and school districts are projected to incur costs to implement a mandate over a period of more than one fiscal year, the determination of a reasonable reimbursement methodology may consider local costs and state reimbursements over a period of greater than one fiscal year, but not exceeding 10 years.

(e) A reasonable reimbursement methodology may be developed by any of the following:

- (1) The Department of Finance.
- (2) The Controller.
- (3) An affected state agency.
- (4) A claimant.
- (5) An interested party.

17519. "School district" means any school district, community college district, or county superintendent of schools.

17520. "Special district" means any agency of the state that performs governmental or proprietary functions within limited boundaries. "Special district" includes a county service area, a maintenance district or area, an improvement district or improvement zone, or any other zone or area. "Special district" does not include a city, a county, a school district, or a community college district.

County free libraries established pursuant to Chapter 6 (commencing with Section 19100 of Part 11 of the Education Code, areas receiving county fire protection services pursuant to Section 25643 of the Government Code, and county road districts established pursuant to Chapter 7 (commencing with Section 1550) of Division 2 of the Streets and Highways Code shall be considered "special districts" for all purposes of this part.

17521. "Test claim" means the first claim filed with the commission alleging that a particular statute or executive order imposes costs mandated by the state, and includes a claim filed pursuant to Section 17574.

17521.5. "Legislatively determined mandate" means the provisions of a statute or executive order that the Legislature, pursuant to Article 1.5, has declared by statute to be a mandate for which reimbursement is required by Section 6 of Article XIII B of the California Constitution.

17522. (a) "Initial reimbursement claim" means a claim filed with the Controller by a local agency or school district for costs to be reimbursed for the fiscal years specified in the first claiming instructions issued by the Controller pursuant to subdivision (b) of Section 17558.

(b) "Annual reimbursement claim" means a claim for actual costs incurred in a prior fiscal year filed with the Controller by a local agency or school district for which appropriations are made to the Controller for this purpose.

(c) "Entitlement claim" means a claim filed by a local agency or school district with the Controller for the purpose of establishing or adjusting a base year entitlement. All entitlement claims are subject to Section 17616.

17523. "Deflator" means the Implicit Price Deflator for the Costs of Goods and Services to Governmental Agencies, as determined by the Department of Finance.

17524. "Base year entitlement" means that amount determined to be the average for the approved reimbursement claims of each local agency or school district for the three preceding fiscal years adjusted by the change in the deflator. A base year entitlement shall not include any nonrecurring or initial startup costs incurred by a local agency or school district in any of those three fiscal years. For those mandates which become operative on January 1 of any year, the amount of the "approved reimbursement claim" for the first of the three years may be computed by annualizing the amount claimed for the six-month period of January through June in that first year, excluding nonrecurring or startup costs.

#### Government Code Sections 17525-17533

17525. (a) There is hereby created the Commission on State Mandates, which shall consist of seven members as follows:

(1) The Controller.

(2) The Treasurer.

(3) The Director of Finance.

(4) The Director of the Office of Planning and Research.

(5) A public member with experience in public finance, appointed by the Governor and approved by the Senate.

(6) Two members from the following three categories appointed by the Governor and approved by the Senate, provided that no more than one member shall come from the same category:

(A) A city council member.

(B) A member of a county or city and county board of supervisors.

(C) A governing board member of a school district as defined in Section 17519.

(b) Each member appointed pursuant to paragraph (5) or (6) of subdivision (a) shall be subject to both of the following:

(1) The member shall serve for a term of four years subject to renewal.

(2) The member shall receive per diem of one hundred dollars (\$100) for each day actually spent in the discharge of official duties and shall be reimbursed for any actual and necessary expenses incurred in connection with the performance of duties as a member of the commission.

17526. (a) All meetings of the commission shall be open to the public, except that the commission may meet in executive session to consider the appointment or dismissal of officers or employees of the commission or to hear complaints or charges brought against a member, officer, or employee of the commission.

(b) The commission shall meet at least once every two months.

(c) The time and place of meetings may be set by resolution of the commission, by written petition of a majority of the members, or by written call of the chairperson. The chairperson may, for good cause, change the starting time or place, reschedule, or cancel any meeting.

17527. In carrying out its duties and responsibilities, the commission shall have the following powers:(a) To examine any document, report, or data, including computer programs and data files, held by any local agency or school district.

(b) To meet at times and places as it may deem proper.

(c) As a body or, on the authorization of the commission, as a committee composed of one or more members, to hold hearings at any time and place it may deem proper.

(d) Upon a majority vote of the commission, to issue subpoenas to compel the attendance of witnesses and the production of books, records, papers, accounts, reports, and documents.

(e) To administer oaths.

(f) To contract with other agencies or individuals, public or private, as it deems necessary, to provide or prepare services, facilities, studies, and reports to the commission as will assist it in carrying out its duties and responsibilities.

(g) To adopt, promulgate, amend, and rescind rules and regulations, which shall not be subject to the review and approval of the Office of Administrative Law pursuant to the provisions of the Administrative Procedure Act provided for in Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2.

(h) To do any and all other actions necessary or convenient to enable it fully and adequately to perform its duties and to exercise the powers expressly granted to it.

17528. The members of the commission shall elect a chairperson and a vice chairperson of the commission.

17529. The commission may appoint as attorney to the commission an attorney at law of this state, who shall hold office at the pleasure of the commission. The attorney shall represent and appear for the commission in all actions and proceedings involving any question under this part or under any order or act of the commission.

The attorney shall advise the commission and each member of the commission, when so requested, in regard to all matters in connection with the powers and duties of the commission and the members thereof. The attorney shall generally perform all duties and services as attorney to the commission which the commission may require.

17530. The commission shall appoint an executive director, who shall be exempt from civil service and shall hold office at the pleasure of the commission. The executive director shall be responsible for the executive and administrative duties of the commission and shall organize, coordinate, supervise, and direct the operations and affairs of the commission and expedite all matters within the jurisdiction of the commission. The executive director shall be responsible for the commission. The executive director shall keep a full and true record of all proceedings of the commission, issue all necessary process, writs, warrants, and notices, and perform other duties as the commission prescribes.

17531. The executive director may employ those officers, examiners, experts, statisticians, accountants, inspectors, clerks, and employees as the executive director deems necessary to carry out the provisions of this part or to perform the duties and exercise the powers conferred upon the commission by law.

17532. A majority of the commissioners shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power of the commission. Any investigation, inquiry, or hearing which the commission has power to undertake or to hold may be undertaken or held by or before any commissioner or commissioners designated for the purpose by the commission. The evidence in any investigation, inquiry, or hearing may be taken by the commissioner or commissioners to whom the investigation, inquiry, or hearing has been assigned or, in his or her or their behalf, by an examiner designated for that purpose. Every finding, opinion, and order made by the commissioner or commissioners so designated, pursuant to the investigation, inquiry, or hearing, when approved or confirmed by the commission and ordered filed in its office, shall be deemed to be the finding, opinion, and order of the commission.

17533. Notwithstanding Section 11425.10, Chapter 4.5 (commencing with Section 11400) of Part 1 of Division 3 does not apply to a hearing by the commission under this part. 17550-17571 17550. Reimbursement of local agencies and school districts for costs mandated by the state shall be provided pursuant to this chapter.

17551. (a) The commission, pursuant to the provisions of this chapter, shall hear and decide upon a claim by a local agency or school district that the local agency or school district is entitled to be reimbursed by the state for costs mandated by the state as required by Section 6 of Article XIII B of the California Constitution.

(b) Except as provided in Sections 17573 and 17574, commission review of claims may be had pursuant to subdivision (a) only if the test claim is filed within the time limits specified in this section.

(c) Local agency and school district test claims shall be filed not later than 12 months following the effective date of a statute or executive order, or within 12 months of incurring increased costs as a result of a statute or executive order, whichever is later.

(d) The commission, pursuant to the provisions of this chapter, shall hear and decide upon a claim by a local agency or school district filed on or after January 1, 1985, that the Controller has incorrectly reduced payments to the local agency or school district pursuant to paragraph (2) of subdivision (d) of Section 17561.

17552. This chapter shall provide the sole and exclusive procedure by which a local agency or school district may claim reimbursement for costs mandated by the state as required by Section 6 of Article XIII B of the California Constitution.

17553. (a) The commission shall adopt procedures for receiving claims filed pursuant to this article and Section 17574 and for providing a hearing on those claims. The procedures shall do all of the following:

(1) Provide for presentation of evidence by the claimant, the Department of Finance, and any other affected department or agency, and any other interested person.

(2) Ensure that a statewide cost estimate is adopted within 12 months after receipt of a test claim, when a determination is made by the commission that a mandate exists. This deadline may be extended for up to six months upon the request of either the claimant or the commission.

(3) Permit the hearing of a claim to be postponed at the request of the claimant, without prejudice, until the next scheduled hearing.

(b) All test claims shall be filed on a form prescribed by the commission and shall contain at least the following elements and documents:

(1) A written narrative that identifies the specific sections of statutes or executive orders and the effective date and register number of regulations alleged to contain a mandate and shall include all of the following:
 (A) A detailed description of the new activities and costs that arise from the mandate.

(B) A detailed description of existing activities and costs that are modified by the mandate.

(C) The actual increased costs incurred by the claimant during the fiscal year for which the claim was filed to implement the alleged mandate.

(D) The actual or estimated annual costs that will be incurred by the claimant to implement the alleged mandate during the fiscal year immediately following the fiscal year for which the claim was filed.

(E) A statewide cost estimate of increased costs that all local agencies or school districts will incur to implement the alleged mandate during the fiscal year immediately following the fiscal year for which the claim was filed.

(F) Identification of all of the following:

(i) Dedicated state funds appropriated for this program.

(ii) Dedicated federal funds appropriated for this program.

(iii) Other nonlocal agency funds dedicated for this program.

(iv) The local agency's general purpose funds for this program.

(v) Fee authority to offset the costs of this program.

(G) Identification of prior mandate determinations made by the Commission on State Mandates or a predecessor agency that may be related to the alleged mandate.

(H) Identification of a legislatively determined mandate pursuant to Section 17573 that is on the same statute or executive order.

(2) The written narrative shall be supported with declarations under penalty of perjury, based on the declarant's personal knowledge, information, or belief, and signed by persons who are authorized and competent to do so, as follows:

(A) Declarations of actual or estimated increased costs that will be incurred by the claimant to implement the alleged mandate.

(B) Declarations identifying all local, state, or federal funds, or fee authority that may be used to offset the increased costs that will be incurred by the claimant to implement the alleged mandate, including direct and indirect costs.

(C) Declarations describing new activities performed to implement specified provisions of the new statute or executive order alleged to impose a reimbursable state-mandated program. Specific references shall be made to chapters, articles, sections, or page numbers alleged to impose a reimbursable state-mandated program.

(D) If applicable, declarations describing the period of reimbursement and payments received for full reimbursement of costs for a legislatively determined mandate pursuant to Section 17573, and the authority to file a test claim pursuant to paragraph (1) of subdivision (c) of Section 17574.

(3) (A) The written narrative shall be supported with copies of all of the following:

(i) The test claim statute that includes the bill number or executive order, alleged to impose or impact a mandate.

(ii) Relevant portions of state constitutional provisions, federal statutes, and executive orders that may impact the alleged mandate.

(iii) Administrative decisions and court decisions cited in the narrative.

(B) State mandate determinations made by the Commission on State Mandates or a predecessor agency and published court decisions on state mandate determinations made by the Commission on State Mandates are exempt from this requirement.

(4) A test claim shall be signed at the end of the document, under penalty of perjury by the claimant or its authorized representative, with the declaration that the test claim is true and complete to the best of the declarant's personal knowledge, information, or belief. The date of signing, the declarant's title, address, telephone number, facsimile machine telephone number, and electronic mail address shall be included.

(c) If a completed test claim is not received by the commission within 30 calendar days from the date that an incomplete test claim was returned by the commission, the original test claim filing date may be disallowed, and a new test claim may be accepted on the same statute or executive order.

(d) In addition, the commission shall determine whether an incorrect reduction claim is complete within 10 days after the date that the incorrect reduction claim is filed. If the commission determines that an incorrect reduction claim is not complete, the commission shall notify the local agency and school district that filed the claim stating the reasons that the claim is not complete. The local agency or school district shall have 30 days to complete the claim. The commission shall serve a copy of the complete incorrect reduction claim is delivered or mailed to file any rebuttal to an incorrect reduction claim. The failure of the Controller to file a rebuttal to an incorrect reduction claim shall not serve to delay the consideration of the claim by the commission.

17554. With the agreement of all parties to the claim, the commission may waive the application of any procedural requirement imposed by this chapter or pursuant to Section 17553. The authority granted by this section includes the consolidation of claims and the shortening of time periods.

17555. (a) Not later than 30 days after hearing and deciding upon a test claim pursuant to subdivision (a) of Section 17551, and determining the amount to be subvened to local agencies and school districts for reimbursement pursuant to subdivision (a) of Section 17557, the commission shall notify the appropriate Senate and Assembly policy and fiscal committees, the Legislative Analyst, the Department of Finance, and the Controller of that decision. (b) For purposes of this section, the "appropriate policy committee" means the policy committee that has jurisdiction over the subject matter of the statute, regulation, or executive order, and in which bills relating to that subject matter would have been heard.

17556. The commission shall not find costs mandated by the state, as defined in Section 17514, in any claim submitted by a local agency or school district, if, after a hearing, the commission finds any one of the following:

(a) The claim is submitted by a local agency or school district that requested legislative authority for that local agency or school district to implement the program specified in the statute, and that statute imposes costs upon that local agency or school district requesting the legislative authority. A resolution from the governing body or a letter from a delegated representative of the governing body of a local agency or

school district that requests authorization for that local agency or school district to implement a given program shall constitute a request within the meaning of this subdivision.

(b) The statute or executive order affirmed for the state a mandate that had been declared existing law or regulation by action of the courts.

(c) The statute or executive order imposes a requirement that is mandated by a federal law or regulation and results in costs mandated by the federal government, unless the statute or executive order mandates costs that exceed the mandate in that federal law or regulation. This subdivision applies regardless of whether the federal law or regulation was enacted or adopted prior to or after the date on which the state statute or executive order was enacted or issued.

(d) The local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the mandated program or increased level of service.

(e) The statute, executive order, or an appropriation in a Budget Act or other bill provides for offsetting savings to local agencies or school districts that result in no net costs to the local agencies or school districts, or includes additional revenue that was specifically intended to fund the costs of the state mandate in an amount sufficient to fund the cost of the state mandate.

(f) The statute or executive order imposes duties that are necessary to implement, reasonably within the scope of, or expressly included in, a ballot measure approved by the voters in a statewide or local election. This subdivision applies regardless of whether the statute or executive order was enacted or adopted before or after the date on which the ballot measure was approved by the voters.

(g) The statute created a new crime or infraction, eliminated a crime or infraction, or changed the penalty for a crime or infraction, but only for that portion of the statute relating directly to the enforcement of the crime or infraction.

17557. (a) If the commission determines there are costs mandated by the state pursuant to Section 17551, it shall determine the amount to be subvened to local agencies and school districts for reimbursement. In so doing it shall adopt parameters and guidelines for reimbursement of any claims relating to the statute or executive order. The successful test claimants shall submit proposed parameters and guidelines within 30 days of adoption of a statement of decision on a test claim. At the request of a successful test claimant, the commission may provide for one or more extensions of this 30-day period at any time prior to its adoption of the parameters and guidelines. If proposed parameters and guidelines are not submitted within the 30-day period and the commission has not granted an extension, then the commission shall notify the test claimant that the amount of reimbursement the test claimant is entitled to for the first 12 months of incurred costs will be reduced by 20 percent, unless the test claimant can demonstrate to the commission why an extension of the 30-day period is justified.

(b) In adopting parameters and guidelines, the commission may adopt a reasonable reimbursement methodology.

(c) The parameters and guidelines adopted by the commission shall specify the fiscal years for which local agencies and school districts shall be reimbursed for costs incurred. However, the commission may not specify in the parameters and guidelines any fiscal year for which payment could be provided in the annual Budget Act.

(d) A local agency, school district, or the state may file a written request with the commission to amend, modify, or supplement the parameters or guidelines. The commission may, after public notice and hearing, amend, modify, or supplement the parameters and guidelines. A parameters and guidelines amendment submitted within 90 days of the claiming deadline for initial claims, as specified in the claiming instructions pursuant to Section 17561, shall apply to all years eligible for reimbursement as defined in the original parameters and guidelines. A parameters and guidelines. A parameters and guidelines amendment filed more than 90 days after the claiming deadline for initial claims, as specified in the claiming instructions pursuant to Section 17561, and on or before the claiming deadline following a fiscal year, shall establish reimbursement eligibility for that fiscal year.

(e) A test claim shall be submitted on or before June 30 following a fiscal year in order to establish eligibility for reimbursement for that fiscal year. The claimant may thereafter amend the test claim at any time, but before the test claim is set for a hearing, without affecting the original filing date as long as the amendment substantially relates to the original test claim.

(f) In adopting parameters and guidelines, the commission shall consult with the Department of Finance, the affected state agency, the Controller, the fiscal and policy committees of the Assembly and Senate, the

Legislative Analyst, and the claimants to consider a reasonable reimbursement methodology that balances accuracy with simplicity.

17557.1. (a) Notwithstanding any other provision of this part, within 30 days of the commission's adoption of a statement of decision on a test claim, the test claimant and the Department of Finance may notify the executive director of the commission in writing of their intent to follow the process described in this section to develop a reasonable reimbursement methodology and statewide estimate of costs for the initial claiming period and budget year for reimbursement of costs mandated by the state in accordance with the statement of decision. The letter of intent shall include the date on which the test claimant and the Department of Finance will submit a plan to ensure that costs from a representative sample of eligible local agency or school district claimants are considered in the development of a reasonable reimbursement methodology.

(b) This plan shall also include all of the following information:

(1) The date on which the test claimant and Department of Finance will provide to the executive director an informational update regarding their progress in developing the reasonable reimbursement methodology.

(2) The date on which the test claimant and Department of Finance will submit to the executive director the draft reasonable reimbursement methodology and proposed statewide estimate of costs for the initial claiming period and budget year. This date shall be no later than 180 days after the date the letter of intent is sent by the test claimant and Department of Finance to the executive director.

(c) At the request of the test claimant and Department of Finance, the executive director may provide for up to four extensions of this 180-day period.

(d) The test claimant or Department of Finance may notify the executive director at any time that the claimant or Department of Finance no longer intends to develop a reasonable reimbursement methodology pursuant to this section. In this case, paragraph (2) of subdivision (a) of Section 17553 and Section 17557 shall apply to the test claim. Upon receipt of this notification, the executive director shall notify the test claimant of the duty to submit proposed parameters and guidelines within 30 days under subdivision (a) of Section 17557.

17557.2. (a) A reasonable reimbursement methodology developed pursuant to Section 17557.1 or a joint request for early termination of a reasonable reimbursement methodology shall have broad support from a wide range of local agencies or school districts. The test claimant and Department of Finance may demonstrate broad support from a wide range of local agencies or school districts in different ways, including, but not limited to, obtaining endorsement by one or more statewide associations of local agencies or school districts.

(b) No later than 60 days before a commission hearing, the test claimant and Department of Finance shall submit to the commission a joint proposal that shall include all of the following:

(1) The draft reasonable reimbursement methodology.

(2) The proposed statewide estimate of costs for the initial claiming period and budget year.

(3) A description of the steps the test claimant and the Department of Finance undertook to determine the level of support by local agencies or school districts for the draft reasonable reimbursement methodology.

(4) An agreement that the reasonable reimbursement methodology developed and approved under this section shall be in effect for a period of five years unless a different term is approved by the commission, or upon submission to the commission of a letter indicating the Department of Finance and test claimant's joint interest in early termination of the reasonable reimbursement methodology.

(5) An agreement that, at the conclusion of the period established in paragraph (4), the Department of Finance and the test claimant will consider jointly whether amendments to the methodology are necessary. (c) The commission shall approve the draft reasonable reimbursement methodology if review of the information submitted pursuant to Section 17557.1 and subdivision (b) of this section demonstrates that the draft reasonable reimbursement methodology and statewide estimate of costs for the initial claiming period and budget year have been developed in accordance with Section 17557.1 and meet the requirements of subdivision (a). The commission thereafter shall adopt the proposed statewide estimate of costs for the initial claiming period and budget year. Statewide cost estimates adopted under this section shall be included in the report to the Legislature required under Section 17600 and shall be reported by the commission to the appropriate Senate and Assembly policy and fiscal committees, the Legislative Analyst, and the Department of Finance not later than 30 days after adoption.

(d) Unless amendments are proposed pursuant to this subdivision, the reasonable reimbursement methodology approved by the commission pursuant to this section shall expire after either five years, any other term approved by the commission, or upon submission to the commission of a letter indicating the Department of Finance's and test claimant's joint interest in early termination of the reasonable reimbursement methodology.

(e) The commission shall approve a joint request for early termination of a reasonable reimbursement methodology if the request meets the requirements of subdivision (a). If the commission approves a joint request for early termination, the commission shall notify the test claimant of the duty to submit proposed parameters and guidelines to the commission pursuant to subdivision (a) of Section 17557.

(f) At least one year before the expiration of a reasonable reimbursement methodology, the commission shall notify the Department of Finance and the test claimant that they may do one of the following:

(1) Jointly propose amendments to the reasonable reimbursement methodology by submitting the information described in paragraphs (1), (3), and (4) of subdivision (b), and providing an estimate of the mandate's annual cost for the subsequent budget year.

(2) Jointly propose that the reasonable reimbursement methodology remain in effect.

(3) Allow the reasonable reimbursement methodology to expire and notify the commission that the test claimant will submit proposed parameters and guidelines to the commission pursuant to subdivision (a) of Section 17557 to replace the reasonable reimbursement methodology.

(g) The commission shall either approve the continuation of the reasonable reimbursement methodology or approve the jointly proposed amendments to the reasonable reimbursement methodology if the information submitted in accordance with paragraph (1) of subdivision (d) demonstrates that the proposed amendments were developed in accordance with Section 17557.1 and meet the requirements of subdivision (a) of this section.

17558. (a) The commission shall submit the adopted parameters and guidelines or a reasonable reimbursement methodology approved pursuant to Section 17557.2 to the Controller. As used in this chapter, a "reasonable reimbursement methodology" approved pursuant to Section 17557.2 includes all amendments to the reasonable reimbursement methodology. When the Legislature declares a legislatively determined mandate in accordance with Section 17573 in which claiming instructions are necessary, the Department of Finance shall notify the Controller.

(b) Not later than 60 days after receiving the adopted parameters and guidelines, a reasonable reimbursement methodology from the commission, or notification from the Department of Finance, the Controller shall issue claiming instructions for each mandate that requires state reimbursement, to assist local agencies and school districts in claiming costs to be reimbursed. In preparing claiming instructions, the Controller shall request assistance from the Department of Finance and may request the assistance of other state agencies. The claiming instructions shall be derived from the test claim decision and the adopted parameters and guidelines, reasonable reimbursement methodology, or statute declaring a legislatively determined mandate.

(c) The Controller shall, within 60 days after receiving amended parameters and guidelines, an amended reasonable reimbursement methodology from the commission or other information necessitating a revision of the claiming instructions, prepare and issue revised claiming instructions for mandates that require state reimbursement that have been established by commission action pursuant to Section 17557, Section 17557.2, or after any decision or order of the commission pursuant to Section 17559, or after any action by the Legislature pursuant to Section 17573. In preparing revised claiming instructions, the Controller may request the assistance of other state agencies.

17558.5. (a) A reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed not later than two years after the date that the audit is commenced.

(b) The Controller may conduct a field review of any claim after the claim has been submitted, prior to the reimbursement of the claim.

(c) The Controller shall notify the claimant in writing within 30 days after issuance of a remittance advice of any adjustment to a claim for reimbursement that results from an audit or review. The notification shall specify the claim components adjusted, the amounts adjusted, interest charges on claims adjusted to reduce the overall reimbursement to the local agency or school district, and the reason for the adjustment. Remittance advices and other notices of payment action shall not constitute notice of adjustment from an audit or review.

(d) The interest rate charged by the Controller on reduced claims shall be set at the Pooled Money Investment Account rate and shall be imposed on the dollar amount of the overpaid claim from the time the claim was paid until overpayment is satisfied.

(e) Nothing in this section shall be construed to limit the adjustment of payments when inaccuracies are determined to be the result of the intent to defraud, or when a delay in the completion of an audit is the result of willful acts by the claimant or inability to reach agreement on terms of final settlement.

17558.6. It is the intent of the Legislature that the Commission on State Mandates review its process by which local agencies may appeal the reduction of reimbursement claims on the basis that the reduction is incorrect in order to provide for a more expeditious and less costly process.

17558.7. (a) If the Controller reduces a claim approved by the commission, the claimant may file with the commission an incorrect reduction claim pursuant to regulations adopted by the commission.

(b) A claimant eligible to file an incorrect reduction claim may file a consolidated incorrect reduction claim on behalf of other claimants whose claims for reimbursement under the same mandate are alleged to have been incorrectly reduced if all of the following apply:

(1) The method, act, or practice that the claimant alleges led to the reduction has led to similar reductions of other parties' claims, and all of the claims involve common questions of law or fact.

(2) The common questions of law or fact among the claims predominate over any matter affecting only an individual claim.

(3) The consolidation of similar claims by individual claimants would result in consistent decision making by the commission.

(4) The claimant filing the consolidated claim would fairly and adequately protect the interests of the other claimants.

(c) A claimant that seeks to file a consolidated incorrect reduction claim shall, at the time it files an incorrect reduction claim, on a form provided by the commission, notify the commission of its intent to file a consolidated incorrect reduction claim.

(d) Within 10 days after receipt of an incorrect reduction claim and notice of intent to consolidate, the commission shall request that the Controller provide the commission and the claimant with a list of claimants for whom the Controller has reduced similar claims under the same mandate. Upon receipt of this list from the Controller, the claimant may notify the claimants on the list and other interested parties of its intent to file a consolidated incorrect reduction claim.

(e) Within 30 days of receipt of the notice of intent to consolidate from the original claimant, on a form provided by the commission, any other eligible claimant shall file with the commission its notice of intent to join the consolidated incorrect reduction claim, which shall include a copy of the remittance advice or other notice from the Controller of the claim reduction, and one copy of the reimbursement claims for which an incorrect reduction is alleged.

(f) The commission shall notify each claimant that files an intent to join the consolidated incorrect reduction claim that it may opt out of the consolidated claim and not be bound by any determination made on that consolidated claim. A claimant may opt out of a consolidated claim no later than 15 days after the state agency files comments on the consolidated claim. A claimant that opts out of the consolidated claim, in order to preserve its right to challenge a reduction made by the Controller on that same mandate, shall file an individual incorrect reduction claim pursuant to commission requirements, no later than one year after opting out or within the statute of limitations under the commission's regulations.

(g) The commission shall adopt regulations establishing procedures for receiving a consolidated incorrect reduction claim pursuant to this section and for providing a hearing on a consolidated claim.

17558.8. (a) The commission may, on its own initiative, consolidate incorrect reduction claims filed with the commission by different claimants under the same mandate if all of the following apply:

(1) The same method, act, or practice is alleged to have led to the reduction in each claim, and all of the claims involve common questions of law or fact.

(2) The common questions of law or fact among the claims predominate over any matter affecting only an individual claim.

(3) The consolidation of similar claims by individual claimants would result in consistent decision making by the commission.

(b) The commission shall adopt regulations establishing procedures for consolidation of incorrect reduction claims pursuant to this section and for providing a hearing on a consolidated claim.

17559. (a) The commission may order a reconsideration of all or part of a test claim or incorrect reduction claim on petition of any party. The power to order a reconsideration or amend a test claim decision shall expire 30 days after the statement of decision is delivered or mailed to the claimant. If additional time is needed to evaluate a petition for reconsideration filed prior to the expiration of the 30-day period, the commission may grant a stay of that expiration for no more than 30 days, solely for the purpose of considering the petition. If no action is taken on a petition within the time allowed for ordering reconsideration, the petition shall be deemed denied.

(b) A claimant or the state may commence a proceeding in accordance with the provisions of Section 1094.5 of the Code of Civil Procedure to set aside a decision of the commission on the ground that the commission's decision is not supported by substantial evidence. The court may order the commission to hold another hearing regarding the claim and may direct the commission on what basis the claim is to receive a rehearing.

17560. Reimbursement for state-mandated costs may be claimed as follows:

(a) A local agency or school district may, by February 15 following the fiscal year in which costs are incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year.

(b) In the event revised claiming instructions are issued by the Controller pursuant to subdivision (c) of Section 17558 between November 15 and February 15, a local agency or school district filing an annual reimbursement claim shall have 120 days following the issuance date of the revised claiming instructions to file a claim.

17561. (a) The state shall reimburse each local agency and school district for all "costs mandated by the state," as defined in Section 17514 and for legislatively determined mandates in accordance with Section 17573.

(b) (1) For the initial fiscal year during which these costs are incurred, reimbursement funds shall be provided as follows:

(A) Any statute mandating these costs shall provide an appropriation therefor.

(B) Any executive order mandating these costs shall be accompanied by a bill appropriating the funds therefor, or alternatively, an appropriation for these costs shall be included in the Budget Bill for the next succeeding fiscal year. The executive order shall cite that item of appropriation in the Budget Bill or that appropriation in any other bill that is intended to serve as the source from which the Controller may pay the claims of local agencies and school districts.

(2) In subsequent fiscal years appropriations for these costs shall be included in the annual Governor's Budget and in the accompanying Budget Bill. In addition, appropriations to reimburse local agencies and school districts for continuing costs resulting from chaptered bills or executive orders for which claims have been awarded pursuant to subdivision (a) of Section 17551 shall be included in the annual Governor's Budget and in the accompanying Budget Bill.

(c) The amount appropriated to reimburse local agencies and school districts for costs mandated by the state shall be appropriated to the Controller for disbursement.

(d) The Controller shall pay any eligible claim pursuant to this section by October 15 or 60 days after the date the appropriation for the claim is effective, whichever is later. The Controller shall disburse reimbursement funds to local agencies or school districts if the costs of these mandates are not payable to state agencies, or to state agencies that would otherwise collect the costs of these mandates from local agencies or school districts in the form of fees, premiums, or payments. When disbursing reimbursement funds to local agencies or school districts, the Controller shall disburse them as follows:

(1) For initial reimbursement claims, the Controller shall issue claiming instructions to the relevant local agencies and school districts pursuant to Section 17558. Issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the commission, the reasonable reimbursement methodology approved by the commission pursuant to Section 17557.2, or statutory declaration of a legislatively determined mandate and reimbursement methodology pursuant to Section 17573.

(A) When claiming instructions are issued by the Controller pursuant to Section 17558 for each mandate determined pursuant to Section 17551 or 17573 that requires state reimbursement, each local agency or school district to which the mandate is applicable shall submit claims for initial fiscal year costs to the Controller within 120 days of the issuance date for the claiming instructions.

(B) When the commission is requested to review the claiming instructions pursuant to Section 17571, each local agency or school district to which the mandate is applicable shall submit a claim for reimbursement within 120 days after the commission reviews the claiming instructions for reimbursement issued by the Controller.

(C) If the local agency or school district does not submit a claim for reimbursement within the 120-day period, or submits a claim pursuant to revised claiming instructions, it may submit its claim for reimbursement as specified in Section 17560. The Controller shall pay these claims from the funds appropriated therefor, except the Controller may take either of the following actions:

(i) Audit the records of any local agency or school district to verify the actual amount of the mandated costs, the application of a reasonable reimbursement methodology, or application of a legislatively enacted reimbursement methodology under Section 17573.

(ii) Reduce any claim that the Controller determines is excessive or unreasonable.

(2) In subsequent fiscal years each local agency or school district shall submit its claims as specified in Section 17560. The Controller shall pay these claims from funds appropriated therefor except as follows:
 (A) The Controller may audit any of the following:

(i) Records of any local agency or school district to verify the actual amount of the mandated costs.

(ii) The application of a reasonable reimbursement methodology.

(iii) The application of a legislatively enacted reimbursement methodology under Section 17573.

(B) The Controller may reduce any claim that the Controller determines is excessive or unreasonable.

(C) The Controller shall adjust the payment to correct for any underpayments or overpayments that occurred in previous fiscal years.

(3) When paying a timely filed claim for initial reimbursement, the Controller shall withhold 20 percent of the amount of the claim until the claim is audited to verify the actual amount of the mandated costs. All initial reimbursement claims for all fiscal years required to be filed on their initial filing date for a state-mandated local program shall be considered as one claim for the purpose of computing any late claim penalty. Any claim for initial reimbursement filed after the filing deadline shall be reduced by 10 percent of the amount that would have been allowed had the claim been timely filed. The Controller may withhold payment of any late claim for initial reimbursement until the next deadline for funded claims unless sufficient funds are available to pay the claim after all timely filed claims have been paid. In no case may a reimbursement claim be paid if submitted more than one year after the filing deadline specified in the Controller's claiming instructions on funded mandates.

(e) (1) Except as specified in paragraph (2), for the purposes of determining the state's payment obligation under paragraph (1) of subdivision (b) of Section 6 of Article XIII B of the Constitution, a mandate that is "determined in a preceding fiscal year to be payable by the state" means any mandate for which the commission adopted a statewide cost estimate pursuant to this part during a previous fiscal year or that were identified as mandates by a predecessor agency to the commission, or that the Legislature declared by statute to be a legislatively determined mandate, unless the mandate has been repealed or otherwise eliminated.

(2) If the commission adopts a statewide cost estimate for a mandate during the months of April, May, or June, the state's payment obligation under subdivision (b) of Section 6 of Article XIII B shall commence one year after the time specified in paragraph (1).

17561.5. The payment of an initial reimbursement claim by the Controller shall include accrued interest at the Pooled Money Investment Account rate, if the payment is being made more than 365 days after adoption of the statewide cost estimate for an initial claim. Interest shall begin to accrue as of the 366th

day after adoption of the statewide cost estimate for the initial claim. Payment of a subsequent claim that was reported to the Legislature pursuant to paragraph (2) of subdivision (b) of Section 17562 shall include accrued interest at the Pooled Money Investment Account rate for any unpaid amount remaining on August 15 following the filing deadline. Interest shall begin to accrue on August 16 following the filing deadline.

17561.6. A budget act item or appropriation pursuant to this part for reimbursement of claims shall include an amount necessary to reimburse any interest due pursuant to Section 17561.5.

17562. (a) The Legislature hereby finds and declares that the increasing revenue constraints on state and local government and the increasing costs of financing state-mandated local programs make evaluation of state-mandated local programs imperative. Accordingly, it is the intent of the Legislature to increase information regarding state mandates and establish a method for regularly reviewing the costs and benefits of state-mandated local programs.

(b) (1) The Controller shall submit a report to the Joint Legislative Budget Committee and fiscal committees by October 31 of each fiscal year beginning with the 2007-08 fiscal year. This report shall summarize, by state mandate, the total amount of claims paid per fiscal year and the amount, if any, of mandate deficiencies or surpluses. This report shall be made available in an electronic spreadsheet format. The report shall compare the estimated annual cost of each mandate in the preceding fiscal year to the amount determined to be payable by the state for that fiscal year.

(2) The Controller shall submit a report to the Joint Legislative Budget Committee, the applicable fiscal committees, and the Director of Finance by April 30 of each fiscal year. This report shall summarize, by state mandate, the total amount of unpaid claims by fiscal year that were submitted before April 1 of that fiscal year. The report shall also summarize any mandate deficiencies or surpluses. It shall be made available in an electronic spreadsheet, and shall be used for the purpose of determining the state's payment obligation under paragraph (1) of subdivision (b) of Section 6 of Article XIII B of the California Constitution.

(c) After the commission submits its second semiannual report to the Legislature pursuant to Section 17600, the Legislative Analyst shall submit a report to the Joint Legislative Budget Committee and legislative fiscal committees on the mandates included in the commission's reports. The report shall make recommendations as to whether the mandate should be repealed, funded, suspended, or modified.

(d) In its annual analysis of the Budget Bill and based on information provided pursuant to subdivision (b), the Legislative Analyst shall report total annual state costs for mandated programs and, as appropriate, provide an analysis of specific mandates and make recommendations on whether the mandate should be repealed, funded, suspended, or modified.

(e) (1) A statewide association of local agencies or school districts or a Member of the Legislature may submit a proposal to the Legislature recommending the elimination or modification of a state-mandated local program. To make such a proposal, the association or member shall submit a letter to the Chairs of the Assembly Committee on Education or the Assembly Committee on Local Government, as the case may be, and the Senate Committee on Education or the Senate Committee on Local Government, as the case may be, specifying the mandate and the concerns and recommendations regarding the mandate. The association or member shall include in the proposal all information relevant to the conclusions. If the chairs of the committees desire additional analysis of the submitted proposal, the chairs may refer the proposal to the Legislative Analyst for review and comment. The chairs of the committees may refer up to a total of 10 of these proposals to the Legislative Analyst for review in any year. Referrals shall be submitted to the Legislative Analyst by December 1 of each year.

(2) The Legislative Analyst shall review and report to the Legislature with regard to each proposal that is referred to the office pursuant to paragraph (1). The Legislative Analyst shall recommend that the Legislature adopt, reject, or modify the proposal. The report and recommendations shall be submitted annually to the Legislature by March 1 of the year subsequent to the year in which referrals are submitted to the Legislative Analyst.

(3) The Department of Finance shall review all statutes enacted each year that contain provisions making inoperative Section 17561 or Section 17565 that have resulted in costs or revenue losses mandated by the state that were not identified when the statute was enacted. The review shall identify the costs or revenue losses involved in complying with the statutes. The Department of Finance shall also review all statutes

enacted each year that may result in cost savings authorized by the state. The Department of Finance shall submit an annual report of the review required by this subdivision, together with the recommendations as it may deem appropriate, by December 1 of each year.

(f) It is the intent of the Legislature that the Assembly Committee on Local Government and the Senate Committee on Local Government hold a joint hearing each year regarding the following:

(1) The reports and recommendations submitted pursuant to subdivision (e).

(2) The reports submitted pursuant to Sections 17570, 17600, and 17601.

(3) Legislation to continue, eliminate, or modify any provision of law reviewed pursuant to this subdivision. The legislation may be by subject area or by year or years of enactment.

17563. Any funds received by a local agency or school district pursuant to the provisions of this chapter may be used for any public purpose.

17564. (a) No claim shall be made pursuant to Sections 17551, 17561, or 17573, nor shall any payment be made on claims submitted pursuant to Sections 17551 or 17561, or pursuant to a legislative determination under Section 17573, unless these claims exceed one thousand dollars (\$1,000). However, a county superintendent of schools or county may submit a combined claim on behalf of school districts, direct service districts, or special districts within their county if the combined claim exceeds one thousand dollars (\$1,000) even if the individual school district's, direct service district's, or special district's claims do not each exceed one thousand dollars (\$1,000). The county superintendent of schools or the county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each school, direct service, or special district. These combined claims may be filed only when the county superintendent of schools or the county is the fiscal agent for the districts. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a school district, direct service district, or special district provides to the county superintendent of schools or county and to the Controller, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim.

(b) Claims for direct and indirect costs filed pursuant to Section 17561 shall be filed in the manner prescribed in the parameters and guidelines or reasonable reimbursement methodology and claiming instructions.

(c) Claims for direct and indirect costs filed pursuant to a legislatively determined mandate pursuant to Section 17573 shall be filed and paid in the manner prescribed in the Budget Act or other bill, or claiming instructions, if applicable.

17565. If a local agency or a school district, at its option, has been incurring costs which are subsequently mandated by the state, the state shall reimburse the local agency or school district for those costs incurred after the operative date of the mandate.

17567. In the event that the amount appropriated for reimbursement purposes pursuant to Section 17561 is not sufficient to pay all of the claims approved by the Controller, the Controller shall prorate claims in proportion to the dollar amount of approved claims timely filed and on hand at the time of proration. The Controller shall adjust prorated claims if supplementary funds are appropriated for this purpose.

In the event that the Controller finds it necessary to prorate claims as provided by this section, the Controller shall immediately report this action to the Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each house of the Legislature which considers appropriations in order to assure appropriation of these funds in the Budget Act.

17568. If a local agency or school district submits an otherwise valid reimbursement claim to the Controller after the deadline specified in Section 17560, the Controller shall reduce the reimbursement claim in an amount equal to 10 percent of the amount that would have been allowed had the reimbursement claim been timely filed, provided that the amount of this reduction shall not exceed ten thousand dollars (\$10,000). In no case shall a reimbursement claim be paid that is submitted more than one year after the deadline specified in Section 17560.

17571. The commission, upon request of a local agency or school district, shall review the claiming instructions issued by the Controller or any other authorized state agency for reimbursement of mandated costs. If the commission determines that the claiming instructions do not conform to the parameters and guidelines, the commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the commission.

17575-17581.5 17575. When a bill is introduced in the Legislature, and each time a bill is amended, on and after January 1, 1985, the Legislative Counsel shall determine whether the bill mandates a new program or higher level of service pursuant to Section 6 of Article XIII B of the California Constitution. The Legislative Counsel shall make this determination known in the digest of the bill and shall describe in the digest the basis for this determination. The determination by the Legislative Counsel shall not be binding on the commission in making its determination pursuant to Section 17555.

17576. Whenever the Legislative Counsel determines that a bill will mandate a new program or higher level of service pursuant to Section 6 of Article XIII B of the California Constitution, the Department of Finance shall prepare an estimate of the amount of reimbursement which will be required. This estimate shall be prepared for the respective committees of each house of the Legislature which consider taxation measures and appropriation measures and shall be prepared prior to any hearing on the bill by any such committee.

17577. The estimate required by Section 17576 shall be the amount estimated to be required during the first fiscal year of a bill's operation in order to reimburse local agencies and school districts for costs mandated by the state by the bill.

17578. In the event that a bill is amended on the floor of either house, whether by adoption of the report of a conference committee or otherwise, in such a manner as to mandate a new program or higher level of service pursuant to Section 6 of Article XIII B of the California Constitution, the Legislative Counsel shall immediately inform, respectively, the Speaker of the Assembly and the President of the Senate of that fact. Notification from the Legislative Counsel shall be published in the journal of the respective houses of the Legislature.

17579. Any bill introduced or amended for which the Legislative Counsel has determined the bill will mandate a new program or higher level of service pursuant to Section 6 of Article XIII B of the California Constitution shall contain a section specifying that reimbursement shall be made pursuant to this chapter or that the mandate is being disclaimed and the reason therefor.

17581. (a) No local agency shall be required to implement or give effect to any statute or executive order, or portion thereof, during any fiscal year and for the period immediately following that fiscal year for which the Budget Act has not been enacted for the subsequent fiscal year if all of the following apply:

(1) The statute or executive order, or portion thereof, has been determined by the Legislature, the commission, or any court to mandate a new program or higher level of service requiring reimbursement of local agencies pursuant to Section 6 of Article XIII B of the California Constitution.

(2) The statute or executive order, or portion thereof, or the commission's test claim number, has been specifically identified by the Legislature in the Budget Act for the fiscal year as being one for which reimbursement is not provided for that fiscal year. For purposes of this paragraph, a mandate shall be considered to have been specifically identified by the Legislature only if it has been included within the schedule of reimbursable mandates shown in the Budget Act and it is specifically identified in the language of a provision of the item providing the appropriation for mandate reimbursements.

(b) Within 30 days after enactment of the Budget Act, the Department of Finance shall notify local agencies of any statute or executive order, or portion thereof, for which operation of the mandate is suspended because reimbursement is not provided for that fiscal year pursuant to this section and Section 6 of Article XIII B of the California Constitution.

(c) Notwithstanding any other provision of law, if a local agency elects to implement or give effect to a statute or executive order described in subdivision (a), the local agency may assess fees to persons or

entities which benefit from the statute or executive order. Any fee assessed pursuant to this subdivision shall not exceed the costs reasonably borne by the local agency.

(d) This section shall not apply to any state-mandated local program for the trial courts, as specified in Section 77203.

(e) This section shall not apply to any state-mandated local program for which the reimbursement funding counts toward the minimum General Fund requirements of Section 8 of Article XVI of the Constitution.

17581.5. (a) A school district shall not be required to implement or give effect to the statutes, or a portion of the statutes, identified in subdivision (c) during any fiscal year and for the period immediately following that fiscal year for which the Budget Act has not been enacted for the subsequent fiscal year if all of the following apply:

(1) The statute or a portion of the statute, has been determined by the Legislature, the commission, or any court to mandate a new program or higher level of service requiring reimbursement of school districts pursuant to Section 6 of Article XIII B of the California Constitution.

(2) The statute, or a portion of the statute, or the test claim number utilized by the commission, specifically has been identified by the Legislature in the Budget Act for the fiscal year as being one for which reimbursement is not provided for that fiscal year. For purposes of this paragraph, a mandate shall be considered specifically to have been identified by the Legislature only if it has been included within the schedule of reimbursable mandates shown in the Budget Act and it specifically is identified in the language of a provision of the item providing the appropriation for mandate reimbursements.

(b) Within 30 days after enactment of the Budget Act, the Department of Finance shall notify school districts of any statute or executive order, or portion thereof, for which reimbursement is not provided for the fiscal year pursuant to this section.

(c) This section applies only to the following mandates:

(1) The School Bus Safety I (CSM-4433) and II (97-TC-22) mandates (Chapter 642 of the Statutes of 1992; Chapter 831 of the Statutes of 1994; and Chapter 739 of the Statutes of 1997).

(2) The School Crimes Reporting II mandate (97-TC-03; and Chapter 759 of the Statutes of 1992 and Chapter 410 of the Statutes of 1995).

(3) Investment reports (96-358-02; and Chapter 783 of the Statutes of 1995 and Chapters 156 and 749 of the Statutes of 1996).

(4) County treasury oversight committees (96-365-03; and Chapter 784 of the Statutes of 1995 and Chapter 156 of the Statutes of 1996).

(5) Grand jury proceedings mandate (98-TC-27; and Chapter 1170 of the Statutes of 1996, Chapter 443 of the Statutes of 1997, and Chapter 230 of the Statutes of 1998).

(6) Sexual Harassment Training in the Law Enforcement Workplace (97-TC-07; and Chapter 126 of the Statutes of 1993).

Government Code Sections 17600-17602

17600. At least twice each calendar year the commission shall report to the Legislature on the number of mandates it has found pursuant to Article 1 (commencing with Section 17550) and the estimated statewide costs of these mandates. This report shall identify the statewide costs estimated for each mandate and the reasons for recommending reimbursement.

17601. The commission shall report to the Legislature on January 15, 1986, and each January 15 thereafter, on the number of claims it denied during the preceding calendar year and the basis on which the particular claims were denied.

17602. On or before January 15, 2007, and on or before each January 15 thereafter, the commission shall report to the Legislature the number of individual and consolidated incorrect reduction claims decided during the preceding calendar year and whether and why the reduction was upheld or overturned.

Government Code Sections 17612-17613

17612. (a) Upon receipt of the report submitted by the commission pursuant to Section 17600, funding shall be provided in the subsequent Budget Act for costs incurred in prior years. No funding shall be provided for years in which a mandate is suspended.

(b) The Legislature may amend, modify, or supplement the parameters and guidelines, reasonable reimbursement methodology, and adopted statewide estimate of costs for the initial claiming period and budget year for mandates contained in the annual Budget Act. If the Legislature amends, modifies, or supplements the parameters and guidelines, reasonable reimbursement methodology, and adopted statewide estimate of costs for the initial claiming period and budget year, it shall make a declaration in separate legislation specifying the basis for the amendment, modification, or supplement.

(c) If the Legislature deletes from the annual Budget Act funding for a mandate, the local agency or school district may file in the Superior Court of the County of Sacramento an action in declaratory relief to declare the mandate unenforceable and enjoin its enforcement for that fiscal year.

17613. (a) The Director of Finance may, upon receipt of any report submitted pursuant to Section 17567, authorize the augmentation of the amount available for expenditure to reimburse costs mandated by the state, as defined in Section 17514, as follows:

(1) For augmentation of (A) any schedule in any item to reimburse costs mandated by the state in any budget act, or (B) the amount appropriated in a local government claims bill for reimbursement of the claims of local agencies, as defined by Section 17518, from the unencumbered balance of any other item to reimburse costs mandated by the state in that budget act or another budget act or in an appropriation for reimbursement of the claims of local agencies in another local government claims bill.

(2) For augmentation of (A) any schedule in any budget act item, or (B) any amount appropriated in a local government claims bill, when either of these augmentations is for reimbursement of mandated claims of school districts, as defined in Section 17519, when the source of this augmentation is (A) the unencumbered balance of any other scheduled amount in that budget act or another budget act, or (B) an appropriation in another local government claims bill, when either of these appropriations is for reimbursement of mandate claims of school districts. This paragraph applies only to appropriations that are made for the purpose of meeting the minimum funding guarantee for educational programs pursuant to Section 8 of Article XVI of the California Constitution.

(b) No authorization for an augmentation pursuant to this section may be made sooner than 30 days after the notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time as the chairperson of the joint committee, or his or her designee, may in each instance determine.

Government Code Sections 17615-17617

17615. The Legislature finds and declares that the existing system for reimbursing local agencies and school districts for actual costs mandated by the state on an annual claim basis is time consuming, cumbersome, and expensive at both the local and state levels. The Controller must process voluminous claims with all claims subject to a desk audit and selected claims also subject to a field audit. Local agencies are required to maintain extensive documentation of all claims in anticipation of such an audit. The volume of these records is substantial and will continue to grow with no relief in sight as new programs are mandated. The cost to local agencies and school districts for filing claims, and for maintaining documentation and responding to the Controller's audits is substantial. The current administrative cost to both state and local governments represents a significant expenditure of public funds with no apparent benefit to the taxpayers.

It is the intent of the Legislature to streamline the reimbursement process for costs mandated by the state by creating a system of state mandate apportionments to fund the costs of certain programs mandated by the state.

17615.1. The commission shall establish a procedure for reviewing, upon request, mandated cost programs for which appropriations have been made by the Legislature for the 1982-83, 1983-84, and

1984-85 fiscal years, or any three consecutive fiscal years thereafter. At the request of the Department of Finance, the Controller, or any local agency or school district receiving reimbursement for the mandated program, the commission shall review the mandated cost program to determine whether the program should be included in the State Mandates Apportionment System. If the commission determines that the State Mandates Apportionment System would accurately reflect the costs of the state-mandated program, the commission shall direct the Controller to include the program in the State Mandates Apportionment System.

17615.2. (a) Notwithstanding Section 17561, after November 30, 1985, for those programs included in the State Mandates Apportionment System, after approval by the commission, there shall be disbursed by the Controller to each local agency and school district which has submitted a reimbursement claim for costs mandated by the state in the 1982-83, 1983-84, and the 1984-85 fiscal years, or any three consecutive fiscal years thereafter, an amount computed by averaging the approved reimbursement claims for this three-year period. The amount shall first be adjusted according to any changes in the deflator. The deflator shall be applied separately to each year's costs for the three years which comprise the base period. Funds for these purposes shall be available to the extent they are provided for in the Budget Act of 1985 and the Budget Act for any subsequent fiscal year thereafter.

For purposes of this article, "base period" means the three fiscal years immediately succeeding the commission's approval.

(b) When the Controller has made payment on claims prior to commission approval of the program for inclusion in the State Mandates Apportionment System, the payment shall be adjusted in the next apportionment to the amount which would have been subvened to the local agency or school district for that fiscal year had the State Mandates Apportionment System been in effect at the time of the initial payment.

17615.3. Notwithstanding Section 17561, by November 30, 1986, and by November 30 of each year thereafter, for those programs included in the State Mandates Apportionment System, the Controller shall recalculate each allocation for each local agency and school district for the 1985-86 fiscal year, by using the actual change in the deflator for that year. That recalculated allocation shall then be adjusted by the estimated change in the deflator for the 1986-87 fiscal year, and each fiscal year thereafter, to establish the allocation amount for the 1986-87 fiscal year, and each fiscal year thereafter. Additionally, for programs approved by the commission for inclusion in the State Mandates Apportionment System on or after January 1, 1988, the allocation for each year succeeding the three-year base period shall be adjusted according to any changes in both the deflator and workload. The Controller shall then subvene that amount after adjusting it by any amount of overpayment or underpayment in the 1985-86 fiscal year, and each fiscal year thereafter, due to a discrepancy between the actual change and the estimated change in the deflator or workload. Funds for these purposes shall be available to the extent they are provided for in the Budget Act of 1986 and the Budget Act for any subsequent fiscal year thereafter.

For purposes of this article, "workload" means, for school districts and county offices of education, changes in the average daily attendance; for community colleges, changes in the number of full-time equivalent students; for cities and counties, changes in the population within their boundaries; and for special districts, changes in the population of the county in which the largest percentage of the district's population is located.

17615.4. (a) When a new mandate imposes costs that are funded either by legislation or in local government claims bills, local agencies and school districts may file reimbursement claims as required by Section 17561, for a minimum of three years after the initial funding of the new mandate.

(b) After actual cost claims are submitted for three fiscal years against such a new mandate, the commission shall determine, upon request of the Controller or a local entity or school district receiving reimbursement for the program, whether the amount of the base year entitlement adjusted by changes in the deflator and workload accurately reflects the costs incurred by the local agency or school district. If the commission determines that the base year entitlement, as adjusted, does accurately reflect the costs of the program, the commission shall direct the Controller to include the program in the State Mandates Apportionment System.

(c) The Controller shall make recommendations to the commission and the commission shall consider the Controller's recommendations for each new mandate submitted for inclusion in the State Mandates Apportionment System. All claims included in the State Mandates Apportionment System pursuant to this section are also subject to the audit provisions of Section 17616.

17615.5. (a) If any local agency or school district has an established base year entitlement which does not include costs for a particular mandate, that local agency or school district may submit reimbursement claims for a minimum of three consecutive years, adjusted pursuant to Section 17615.3 by changes in the deflator and workload, or entitlement claims covering a minimum of three consecutive years, after which time its base year entitlement may be adjusted by an amount necessary to fund the costs of that mandate. (b) If any local agency or school district has no base year entitlement, but wishes to begin claiming costs of one or more of the mandates included in the State Mandates Apportionment System, that local agency or school district may submit reimbursement claims for a minimum of three consecutive years, or entitlement claims covering the preceding three consecutive years, which shall be adjusted pursuant to Sections 17615.2 and 17615.3 by changes in the deflator and workload, after which time a base year entitlement may be established in an amount necessary to fund the costs of the mandates.

17615.6. If a local agency or school district realizes a decrease in the amount of costs incurred because a mandate is discontinued, or made permissive, the Controller shall determine the amount of the entitlement attributable to that mandate by determining the base year amount for that mandate for the local agency or school district plus the annual adjustments. This amount shall be subtracted from the annual subvention which would otherwise have been allocated to the local agency or school district.

17615.7. If a mandated program included in the State Mandates Apportionment System is modified or amended by the Legislature or by executive order, and the modification or amendment significantly affects the costs of the program, as determined by the commission, the program shall be removed from the State Mandate Apportionment System, and the payments reduced accordingly. Local entities or school districts may submit actual costs claims for a period of three years, after which the program may be considered for inclusion in the State Mandates Apportionment System, pursuant to the provisions of Section 17615.4.

17615.8. (a) The commission shall establish a procedure for reviewing, upon request, any apportionment or base year entitlement of a local agency or school district.

(b) Local agencies and school districts which request such a review shall maintain and provide those records and documentation as the commission or its designee determines are necessary for the commission or its designee to make the required determinations. With the exception of records required to verify base year entitlements, the records may not be used to adjust current or prior apportionments, but may be used to adjust future apportionments.

(c) If the commission determines that an apportionment or base year entitlement for funding costs mandated by the state does not accurately reflect the costs incurred by the local agency or school district for all mandates upon which that apportionment is based, the commission shall direct the Controller to adjust the apportionment accordingly. For the purposes of this section, an apportionment or a base year entitlement does not accurately reflect the costs incurred by a local agency or school district if it falls short of reimbursing, or overreimburses, that local agency's or school district's actual costs by 20 percent or by one thousand dollars (\$1,000), whichever is less.

(d) If the commission determines that an apportionment or base year entitlement for funding costs mandated by the state accurately reflects the costs incurred by the local agency or school district for all mandates upon which that apportionment is based, the commission may, in its discretion, direct the Controller to withhold, and, if so directed, the Controller shall withhold the costs of the commission's review from the next apportionment to the local agency or school district, if the commission review was requested by the local agency or school district.

17615.9. The commission shall periodically review programs funded under the State Mandate Apportionments System to evaluate the effectiveness or continued statewide need for each such mandate.

17616. The Controller shall have the authority to do either or both of the following:

(a) Audit the fiscal years comprising the base year entitlement no later than three years after the year in which the base year entitlement is established. The results of such audits shall be used to adjust the base year entitlements and any subsequent apportionments based on that entitlement, in addition to adjusting actual cost payments made for the base years audited.

(b) Verify that any local agency or school district receiving funds pursuant to this article is providing the reimbursed activities.

17617. The total amount due to each city, county, city and county, and special district, for which the state has determined that reimbursement is required under paragraph (2) of subdivision (b) of Section 6 of Article XIII B of the California Constitution, shall be appropriated for payment to these entities over a period of not more than 15 years, commencing with the Budget Act for the 2006-07 fiscal year and concluding with the Budget Act for the 2020-21 fiscal year.

#### **Table of Contents**

# OFFICE OF THE STATE CONTROLLER STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2006-11

# ANIMAL ADOPTION

# April 3, 2006

## Revised October 26, 2009

In accordance with Government Code (GC) Section 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of costs incurred for state mandated cost programs. The following are claiming instructions and forms that eligible claimants will use for filing claims for the Animal Adoption (AA) program. These claiming instructions are issued subsequent to adoption of the program's Parameters and Guidelines (P's & G's) by the Commission on State Mandates (Commission).

On January 25, 2001, the Commission determined that Chapter 752, Statutes of 1998, established costs mandated by the State according to the provisions listed in the P's & G's which are included as an integral part of the claiming instructions.

## **Eligible Claimants**

Any city or county, that incurs increased costs, as a direct result of this mandate is eligible to claim reimbursement of these costs.

## **A.Filing Deadlines for Reimbursement Claims**

A reimbursement claim is defined in GC Section 17522 as any claim filed with the SCO by a local agency for reimbursement of costs incurred for which an appropriation is made for the purpose of paying the claim.

An actual claim may be filed by February 15 following the fiscal year in which costs were incurred. Claims for fiscal year 2008-09 will be accepted without penalty if postmarked or delivered on or before February 16, 2010. A claim filed more than one year after the deadline cannot be accepted for reimbursement.

This program was suspended by the Legislature for the 2009-2010 fiscal year pursuant to Budget Item 8885-295-0001, Schedule (3)(c). **Consequently, no claims may be filed with the SCO for fiscal year 2009-2010.** 

## **B.** Late Penalty

## 1. Initial Claims

Late initial claims are assessed a late penalty of 10% of the total amount of the initial claims without limitation.

## 2. Annual Reimbursement Claims

Late annual reimbursement claims are assessed a late penalty of 10% of the claim amount; \$10,000 maximum penalty.

# **Minimum Claim Cost**

GC Section 17564(a) provides that no claim may be filed pursuant to Sections 17551 and 17561, unless such a claim exceeds one thousand dollars (**\$1,000**), provided that a county may submit a combined claim on behalf of direct service districts or special districts within their county if the combined claim exceeds **\$1,000**, even if the individual direct service district's or special district's claim does not each exceed **\$1,000**. The county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each direct service district or special district. These combined claims may be filed only when the county is the fiscal agent for the districts. A combined claim must show the individual claim costs for each eligible district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a direct service district or special district provides a written notice of its intent to file a separate claim to the county and to the SCO, at least one hundred and eighty days prior to the deadline for filing the claim.

# **Reimbursement of Claims**

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, notices of order of suspension or revocation, sworn reports, arrest reports, notices to appear, employee time records, or time logs, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, and declarations. Declarations must include a certification or declaration stating: "I certify, (or declare), under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of the Code of Civil Procedure Section 2015.5.

Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, these documents cannot be substituted for source documents.

# **Audit of Costs**

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the P's & G's adopted by the Commission. If any adjustments are made to a claim, a Notice of Claim Adjustment specifying the claim activity adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within thirty days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Pursuant to GC Section 17558.5, Subdivision (a), a reimbursement claim for actual costs filed by a claimant is subject to audit by the SCO no later than three years after the date the actual reimbursement claim was filed or last amended, whichever is later. However, if no funds were appropriated or no payment was made to a claimant for the program for the fiscal year for which the claim was filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit will be completed no later than two years after the date that the audit is commenced.

All documents used to support the reimbursable activities must be retained during the period subject to audit. If an audit has been initiated by the SCO during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings. Supporting documents must be made available to the SCO on request.

# **Retention of Claiming Instructions**

All documentation to support actual costs claimed must be retained for a period of three years after the end of the calendar year in which the reimbursement claim was filed or last amended regardless of the year of costs incurred. When no funds were appropriated for initial claims at the time the claim was filed, supporting documents must be retained for three years from the date of initial payment of the claim. Therefore, all documentation to support actual costs claimed must be retained for the same period, and must be made available to the SCO on request.

Questions, or requests for hard copies of these instructions, should be faxed to LRSDAR at (916) 323-6527 or e-mailed to LRSDAR@sco.ca.gov or you may call the Local Reimbursements Section at (916) 324-5729. Future mandated costs claiming instructions and forms can be found on the Internet at www.sco.ca.gov/ard\_mancost.html.

## **Address for Filing Claims**

Claims should be rounded to the nearest dollar. Submit a signed original and a copy of form FAM-27, Claim for Payment, and all other forms. To expedite the payment process, please sign the form in blue ink, and attach a copy of the form FAM-27 to the top of the claim package.

Use the following mailing addresses:

If delivered by U.S. Postal Service:

Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting P.O. Box 942850 Sacramento, CA 94250 If delivered by other delivery services:

Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting 3301 C Street, Suite 700 Sacramento, CA 95816 Amended: January 26, 2006 Adopted: February 28, 2002 j:mandates/2004/pga/04pga01 and 02/draftpga

## PARAMETERS AND GUIDELINES AMENDMENT

Civil Code Sections 1834 and 1846; Food and Agriculture Code Sections 31108, 31752, 31752.5, 31753, 32001, and 32003 As Added or Amended by Statutes of 1998, Chapter 752

### AND

Amended Pursuant to Statutes 2004, Chapter 313 (AB 2224) and Request of the State Controller's Office

## **Animal Adoption**

## I. Summary of the Mandate

The test claim legislation was enacted in an attempt to end the euthanasia of adoptable and treatable animals. Generally, the test claim legislation increased the holding period for stray and abandoned dogs, cats, and other specified animals; required the verification of the temperament of feral cats; required the posting of lost and found lists; required the maintenance of records for impounded animals; and required that impounded animals receive "necessary and prompt veterinary care."

The Commission partially approved this test claim, pursuant to article XIII B, section 6 of the California Constitution and Government Code section 17514, for the *increased costs* in performing the following activities only:

- 1. Providing care and maintenance during the increased holding period for impounded dogs and cats that are ultimately euthanized. The increased holding period shall be measured by calculating the difference between three days from the day of capture and four business days from the day after impoundment, as specified below in 3 (a) and 3 (b), or six business days from the day after impoundment (Food & Agr. Code, §§ 31108, 31752);
- 2. Providing care and maintenance for four business days from the day after impoundment, as specified below in 3 (a) and 3 (b), or six business days from the day after impoundment, for impounded rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles, or tortoises legally allowed as personal property that are ultimately euthanized (Food & Agr. Code, § 31753);
- 3. For dogs, cats, and other specified animals held for four business days after the day of impoundment, either:

(a) Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or

(b) For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed (Food & Agr., Code §§ 31108, 31752, and 31753);

- 4. Verifying whether a cat is feral or tame by using a standardized protocol (Food & Agr. Code, § 31752.5);
- 5. Posting lost and found lists (Food & Agr. Code, § 32001);
- 6. Maintaining records on animals that are not medically treated by a veterinarian, but are either taken up, euthanized after the holding period, or impounded (Food & Agr. Code, § 32003); and
- 7. Providing "necessary and prompt veterinary care" for abandoned animals, other than injured cats and dogs given emergency treatment, that are ultimately euthanized (Civ.Code, §§ 1834 and 1846).

# II. Eligible Claimants

Any city, county, city and county, dependent special district, and joint powers authority comprised of a city, county, and/or city and county that incurs increased costs as a result of this reimbursable state mandated program is eligible to claim reimbursement of those costs.

# III. Period of Reimbursement

The period of reimbursement for the activities in this parameters and guidelines amendment begins on July 1, 2005.

Pursuant to Government Code section 17560, reimbursement for statemandated costs may be claimed as follows:

- 1. A local agency may file an estimated reimbursement claim by January 15 of the fiscal year in which costs are to be incurred, and, by January 15 following that fiscal year shall file an annual reimbursement claim that details the costs actually incurred for that fiscal year; or it may comply with the provisions of subdivision (b).
- 2. A local agency may, by January 15 following the fiscal year in which costs are incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year.
- 3. In the event revised claiming instructions are issued by the Controller pursuant to subdivision (c) of section 17558 between October 15 and January 15, a local agency filing an annual reimbursement claim shall have 120 days following the issuance date of the revised claiming instructions to file a claim.

Reimbursable actual costs for one fiscal year shall be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to Government Code section 17561, subdivision (d)(1), all claims for reimbursement of initial years' costs shall be submitted within

120 days of the issuance of the State Controller's claiming instructions. If the total costs for a given fiscal year do not exceed \$1,000, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

There shall be no reimbursement for any period in which the Legislature has suspended the operation of a mandate pursuant to state law.

## IV. Reimbursable Activities

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of Code of Civil Procedure section 2015.5. Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

The claimant is only allowed to claim and be reimbursed for increased costs for reimbursable activities identified below. Increased cost is limited to the cost of an activity that the claimant is required to incur as a result of the mandate.

For each eligible claimant, the following activities are reimbursable:

A. One Time Activities

- 1. Develop policies and procedures to implement the reimbursable activities listed in Section IV (B) of these parameters and guidelines.
- 2. Train staff on the reimbursable activities listed in Section IV (B) of these parameters and guidelines. (One-time per employee.)
- 3. Develop or procure computer software for the maintenance of records on animals specified in Section IV (B) (8) of these parameters and guidelines to the extent these costs are not claimed as an indirect cost under Section V (B) (8) of these parameters and guidelines. If the computer software is utilized in some way that is not directly related to the maintenance of records specified in Section IV (B) (8), only the

pro rata portion of the activity that is used for compliance with Section IV(B)(8) is reimbursable.

- B. Ongoing Activities
  - 1. Acquisition of Additional Space and/or Construction of New Facilities

Beginning January 1, 1999 - Acquiring additional space by purchase or lease and/or construction of new facilities to provide appropriate or adequate shelter necessary to comply with the mandated activities during the increased holding period for impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that die during the increased holding period or are ultimately euthanized.

Eligible claimants are only entitled to reimbursement for the proportionate share of actual costs required to plan, design, acquire, and/or build facilities in a given fiscal year based on the pro rata representation of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that are held during the *increased* holding period specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines and die during the increased holding period or are ultimately euthanized, to the total population of animals housed in the facility (including those animals that are excluded from reimbursement, as specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines) during the entire holding period required by Food and Agriculture Code sections 31108, 31752 and 31753.

Formula for Proportionate Share of Actual Costs:

Where:

- (A) = Shelter square footage, 1998
- (B) = Total animal average daily census (ADC), 1998
- (C) = Square footage per ADC, 1998 (=A/B)
- (D) = Total dog/cat ADC, 1998
- (E) = Shelter square footage, claim year
- (F) = Total dog/cat ADC, claim year
- (G) = Eligible dog/cat ADC, claim year
- (H) = Eligible other animal ADC, claim year
- (I) = Eligible dog/cat square footage, claim year

For shelters that meet the conditions of to Food and Agricultural Code section 31108(a)(1) or (2) for dogs, and section 31752(a)(1) or (2) for cats:<sup>1</sup>

 $(I) = 2/5 \times C \times F$ 

For shelters that do not meet the conditions of Food and Agricultural Code section 31108(a)(1) or (2) for dogs, and section 31752(a)(1) or (2) for cats:

(I) – 4/7 x C x F

(J) = Reduction in eligible square footage due to decline in total dog/cat population (cannot exceed 0)

For shelters that meet the conditions of Food and Agricultural Code section 31108(a)(1) or (2) for dogs, and section 31752(a)(1) or (2) for cats:<sup>2</sup>

 $(J) = [(F/5 - D/3 \times C \times D] / (D/3)]$ 

For shelters that do not meet the conditions of Food and Agricultural Code section 31108(a)(10 or (2) for dogs, and section 31752(a)(1) or (2) for cats:

 $(J) = [(F/7 - D/3) \times C \times D] / (D/3)$ 

(K) = Net eligible dog/cat square footage (cannot be less than 0)

(K = I + J)

(L) = Percentage of eligible dog/cat ADC, claim year (L = G/F)

(M) = Allowable dog/cat square footage  $(M = K \times L)$ 

(N) = Allowable square footage for other animals specified by Food and Agricultural Code section 31573 (N = C x H)

(P) = Eligible percentage of acquisition/construction costs (cannot exceed 100%) [P = (M+N) / ((E-A)]

Statutes 2004, chapter 313 specifies that costs incurred to address preexisting shelter overcrowding or animal population growth are not reimbursable. The mandate reimburses for costs required due to the

<sup>2</sup> In order to select this option claimants must either make the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or (b) Have fewer than three full-time employees or are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.

<sup>&</sup>lt;sup>1</sup> In order to select this option claimants must either make the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or (b) Have fewer than three full-time employees or are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.

increased holding period required by Statutes 1998, chapter 752. In calculating net eligible dog/cat square footage, the formula recognizes that a decline in the number of animals sheltered may offset the effect of the increased holding period. For example, if the dog/cat average daily census does not change between the 1998 base year and the claim year, there is no additional square footage required.

The mandate reimburses only for costs attributable to eligible animals. Prior to Statutes 1998, chapter 752, shelters were required to hold dogs and cats for three days, whereas there was no required holding period for other animals. Therefore, the mandate reimbursable percentage formula separately calculates allowable square footage for dogs and cats, and allowable square footage for other animals specified by Food and Agricultural Code section 31753.

Acquisition/construction costs that are less than or equal to the cost of contract services for eligible animals are reimbursable.

Claimants may recalculate the eligible percentage of acquisition/construction costs each year, based on current animal population statistics. However, claimants may only claim allowable costs that have not been claimed in previous fiscal years.

#### Supporting Documentation Submitted with the Initial and Subsequent Reimbursement Claims

Acquiring additional space and/or construction of new facilities is reimbursable only to the extent that an eligible claimant submits, with the initial and/or subsequent reimbursement claim, documentation reflecting the following:

A determination by the governing board that acquiring additional space and/or constructing new facilities is necessary for the increased holding period required by Statutes of 1998, Chapter 752 because the existing facilities do not reasonably accommodate impounded stray or abandoned dogs, cats and other specified animals that are ultimately euthanized. The determination by the governing board shall include all of the following findings:

- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in 1998. For purposes of claiming reimbursement under section IV.B.1, average Daily Census is defined as the average number of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 housed on any given day, in a 365-day period;
- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in a given year under the

holding periods required by Food and Agriculture Code sections 31108, 31752, and 31753, as added or amended by Statutes of 1998, Chapter 752;

- Existing facilities are not appropriately configured and/or equipped to comply with the increased holding period required by Statutes of 1998, Chapter 752;
- Remodeling existing facilities is not feasible or is more expensive than acquiring additional space and/or constructing new facilities to comply with the increased holding period required by Statutes 1998, chapter 752; and
- Contracting with existing private or public shelters in the area to house the increase of impounded stray or abandoned dogs, cats, or other animals specified in Statutes 1998, chapter 752 is not feasible or is more expensive than acquiring additional space and/or constructing new facilities to comply with the increased holder period required by Statutes 1998, chapter 752. This finding should include the cost to contract with existing shelters..

Documentation requirements may be satisfied in whole or in part by staff agenda items, staff reports, minutes of governing board meetings, transcripts of governing board meetings, certification by the governing board describing the findings and determination, and/or a resolution adopted by the governing board pursuant to Food and Agriculture Code section 31755, as added by Statutes of 1999, Chapter 81 (Assembly Bill 1482).

2. Remodeling/Renovating Existing Facilities

Beginning January 1, 1999 - Remodeling/renovating existing facilities to provide appropriate or adequate shelter necessary to comply with the mandated activities during the increased holding period for impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that die during the increased holding period or are ultimately euthanized.

Eligible claimants are only entitled to reimbursement for the proportionate share of actual costs required to plan, design, remodel and/or renovate existing facilities in a given fiscal year based on the pro rata representation of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that are held during the *increased* holding period specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines and die during the increased holding period or are ultimately euthanized, to the total population of animals housed in the facility (including those animals that are excluded from reimbursement, as specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines) during the entire

holding period required by Food and Agriculture Code sections 31108, 31752 and 31753.

Since the remodeling/renovation will not increase square footage to address existing overcrowding or future growth issues, the mandate reimbursable percentage formula for remodeling/renovation would exclude the eligible percentage of square footage factor.

Formula for proportionate share of actual remodeling/renovation costs:

(A) = Shelter square footage

(B) = Total animal average daily census (ADC), claim year

(C) = Square footage per ADC, claim year (C = A/B)

(G) = Eligible dog/cat ADC, claim year

(H) = Eligible other animal ADC, claim year

(M) = Eligible dog/cat square footage, claim year

For shelters that meet the requirements of Food and Agricultural Code section 31108 (a)(1) or (2) for dogs, and section 31752 (a)(1) or (2) for cats,  $M = 2/5 \times C \times G$ .

For shelters that do not meet the requirements of Food and Agricultural Code section 31108(a)(1) or (2) for dogs, and section 31752(a)(1) or (2) for cats,  $M = 4/7 \times C \times G$ .

(N) = Allowable square footage for other animals specified by Food and Agricultural Code section 31753, claim year (N = C x H)

 $(P) = Eligible \ percentage \ of \ remodeling/removation \ costs \\ [P = (M + N) \ / \ A]$ 

Claimants may recalculate the eligible percentage of remodeling/renovation costs each year, based on current animal population statistics. However, claimants may only claim allowable costs that have not been claimed in previous fiscal years.

Supporting Documentation Submitted with the Initial and Subsequent Reimbursement Claims

Remodeling/renovating existing facilities is reimbursable only to the extent that an eligible claimant submits, with the initial and/or subsequent reimbursement claim, documentation reflecting the following:

A determination by the governing board or a delegated representative that remodeling/renovating existing facilities is necessary because the existing facilities do not reasonably accommodate impounded stray or abandoned dogs, cats and other specified animals that are ultimately euthanized for the increased holding period required by Statutes of 1998, Chapter 752. The determination by the governing board or delegated representative shall include all of the following findings:

- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in 1998. For purposes of claiming reimbursement under section IV.B.2, average Daily Census is defined as the average number of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 housed on any given day, in a 365-day period;
- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 in a given year under the holding periods required by Food and Agriculture Code sections 31108, 31752, and 31753, as added or amended by Statutes of 1998, Chapter 752;
- Existing facilities are not appropriately configured and/or equipped to comply with the increased holding period required by Statutes of 1998, Chapter 752;
- Contracting with existing private or public shelters in the area to house the increase of impounded stray or abandoned dogs, cats, or other animals specified in Statutes of 1998, Chapter 752 is not feasible or is more expensive than remodeling/renovating existing facilities to comply with the increased holding period required by Statutes 1998, chapter 752.

Documentation requirements may be satisfied in whole or in part by staff agenda items, staff reports, minutes of governing board meetings, transcripts of governing board meetings, certification by the governing board or declaration from the delegated representative describing the findings and determination, and/or a resolution adopted by the governing board pursuant to Food and Agriculture Code section 31755, as added by Statutes of 1999, Chapter 81 (Assembly Bill 1482).

3. Care and Maintenance for Impounded Stray or Abandoned Dogs and Cats that Die During the Increased Holding Period or are Ultimately Euthanized (Food & Agr. Code, §§ 31108, 31752)

Beginning July 1, 1999 - Providing care and maintenance during the increased holding period for impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized. The increased holding period shall be measured by calculating the difference between three days from the day of capture, and four or six business days from the day after impoundment.

#### Exclusions

Eligible claimants are *not* entitled to reimbursement for the care and maintenance of the following population of dogs and cats:

- Stray or abandoned dogs and cats that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);
- Newborn stray or abandoned dogs and cats that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- Stray or abandoned dogs and cats too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- Owner relinquished dogs and cats; and
- Stray or abandoned dogs and cats that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

#### Methods for Claiming Costs

Eligible claimants may elect one of following two methods to claim costs for the care and maintenance of impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized:

- Actual Cost Method Under the actual cost method, actual reimbursable care and maintenance costs per animal per day are computed for an annual claim period.
  - a) Determine the total annual cost of care and maintenance for all dogs and cats impounded at a facility. Total cost of care and maintenance includes labor, materials, supplies, indirect costs, and contract services.
  - b) Determine the average daily census of all dogs and cats impounded at a facility. For purposes of claiming reimbursement under IV.B.3, average daily census is defined as the average number of all dogs and cats at a facility housed on any given day, in a 365-day period..
  - c) Multiply the average daily census of dogs and cats by 365 = yearly census of dogs and cats.
  - d) Divide the total annual cost of care by the yearly census of dogs and cats = cost per animal per day.
  - e) Multiply the cost per animal per day, by the number of impounded stray or abandoned dogs and cats that die

during the increased holding period or are ultimately euthanized, by each reimbursable day (the difference between three days from the day of capture, and four or six business days from the day after impoundment).

• Time Study Method – Under the time study method, a random sample of impounded stray or abandoned dogs and cats are observed to determine the amount of time to provide care and maintenance during a reimbursable day.

The time study shall be developed using one representative month each quarter and be supported with actual source documentation. Time studies shall be conducted on a more frequent basis if there are significant variations of time expended from month to month. The time study shall identify hours devoted to each specific category. If the time study supports a fixed-cost approach such as an animal day (i.e., dogday, cat-day, etc.), the eligible claimant shall document the analysis supporting the method used.

Time records used to support the time study shall:

- a) Reflect an after-the-fact distribution of each employee's actual activity;
- b) Account for the total activity for which each employee is compensated;
- c) Account for the total labor hours of the month;
- d) Be signed and dated by the employee not later than the end of the pay period that follows the pay period covered by the report; and
- e) Document, by signature or initials and date, supervisor approval.
- Care and Maintenance for Impounded Stray or Abandoned Animals Specified in Food and Agriculture Code Section 31753 that Die During the Increased Holding Period or are Ultimately Euthanized (Food & Agr. Code, § 31753)

Beginning January 1, 1999 - Providing care and maintenance for four or six business days from the day after impoundment for impounded stray or abandoned rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles, and tortoises legally allowed as personal property that die during the increased holding period or are ultimately euthanized.

#### **Exclusions**

Eligible claimants are *not* entitled to reimbursement for the care and maintenance of the following population of animals:

- Stray or abandoned animals that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);
- Newborn animals that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- Stray or abandoned animals too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- Owner relinquished animals; and
- Stray or abandoned animals that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

#### Methods for Claiming Costs

Eligible claimants may elect one of following two methods to claim costs for the care and maintenance of impounded stray or abandoned animals specified in Food and Agriculture Code section 31753 that die during the increased holding period or are ultimately euthanized:

- Actual Cost Method –Under the actual cost method, actual reimbursable care and maintenance costs per animal per day are computed for an annual claim period.
  - a) Determine the total annual cost of care and maintenance for all animals specified in Food and Agriculture Code section 31753 that are impounded at a facility. Total cost of care and maintenance includes labor, materials, supplies, indirect costs, and contract services.
  - b) Determine the average daily census of the animals specified in Food and Agriculture Code section 31753.
  - c) Multiply the average daily census of the animals specified in Food and Agriculture Code section 31753 by 365 = yearly census of animals specified in Food and Agriculture Code section 31753.
  - d) Divide the total annual cost of care by the yearly census of animals specified in Food and Agriculture Code section 31753 = cost per animal per day.
  - e) Multiply the cost per animal per day, by the number of impounded stray or abandoned animals specified in Food and Agriculture Code section 31753 that die during the increased holding period or are ultimately euthanized, by

each reimbursable day (four or six business days from the day after impoundment).

• Time Study Method – Under the time study method, a random sample of impounded stray or abandoned animals are observed to determine the amount of time to provide care and maintenance during a reimbursable day.

The time study shall be developed using one representative month each quarter and be supported with actual source documentation. Time studies shall be conducted on a more frequent basis if there are significant variations of time expended from month to month. The time study shall identify hours devoted to each specific category. If the time study supports a fixed-cost approach such as an animal day, the eligible claimant shall document the analysis supporting the method used.

Time records used to support the time study shall:

- a) Reflect an after-the-fact distribution of each employee's actual activity;
- b) Account for the total activity for which each employee is compensated;
- c) Account for the total labor hours of the month;
- d) Be signed and dated by the employee not later than the end of the pay period that follows the pay period covered by the report; and
- e) Document, by signature or initials and date, supervisor approval.
- 4. Agencies Using the Holding Period of Four Business Days After the Day of Impoundment (Food & Agr. Code, §§ 31108, 31752, 31753)

Beginning January 1, 1999 - For impounded animals specified in Food and Agriculture Code section 31753, either:

- Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or
- For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.

Beginning July 1, 1999 - For impounded dogs and cats, either:

- Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or
- For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.
- 5. Feral Cats (Food & Agr. Code, § 31752.5)

Beginning January 1, 1999 - Verifying whether a cat is feral or tame by using a standardized protocol within the first three days of the required holding period if an apparently feral cat has not been reclaimed by its owner or caretaker.

6. Lost and Found Lists (Food & Agr. Code, § 32001)

Beginning January 1, 1999 - Providing owners of lost animals and those who find lost animals with all of the following:

- Ability to list the animals they have lost or found on "lost and found" lists maintained by the local agency;
- Referrals to animals listed that may be the animals the owner or finders have lost or found;
- The telephone numbers and addresses of other pounds and shelters in the same vicinity;
- Advice as to means of publishing and disseminating information regarding lost animals; and
- The telephone numbers and addresses of volunteer groups that may be of assistance in locating lost animals.
- 7. Maintaining Non-Medical Records (Food & Agr. Code, § 32003)

Beginning January 1, 1999 - Maintaining non-medical records on animals that are either taken up, euthanized after the holding period, or impounded. Such records shall include the following:

- The date the animal was taken up, euthanized, or impounded;
- The circumstances under which the animal is taken up, euthanized, or impounded;
- The names of the personnel who took up, euthanized, or impounded the animal; and

• The final disposition of the animal, including the name of the person who euthanized the animal or the name and address of the adopting party.

The cost of software license renewal contracts, to the extent these costs are not claimed as an indirect cost under these parameters and guidelines, is eligible for reimbursement under Section V (A) (2) of these parameters and guidelines. If the computer software is utilized in some way that is not directly related to the maintenance of records specified in this section, only the pro rata portion of the software license renewal contract that is used for compliance with this section is reimbursable.

8. "Necessary and Prompt Veterinary Care" (Civ. Code, §§ 1834 and 1846)

Beginning January 1, 1999 - Providing "necessary and prompt veterinary care" for stray and abandoned animals, other than injured cats and dogs given emergency treatment, that die during the holding period or are ultimately euthanized, during the holding periods specified in Statutes of 1998, Chapter 752.

"Necessary and prompt veterinary care" means all reasonably necessary medical procedures performed by a veterinarian or someone under the supervision of a veterinarian to make stray or abandoned animals "adoptable." The following veterinary procedures, if conducted, are eligible for reimbursement:

- An initial physical examination of the animal to determine the animal's baseline health status and classification as "adoptable," "treatable," or "non-rehabilitatable."
- A wellness vaccine administered to "treatable" or "adoptable" animals.
- Veterinary care to stabilize and/or relieve the suffering of a "treatable" animal.
- Veterinary care intended to remedy any applicable disease, injury, or congenital or hereditary condition that adversely affects the health of a "treatable" animal or that is likely to adversely affect the animal's health in the future, until the animal becomes "adoptable."

#### Population Exclusions

Eligible claimants are *not* entitled to reimbursement for providing "necessary and prompt veterinary care" to the following population of animals:

• Animals that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);

- Newborn animals that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- Animals too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal. (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- Owner relinquished animals; and
- Stray or abandoned animals that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

#### Veterinary Care Exclusions

Eligible claimants are *not* entitled to reimbursement for providing the following veterinary procedures:

- Emergency treatment given to injured cats and dogs (Pen. Code, § 597f, subd. (b));
- Administration of rabies vaccination to dogs (Health & Saf. Code, § 121690);
- Implantation of microchip identification;
- Spay or neuter surgery and treatment;
- Euthanasia.
- 10. Beginning January 1, 1999 Procuring medical, kennel, and computer equipment necessary to comply with the reimbursable activities listed in Section IV (B) of these parameters and guidelines, to the extent these costs are not claimed as an indirect cost under Section V (B) of these parameters and guidelines. If the medical, kennel, and computer equipment is utilized in some way not directly related to the mandated program or the population of animals listed in Section IV (B), only the pro rata portion of the activity that is used for the purposes of the mandated program is reimbursable.

## V. Claim Preparation and Submission

Each of the following cost elements must be identified for each reimbursable activity identified in Section IV, Reimbursable Activities, of this document. Each claimed reimbursable cost must be supported by source documentation as described in Section IV. Additionally, each reimbursement claim must be filed in a timely manner.

#### A.Direct Cost Reporting

Direct costs are those costs incurred specifically for the reimbursable activities. The following direct costs are eligible for reimbursement.

#### 1. Salaries and Benefits

Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

#### 2. Materials and Supplies

Report the cost of materials and supplies that have been consumed or expended for the purpose of the reimbursable activities. Purchases shall be claimed at the actual price after deducting discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged on an appropriate and recognized method of costing, consistently applied.

#### 3. Contracted Services

Report the name of the contractor and services performed to implement the reimbursable activities. If the contractor bills for time and materials, report the number of hours spent on the activities and all costs charged. If the contract is a fixed price, report the services that were performed during the period covered by the reimbursement claim. If the contract services are also used for purposes other than the reimbursable activities, only the pro-rata portion of the services used to implement the reimbursable activities can be claimed. Submit contract consultant and attorney invoices with the claim and a description of the contract scope of services.

#### 4. Fixed Assets and Equipment

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

#### 5. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element A.1, Salaries and Benefits, for each applicable reimbursable activity.

#### 6. Training

Report the cost of training an employee to perform the reimbursable activities, as specified in Section IV of this document. Report the name and job classification of each employee preparing for, attending, and/or conducting training necessary to implement the reimbursable activities. Provide the title, subject, and purpose (related to the mandate of the training session), dates

attended, and location. If the training encompasses subjects broader than the reimbursable activities, only the pro-rata portion can be claimed. Report employee training time for each applicable reimbursable activity according to the rules of cost element A.1, Salaries and Benefits, and A.2, Materials and Supplies. Report the cost of consultants who conduct the training according to the rules of cost element A.3, Contracted Services.

#### B. Indirect Cost Rates

Indirect costs are costs that are incurred for a common or joint purpose, benefiting more than one program, and are not directly assignable to a particular department or program without efforts disproportionate to the result achieved. Indirect costs may include both (1) overhead costs of the unit performing the mandate; and (2) the costs of the central government services distributed to the other departments based on a systematic and rational basis through a cost allocation plan.

Compensation for indirect costs is eligible for reimbursement utilizing the procedure provided in the Office of Management and Budget (OMB) Circular A-87. Claimants have the option of using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal (ICRP) if the indirect cost rate claimed exceeds 10%.

If the claimant chooses to prepare an ICRP, both the direct costs (as defined and described in OMB Circular A-87 Attachments A and B) and the indirect costs shall exclude capital expenditures and unallowable costs (as defined and described in OMB Circular A-87 Attachments A and B). However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable.

The distribution base may be (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.), (2) direct salaries and wages, or (3) another base which results in an equitable distribution.

In calculating an ICRP, the claimant shall have the choice of one of the following methodologies:

- 1. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) classifying a department's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected; or
- 2. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) separating a department into groups, such as divisions or sections,

and then classifying the division's or section's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate that is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected.

### VI. RECORD RETENTION

Pursuant to Government Code section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter<sup>3</sup> is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed not later than two years after the date that the audit is commenced. All documents used to support the reimbursable activities, as described in Section IV, must be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

#### VII. OFFSETTING SAVINGS AND OTHER REIMBURSEMENTS

Any offsetting savings that the claimant experiences as a direct result of this mandate must be deducted from the costs claimed. Additionally, reimbursement for this mandate received from any source shall be identified and deducted from this claim. These sources shall include, but not be limited to, rewards received under the authority of Civil Code section 1845; licensing fees and fines received and applied pursuant to Food and Agriculture Code section 30652, Government Code section 28502, and Penal Code section 597f; other state funds, and federal funds. The fees and fines received pursuant to Food and Agriculture Code section 30652 shall be deducted from the claim according to the priority specified in the statute and stated below:

- First, to pay fees for the issuance of dog license tags pursuant to Food and Agriculture Code section 30652, subdivision (a);
- Second, in accordance with Food and Agriculture Code section 30652, subdivision (b), any excess revenue held after the payment of dog license tags shall be applied to the fees, salaries, costs, expenses, or any or all of them for the enforcement of Division 14 of the Food and Agriculture Code, including Food and Agriculture Code section 31108, and all ordinances that are made pursuant to Division 14. Costs incurred under Food and Agriculture Code section 31108 are specified in Section IV (B) (1), (2), (3), and (5), and Section IV (A) of

<sup>&</sup>lt;sup>3</sup> This refers to Title 2, division 4, part 7, chapter 4 of the Government Code.

these parameters and guidelines. Any or all excess revenue must be applied to the costs incurred under Food and Agriculture Code section 31108 before any revenue can be applied to subdivisions (c) and (d) of Food and Agriculture Code section 30652.

# VIII. STATE CONTROLLER'S REVISED CLAIMING INSTRUCTIONS

Pursuant to Government Code section 17558, subdivision (c), the Controller shall issue revised claiming instructions for each mandate that requires state reimbursement not later than 60 days after receiving the revised parameters and guidelines from the Commission, to assist local agencies and school districts in claiming costs to be reimbursed. The revised claiming instructions shall be derived from the test claim decision and the revised parameters and guidelines adopted by the Commission.

Pursuant to Government Code section 17561, subdivision (d)(2), issuance of the revised claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon the revised parameters and guidelines adopted by the Commission.

# IX. REMEDIES BEFORE THE COMMISSION

Upon request of a local agency or school district, the Commission shall review the claiming instructions issued by the State Controller or any other authorized state agency for reimbursement of mandated costs pursuant to Government Code section 17571. If the Commission determines that the claiming instructions do not conform to the parameters and guidelines, the Commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the Commission.

In addition, requests may be made to amend parameters and guidelines pursuant to Government Code section 17557, subdivision (d), and California Code of Regulations, title 2, section 1183.2.

# X. LEGAL AND FACTUAL BASIS FOR THE PARAMETERS AND GUIDELINES

The Statement of Decision is legally binding on all parties and provides the legal and factual basis for the parameters and guidelines. The support for the legal and factual findings is found in the administrative record for the test claim. The administrative record, including the Statement of Decision, is on file with the Commission.

**Local Mandated Cost Manual** 

Pursuant to Gov	M FOR PAYMENT ernment Code Se MAL ADOPTION	For State Controller Use (19) Program Number 00213 (20) Date Filed (21) LRS Input	Only PROGRAM	
(01) Claimant Identification Number			Reimbursement	Claim Data
(02) Claimant Name			(22) FORM-1, (04)(A)(1)(g)	
County of Location			(23) FORM-1, (04)(A)(2)(g)	
Street Address of P.O. Box	Suite	(24) FORM-1, (04)(A)(3)(g)		
City	State	Zip Code	(25) FORM-1, (04)(B)(1)(g)	
		Type of Claim	(26) FORM-1, (04)(B)(2)(g)	
	(03)	(09) Reimbursement	(27) FORM-1, (04)(B)(3)(g)	
	(04)	(10) Combined	(28) FORM-1, (04)(B)(4)(g)	
	(05)	(11) Amended	(29) FORM-1, (04)(B)(5)(g)	
Fiscal Year of Cost	(06)	(12)	(30) FORM-1, (04)(B)(6)(g)	
Total Claimed Amount	(07)	(13)	(31) FORM-1, (04)(B)(7)(g)	
Less: 10% Late Penalty (refer to	attached Instructions)	(14)	(32) FORM-1, (04)(B)(8)(g)	
Less: Prior Claim Payment Received		(15)	(33) FORM-1, (04)(B)(9)(g)	
Net Claimed Amount		(16)	(34) FORM-1, (04)(B)(10)(g)	
Due from State	(08)	(17)	(35) FORM-1, (06)	
Due to State		(18)	(36) FORM-1, (07)	
(37) CERTIFICATION OF CL	AIM			

In accordance with the provisions of Government Code Section 17561, I certify that I am the officer authorized by the local agency to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Article 4, Chapter 1 of Division 4 of Title 1 Government Code.

I further certify that there was no application other than from the claimant, nor any grants or payments received for reimbursement of costs claimed herein and claimed costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the parameters and guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.

The amount for this reimbursement is hereby claimed from the State for payment of actual costs set forth on the attached statements.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Officer	
	Date Signed
	Telephone Number
	E-Mail Address
Type or Print Name and Title of Authorized Signatory	
(38) Name of Agency Contact Person for Claim	Telephone Number
	E-mail Address
Name of Consulting Firm / Claim Preparer	Telephone Number
	E-mail Address

PROGR		ANIMAL ADOPTION Certification Claim Form Instructions for Form FAM-27				
(01)	Enter the payee number assigned by the State Controller's Offi	ce.				
(02)	Enter your Official Name, County of Location, Street or P. O. B	ox address, City, State, and Zip Code.				
(03) to (08)	Leave blank.					
(09)	If filing a reimbursement claim, enter an "X" in the box on line (	09) Reimbursement.				
(10)	If filing a combined reimbursement claim on behalf of districts v	vithin the county, enter an "X" in the box on line (10) Co	ombined.			
(11)	If filing an amended reimbursement claim, enter an "X" in the b	ox on line (11) Amended.				
(12)	Enter the fiscal year for which actual costs are being claimed. a separate form FAM-27 for each fiscal year.	f actual costs for more than one fiscal year are being o	aimed, complete			
(13)	Enter the amount of the reimbursement claim as shown in t \$1,000.	he attached Form-1 line (11). The total claimed amo	unt must exceed			
(14)	(14) Reimbursement claims must be filed by February 15 of the following fiscal year in which costs were incurred or the claims must reduced by a late penalty. Enter zero if the claim was timely filed. Otherwise, enter the penalty amount as a result of the calculati formula as follows:					
	Late Initial Claims: FAM-27 line(13) multiplied by 10%, without limitation; or					
	• Late Annual Reimbursement Claims: FAM-27, line (13) multiplied by 10%, late penalty not to exceed \$10,000.					
(15)	Enter the amount of payment, if any, received for the claim. If no payment was received, enter zero.					
(16)	Enter the net claimed amount by subtracting the sum of lines (14) and (15) from line (13).					
(17)	If line (16), Net Claimed Amount, is positive, enter that amount	on line (17), Due from State.				
(18)	If line (16), Net Claimed Amount, is negative, enter that amoun	t on line (18), Due to State.				
(19) to (21)	Leave blank.					
(22) to (36)	to (36) Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim, e.g., Form-1, (04)(A)(1)(g), means the information is located on form Form-1, line (04)(A)(1), column (g). Ente the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 35.19% should be shown as 35 Completion of this data block will expedite the payment process.					
(37)	Read the statement of Certification of Claim. The claim must be dated, signed by the agency's authorized officer, and must type or print name, title, telephone number and email address. Claims cannot be paid unless accompanied by an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)					
(38)	Enter the name, telephone number, and e-mail address of the consultant, type or print the name of the consulting firm, telephone		pared by external			
	SUBMIT A SIGNED ORIGINAL, AND A COPY OF FORM FAI	M-27, WITH ALL OTHER FORMS TO:				
	Address, if delivered by U.S. Postal Service:	Address, if delivered by other delivery service:				
	OFFICE OF THE STATE CONTROLLER ATTN: Local Reimbursements Section Division of Accounting and Reporting P.O. Box 942850 Sacramento, CA 94250	OFFICE OF THE STATE CONTROLLER ATTN: Local Reimbursements Section Division of Accounting and Reporting 3301 C Street, Suite 700 Sacramento, CA 95816				

State Controller's Office

**Local Mandated Cost Manual** 

Program 213	MANDATED COSTS ANIMAL ADOPTION CLAIM SUMMARY						FORM 1
(01) Claimant			(02				Fiscal Year
			(02	)		2	20/20
(03) Department			1				
Direct Costs			Ok	oject Accou	nts		
<ul><li>(04) Reimbursable Activities</li><li>A. One-Time Activities</li></ul>	(a) Salaries	(b) Benefits	(c) Materials and Supplies	(d) Contract Services	(e) Fixed Assets	(f) Travel and Training	(g) Total
1. Policies and Procedures							
2. Training							
3. Computer Software							
B. Ongoing Activities						_	
1 Acquiring Space/Facilities							
2. Renovating Facilities							
3. Care of Dogs & Cats							
4. Care of Other Animals							
5. Holding Period							
6. Feral Cats							
7. Lost and Found Lists							
8. Non-Medical Records							
9. Veterinary Care							
10. Procuring Equipment							
(05) Total Direct Costs							
Indirect Costs							
(06) Indirect Cost Rate				[From ICRP	]		%
(07) Total Indirect Costs			[Refe	er to claiming ins	structions]		
(08) Total Direct and Indi	rect Costs		[L	ine (05)(g) + lin	e (07)]		
Cost Reduction							
(09) Less: Offsetting Sav	vings						
(10) Less: Other Reimbu	irsements/O	ffsetting Rev	/enue				
(11) Total Claimed Amou	int		[Line (	(08) - {line (09) -	⊦ line (10)}]		

Revised 11/09

Program

FORM

#### ANIMAL ADOPTION CLAIM SUMMARY Instructions

- (01) Enter the name of the claimant.
- (02) Enter the fiscal year of costs.
- (03) Department. If more than one department has incurred costs for this mandate, give the name of each department. A separate Form 1 must be completed for each department.
- (04) Reimbursable Activities. For each reimbursable activity, enter the total from Form-2, line (05) columns (d) through (i) to Form-1, block (05), columns (a) through (f) in the appropriate row. Tota each row.
- (05) Total Direct Costs. Total columns (a) through (g).
- (06) Indirect Cost Rate. Indirect costs may be computed as 10% of direct labor costs, excluding fringe benefits, without preparing an ICRP. If an indirect cost rate of greater than 10% is used, include the Indirect Cost Rate Proposal (ICRP) with the claim.
- (07) Local agencies have the option of using the flat rate of 10% of direct labor costs or using a department's indirect cost rate proposal (ICRP) in accordance with the Office of Management and Budget OMB Circular A-87 (Title 2 CFR Part 225). If the flat rate is used for indirect costs, multiply Total Salaries, line (05)(a), by 10%. If an ICRP is submitted, multiply applicable costs used in the distribution base for the computation of the indirect cost rate, by the Indirect Cost Rate, line (06). If more than one department is reporting costs, each must have its own ICRP for the program.
- (08) Total Direct and Indirect Costs. Enter the sum of Total Direct Costs, line (05)(g), and Total Indirec Costs, line (07).
- (09) Less: Offsetting Savings. If applicable, enter the total savings realized by the claimant as a direct result of this mandate. Submit a detailed schedule of savings with the claim.
- (10) Less: Other Reimbursements/Offsetting Revenue. Reimbursement received from any source must be identified and deducted from this claim. Sources may include, but are not limited to offsetting revenues from Form 3, lines (04) and (05), rewards received under authority of Civil Code Section 1845, licensing fees and fines received and applied pursuant to Food and Agriculture Code Section 30652, Government Code Section 28502, and Penal Code Section 597f, and other state funds, and federal funds. Fees and fines received pursuant to Food & Agriculture Code Section 30652 must be deducted according to the priority specified on page 15 of the P's and G's.
- (11) Total Claimed Amount. From Total Direct and Indirect Costs, line (08), subtract the sum of Offsetting Savings, line (09), and Other Reimbursements, line (10). Enter the remainder on this line and carry the amount forward to form FAM-27, line (13) for the Reimbursement Claim.

(01) Claimant       (02) Fiscal Year         (03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.         One-Time       Policies and Procedures         Training       Computer Software         Ongoing       Acquiring Space/Facilities         Care of Other Animals       Holding Period         Lost and Found Lists       Non-Medical Records         Procuring Equipment
One-Time       Policies and Procedures       Training       Computer Software         Ongoing       Acquiring Space/Facilities       Renovating Facilities       Care of Dogs & Cats         Care of Other Animals       Holding Period       Feral Cats         Lost and Found Lists       Non-Medical Records       Veterinary Care
Ongoing       Acquiring Space/Facilities       Renovating Facilities       Care of Dogs & Cats         Care of Other Animals       Holding Period       Feral Cats         Lost and Found Lists       Non-Medical Records       Veterinary Care
04) Description of Expenses Object Accounts
(a)(b)(c)(d)(e)(f)(g)(h)(iEmployee Names, JobHourly Rate or unit CostHours Worked or QuantitySalariesBenefitsMaterials and SuppliesContract ServicesFixed AssetsTrain Train Train

#### **Mandated Cost Manual**

# ProgramANIMAL ADOPTIONFORM213ACTIVITY COST DETAIL<br/>INSTRUCTIONS2

- (01) Claimant. Enter the name of the claimant. If more than one department has incurred costs for this mandate, give the name of each department. A separate Form-2 must be completed for each department.
- (02) Fiscal Year. Enter the fiscal year for which costs were incurred.
- (03) Reimbursable Activities. Check the box which indicates the cost activity being claimed. Check only one box per form. A separate Form -2 must be prepared for each applicable activity.
- (04) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the activity box checked in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, travel and training expenses. The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed. For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the date the claim was filed or last amended, whichever is later. If no funds were appropriated and no payment was made at the time the claim was filed, the time for the Controller to initiate an audit will be from the date of initial payment of the claim. Such documents must be made available to the SCO on request.

Object/ Sub object					Columns					Submit supporting documents
Accounts	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	with the claim
Salaries	Employee Name/Title	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked						
Benefits	Activities Performed	Benefit Rate			Benefits = Benefit Rate x Salaries					
Materials and Supplies	Description of Supplies Used	Unit Cost	Quantity Used			Cost = Unit Cost x Quantity Used				
Contract Services	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service				Cost = Hourly Rate x Hours Worked			Copy of Contract
Fixed Assets	Description of Equipment Purchased	Unit Cost	Usage					Cost = Unit Cost x Usage		
Travel and Training Travel	Purpose of Trip Name and Title Departure and Return Date	Per Diem Rate Mileage Rate Travel Cost	Days Miles Travel Mode						Total Travel Cost = Rate x Days or Miles	
Training	Employee Name/Title Name of Class		Dates Attended						Registration Fee	

(05) Total line (04), columns (d) through (i) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the activity costs, number each page. Enter totals from line (05), columns (d) through (i) to Form-1, block (04), columns (a) through (f) in the appropriate row.

Program 213	FORM			
	SUMMARY OF SERVICES PROVIDE	D UNDER	CONTRACT	3
(01) Claimant	(!	02)		Fiscal Year
				20/20
(03) Is your ag	ency providing animal shelter services under	contract w	vith another entity?	Yes
(04) If yes, list	each entity, the amount received, and any ma	andate-rela	ated offsetting reven	ue below:
	Name of Entity		(a)	(b)
	Amount Received	Offsetting Revenue		
			1,000,000	
Total (Include o	column (b) total on Form 1, line 10)			
	nt reported as offsetting revenue should also nandated costs. List other mandated-related c			
	Type of Revenue			Offsetting Revenue
Total (Include	column (b) total on Form 1, line 10)			
			, -	Yes 🗔
(06) Is anothe	No			
If yes, identify	the entity and list the amount paid to the other	r entity.		
	Name of Entity			Amount Paid
Total				

Program 213	ANIMAL ADOPTION Instructions for SUMMARY OF SERVICES PROVIDED UNDER CONTRACT	FORM 3

- (01) Enter the name of the claimant.
- (02) Enter the fiscal year of costs.
- (03) Indicate whether or not your agency is providing contracted animal shelter services for another agency.
- (04) (a) If the answer to line (03) is "Yes" List the names of the contracting agencies for whom you are providing services. Record the full amount of the contract in column (a), Amount Received.
  - (b) Record in column (b) the amount of the contract, if any, that is used to fund mandate-related activities. The total amount shown for line (04)(b) should be reported on Form 1, line (10), as offsetting revenue.

Note: Any amount shown as mandate-related offsetting revenue in column (b) can be claimed by the identified agencies on a mandated cost claim.

- (05) List any other mandate-related offsetting revenue not already identified on line (04) above.
- (06) Indicate whether or not your agency is contracting with another agency for animal control services.
- (07) If the answer to line (06) is "Yes", list the name of the agency and the contract amount.

# **FILING A CLAIM**

**RECEIVED** May 19, 2014 **Commission on State Mandates** 

#### 1. Introduction

The law in the State of California (Government Code Sections 17500 through 17616) provides for the reimbursement of costs incurred by local agencies for costs mandated by the State. These are costs that local agencies are required to incur after July 1, 1980, as a result of any statute enacted after January 1, 1975, or any executive order implementing such statute which mandates a new program or higher level of service of an existing program.

A reimbursement claim is defined in GC Section 17522 as any claim filed with SCO by a local agency for reimbursement of costs incurred for which an appropriation is made for the purpose of paying the claim. An actual claim for the 2009-10 fiscal year, may be filed by February 15, 2011, without a late penalty. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$10,000. Amended claims filed after the deadline will be reduced by 10% of the increased amount not to exceed \$10,000 for the total claim. Claims filed more than one year after the deadline will not be accepted by the SCO.

In order for a claim to be considered properly filed, it must include documentation to support the indirect cost rate. A full discussion of the indirect cost methods available to local agencies may be found in Section 8 of these instructions.

When a program has been reimbursed for three or more years, the Commission may approve the program for inclusion in the State Mandates Apportionment System (SMAS). For programs included in SMAS, the SCO determines the amount of each claimant's entitlement based on an average of three consecutive fiscal years of actual costs adjusted by any changes in the Implicit Price Deflator (IPD). Claimants with an established entitlement receive an annual apportionment adjusted by any changes in the IPD and, under certain circumstances, by any changes in workload. Claimants with an established entitlement are not required to file further claims for the program.

The SCO is authorized to make payments for costs of mandated programs from amounts appropriated by the State Budget Act, by the State Mandates Claims Fund, or by specific legislation. In the event the appropriation is insufficient to pay claims in full, claimants will receive prorated payments in proportion to the dollar amount of approved claims for the program. Balances of prorated payments will be made when supplementary funds become available.

#### 2. Local Government Electronic Claims (LGeC)

LGeC enables claimants and their consultants to securely prepare and submit mandated cost claims via the Internet. LGeC uses a series of data input screens to collect the information needed to prepare a claim and also provides a web service so claims can be uploaded in batch files. LGeC also incorporates an attachment feature so claimants can electronically attach supporting documentation if required. In order for a claim to be considered properly filed it must included a copy of the Indirect Cost Rate Proposal (ICRP) if the indirect cost rate exceeds ten percent.

The LGeC system provides an easy and straightforward approach to the claiming process. Filing claims using LGeC eliminates the manual preparation and submission of paper claims by the locals and the receiving, processing, key entry, verification, and storage of paper claims by the SCO. LGeC also provides mathematical checks and automated error detection to reduce erroneous and incomplete claims, provides the state with an electronic workflow process, and stores the claims in an electronic format. Making the change from paper claims to electronic claims reduces the manual handling of paper claims and decreases the costs incurred by local entities for handling, postage, and storage of claims filed using the LGeC system.

In order to use the LGeC system you will need to obtain a User ID and password for each person who will access the LGeC system. To obtain a User ID and password you must file an application with the SCO. The application and instructions are available on the LGeC Web site located at

http://www.sco.ca.gov/ard\_lgec.html. Complete the application and other documents as requested and mail them to the SCO using the address provided on the form. The SCO will process the application and issue a User ID and password to each applicant.

In addition, you may want to subscribe to an email distribution list to automatically receive timely, comprehensive information regarding mandated cost claim receipts, payments, test claims, guidelines, electronic claims, and other news and updates. You also will receive related audit reports and mandate information provided by other state agencies.

You can find more information about LGeC and the email distribution lists at http://www.sco.ca.gov/ard\_lgec.html. This Web site provides access to the LGeC system, an application for User ID's and passwords, an instructional guide, frequently ask questions (FAQ's) and additional help files. Questions may be directed to LRSDAR@sco.ca.gov, or you may call Local Reimbursements Section, Local Government e-Claims at (916) 324-5729.

#### 3. Types of Claims

Claimant may file a reimbursement claim for actual mandated costs incurred in the prior fiscal year. An entitlement claim may be filed for the purpose of establishing a base year entitlement amount for mandated programs included in SMAS. A claimant who has established a base year entitlement for a program would receive an automatic annual payment, which is reflective of the current costs for the program.

All claims received by the SCO will be reviewed to verify actual costs. An adjustment of the claim will be made if the amount claimed is determined to be excessive, improper, or unreasonable.

#### A. Reimbursement Claim

A reimbursement claim is defined in GC Section 17522 as any claim filed with the SCO by a local agency for reimbursement of costs incurred for which an appropriation is made for the purpose of paying the claim.

Initial reimbursement claims are first-time claims for reimbursement of costs for one or more prior fiscal year(s) of a program that was previously unfunded. Claims are due 120 days from the date of issuance of the claiming instructions for the program by the SCO. The first statute that appropriates funds for the mandated program will specify the fiscal years for which costs are eligible for reimbursement.

Annual ongoing reimbursement claims must be filed by February 15th following the fiscal year in which costs were incurred for the program. Claims for fiscal year 2009-10 will be accepted without late penalty if postmarked or delivered on before February 15<sup>th</sup>, 2011. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$10,000. However, initial reimbursement claims will be reduced by a late penalty of 10% with no limitation. Amended claims filed after the deadline will be reduced by 10% of the increased amount not to exceed \$10,000 for the claim. Claims filed more than one year after the deadline will not be accepted for reimbursement.

In order for a claim to be considered properly filed, it must include the Indirect Cost Rate Proposal (ICRP) to support the indirect cost rate if the indirect cost rate exceeds ten percent. A more detailed discussion of the indirect cost methods available to local agencies may be found in Section 2, Filing a Claim, Page 11 of these instructions.

#### B. Entitlement Claim

An entitlement claim is defined in GC Section 17522 as any claim filed by a Local Agency with the SCO for the sole purpose of establishing or adjusting a base year entitlement for a mandated program that has been included in SMAS. An entitlement claim should not contain nonrecurring or initial start-up costs. There is no statutory deadline for the filing of entitlement claims. However, entitlement claims and supporting documents should be filed by February 15,

following the third fiscal year used to develop the entitlement claim, to permit an orderly processing of claims. When the claims are approved and a base year entitlement amount is determined, the claimant will receive an apportionment reflective of the program's current year costs.

The automatic apportionment is determined by adjusting the claimant's base year entitlement for changes in the IPD of costs of goods and services to governmental agencies, as determined by the State Department of Finance. For programs approved by CSM for inclusion in SMAS on or after January 1, 1988, the payment for each year succeeding the three year in base period is adjusted according to any changes by both the IPD and average daily attendance (ADA).

SCO will perform this computation for each claimant who has filed claims for three consecutive years. If a claimant has incurred costs for three consecutive years but has not filed a claim in each of those years, the claimant may file an entitlement claim, form FAM-43, to establish a base year entitlement. The form FAM-43 is included in the claiming instructions for SMAS programs. An entitlement claim does not result in the claimant being reimbursed for the costs incurred, but rather entitles the claimant to receive automatic payments from SMAS. Annual apportionments for programs included in the system are paid on or before November 30 of each year.

#### 4. Minimum Claim Amount

For initial claims and annual claims filed on or after September 30, 2002, if the total costs for a given year do not exceed \$1,000, no reimbursement shall be allowed except as otherwise allowed by GC Section 17564. Combined claims may be filed only when the county is the fiscal agent for the special districts. The county shall determine if the submission of a combined claim is economically feasible and shall be responsible for disbursing the funds to each special district. A combined claim must show the individual claim costs for each eligible school district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a special district provides to the county and to the Controller, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim.

GC Section 17564(a) provides that no claim shall be filed pursuant to Sections 17551 and 17561, unless such a claim exceeds one thousand dollars (\$1,000), provided that a county may submit a combined claim on behalf of direct service districts or special districts within their county if the combined claim exceeds \$1,000, even if the individual direct service district's or special district's claim does not each exceed \$1,000. The county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each direct service district or special district. These combined claims may be filed only when the county is the fiscal agent for the districts. A combined claim must show the individual claim costs for each eligible district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a special district provides a written notice of its intent to file a separate claim to the county and to the SCO at least 180 days prior to the deadline for filing the claim.

#### 5. Filing Deadline for Claims

Pursuant to GC Section 17561(d) initial reimbursement claims (first time claims) for reimbursement of costs of a previously unfunded mandated program must be filed within 120 days from the date SCO issues the claiming instructions for the program.

When paying a timely filed claim for initial reimbursement, the Controller shall withhold 20 percent of the amount of the claim until the claim is audited to verify the actual amount of the mandated costs.

All initial reimbursement claims for all fiscal years required to be filed on their initial filing date for a state-mandated local program shall be considered as one claim for the purpose of computing any late claim penalty.

Any claim for initial reimbursement filed after the filing deadline shall be reduced by 10 percent of the amount that would have been allowed had the claim been timely filed. The Controller may

withhold payment of any late claim for initial reimbursement until the next deadline for funded claims unless sufficient funds are available to pay the claim after all timely filed claims have been paid.

In no case may a reimbursement claim be paid if submitted more than one year after the filing deadline specified in the Controller's claiming instructions on funded mandates.

Pursuant to GC Section 17560, annual reimbursement claims (recurring claims) for costs incurred during the previous fiscal year must be filed with SCO and postmarked on or before February 15<sup>th</sup> following the fiscal year in which costs were incurred. Claims for fiscal 2009-10 will be accepted without penalty if postmarked or delivered on before February 15, 2011.

If the annual reimbursement claim is filed after the deadline, but within one year of the deadline, the approved claim must be reduced by a 10% late penalty, not to exceed \$10,000. Amended claims filed after the deadline will be reduced by 10% of the increased amount not to exceed \$10,000 for the total claim. Claims filed more than one year after the deadline cannot be accepted for reimbursement.

Entitlement claims do not have a filing deadline. However, entitlement claims should be filed by February 15<sup>th</sup> to permit orderly processing of the claims.

#### 6. Payment of Claims

In order for the SCO to authorize payment of a claim, the Certification of Claim, form FAM-27, must be properly filled out, signed, and dated by the entity's authorized officer. When using the LGeC system the logon id and password of the authorized officer is used for the signature and is applied by the LGeC system when the claim is submitted. Pursuant to GC 17561(d), reimbursement claims are paid by October 15 or sixty days after the date the appropriation for the claim is effective, whichever is later. In the event the amount appropriated by the Legislature is insufficient to pay the approved amount in full for a program, claimants will receive a prorated payment in proportion to the amount of approved claims timely filed and on hand at the time of proration.

A claimant is entitled to receive accrued interest at the pooled money investment account rate if the payment was made more than 60 days after the claim filing deadline or the actual date of claim receipt, whichever is later. For an initial claim, interest begins to accrue when the payment is made more than one year after the adoption of the program's statewide cost estimate. SCO may withhold up to twenty percent of the amount of an initial claim until the claim is audited to verify the actual amount of the mandated costs.

SCO reports the amounts of insufficient appropriations to the State Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each House of the Legislature, who consider appropriations in order to assure appropriation of these funds in the Budget Act. If these funds cannot be appropriated on a timely basis in the Budget Act, this information is transmitted to the Commission which will include these amounts in its report to assure that an appropriation is sufficient to pay the claims that was included in the next local government claims bill or other appropriation bills. When the supplementary funds become available, the balance of the claims will be paid.

Unless specified in the statutes, regulations, or P's & G's, the determination of allowable and unallowable costs for mandates is based on the P's & G's adopted by the Commission. The determination of allowable reimbursable mandated costs for unfunded mandates is made by the Commission. SCO determines allowable reimbursable costs, subject to amendment by the Commission, for mandates funded by special legislation. Allowable costs are those direct and indirect costs, less applicable credits, considered eligible for reimbursement. In order for costs to be allowable and thus eligible for reimbursement, the costs must meet the following general criteria:

- 1. The cost is necessary and reasonable for proper and efficient administration of the mandate and not a general expense required to carry out the overall responsibilities of government.
- 2. The cost is allocable to a particular cost objective identified in the P's & G's.

3. The cost is net of any applicable credits that offset or reduce expenses of items allocable to the mandate.

The SCO has identified certain costs that, should not be claimed as direct program costs unless specified as reimbursable under the program's P's & G's. These costs include, but are not limited to, subscriptions, depreciation, memberships, conferences, workshops, general education, and travel costs.

#### 7. State Mandates Apportionment System (SMAS)

Chapter 1534, Statutes of 1985, established SMAS, a method of paying certain mandated programs as apportionments. This method is utilized whenever a program has been approved for inclusion in SMAS by the Commission.

When a mandated program has been included in SMAS, the SCO will determine a base year entitlement amount for each local agency that has submitted reimbursement claims, (or entitlement claims), for three consecutive fiscal years. A base year entitlement amount is determined by averaging the approved reimbursement claims, (or entitlement claims), for 1982-83, 1983-84, and 1984-85 years or any three consecutive fiscal years thereafter. The amounts are first adjusted by any change in the IPD, which is applied separately to each year's costs for the three years that comprise the base period. The base period means the three fiscal years immediately succeeding the Commission's approval.

Each local agency with an established base year entitlement for the program will receive automatic annual payments from the SCO reflective of the program's current year costs. The amount of apportionment is adjusted annually for any change in the IPD. If the mandated program was included in SMAS after January 1, 1988, the annual apportionment is adjusted for any change in both the IPD and workload.

For cities and counties, workload means a change in population within their boundaries; for special districts, a change in population of the county in which the largest percentage of the district's population is located.

In the event a local agency has incurred costs for three consecutive fiscal years but did not file a reimbursement claim in one or more of those fiscal years, the local agency may file an entitlement claim for each of those missed years to establish a base year entitlement. An entitlement claim means any claim filed by a local agency with the SCO for the sole purpose of establishing a base year entitlement. A base year entitlement shall not include any non-recurring or initial start-up costs.

Initial apportionments are made on an individual program basis. After the initial year, all apportionments are made by November 30th. The amount to be apportioned is the base year entitlement adjusted by annual changes in the IPD for the cost of goods and services to governmental agencies as determined by the State Department of Finance.

In the event the local agency determines that the amount of apportionment does not accurately reflect costs incurred to comply with a mandate, the process of adjusting an established base year entitlement upon which the apportionment is based is set forth in GC Section 17615.8 and requires the approval of the Commission.

The following programs are placed in SMAS:

Program Name	Chapter/Statute	Program Number
Conservatorship: Developmentally Disabled Adults	Ch. 1304/80	67
Coroners	Ch. 498/77	88
Mentally Retarded Defendants: Diversion	Ch. 1253/80	66

State of California	Local Agencies Mand	ated Cost Manual
Senior Citizens Property Tax Postponement	Ch. 1242/77	18

Listed are state mandated local programs and counties that are entitled to receive automatic apportionments in those fiscal years in which the program is funded.

Counties of:	Ch. 498/77 Coroners	Ch. 1242/77 Senior Citizens Property Tax Postponement	Ch. 1253/80 Mentally Retarded Defendants: Diversion	Ch. 1304/80 Developmentally Disabled Adults: Conservatorship
Alameda		X	Х	Х
Butte		X	Х	х
Calaveras		X	Х	х
Contra Costa		Х	х	Х
El Dorado		Х	Х	Х
Fresno		Х	х	х
Humbolt		Х	х	Х
Kern		x	х	х
Lake		x	x	x
Los Angeles	x	x	x	x
Marin		x	х	х
Mendocino		x	х	х
Monterey		х	х	х
Napa	х	Х	х	х
Nevada		x	х	x
Orange	х	х	х	x
Placer		x	х	x
Plumas		Х	х	х
Riverside		x	х	x
Sacramento		x	х	x
San Bernardino	х	x	х	x
San Diego		х	х	x
San Francisco		x	х	x
San Joaquin	х	x		
San Luis Obispo	х	x	х	x
San Mateo		x	х	x
Santa Barbara		X	X	x
Santa Clara	x	x	X	x
Santa Cruz		x	x	x
Shasta		X	х	х
Solano		х	х	х
Sonoma	Х	Х	x	X
Stanislaus		Х	x	x
Tulare	Х	Х	х	х
Tuolumne		x		

#### State of California

Ventura	Х	Х	Х	Х
Yolo		х	х	Х
Yuba		х		

#### 8. Direct Costs

A direct cost is a cost that can be identified specifically with a particular program or activity. Costs that are typically classified as direct costs are:

#### (1) Employee Wages, Salaries, and Fringe Benefits

For each of the mandated activities performed, the claimant must list the names of the employees who worked on the mandate, their job classification, hours worked on the mandate, and rate of pay. The claimant may, in-lieu of reporting actual compensation and fringe benefits, use a productive hourly rate:

#### (a) Productive Hourly Rate Options

A local agency may use one of the following methods to compute productive hourly rates:

- Actual annual productive hours for each employee
- The weighted-average annual productive hours for each job title, or
- 1,800\* annual productive hours for all employees

If actual annual productive hours or weighted-average annual productive hours for each job title is chosen, the claimant must maintain documentation of how these hours were computed.

- \* 1,800 annual productive hours excludes the following employee time:
- Paid holidays
- Vacation earned
- Sick leave taken
- $_{\odot}$  Informal time off
- $\circ$  Jury duty
- o Military leave taken.

#### (b) Compute a Productive Hourly Rate

1. Compute a productive hourly rate for salaried employees to include actual fringe benefit costs. The methodology for converting a salary to a productive hourly rate is to compute the employee's annual salary and fringe benefits and divide by the annual productive hours.

#### Table 1: Productive Hourly Rate, Annual Salary + Benefits Method

Formula:	Description:	
[(EAS + Benefits) ÷ APH] = PHR	EAS = Employee's Annual Salary	
	APH = Annual Productive Hours	
[(\$26,000 + \$8,099)] ÷ 1,800 hrs = 18.94	PHR = Productive Hourly Rate	

- As illustrated in Table 1, if you assume an employee's compensation was \$26,000 and \$8,099 for annual salary and fringe benefits, respectively, using the "Salary + Benefits Method," the productive hourly rate would be \$18.94. To convert a biweekly salary to Annual Salary, multiply the biweekly salary by 26. To convert a monthly salary to Annual Salary, multiply the monthly salary by 12. Use the same methodology to convert other salary periods.
- 2. A claimant may also compute the productive hourly rate by using the "Percent of Salary Method."

		-
Example:		
<b>Step 1:</b> Fringe Benefits as a Pe Salary	ercent of	Step 2: Productive Hourly Rate
Retirement	15.00 %	Formula:
Social Security & Medicare	7.65	[(EAS x (1 + FBR)) ÷ APH] = PHR
Health & Dental Insurance	5.25	
Workers Compensation	3.25	[(\$26,000 x (1.3115)) ÷ 1,800 ] = \$18.94
Total	31.15 %	
Description:		
EAS = Employee's Annual Salar	у	APH = Annual Productive Hours
FBR = Fringe Benefit Rate		PHR = Productive Hourly Rate

#### Table 2: Productive Hourly Rate, Percent of Salary Method

• As illustrated in Table 2, both methods produce the same productive hourly rate.

Reimbursement for personnel services includes, but is not limited to, compensation paid for salaries, wages and employee fringe benefits. Employee fringe benefits include employer's contributions for social security, pension plans, insurance, worker's compensation insurance and similar payments. These benefits are eligible for reimbursement as long as they are distributed equitably to all activities. Whether these costs are allowable is based on the following presumptions:

- The amount of compensation is reasonable for the service rendered.
- The compensation paid and benefits received are appropriately authorized by the governing board.
- Amounts charged for personnel services are based on payroll documents that are supported by time and attendance or equivalent records for individual employees.
- The methods used to distribute personnel services should produce an equitable distribution of direct and indirect allowable costs.

For each of the employees included in the claim, the claimant must use reasonable rates and hours in computing the wage cost. If a person of a higher-level job position performs an activity which normally would be performed by a lower-level position, reimbursement for time spent is allowable at the average salary range for the lower-level position. The salary rate of the person at the higher-level position may be claimed if it can be shown that it was more cost effective in comparison to the performance by a person at the lower-level position under normal circumstances and conditions. The number of hours charged to an activity should reflect the time expected to complete the activity under normal circumstances and conditions. The numbers of hours in excess of normal expected hours are not reimbursable.

#### (c) Calculating an Average Productive Hourly Rate

In those instances where the claiming instructions allow a unit as a basis of claiming costs, the direct labor component of the unit cost should be expressed as an average productive hourly rate and can be determined as follows:

#### Table 3: Calculating an Average Productive Hourly Rate

	<u>Time</u> <u>Spent</u>	Productive Hourly Rate	Total Cost <u>by Employee</u>
Employee A	1.25 hrs	\$6.00	\$7.50
Employee B	0.75 hrs	4.50	3.38
Employee C	3.50 hrs	10.00	35.00
Total	5.50 hrs		\$45.88
Average Productive Hourly Rate is \$45.88 ÷ 5.50 hrs. = \$8.34			

#### (d) Employer's Fringe Benefits Contribution

A local agency has the option of claiming actual employer's fringe benefit contributions or may compute an average fringe benefit cost for the employee's job classification and claim it as a percentage of direct labor. The same time base should be used for both salary and fringe benefits when computing a percentage. For example, if health and dental insurance payments are made annually, use an annual salary. After the percentage of salary for each fringe benefit is computed, total them. For example:

Employer's Contribution	<u>% to Salary</u>
Retirement	15.00%
Social Security	7.65%
Health and Dental	5.25%
Insurance	0.2070
Worker's Compensation	0.75%
Total	28.65%

#### (e) Materials and Supplies

Only actual expenses can be claimed for materials and supplies, which were acquired and consumed specifically for the purpose of a mandated program. The claimant must list the materials and supplies that were used to perform the mandated activity, the number of units consumed, the cost per unit, and the total dollar amount claimed. Materials and supplies purchased to perform a particular mandated activity are expected to be reasonable in quality, quantity and cost. Purchases in excess of reasonable quality, quantity, and cost are not reimbursable. Materials and supplies withdrawn from inventory and charged to the mandated activity must be based on a recognized method of pricing, consistently applied. Purchases shall be claimed at the actual price after deducting discounts, rebates and allowances received by local agencies.

0.06

0.40 \$0.64

#### (f) Calculating a Unit Cost for Materials and Supplies

0.03

0.10

In those instances where the claiming instructions suggest that a unit cost be developed for use as a basis of claiming costs mandated by the State, the materials and supplies component of the unit cost should be expressed as a unit cost of materials and supplies as shown in Table 1 or Table 2:

2

4

Sector Se				
Supplies	Cost Dor Unit	Amount of Supplies Used	Unit Cost of Supplies	
Supplies	<u>Cost Per Unit</u>	Per Activity	Per Activity	
Paper	0.02	4	\$0.08	
Files	0.10	1	0.10	

#### Table 1: Calculating a Unit Cost for Materials and Supplies

#### Table 2: Calculating a Unit Cost for Materials and Supplies

Supplies	Supplies <u>Used</u>	Unit Cost of Supplies <u>Per Activity</u>
Paper (\$10.00 for 500 sheet ream)	250 Sheets	\$5.00
Files (\$2.50 for box of 25)	10 Folders	1.00
Envelopes (\$3.00 for box of 100)	50 Envelopes	1.50
Photocopies (\$0.05 per copy)	40 Copies	2.00
		\$9.50
If the number of reimbursable instances an	e 25, then the unit cost of	supplies is \$0.38

#### (g) Contract Services

per reimbursable instance (\$9.50 ÷ 25).

Envelopes

Photocopies

The cost of contract services is allowable if the local agency lacks the staff resources or necessary expertise, or it is economically feasible to hire a contractor to perform the mandated activity. The claimant must give the name of the contractor; explain the reason for having to hire a contractor; describe the mandated activities performed; give the dates when the activities were performed, the number of hours spent performing the mandate, the hourly billing rate, and the total cost. The hourly billing rate shall not exceed the rate specified in the claiming instructions for the mandated program. The contractor's invoice, or statement, which includes an itemized list of costs for activities performed, must accompany the claim.

#### (h) Equipment Rental Costs

Equipment purchases and leases (with an option to purchase) are not reimbursable as a direct cost unless specifically allowed by the claiming instructions for the particular mandate. Equipment rentals used solely for the mandate, are reimbursable to the extent such costs do not exceed the retail purchase price of the equipment plus a finance charge. The claimant must explain the purpose and use for the equipment, the

time period for which the equipment was rented and the total cost of the rental. If the equipment is used for purposes other than reimbursable activities, only the prorata portion of the rental costs can be claimed.

#### (i) Capital Outlay

Capital outlays for land, buildings, equipment, furniture and fixtures may be claimed if the claiming instructions specify them as allowable. If they are allowable, the claiming instructions for the program will specify a basis for the reimbursement. If the fixed asset or equipment is also used for purposes other than reimbursable activities for a specific mandate, only the prorata portion of the purchase price used to implement the reimbursable activities can be claimed.

#### (j) Travel Expenses

Travel expenses are normally reimbursable in accordance with travel rules and regulations of the local jurisdiction. For some programs, however, the claiming instructions may specify certain limitations on expenses, or that expenses can only be reimbursed in accordance with the State Board of Control travel standards. When claiming travel expenses, the claimant must explain the purpose of the trip, identify the name and address of the persons incurring the expense, the date and time of departure and return for the trip, description of each expense claimed, the cost of transportation, number of private auto mileage traveled, and the cost of tolls and parking with receipts required for charges over \$10.00.

#### (k) Documentation

It is the responsibility of the claimant to make available to the SCO, upon request, documentation in the form of general and subsidiary ledgers, purchase orders, invoices, contracts, canceled warrants, equipment usage records, land deeds, receipts, employee time sheets, agency travel guidelines, inventory records, and other relevant documents to support claimed costs. The type of documentation necessary for each claim may differ with the type of mandate.

#### 9. Indirect Costs

GC Section 17564(b) provides that claims for indirect costs shall be filed in the manner prescribed by the SCO. Indirect costs (or overhead) are those costs incurred for a common or joint purpose, benefiting more than one program and are not directly assignable to a particular program without efforts disproportionate to the result achieved. Indirect costs may include both (1) the overhead costs for the unit performing the mandate and (2) the costs of central government services distributed through the central service cost allocation plan and not otherwise treated as a direct cost.

Previously, the costs of elected officials were considered expenses related to general government and, thus, were unallowable for reimbursement purposes. Recent interpretation has moved in the opposite direction, except for those items of cost, which are unallowable in the cost principles set forth in Office of Management and Budget Circular (OMB) Circular A-87 (Title 2 CFR Part 225). A cost that is necessary for proper and efficient administration of a program and is identifiable to that program is eligible for consideration as allocable indirect costs. Allocable costs for time spent on programs, must be supported by time record.

Local agencies have the option of using 10% of direct labor as indirect costs or claiming indirect costs through a department's Indirect Cost Rate Proposal (ICRP) for the program prepared in accordance with the provisions of Office of Management and Budget OMB Circular A-87 (Title 2 CFR Part 225.) (Refer to the Appendix-Costs Computation: Indirect Costs). An ICRP must be

prepared if the claim for indirect costs is in excess of 10% of direct salaries; the ICRP must be submitted with the claim.

### A. Fixed 10% Rate Method

Indirect costs may be computed as 10% of direct labor costs, excluding fringe benefits. The use of the 10% rate may benefit small agencies where it is inefficient to prepare an ICRP.

Direct Costs Incurred By	On Be	half of		
	Welfare	Health		
Auditor	Administration	<u>Department</u>		
Warrant Writing:				
A. Salary of employee working	\$5,000	\$1,000		
B. Benefits of above	800	200		
C. Cost of paper	350	100		
D. First-line supervision	3,000	500		
(salaries)				
E. Indirect cost 10% of A + D	800	150		
Total amount charged to benefited				
departments for warrant writing				
services	\$9,950	\$1,950		
Direct Costs Incurred By	On Behalf of			
	Welfare	Health		
Building & Grounds Department	Administration	<u>Department</u>		
Maintenance of Buildings:				
A. Salary of employees	\$1,000	\$500		
performing maintenance				
B. Benefits of above	200	100		
C. Cleaning supplies	250	150		
D. First-line supervision	500	200		
(salaries)				
E. Indirect cost 10% of A + D	150	70		
Total amount charged to				
benefited departments for	<b>*•</b> • • • •	<b>A</b> ( <b>A A A</b>		
building maintenance services	\$2,100	\$1,020		

Any local agency using this method for claiming costs must submit a statement similar to the example above and with supporting data. The cost data required for desk audit purposes are described in the claiming instructions for that mandated program under Salaries and Employee Benefits, Materials and Supplies, Contract Services, Travel Expenses, etc.

## B. Indirect Cost Rate Proposal Method

If a local agency elects not to utilize the 10% fixed rate method but wants to claim indirect costs, it must prepare an ICRP for the program. The proposal must follow the provisions of the Office of Management and Budget (OMB) Circular A-87 (Title 2 CFR Part 225), *Cost Principles for State, Local, and Indian Tribal Governments*. The development of the indirect cost rate

proposal requires that the indirect cost pool include only those costs which are incurred for a common or joint purpose that benefit more than one cost objective. The indirect cost pool may only include costs that can be shown to provide benefits to the program. In addition, total allocable indirect costs may only include costs, which cannot be directly charged to an identifiable cost center (i.e., program).

A method for preparing a departmental indirect cost rate proposal for programs is presented as Exhibit 1. Only this format is acceptable under the SCO reimbursement requirements. If more than one department is involved in the reimbursement program, each department must have their own indirect cost rate proposal for the program.

#### INDIRECT COST RATE PROPOSAL PUBLIC DEFENDER'S OFFICE INVESTIGATION PROGRAM FISCAL YEAR 20\_\_\_20\_\_\_

Exhibit 1

				(B)	(C)		(D)	 Identifiable F	rogram	ı Costs
(A) Description of Cos	ts	Total Costs	-	Excludable Inallowable Costs	 Allowable Indirect Costs		Allowable Direct Costs	estigation C 987.9	A	All Others
Salaries & Benefits Salaries & Wages Overtime Benefits		\$ 1,150,000 20,000 230,000	\$	50,000 (F 0 10,000	 150,000 20,000 30,000	\$	950,000 (F) 0 190,000	 100,000 0 20,000	\$	850,000 0 170,000
Total		\$ 1,400,000	\$	60,000	\$ 200,000	\$	1,140,000	\$ 120,000	\$	1,020,000
Services & Supplies Office Expense Communications Transportation Special Dept Exper Other, Pass Throug Total		\$ 200,000 100,000 120,000 250,000 800,000 1,470,000	\$	10,000 2,000 5,000 0 800,000 817,000	\$ 20,000 10,000 0 0 0 30,000	\$	170,000 88,000 115,000 250,000 0 623,000	\$ 10,000 1,000 5,000 0 0 16,000	\$	160,000 87,000 110,000 250,000 0 607,000
Capital Expenditures		\$ 100,000	\$	100,000						
Total Budgetary Expe		\$ 2,970,000	\$	977,000	\$ 230,000	\$	1,763,000	\$ 136,000	\$	1,627,000
Cost Plan Costs Building Use Equipment Use Data Processing Auditor Personnel Roll Forward Total	Distribution Base (Each line item should be reviewed to see if it benefits the mandate to insure a fair and equitable distribution.)	\$ 50,000 30,000 50,000 20,000 10,000 10,000 170,000 (	\$ E) <u>\$</u>	2,000 1,000 5,000 0 1,000 0 9,000	\$ 6,000 3,000 30,000 20,000 1,000 10,000 70,000	\$	42,000 26,000 15,000 0 8,000 0 91,000	\$ 2,000 1,000 0 1,000 0 4,000	\$	40,000 25,000 15,000 0 7,000 0 87,000
Total Allocable Indirec	t Costs				\$ 300,000 (I	=)				
Distribution of Allocabl Based on Salaries	le Indirect Costs		\$	15,000	\$ (300,000)	, _\$	285,000	\$ 30,000	\$	255,000
Totals		\$ 3,140,000	\$	1,001,000	\$ 0	\$	2,139,000	\$ 170,000	\$	1,969,000

- (1) Notes to Exhibit 1
  - (a) The department's ICRP plan for the distribution of costs to programs must follow the same format as shown on Exhibit 1. Specifically, there must be columns as follows: Description of Costs, Total Cost, Excludable and Unallowable Costs (may be combined or separated), Allowable Indirect Costs, and Allowable Direct Costs (which are further allocated to identifiable programs and other). No other format will be accepted.
  - (b) Excluded costs are all costs that are unallowable and unallocable according to specific guidelines (OMB 2 CFR Part 225 and state laws).

#### Examples:

Contributions and donations: Cost of amusement; social activities and related incidental costs such as meals, beverages, lodging, rentals, transportation and gratuities; and pass through revenues to another unit or organization.

- (c) Allocable indirect costs are costs that are not identifiable to a specific program or cost pool and indirectly benefit all cost pools.
- (d) Direct costs are costs that benefit a specific program or cost pool.
- (e) Overhead costs are distributed to the department in the cost allocation plan, which was prepared in accordance with the OMB 2 CFR Part 225. Use the same year's cost allocation plan for developing the ICRP as the year for which the ICRP is being prepared. Do not include a roll forward adjustment when the program is in its initial year.
- (f) Distribution base for the computation of the indirect cost rate is total salaries and wages.

Total Allocable Direct Costs (direct S&W)	\$950,000
Excluded and Unallowable Costs (direct S&W)	50,000
Distribution Base	\$1,000,000

Therefore, the Indirect Cost Rate for Penal Code 987.9 Program is:

$$ICRP = \frac{Allowable Indirect Costs}{Total Salaries and Wages} = \frac{\$300,000}{\$1,000,000} = 30.00\%$$

## 10. Time Study Guidelines

#### Background

For costs incurred on or after January 1, 2005, a reasonable reimbursement methodology can be used as a formula for reimbursing local agency and school district costs mandated by the state that meets certain conditions specified in GC Section 17518.5(a). These costs can only be substituted for continuous records of actual time spend for a specific fiscal year if the program's P's & G's allow for the use of time studies.

Two methods are acceptable for documenting employee time charged to mandated cost programs: Actual Time Reporting and Time Study, which are described below. Application of time study results is restricted. As explained in Time Study Results below, the results may be projected toward to a maximum of two years provided the claimant meets certain criteria.

# Actual Time Reporting

P's & G's define reimbursable activities for each mandated cost program. When employees work on multiple activities, a distribution of their salaries or wages must be supported by personnel activity reports or equivalent documentation that meets the following standards:

- They must reflect an after-the-fact (contemporaneous) distribution of the actual activity of each employee;
- They must account for the total activity for which each employee is compensated;
- They must be prepared at least monthly and must coincide with one or more pay periods; and
- They must be signed by the employee.

Budget estimates or other distribution percentages determined before services are performed do not qualify as support for time distribution.

## Time Study

In certain cases, a time study may be used to substitute for continuous records of actual time spent on multiple activities and/or programs. An effective time study requires that an activity be a task that is repetitive in nature. Activities that require a varying level of effort are not appropriate for time studies.

# Time Study Plan

A time study plan is necessary before conducting the time study. The claimant must retain the time study plan for audit purposes. The plan needs to identify the following:

- Time period(s) to be studied The plan must show that all time periods selected are representative of the fiscal year, and the results can be reasonably projected to approximate actual costs;
- Activities and/or programs to be studied For each mandated program included, the time study
  must separately identify each reimbursable activity defined in the mandated program's
  parameters and guidelines, which are derived from the program's Statement of Decision. If a
  reimbursable activity in the parameters and guidelines identifies separate and distinct subactivities, these sub-activities must also be treated as individual activities;

For example, sub-activities (a), (b), and (c) under Reimbursable Activity (B)(1) of the local agency's Domestic Violence Treatment Services: Authorization and Case Management program relate to information to be discussed during victim notification by the probation department and therefore are not separate and distinct activities. These sub-activities do not have to be separately studied.

- Process used to accomplish each reimbursable activity Use flowcharts or similar analytical tools and/or written desk procedures to describe the process for each activity;
- Employee universe The employee universe used in the time study must include all positions for which salaries and wages are to be allocated by means of the time study;
- Employee sample selection methodology The plan must show that employees selected are representative of the employee universe, and the results can be reasonably projected to approximate actual costs. In addition, the employee sample size should be proportional to the variation in time spent to perform a task. The sample size should be larger for tasks with significant time variations;

 Time increments to be recorded – The time increments used should be sufficient to recognize the number of different activities performed and the dynamics of these responsibilities. Very large increments (such as one hour or more) might be used for employees performing only a few functions that change very slowly over time. Very small increments (a number of minutes) may be needed for employees performing more short-term tasks.

Random moment sampling is not an acceptable alternative to continuous time records for mandated cost claims. Random moment sampling techniques are most applicable in situations where employees perform many different types of activities on a variety of programs with small time increments throughout the fiscal year.

## Time Study Documentation

Time studies must:

- Be supported by time records that are completed contemporaneously;
- Report activity on a daily basis;
- Be sufficiently detailed to reflect all mandated activities and/or programs performed during a specific time period; and
- Coincide with one or more pay periods.

Time records must be signed by the employee (electronic signatures are acceptable) and be supported by corroborating evidence, which validates that the work was actually performed. As with actual time reporting, budget estimates or other distribution percentages determined before services are performed do not qualify as valid time studies.

#### Time Study Results

Time study results must be summarized to show how the time study supports the costs claimed for each activity. Any variations from the procedures identified in the original time study plan must be documented and explained

Current-year costs must be used to prepare a time study. Claimants may project time study results to no more than two subsequent fiscal years. A claimant may not apply time study results retroactively.

- <u>Annual Reimbursement Claims</u> Claimants may use time studies to support costs incurred on or after January 1, 2005. Claimants may not use time studies for the period July 1, 2004, through December 31, 2004, unless (1) the program's P's & G's specifically allows time studies, and (2) the time study is prepared based on mandated activity occurring between July 1, 2004, and December 31, 2004.
- <u>Initial Claims</u> –When filing an initial claim for new mandated programs, claimants may only use time study results for costs incurred on or after January 1, 2005. Claimants may not use time studies to support costs incurred before January 1, 2005, unless (1) the program's P's & G's specifically allows time studies, and (2) the claimant prepares separate time studies for each fiscal year preceding January 1, 2005, based on mandated activity occurring during those years.

When projecting time study results, the claimant must certify that there have been no significant changes between years in either (1) the requirements of each mandated program activity or (2) the processes and procedures used to accomplish the activity. For all years, the claimant must maintain corroborating evidence that validates the mandated activity was actually performed. Time study results used to support subsequent years' claims are subject to the recordkeeping

requirements for those claims.

## 11. Offset Against State Mandated Claims

When part or all the costs of a mandated program are specifically reimbursable from non-local agency sources (e.g., state, federal, foundation, etc.), only that portion of any increased costs payable from local agency funds is eligible for reimbursement under the provisions of Government Code Section 17561.

#### A. Example 1

This example shows how the offset against state mandated claim is determined for local agencies receiving block grant revenues not based on a formula allocation. Listed below are six situations, which may occur at a local agency level. For hypothetical program costs of \$100,000: (1) through (4) show intended funding at 100% from non-local agency sources and (5) through (6) show cost sharing on a 50/50 basis with the local agency. Of the \$100,000 program cost, \$2,500 is the cost of state mandated activity. Offset against state mandated claims is the amount of actual non-local agency funding which exceeds the difference between program costs and state mandated costs. The offset against state mandated claims can not exceed the amount of state mandated costs. In (4), non-local revenues were fully realized to cover the entire cost of the program, including the state mandate activity; therefore, the offset against state mandated claims is \$2,500. In (1), non-local revenues were less than expected. Non-local agency funding was not in excess of the difference between program costs and state mandated costs. As a result, the offset against state mandated claims is zero and \$2,500 is claimable as mandated costs. In (5), the local agency is sharing 50% of the program cost. Since non-local revenues of \$50,000 were fully realized, the offset against state mandated claims is \$1,250.

	Program <u>Costs</u>	Actual Non-Local Agency <u>Funding</u>	State Mandated <u>Costs</u>	Offset Against State Mandated <u>Claims</u>	Claimable Mandated <u>Costs</u>
A.	Block Grants (f	unding not base	ed on a formula	a allocation)	
1.	\$100,000	\$95,000	\$2,500	\$-0-	\$2,500
2.	100,000	97,000	2,500	-0-	2,500
3.	100,000	98,000	2,500	500	2,000
4.	100,000	100,000	2,500	2,500	-0-
5.	100,000 *	50,000	2,500	1,250	1,250

6. If in (5) the non-local matching share is less than the amount expected, for example \$49,000, the offset against state mandated claims is \$250. Therefore, the claimable mandated costs are \$2,250.

\* Local agency share is \$50,000 of the program costs.

#### B. Example 2

This example shows how the offset against state mandated claims are determined for local agencies receiving special project funds based on approved actual costs. Non-local revenues for special projects must be applied proportionately to approve costs. In (2), the entire program cost was approved. Since the non-local agency source covers 75% of the program cost, it also proportionately covered 75% of the \$2,500 state mandated costs, or \$1,875.

	Program <u>Costs</u>	Actual Non-Local Agency <u>Funding</u>	State Mandated <u>Costs</u>	Offset Against State Mandated <u>Claims</u>	Claimable Mandated <u>Costs</u>
B.	Special Projec	ts (funding based	l on approved a	actual costs)	

1.	\$100,000	\$100,000	\$2,500	\$2,500	\$-0-
2.	100,000 **	75,000	2,500	1,875	625

- 3. If in (2) the non-local matching share is less than the amount expected, because only \$60,000 of the program costs were determined to be valid by the contracting agency, then a proportionate share of state mandated costs is likewise reduced to \$1,500. The offset against state mandated claim is \$1,125. Therefore, the claimable mandated costs are \$375.
- \*\* Local agency share is \$25,000 of the program costs.

With respect to local agencies, the offset against state mandated claims for applicable federal and state local assistance programs includes, but is not limited to, the following funding sources:

#### Federal and State Funding Sources

#### **Governing Authority**

#### **Federal Programs**

Health – Administration					
Public Assistance – Administration					
State Programs					
ealth – Administration					
ublic Assistance - Administration					

## 12. Notice of Claim Adjustment

All claims submitted to the SCO are reviewed to determine if the claim was prepared in accordance with the claiming instructions. Claimants will receive a *Notice of Claim Adjustments* detailing adjustments made by the SCO.

# 13. Audit of Costs

Pursuant to GC Section 17558.5, Subdivision (b), the SCO may conduct a field review of any claim after it has been submitted, prior to the reimbursement of the claim to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with SCO's claiming instructions and the P's & G's adopted by the Commission. If any adjustments are made to a claim, a Notice of Claim Adjustment specifying the claim activity adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within thirty days after payment of the claim.

#### 14. Source Documents

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. These costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification stating, "I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of Code of Civil Procedure Section 2015.5. Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

For costs incurred on or after January 1, 2005, an RRM can be used for reimbursing local agency that meets certain conditions specified in 17518.5(a).

## **15.** Claim Forms and Instructions

A claimant may submit a computer generated report in substitution for Form-1 and Form-2 provided the format of the report and data fields contained within the report are identical to the claim forms included with these instructions. The claim forms provided with these instructions should be duplicated and used by the claimant to file a reimbursement claim. The SCO will revise the manual and claim forms as necessary.

#### A. Form-2, Component/Activity Cost Detail

This form is used to segregate the detail costs by claim component. In some mandates, specific reimbursable activities have been identified for each component. The expenses reported on this form must be supported by the official financial records of the claimant and copies of supporting documentation, as specified in the claiming instructions, must be submitted with the claims.

#### B. Form-1, Claim Summary

This form is used to summarize direct costs by component and compute allowable indirect costs for the mandate. The direct costs summarized on this form are derived from Form-2 and are carried forward to form FAM-27.

#### C. Form FAM-27, Claim for Payment

This form contains a certification that must be signed by an authorized officer of the entity. All applicable information from Form-1 must be carried forward onto this form in order for the SCO to process the claim for payment. An original and one copy of the FAM-27 are required.

Submit a signed original and one copy of form FAM-27, Claim for Payment. To expedite the payment process, please sign the FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.

Use the following mailing addresses:

If delivered by U.S. Postal Service:

If delivered by Other delivery services:

Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting P.O. Box 942850 Sacramento, CA 94250 Office of the State Controller Attn: Local Reimbursements Section Division of Accounting and Reporting 3301 C Street, Suite 700 Sacramento, CA 95816

# 16. Retention of Claiming Instructions

For your convenience, the revised claiming instructions in this package have been arranged in alphabetical order by program name. These revisions should be inserted in the Local Mandated Cost Manual and the old forms they replace should be removed. The instructions should then be retained for future reference, and the forms should be duplicated to meet your filing requirements. Annually, updated forms and any other information or instructions claimants may need to file claims, as well as instructions and forms for all new programs released throughout the year will be placed on the SCO's web site at www.sco.ca.gov/ard\_mancost.html.

If you have any questions concerning mandated cost reimbursements, please write to us at the address listed for filing claims, send e-mail to Irsdar@sco.ca.gov, or call the Local Reimbursements Section at (916) 324-5729.

## 17. Retention of Claim Records and Supporting Documentation

Pursuant to GC Section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by local agency pursuant to this chapter is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds were appropriated or no payment was made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit will be completed not later than two years after the date that the audit is commenced. All documents used to support the reimbursable activities must be retained during the period subject to audit. If the Controller has initiated an audit during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings. Supporting documents shall be made available to SCO on request.

### DEPARTMENT OF PERSONNEL ADMINISTRATION RULES

#### **Moving and Relocation Expenses**

#### Effective January 1, 2010

#### 599.714.1 Scope

(a) Whenever a permanent state officer or employee is required by any appointing power because of a change in assignment promotion or ot her reason related to h is/her d uties, to change his/her place of residence, such officer, agent or employee shall receive reimbursement of h is/her actual and necessary moving and relocation expenses incurred by him/her both before and after and by reason of such change of residence, subject to the provisions and limitations of this article.

(b) For the purposes of this article, a move occurs on the official reporting date to the new headquarters, and when a change in residence is reasonable to be required. Relocation shall be paid, when the following conditions are met:

(1) The officer's or employees officially designated headquarters is changed for the advantage of the State, which includes the following:

(A) A promotion of fered by any appointing authority, not including those movements that the employee could make through transfer, reinstatement, or reemployment eligibility; or

(B) An involuntary transfer initiated by and at the discretion of the appointing authority,

(C) Any involuntary transfer required to affect a mandatory reinstatement following:

- (I) Termination of a career executive or exempt appointment
- (II) Leave of absence
- (III) Rejection from probation

(D) A ny involuntary t ransfer r equired t o af fect a mandatory r einstatement f ollowing t he ex piration or involuntary termination of a temporary appointment, limited term appointment, or training and development assignment when:

(I) the employee did not relocate to accept the appointment or assignment, or

(II) the employee did relocate, at State expense, to accept the appointment or assignment

(2) The move must be a minimum of 50 miles plus the number of miles between the old residence and the old headquarters.

(3) R elocations that meet the above criteria will be fully reimbursed to the extent and limitations in this article.

(c) A change of residence is not deemed reasonable to be required for voluntary transfers or permissive reinstatements, with or without a s alary increase, in r esponse t o g eneral r equests which s pecify that moving and relocation expenses will not be paid, or for any non-promotional transfer which is primarily for the benefit of the officer or employee.

(d) When an appointment does not meet the criteria in (a) and (b) the appointing power may, at his/her discretion, determine in advance that it is in the best interest of the State to reimburse all or part of the actual reasonable and necessary relocation expenses provided in this article as an incentive to recruit employees to positions that are designated by the appointing power as difficult to fill or because of outstanding qualifications of the appointee, or due to unusual and unavoidable hardship to the employee by reason of the change of residence.

(1) R elocations t hat m eet this c riteria s hall b e r eimbursed on ly f or t he i tems in t his ar ticle s pecifically authorized by the appointing power, and may be subject to further limitations designated by the appointing power.

(2) Upon determination that any reimbursement will be made, the appointing power shall:

(A) Determine which provisions will apply to the relocation and establish any additional limitations to those provisions such as dollar limits, weight limits, or time limits.

(B) Notify the employee in writing, of specific allowable reimbursements prior to the move.

(e) Requirements and limitations specified in this article may not be waived or exceeded by the appointing power.

(f) Unauthorized relocation expenses and relocation expenses incurred prior to receipt of a written notice of allowable relocation expenses are the responsibility of the employee.

#### 599.715.1 Reimbursement for Miscellaneous Expenses-Excluded Employees

An officer or employee who is required to change his/her place of residence according to Section 599.714.1 m ay r eceive r eimbursement for up t o \$200 f or miscellaneous ex penses upon s ubmittal of documentation of the payment of all such expenses and c ertification that the expenses were r elated to dissolution to the old household an d/or the establishment of a new household and were n ot otherwise reimbursed.

(a) Reimbursement for the installation and/or connection of appliances or an tennas purchased after the change of residence shall be allowed provided no claim is made for installation and/or connection of a similar item in the movement of household goods, and installation and/or connection occurs within sixty days of the establishment of a new residence.

(b) Deposits are not reimbursable.

NOTE: A uthority c ited: Sections 19815.4(d), 19816 and 19820, G overnment C ode. Reference: Section 19841, Government Code.

#### 599.716.1 Reimbursement for Sale of a Residence

(a) Whenever an officer or employee is required, as defined in <u>Section 599.714</u>, to change his/her officially designated h eadquarter a nd s uch c hange r equires t he s ettlement of a lease on the employee's old residence, t he of ficer or em ployee s hall r eceive t he ac tual a nd n ecessary c osts of settlement of t he unexpired lease to a maximum of one year.

(b) Reimbursement shall not be allow if it is determined that the officer or employee knew or reasonably should have known that a transfer according to <u>Section 599.714</u> was imminent before entering into a lease agreement.

(c) Claims for settlement of a lease shall be documented and itemized and submitted within six months following the new reporting date except that the Director of the Department of Personnel Administration may grant an extension of not more than three months upon receipt of evidence warranting such extension prior to the expiration of the six-months period.

(1) The claim may be a s igned a greement between the officer or employee and the lessor or it may be made unilaterally by the officer or employee.

(2) In no event shall the final settlement by the State exceed one year's rent nor shall it include any costs, deposits or fees.

#### 599.717.1 Settlement of a Lease-Excluded Employee

(a) Whenever an officer or employee is required, as defined by <u>Section 599.714.1(a)</u> to change his/her place of residence and such change requires the settlement of a lease on the employee's old residence, the officer or employee shall receive the actual and necessary cost of settlement of the unexpired lease to a maximum of one year. In no event shall the lease settlement include any costs, deposits or fees.

(1) Reimbursement shall not be allowed if it is determined that the officer or employee knew or reasonably should have known that a transfer according to <u>Section 599.714.1</u> was imminent before entering into a lease agreement.

(2) Claims for settlement of a lease shall include a lease agreement signed by both the employee and the lessor, and shall be itemized and submitted within nine months following the new reporting date.

(b) If an employee is required under 599.714.1(a) to change his/her place of residence and such notice to the employee is insufficient to provide the employee the notice period required by a month to month rental agreement, r eimbursement may be claimed for the number of days penalty paid by the employee to a maximum of 30 calendar days.

(1) R eimbursement s hall not be allowed for days t hat t he em ployee f ailed t o no tify the I andlord after notification by the employer of the reassignments.

(2) Claims shall be accompanied by a copy of the rental agreement, an itemized receipt for the penalty and the name and address of the individual or company to which the rental penalty has been paid.

(c) N o reimbursement shall be m ade for f orfeiture of c leaning or security deposits, or for r epair, replacement, or damages of rental property.

#### 599.718.1 Expenses for Moving Household Effects

(a) For the purpose of these regulations, ho usehold or personal effects include items such as furniture, clothing, musical instruments, household appliances, food, and other items that are usual or necessary for the maintenance of one household.

(b) H ousehold effects s hall no t i nclude items c onnected t o a f or pr of t bus iness, i tems from anot her household, items that are permanently affixed to the property being vacated or items that would normally be discarded or recycled.

(c) At the discretion of the appointing power, other items may be considered household effects based on a consideration of t he es timated c ost of t he m ove and a r eview of t he i tems I isted o n t he i nventory. Expenses related to moving items other than those described in (a) that have not been approved by the appointing power shall be the responsibility of the employee.

NOTE: A uthority c ited: Sections 19815.4(d), 19816 and 19820, G overnment C ode, R eference: S ection 19841.

#### 599.719.1 Reimbursement for Moving Household Effects

Reimbursement s hall be allowed f or t he c ost of moving a n em ployee's effects ei ther via c ommercial household goods carrier or by the employee. Reimbursements under this rule shall not exceed the cost of moving the employee's household goods from the old residence to the new headquarters plus 50 m iles unless the app ointing aut hority d etermines t hat a l onger m ove is in the best interest of the S tate. Any additional expense associated with an interstate or intercountry move shall be approved in advance by the appointing power. No reimbursement will be allowed for the hiring of casual labor.

(a) When the employee retains a commercial mover, reimbursement for actual and necessary expenses incurred by a commercial mover under this article for the packing, insurance, one pickup, transportation, storage-in-transit (not including warehouse h andling charges except when required by interstate t ariffs), one delivery, unpacking, and installation at the new location of an employee's household effects shall be allowed subject to the following:

(1) Weight of household effects for which expenses may be reimbursed shall not exceed 5,000 kilograms (11,000 pounds).

(2) Duration of storage-in-transit for which charges may be reimbursed shall not exceed 60 calendar days unless a longer period of storage is approved in advance by the appointing authority based on hardship to the employee.

(3) Rates at which reimbursement is allowed shall not exceed the minimum rates, at the minimum declared valuation, established by the California Public Utilities Commission for household goods carriers, unless a higher rate is approved by the Department of General Services.

(4) Cost of insurance for which reimbursement is allowed shall not exceed the cost of insurance coverage at \$2.00 valuation for each pound of household effects shipped by household goods carrier.

(5) Claims for exceptions to the 11,000 pounds statutory limit will be considered by the appointing authority up to a maximum of 23,000 pounds, only when it has been determined that every reasonable effort had been made to conform to the limit. Exceptions to the number of pick-ups and deliveries may be made by the appointing power when it is reasonably necessary and in the best interest of the state.

(b) When the employee does not retain a commercial mover, reimbursement shall be allowed as follows for expenses related to the movement by the employee of his/her household effects in a truck or trailer.

(1) Rental of a truck or trailer from a commercial establishment. When not included in the truck rental rate, the cost of gasoline, rental of furniture, dolly, packing cartons and protective pads will be reimbursed. If the total costs exceed \$1,000 the claim must be accompanied by at least one written commercial rate quote. Reimbursement will be made at the rate (including gasoline) which results in the lowest cost; or

(2) Mileage reimbursement at the rates provided in Section or 599.631.1 (b) for noncommercial privately owned motor vehicles used in transporting the employee's household effects.

(3) Reimbursement for more than one trip by the method described in (b)(1) or (2) above may be allowed if the employee's agency has determined that the total cost would be less than the cost of movement by a commercial household goods carrier.

(c) If hous ehold go ods are m oved exclusively in the employee's personal vehicle, r eimbursement for mileage may be claimed at the State mileage rate. No other mileage or moving expense shall be allowed.

(d) All claims for the reimbursement of the movement of household goods require receipts. Unless an exception is granted by the appointing authority, claims shall be submitted no later than 2 years and 60 days from the effective date of appointment or 15 days prior to voluntary separation, whichever is first.

#### 599.720.1 Reimbursement for Movement of a Mobile Home

For the movement of a mobile home, which contains the household effects of an officer or employee, and has served as the employee's residence at the previous location at the time of notification of relocation, reimbursement will be allowed as follows:

(a) Where transportation of the trailer coach is by a commercial mobile home transporter and receipts are submitted:

(1) For tolls, taxes, charges, fees, or permits fixed by the State or local authority required for the transportation or assembly or trailer coaches actually incurred by the employee.

(2) C harges for disassembly and as sembly of the trailer, including but not I imited to, disassembly and assembly of trailer, s kirt, aw nings, por ch, the trailer coach itself, and other m iscellaneous documented, itemized expenses related to the dissolution of the old household and/or the establishment of the new household, up to \$2,500 unless an exception is approved by the appointing power.

(3) Reimbursement will be allowed for the actual cost supported by voucher and installation of wheels and axles necessary to comply with the requirements of Chapter 5, Article 1 of the California Vehicle Code.

(4) Three competitive bids shall be obtained and reimbursement will be approved at the lowest bid. Based on information documenting the attempt to obtain three bids as provided by the employee, the appointing power may waive the three-bid requirement.

(5) Reimbursement received under this section precludes any additional reimbursement for miscellaneous expenses under Section 599.715.1.

(6) Movement of the trailer coach at rates exceeding the minimum rates established by the California Public Utilities Commission for mobile home transporters:

(7) Charges at P. U. C. minimum rates to obtain permits identified above:

(8) S torage-in-transit f or up t o 60 c alendar days at P.U.C. m inimum r ates, unl ess an extension is approved by the appointing authority.

(b) Where transportation of the coach is by an employee, expenses may be claimed for a one-way trip by submitting gasoline receipts.

(c) Reimbursement will not be allowed for :

(1) P urchase of parts and m aterials except for t hose i tems necessary to c omply with the m inimum requirements of the California Administrative Code, Title 25, Chapter 5.

(2) Repairs including tires and tubes, and breakdown in transit.

(3) Costs associated with maintenance or repair of the trailer coach.

(4) C osts f or s eparate s hipment of hous ehold go ods c arrier un less t hat is determined to be t he m ost economical method of transport.

(5) Costs associated with the movement or handling of permanent structures.

(d) All claims related to the movement of a trailer coach and the household goods therein require receipts and shall be submitted no later than 2 years and 60 days from the effective date of appointment, or 15 days prior to the voluntary separation, whichever is first. No extension will be granted.

#### 599.722.1 Relocation Subsistence Reimbursement and Mileage

(a) If eligible under Section 599.714(a), an officer or employee shall be reimbursed for actual lodging, supported by a receipt, and meal and incidental expenses in accordance with and not to exceed the rate established in S ection 599.619(a)(1) and (2), while locating a permanent residence at the new location. Employees who do not furnish receipts for lodging may be r eimbursed for noncommercial meals and noncommercial lodging in accordance with 599.619(b). A permanent residence is typically an abo de t hat is pur chased, or rented on a m onthly bas is, of a t ype t hat provides long-term living accommodations, where any utilities are hooked up (gas, electric, cable, phone), and mail is delivered.

(1) Reimbursement may be claimed for up to 60 days, except an extension of up to 30 days may be granted when the Appointing power has determined in advance that the delay of change of residence is a r esult of unus ual and una voidable c incumstances that are b eyond the c ontrol of the officer or employee. The maximum reimbursement to be received by said officer, or employee shall not exceed the equivalent dollar amount of 60 days of full meals, incidentals, and receipted lodging.

(2) Interruptions in relocation caused by sick leave, vacation or other authorized leaves of absence shall be reimbursable at the option of the employee providing the employee remains at the new location and is actively seeking a permanent residence.

(3) The relocation subsistence reimbursement shall terminate immediately upon establishment of a permanent residence. The appointing power shall determine when a permanent residence has been established.

(4) Partial days shall count as full days for the purpose of computing the 60-day period.

(b) Upon approval of the Appointing Power, meals and/or lodging expenses, for up to fourteen days, arising from trips to the new location for the sole purpose of locating housing shall be reimbursed in accordance with S ection 599. 619(a)(1) and (2), or 599. 619(c)(1) or 599. 619(d). Claims f or reimbursement of meals/lodging expenses in this i tem are limited to those incurred after receipt of formal written authorization for relocation and prior to the effective date of appointment.

The period claimed should be included in the computation of the 60-day relocation period.

(c) Reimbursement for travel from the old residence to the new headquarters may be claimed one way one time and shall not exceed the mileage rate allowed in 599.631(a).

Note: A uthority cited: S ection 35 39.5, Government C ode. Reference: S ection 198 41, G overnment Code.

#### 599.724.1 Payment of Claims for Moving and Relocation Expenses

(a) T he D epartment of P ersonnel A dministration s hall b e r esponsible f or pr escribing a ny s pecific procedures necessary for effective and economical operation of this article. Claims shall be made on authorized f orms, s cheduled in the normal manner and s ubmitted t hrough r egular c hannels t o t he State Controller for payment. All claims must be substantiated by invoices, receipts, or other evidence for each item claimed.

(b) Agencies may contract directly with the carrier for movement of household effects of officers and employees at state expense, subject to the same restrictions as if the shipment was arranged by the officer or employee and reimbursed by the State.

(c) If the change in residence results in the salary of the officer or employee being paid by a different appointing power, all allowable moving and relocation expenses shall be paid by the new appointing power except where the old appointing power agrees to p ay all or p art of the expenses allowable under this Article.

(d) Each department shall be responsible for insuring that upon notice to the employee of an impending move a copy of these rules shall be given to the officer or employee.

(e) When ex ceptions have been granted by a nap pointing a uthority, the written justification of those exceptions shall be maintained with the applicable claims.

#### 599.619 Reimbursement for Meals and Lodging

The employee on travel status shall be reimbursed actual expenses for receipted lodging, and for meals and incidentals as provided in this section, unless directed to travel under the provision of 599.624.1. Lodging an d/or meals provided by the S tate or included in hotel expenses or c onference f ees, or in transportation costs such as airline tickets, or otherwise provided shall not be claimed for reimbursement. Snacks and continental breakfasts, such as rolls, juice and coffee, are not considered to be meals. The circumstances of travel will determine the rate allowed.

(a) Short-term Travel. Reimbursement for short-term subsistence will be aut horized on ly when the traveler incurs expenses arising from the use of reasonable, moderately priced commercial lodging and m eal es tablishments, s uch as hot els, m otels, bed a nd breakfast i nns, c ampgrounds, restaurants, cafes, diners, etc., that cater to the general public. Employees who stay with friends or relatives m ay c laim meals onl y i n ac cordance with the r ates a nd t ime frames s et f orth bel ow. Lodging receipts are required. The short-term rate is intended for trips of such duration that weekly or monthly rates are not obtainable and will be discontinued after the 30th consecutive day assigned to one location unless an extension has been previously documented and approved by the appointing power. In extending short-term travel, the appointing power shall consider the expected remaining length of travel assignment.

(1) In computing reimbursement for continuous short-term travel of m ore than 24 h ours and less than 31 consecutive days, the employee will be reimbursed for actual costs up to the m aximum allowed for each m eal, i ncidental, and lodging expense for each complete 24 h ours of travel, beginning with the traveler's time of departure and return, as follows:

(A) On the first day of travel on a trip of 24 hours or more:

Trip begins at or before 6am:	breakfast may be claimed on the first day
Trip begins at or before 11am:	lunch may be claimed on the first day
Trip begins at or before 5pm:	dinner may be claimed on the first day
(B) On the fractional day of travel at the end of the	trip of more than 24 hours:
Trip ends at 8 am:	breakfast may be claimed
Trip ends at or after 2pm:	lunch may be claimed

Trip ends at or after 7pm: dinner may be claimed

If the f ractional day includes an overnight stay, receipted I odging may be claimed. No meal or lodging expense may be claimed or reimbursed more than once on any given date or during any 24-hour period.

(C) Reimbursement shall be for actual expenses, subject to the following maximum rates:

Meals:

Breakfast	\$ 6.00
Lunch	\$10.00
Dinner	\$18.00
Incidentals	\$ 6.00

Receipts for meals must be maintained by the employee as substantiation that the amount claimed was not in excess of the amount of actual expense. The term incidentals includes but is not limited to expenses for laundry, cleaning and pressing of clothing, and fees and tips for services, such as for porters and b aggage c arriers. It does not include t axicab f ares, I odging t axes or t he c osts o f telegrams or telephone calls.

#### Lodging

Statewide, with receipts. Actual up to \$84.00 plus tax

When employees are required to do business and obtain lodging in the Counties of Los Angeles and San Diego and an actual lodging up to \$110.00 plus tax.

When employees are required to do business and obtain lodging in the Counties of Alameda, San Francisco, San Mateo and Santa Clara, actual lodging up to \$140.00 plus tax.

If lodging receipts are not submitted, reimbursement will be for actual expenses for meals/incidentals only at the rates and time frames set forth in this section.

(2) In computing reimbursement for continuous travel of less than 24 hours, actual expenses, up to the m aximums i n ( C) abov e, will be r eimbursed f or br eakfast and/ or di nner and/ or lodging i n accordance with the following time frames:

Travel begins at or before 6 a.m. and ends at or after 9 a.m.: Breakfast may be claimed

Travel begins at or before 4 p.m. and ends at or after 7 p.m.: Dinner may be claimed

If the trip of less than 24 hours includes an overnight stay, receipted lodging may be claimed.

No lunch or incidentals may be reimbursed on travel of less than 24 hours.

(b) Long-term Travel. Reimbursement for long-term meals and receipted lodging will be authorized when the traveler incurs expenses in on e location comparable to those arising from the us e of commercial establishments catering to the long-term visitor. Meals and/or lodging provided by the State s hall not b e claimed for r eimbursement. With approval of the appointing po wer and upon meeting the criteria in (3) below, an employee on long-term field as signment who is living at the long-term location may claim either:

(1) \$24.00 for meals and incidentals and up to \$24.00 for receipted lodging for travel of 12 hours up to 24 hours; either \$24.00 for meals or up to \$24.00 for receipted lodging for travel less than 12 hours, or

(2) Reimbursement for actual individual expense, substantiated by receipts for lodging, utility, gas, and electricity, up to a maximum of \$1,130.00 per calendar month while on a long term assignment, and \$10.00 for incidentals, without receipts, for each period of 12 to 24 hours; \$5.00 for meals and incidentals for periods of less than 12 hours at the long term location.

(3) To claim expenses under either (1) or (2) above, the employee must meet the following criteria:

(A) The employee continues to maintain a permanent residence at the primary headquarters and

(B) The permanent residence is occupied by the employee's dependents, or

(C) The permanent residence is maintained at a net expense to the employee exceeding \$200 per month.

(D) The employee must submit substantiating evidence of these conditions to the appointing power in accordance with its requirements.

(4) Employees who do not meet the criteria to claim (1) or (2) above may claim \$12.00 for meals and incidentals and \$12.00 for receipted I odging for every 12 to 24 hours at the long term I ocation; \$12.00 for meals or \$12.00 receipted I odging for periods of I ess than 12 hours at the long term location.

(5) With the approval of the appointing power, the reimbursement of long term lodging may continue when t he em ployee is a way from t he long t erm location on s hort t erm bus iness t ravel or other absences from the location as approved by the appointing authority.

(c) Out-of-State Travel. Out-of-State travel is any kind of travel outside the State of California for the purpose of conducting bus iness outside the State of California. For short-term out-of-state travel, employees will be reimbursed for actual lodging expenses, supported by receipt, and will be reimbursed for meal and i ncidental expenses as defined in section <u>599.619(a)</u>. Failure to furnish lodging receipts will limit reimbursement to meals only at the rates specified in (a). Long-term out-of-

state travel will be reimbursed according to <u>Section 599.619(c)</u>.

(d) O ut-of-Country T ravel. For s hort-term out-of-country t ravel, employees will be r eimbursed f or actual lodging expenses, supported b y a r eceipt, and will be r eimbursed f or ac tual m eal a nd incidental expenses subject to maximum rates in accordance with the published Government meal and incidental rates for foreign travel for the dates of travel. Failure to furnish lodging receipts will limit reimbursement to meals only in accordance with the published Government meals and incidental rates for foreign travel. Long-term out-of-country t ravel will be r eimbursed ac cording t o <u>Section 599.619(a)</u> through (c).

(e) Exceptions to reimburse in excess of the maximum lodging rate cited in (a) of this rule may be granted by the Appointing Power only in an emergency, or when there is no lodging available at the State maximum rate or when it is cost effective. The Appointing Power shall document the reasons for each exception and shall keep this documentation on file for three calendar years from the date of the exception.

NOTE: Authority cited; sections 3539.5, 19815.4(d), 19816 and 19820, Government Code. Reference:

Sections 3527(b) and 11030, Government Code.

#### 599.631 TRANSPORTATION BY PRIVATELY OWNED AUTOMOBILE

(a) Where the employee is authorized to use a privately owned automobile on official state business the reimbursement r ate s hall be u p t o 50 cents per m ile. Claims f or r eimbursement f or pr ivate vehicle expenses must include the vehicle license number and the name of each state officer, employee, or board, commission, or a uthority, member transported on the trip. No reimbursement of transportation expense shall be allowed any passenger in any vehicle operated by another state officer, employee, or member.

(1) Expenses arriving from travel between home and headquarters or garage shall not be allowed, except as provided in 599.626(d)(2) or 599.626.1(c), regardless of the employee's normal mode of transportation.

(2) When a trip is commenced or terminated at a claimant's home on a regularly scheduled work day, the distance traveled s hall be c omputed from either his or her residence or he adquarters, whichever s hall result in the lesser distance except as provided in 599.626.1(c).

(3) However, if the employee commences or terminates travel on a regularly scheduled day off, mileage may be computed from his or her residence.

(b) Where the employee's us e of a pr ivately owned automobile is authorized for travel to or from a common carrier terminal, and the automobile is not parked at the terminal during the period of travel, the employee may claim double the number of miles between the terminal and the employee's headquarters of residence, whichever is less, at a r ate defined in section 599.631(a), while the employee oc cupies the automobile for the distance between the terminal and his or her residence or headquarters. If the employee commences or terminates travel one hour before or after his/her regularly scheduled work day, or on a regularly scheduled day off, mileage may be computed from his/her residence.

(c) All ferry, bridge, or toll charges while on state business will be allowed with any required receipts.

(d) All necessary parking charges while on state business will be allowed, with any required receipts, for:

(1) Day parking on trips away from the headquarters office and employee's primary residence.

(2) Overnight parking on trips away from the headquarters and employee's primary residence, except that parking shall not be claimed if expense-free overnight parking is available.

(3) Day parking adjacent to either headquarters office, a temporary job site, or training site, but only if the employee had other reimbursable private or state automobile expenses for the same day. An employee may not prorate weekly or monthly parking fees.

(e) Gasoline, maintenance, and automobile repair expenses will not be allowed.

(f) The mileage reimbursement rates include the cost of maintaining liability insurance at the minimum amount prescribed by a law and collection insurance sufficient to cover the reasonable value of the automobile, less a deductible. When a privately owned automobile operated by a state officer, agent, or employee is damaged by collision or is otherwise accidentally damaged, reimbursement for repair or the deductible to a maximum of \$500.00 will be allowed if:

(1) T he dam age oc curred while t he aut omobile was us ed on of ficial business b y p ermission or authorization of the employing agency; and

(2) The automobile was damaged through no fault of the state officer, agent, or employee; and

(3) The amount claimed is an actual loss to the state officer, agent, or employee, and is not recoverable directly from or through the insurance coverage of any party involved in the accident; and

(4) The loss claimed does not result from a decision of a state officer, agent, or employee not to maintain collision coverage; and

(5) The claim is processed in accordance with the procedures prescribed by the Department of Personnel Administration.

(g) S pecialized V ehicles. An em ployee with a ph ysical di sability who m ust oper ate a m otor v ehicle o n official state business and who can operate only specially equipped or modified vehicles may claim a rate of 34 c ents per m ile without c ertification and u p to 37 c ents per m ile with c ertification. Where t ravel is authorized to and from a common carrier terminal, as specified in section 599.631(b) the employee may compute the mileage as defined i n S ection 59 9.631(b). Supervisors ap proving t hese c laims must determine the employee's need for the use of such vehicles.

#### AUTHORIZED RELOCATION EXPENSES

<u>Per Diem</u> - Employees may claim up to 60 days while at the new location until a new permanent residence is found. Specific per diem allowance for excluded employee are attached. Extensions of the per diem may be gr anted by t he D epartment of P ersonnel A dministration if t he em ployee s uffers unus ual hardship. Requests for extensions must be submitted to the Relocation Liaison, on a Std. 256 prior to the expiration of the 60 day period. The Relocation Liaison will review the Std. 256 for completeness then forward to the Department of Personnel Administration.

<u>Shipment of Household Goods</u> - The State will pay for the packing, transportation, insurance, storage-intransit, unpacking and installation of employee's household effects. The employer will issue the relocating employee a "Moving Service A uthorization" which the employee will give to a ny licensed mover. The Moving Service Authorization a uthorizes the mover to bill the State directly. There is no actual do llar limitation, (the State only pays minimum tariff rates), however there is an 11,000 pound weight limit. If the mover estimates the weight of the household goods to be more than 11,000 pounds, the employee should immediately submit a Std. 256 with the mover's estimate to the Relocation Li aison. The D epartment of Personnel A dministration may approve excess weight provided the employee requests the exception in advance of the actual move.

The State will not pay for the shipment of the following prohibited items:

Automobiles other motor vehicles farm tractor, implements and equipment trailers with or without other property boats all animals, livestock, or pets belongings which are not the property of the immediate family of the officer or employee be longings related to commercial enterprises enga ged in by the officer or employee firewood, fuels bricks, sand ceramic wall tile wire fence or other building materials wastepaper and rags.

<u>Storage in Transit</u> - The State will pay for the storage of household goods for up to 60 days. Storage is limited to 11,000 pounds of household goods unless the excess weight has been previously approved by DPA. The storage company should bill the State directly using the authorization of the Moving Service Authorization. Miscellaneous items taken out of storage prior to the moving company delivering all household goods is not reimbursable and must be paid by the employee.

<u>Sale of Residence</u> - The State will pay for certain costs associated with the sale of the employee's dwelling which was his/her residence at the time of notification of the transfer.

Reimbursable costs are:

Brokerage Commission, Escrow fees, Title insurance, Prepayment penalties, Local taxes, charges or fees required to consummate the sale. Miscellaneous sellers costs up to \$200.00.

Nonreimbursable Costs are:

Seller's Points, Property tax, Repair work and re-inspection fees.

Excluded employees have two years from the reporting date at the new headquarters to submit a claim for

reimbursement of seller's costs. There is no extension of the time limit for Non-represented employees.

<u>Settlement of a Leas e</u> - The State will pay for the settlement of a lease which was entered into prior to notification of the transfer. Claims for payment of the lease settlement must be submitted within 9 months from the reporting date at the new headquarters.

<u>Movement of a Trailer Coach</u> - The State will pay for the actual cost of transporting the mobile home to the new location plus up to \$2,500 for disassembly and assembly of the trailer. Request for reimbursement in excess of \$2,500 must be submitted to DPA on a Std. 256 prior to the move; approval will only be given for the lowest of three bids. Household goods must be shipped in the mobile home unless DPA approves a separate shipment.

<u>Miscellaneous</u> - There is a \$200.00 miscellaneous allowance with documentation and certification, which is intended to assist the employee in establishing the new household. This allowance should be used to pay utility installation fees, appliance hook-up fees and the like. It is appropriate to use this allowance for cable hook-up. This allowance may not be us ed to satisfy deposit requirements. The allowance may not be claimed if moving a mobile home; hook-up, etc., are included in the mobile home set-up charge.

<u>Mileage</u> - The employee may be r eimbursed 50 cents per mile f or one v ehicle t o make one -way t rip between the old residence and the new residence effective January 1, 2010. Anything over locating cents is considered taxable income.

Private car mileage for the purpose of locating housing at the new location is not reimbursable.

EXPENSES INCURRED PRIOR TO THE OFFICIAL TRANSFER CANNOT BE CLAIMED.

# OFFICE OF THE STATE CONTROLLER STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2010-17 ANIMAL ADOPTION

# NOVEMBER 15, 2010

# Reimbursable Period: July 1, 2009 through July 27, 2009

In accordance with Government Code (GC) Sections 17560 and 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of state mandated cost programs. The following are claiming instructions and forms that eligible claimants must use for filing claims for the Animal Adoption program. These claiming instructions are issued subsequent to adoption of the program's Parameters and Guidelines (P's & G's) by the Commission on State Mandates (Commission). The P's & G's are included as an integral part of the claiming instructions.

On January 25, 2001, the Commission determined that Chapter 752, Statutes of 1998, established costs mandated by the State according to the provisions listed in the P's & G's which are included as an integral part of the claiming instructions.

# **Requirements, Limitations, and Exceptions**

Refer to exclusions listed in the P's & G's as follows: Page 10 - 12, for Care and Maintenance; page 15 for Population Exclusions; and page 16 for Veterinary Exclusions.

# **Eligible Claimants**

Any city, county, dependent special district, or joint powers authority comprised of a city, county, and/or city and county that incurs increased costs, as a direct result of this mandate is eligible to claim reimbursement of these costs.

# Filing Deadlines

# A. Reimbursement Claims

Costs incurred for compliance with this mandate are reimbursable for the period July 1, 2009 through July 27, 2009. Claims must be filed with the SCO and be delivered or postmarked on or before February 15, 2011. Claims filed after February 15, 2011, are subject to a late penalty. Claims filed more than one year after the applicable deadlines will not be accepted.

# **B.** Late Penalty

## 1. Initial Claims

Late initial claims are assessed a late penalty of 10% of the total amount of the initial claims without limitation.

## 2. Annual Reimbursement Claims

Annual reimbursement claims must be filed by February 15 of the following fiscal year in which costs were incurred or the claims will be reduced by a late penalty.

Late annual reimbursement claims are assessed a late penalty of 10% of the claim amount; \$10,000 maximum penalty.

# **Minimum Claim Cost**

GC Section 17564(a) provides that no claim may be filed pursuant to Sections 17551 and 17561, unless such a claim exceeds one thousand dollars (**\$1,000**), provided that a county may submit a combined claim on behalf of direct service districts or special districts within their county if the combined claim exceeds **\$1,000**, even if the individual direct service district's or special district's claim does not each exceed **\$1,000**. The county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each direct service district or special district. These combined claims may be filed only when the county is the fiscal agent for the districts. A combined claim must show the individual claim costs for each eligible district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a direct service district or special district provides a written notice of its intent to file a separate claim to the county and to the SCO, at least one hundred and eighty days prior to the deadline for filing the claim.

# **Reimbursement of Claims**

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, notices of order of suspension or revocation, sworn reports, arrest reports, notices to appear, employee time records, or time logs, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, and declarations. Declarations must include a certification or declaration stating: "I certify, (or declare), under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of the Code of Civil Procedure Section 2015.5.

Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, these documents cannot be substituted for source documents.

# Audit of Costs

All claims submitted to the SCO are subject to review to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the P's & G's adopted by the Commission. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim activity adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within thirty days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Pursuant to GC Section 17558.5, Subdivision (a), a reimbursement claim for actual costs filed by a claimant is subject to audit by the SCO no later than three years after the date that the actual reimbursement claim was filed or last amended, whichever is later. However, if no funds were appropriated or no payment was made to a claimant for the program for the fiscal year for which the claim was filed, the time for the Controller to initiate an audit will commence to run from the date of initial payment of the claim.

All documents used to support the reimbursable activities must be retained during the period subject to audit. If an audit has been initiated by the SCO during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings. Supporting documents must be made available to the SCO on request.

# **Retention of Claim Documentation**

All documentation to support actual costs claimed must be retained for a period of three years after the end of the calendar year in which the reimbursement claim was filed or last amended regardless of the year of costs incurred. If no funds were appropriated for initial claims at the time the claim was filed, supporting documents must be retained for three years from the date of initial payment of the claim. Therefore, all documentation to support actual costs claimed must be retained for the same period, and must be made available to the SCO on request.

# **Address for Filing Claims**

Submit a signed original and a copy of form FAM-27, Claim for Payment, and all other forms. To expedite the payment process, please sign the form in blue ink, and attach a copy of the form FAM-27 to the top of the claim package.

Use the following mailing addresses:

If delivered by U.S. Postal Service:

Office of the State Controller Attn.: Local Reimbursement Section Division of Accounting and Reporting P. O. Box 942850 Sacramento, CA 94250 If delivered by other delivery services:

Office of the State Controller Attn.: Local Reimbursement Section Division of Accounting and Reporting 3301 C Street, Suite 700 Sacramento, CA 95816

Mandated costs claiming instructions and forms are available online at the SCO's Web site: www.sco.ca.gov/ard\_mancost.html. If you have any questions, you may e-mail to LRSDAR@sco.ca.gov or call the Local Reimbursements Section at (916) 324-5729.

Amended: January 26, 2006 Adopted: February 28, 2002 j:mandates/2004/pga/04pga01 and 02/draftpga

# PARAMETERS AND GUIDELINES AMENDMENT

Civil Code Sections 1834 and 1846; Food and Agriculture Code Sections 31108, 31752, 31752.5, 31753, 32001, and 32003 As Added or Amended by Statutes of 1998, Chapter 752

# AND

Amended Pursuant to Statutes 2004, Chapter 313 (AB 2224) and Request of the State Controller's Office

# **Animal Adoption**

# I. Summary of the Mandate

The test claim legislation was enacted in an attempt to end the euthanasia of adoptable and treatable animals. Generally, the test claim legislation increased the holding period for stray and abandoned dogs, cats, and other specified animals; required the verification of the temperament of feral cats; required the posting of lost and found lists; required the maintenance of records for impounded animals; and required that impounded animals receive "necessary and prompt veterinary care."

The Commission partially approved this test claim, pursuant to article XIII B, section 6 of the California Constitution and Government Code section 17514, for the *increased costs* in performing the following activities only:

- Providing care and maintenance during the increased holding period for impounded dogs and cats that are ultimately euthanized. The increased holding period shall be measured by calculating the difference between three days from the day of capture and four business days from the day after impoundment, as specified below in 3 (a) and 3 (b), or six business days from the day after impoundment (Food & Agr. Code, §§ 31108, 31752);
- 2. Providing care and maintenance for four business days from the day after impoundment, as specified below in 3 (a) and 3 (b), or six business days from the day after impoundment, for impounded rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles, or tortoises legally allowed as personal property that are ultimately euthanized (Food & Agr. Code, § 31753);
- 3. For dogs, cats, and other specified animals held for four business days after the day of impoundment, either:

(a) Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or

(b) For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed (Food & Agr., Code §§ 31108, 31752, and 31753);

- 4. Verifying whether a cat is feral or tame by using a standardized protocol (Food & Agr. Code, § 31752.5);
- 5. Posting lost and found lists (Food & Agr. Code, § 32001);
- 6. Maintaining records on animals that are not medically treated by a veterinarian, but are either taken up, euthanized after the holding period, or impounded (Food & Agr. Code, § 32003); and
- 7. Providing "necessary and prompt veterinary care" for abandoned animals, other than injured cats and dogs given emergency treatment, that are ultimately euthanized (Civ.Code, §§ 1834 and 1846).

# II. Eligible Claimants

Any city, county, city and county, dependent special district, and joint powers authority comprised of a city, county, and/or city and county that incurs increased costs as a result of this reimbursable state mandated program is eligible to claim reimbursement of those costs.

# III. Period of Reimbursement

The period of reimbursement for the activities in this parameters and guidelines amendment begins on July 1, 2005.

Pursuant to Government Code section 17560, reimbursement for statemandated costs may be claimed as follows:

- 1. A local agency may file an estimated reimbursement claim by January 15 of the fiscal year in which costs are to be incurred, and, by January 15 following that fiscal year shall file an annual reimbursement claim that details the costs actually incurred for that fiscal year; or it may comply with the provisions of subdivision (b).
- 2. A local agency may, by January 15 following the fiscal year in which costs are incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year.
- 3. In the event revised claiming instructions are issued by the Controller pursuant to subdivision (c) of section 17558 between October 15 and January 15, a local agency filing an annual reimbursement claim shall have 120 days following the issuance date of the revised claiming instructions to file a claim.

Reimbursable actual costs for one fiscal year shall be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to Government Code section 17561, subdivision (d)(1), all claims for reimbursement of initial years' costs shall be submitted within

120 days of the issuance of the State Controller's claiming instructions. If the total costs for a given fiscal year do not exceed \$1,000, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

There shall be no reimbursement for any period in which the Legislature has suspended the operation of a mandate pursuant to state law.

# IV. Reimbursable Activities

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of Code of Civil Procedure section 2015.5. Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

The claimant is only allowed to claim and be reimbursed for increased costs for reimbursable activities identified below. Increased cost is limited to the cost of an activity that the claimant is required to incur as a result of the mandate.

For each eligible claimant, the following activities are reimbursable:

A. One Time Activities

- 1. Develop policies and procedures to implement the reimbursable activities listed in Section IV (B) of these parameters and guidelines.
- 2. Train staff on the reimbursable activities listed in Section IV (B) of these parameters and guidelines. (One-time per employee.)
- 3. Develop or procure computer software for the maintenance of records on animals specified in Section IV (B) (8) of these parameters and guidelines to the extent these costs are not claimed as an indirect cost under Section V (B) (8) of these parameters and guidelines. If the computer software is utilized in some way that is not directly related to the maintenance of records specified in Section IV (B) (8), only the

pro rata portion of the activity that is used for compliance with Section IV(B)(8) is reimbursable.

- B. Ongoing Activities
  - 1. Acquisition of Additional Space and/or Construction of New Facilities

Beginning January 1, 1999 - Acquiring additional space by purchase or lease and/or construction of new facilities to provide appropriate or adequate shelter necessary to comply with the mandated activities during the increased holding period for impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that die during the increased holding period or are ultimately euthanized.

Eligible claimants are only entitled to reimbursement for the proportionate share of actual costs required to plan, design, acquire, and/or build facilities in a given fiscal year based on the pro rata representation of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that are held during the *increased* holding period specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines and die during the increased holding period or are ultimately euthanized, to the total population of animals housed in the facility (including those animals that are excluded from reimbursement, as specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines) during the entire holding period required by Food and Agriculture Code sections 31108, 31752 and 31753.

Formula for Proportionate Share of Actual Costs:

Where:

- (A) = Shelter square footage, 1998
- (B) = Total animal average daily census (ADC), 1998
- (C) = Square footage per ADC, 1998 (=A/B)
- (D) = Total dog/cat ADC, 1998
- (E) = Shelter square footage, claim year
- (F) = Total dog/cat ADC, claim year
- (G) = Eligible dog/cat ADC, claim year
- (H) = Eligible other animal ADC, claim year
- (I) = Eligible dog/cat square footage, claim year

For shelters that meet the conditions of to Food and Agricultural Code section 31108(a)(1) or (2) for dogs, and section 31752(a)(1) or (2) for cats:<sup>1</sup>

 $(I) = 2/5 \times C \times F$ 

For shelters that do not meet the conditions of Food and Agricultural Code section 31108(a)(1) or (2) for dogs, and section 31752(a)(1) or (2) for cats:

(I) – 4/7 x C x F

(J) = Reduction in eligible square footage due to decline in total dog/cat population (cannot exceed 0)

For shelters that meet the conditions of Food and Agricultural Code section 31108(a)(1) or (2) for dogs, and section 31752(a)(1) or (2) for cats:<sup>2</sup>

 $(J) = [(F/5 - D/3 \times C \times D] / (D/3)]$ 

For shelters that do not meet the conditions of Food and Agricultural Code section 31108(a)(10 or (2) for dogs, and section 31752(a)(1) or (2) for cats:

 $(J) = [(F/7 - D/3) \times C \times D] / (D/3)$ 

(K) = Net eligible dog/cat square footage (cannot be less than 0)

(K = I + J)

(L) = Percentage of eligible dog/cat ADC, claim year (L = G/F)

(M) = Allowable dog/cat square footage  $(M = K \times L)$ 

(N) = Allowable square footage for other animals specified by Food and Agricultural Code section 31573 (N = C x H)

(P) = Eligible percentage of acquisition/construction costs (cannot exceed 100%) [P = (M+N) / ((E-A)]

Statutes 2004, chapter 313 specifies that costs incurred to address preexisting shelter overcrowding or animal population growth are not reimbursable. The mandate reimburses for costs required due to the

<sup>2</sup> In order to select this option claimants must either make the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or (b) Have fewer than three full-time employees or are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.

<sup>&</sup>lt;sup>1</sup> In order to select this option claimants must either make the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or (b) Have fewer than three full-time employees or are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.

increased holding period required by Statutes 1998, chapter 752. In calculating net eligible dog/cat square footage, the formula recognizes that a decline in the number of animals sheltered may offset the effect of the increased holding period. For example, if the dog/cat average daily census does not change between the 1998 base year and the claim year, there is no additional square footage required.

The mandate reimburses only for costs attributable to eligible animals. Prior to Statutes 1998, chapter 752, shelters were required to hold dogs and cats for three days, whereas there was no required holding period for other animals. Therefore, the mandate reimbursable percentage formula separately calculates allowable square footage for dogs and cats, and allowable square footage for other animals specified by Food and Agricultural Code section 31753.

Acquisition/construction costs that are less than or equal to the cost of contract services for eligible animals are reimbursable.

Claimants may recalculate the eligible percentage of acquisition/construction costs each year, based on current animal population statistics. However, claimants may only claim allowable costs that have not been claimed in previous fiscal years.

# Supporting Documentation Submitted with the Initial and Subsequent Reimbursement Claims

Acquiring additional space and/or construction of new facilities is reimbursable only to the extent that an eligible claimant submits, with the initial and/or subsequent reimbursement claim, documentation reflecting the following:

A determination by the governing board that acquiring additional space and/or constructing new facilities is necessary for the increased holding period required by Statutes of 1998, Chapter 752 because the existing facilities do not reasonably accommodate impounded stray or abandoned dogs, cats and other specified animals that are ultimately euthanized. The determination by the governing board shall include all of the following findings:

- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in 1998. For purposes of claiming reimbursement under section IV.B.1, average Daily Census is defined as the average number of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 housed on any given day, in a 365-day period;
- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in a given year under the

holding periods required by Food and Agriculture Code sections 31108, 31752, and 31753, as added or amended by Statutes of 1998, Chapter 752;

- Existing facilities are not appropriately configured and/or equipped to comply with the increased holding period required by Statutes of 1998, Chapter 752;
- Remodeling existing facilities is not feasible or is more expensive than acquiring additional space and/or constructing new facilities to comply with the increased holding period required by Statutes 1998, chapter 752; and
- Contracting with existing private or public shelters in the area to house the increase of impounded stray or abandoned dogs, cats, or other animals specified in Statutes 1998, chapter 752 is not feasible or is more expensive than acquiring additional space and/or constructing new facilities to comply with the increased holder period required by Statutes 1998, chapter 752. This finding should include the cost to contract with existing shelters..

Documentation requirements may be satisfied in whole or in part by staff agenda items, staff reports, minutes of governing board meetings, transcripts of governing board meetings, certification by the governing board describing the findings and determination, and/or a resolution adopted by the governing board pursuant to Food and Agriculture Code section 31755, as added by Statutes of 1999, Chapter 81 (Assembly Bill 1482).

2. Remodeling/Renovating Existing Facilities

Beginning January 1, 1999 - Remodeling/renovating existing facilities to provide appropriate or adequate shelter necessary to comply with the mandated activities during the increased holding period for impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that die during the increased holding period or are ultimately euthanized.

Eligible claimants are only entitled to reimbursement for the proportionate share of actual costs required to plan, design, remodel and/or renovate existing facilities in a given fiscal year based on the pro rata representation of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that are held during the *increased* holding period specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines and die during the increased holding period or are ultimately euthanized, to the total population of animals housed in the facility (including those animals that are excluded from reimbursement, as specified in Sections IV (B) (3) and (4) of these Parameters and Guidelines) during the entire

holding period required by Food and Agriculture Code sections 31108, 31752 and 31753.

Since the remodeling/renovation will not increase square footage to address existing overcrowding or future growth issues, the mandate reimbursable percentage formula for remodeling/renovation would exclude the eligible percentage of square footage factor.

Formula for proportionate share of actual remodeling/renovation costs:

(A) = Shelter square footage

(B) = Total animal average daily census (ADC), claim year

(C) = Square footage per ADC, claim year (C = A/B)

(G) = Eligible dog/cat ADC, claim year

(H) = Eligible other animal ADC, claim year

(M) = Eligible dog/cat square footage, claim year

For shelters that meet the requirements of Food and Agricultural Code section 31108 (a)(1) or (2) for dogs, and section 31752 (a)(1) or (2) for cats,  $M = 2/5 \times C \times G$ .

For shelters that do not meet the requirements of Food and Agricultural Code section 31108(a)(1) or (2) for dogs, and section 31752(a)(1) or (2) for cats,  $M = 4/7 \times C \times G$ .

(N) = Allowable square footage for other animals specified by Food and Agricultural Code section 31753, claim year (N = C x H)

 $(P) = Eligible \ percentage \ of \ remodeling/removation \ costs \\ [P = (M + N) \ / \ A]$ 

Claimants may recalculate the eligible percentage of remodeling/renovation costs each year, based on current animal population statistics. However, claimants may only claim allowable costs that have not been claimed in previous fiscal years.

Supporting Documentation Submitted with the Initial and Subsequent Reimbursement Claims

Remodeling/renovating existing facilities is reimbursable only to the extent that an eligible claimant submits, with the initial and/or subsequent reimbursement claim, documentation reflecting the following:

A determination by the governing board or a delegated representative that remodeling/renovating existing facilities is necessary because the existing facilities do not reasonably accommodate impounded stray or abandoned dogs, cats and other specified animals that are ultimately euthanized for the increased holding period required by Statutes of 1998, Chapter 752. The determination by the governing board or delegated representative shall include all of the following findings:

- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in 1998. For purposes of claiming reimbursement under section IV.B.2, average Daily Census is defined as the average number of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 housed on any given day, in a 365-day period;
- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 in a given year under the holding periods required by Food and Agriculture Code sections 31108, 31752, and 31753, as added or amended by Statutes of 1998, Chapter 752;
- Existing facilities are not appropriately configured and/or equipped to comply with the increased holding period required by Statutes of 1998, Chapter 752;
- Contracting with existing private or public shelters in the area to house the increase of impounded stray or abandoned dogs, cats, or other animals specified in Statutes of 1998, Chapter 752 is not feasible or is more expensive than remodeling/renovating existing facilities to comply with the increased holding period required by Statutes 1998, chapter 752.

Documentation requirements may be satisfied in whole or in part by staff agenda items, staff reports, minutes of governing board meetings, transcripts of governing board meetings, certification by the governing board or declaration from the delegated representative describing the findings and determination, and/or a resolution adopted by the governing board pursuant to Food and Agriculture Code section 31755, as added by Statutes of 1999, Chapter 81 (Assembly Bill 1482).

3. Care and Maintenance for Impounded Stray or Abandoned Dogs and Cats that Die During the Increased Holding Period or are Ultimately Euthanized (Food & Agr. Code, §§ 31108, 31752)

Beginning July 1, 1999 - Providing care and maintenance during the increased holding period for impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized. The increased holding period shall be measured by calculating the difference between three days from the day of capture, and four or six business days from the day after impoundment.

# Exclusions

Eligible claimants are *not* entitled to reimbursement for the care and maintenance of the following population of dogs and cats:

- Stray or abandoned dogs and cats that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);
- Newborn stray or abandoned dogs and cats that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- Stray or abandoned dogs and cats too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- Owner relinquished dogs and cats; and
- Stray or abandoned dogs and cats that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

# Methods for Claiming Costs

Eligible claimants may elect one of following two methods to claim costs for the care and maintenance of impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized:

- Actual Cost Method Under the actual cost method, actual reimbursable care and maintenance costs per animal per day are computed for an annual claim period.
  - a) Determine the total annual cost of care and maintenance for all dogs and cats impounded at a facility. Total cost of care and maintenance includes labor, materials, supplies, indirect costs, and contract services.
  - b) Determine the average daily census of all dogs and cats impounded at a facility. For purposes of claiming reimbursement under IV.B.3, average daily census is defined as the average number of all dogs and cats at a facility housed on any given day, in a 365-day period..
  - c) Multiply the average daily census of dogs and cats by 365 = yearly census of dogs and cats.
  - d) Divide the total annual cost of care by the yearly census of dogs and cats = cost per animal per day.
  - e) Multiply the cost per animal per day, by the number of impounded stray or abandoned dogs and cats that die

during the increased holding period or are ultimately euthanized, by each reimbursable day (the difference between three days from the day of capture, and four or six business days from the day after impoundment).

• Time Study Method – Under the time study method, a random sample of impounded stray or abandoned dogs and cats are observed to determine the amount of time to provide care and maintenance during a reimbursable day.

The time study shall be developed using one representative month each quarter and be supported with actual source documentation. Time studies shall be conducted on a more frequent basis if there are significant variations of time expended from month to month. The time study shall identify hours devoted to each specific category. If the time study supports a fixed-cost approach such as an animal day (i.e., dogday, cat-day, etc.), the eligible claimant shall document the analysis supporting the method used.

Time records used to support the time study shall:

- a) Reflect an after-the-fact distribution of each employee's actual activity;
- b) Account for the total activity for which each employee is compensated;
- c) Account for the total labor hours of the month;
- d) Be signed and dated by the employee not later than the end of the pay period that follows the pay period covered by the report; and
- e) Document, by signature or initials and date, supervisor approval.
- Care and Maintenance for Impounded Stray or Abandoned Animals Specified in Food and Agriculture Code Section 31753 that Die During the Increased Holding Period or are Ultimately Euthanized (Food & Agr. Code, § 31753)

Beginning January 1, 1999 - Providing care and maintenance for four or six business days from the day after impoundment for impounded stray or abandoned rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles, and tortoises legally allowed as personal property that die during the increased holding period or are ultimately euthanized.

## **Exclusions**

Eligible claimants are *not* entitled to reimbursement for the care and maintenance of the following population of animals:

- Stray or abandoned animals that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);
- Newborn animals that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- Stray or abandoned animals too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- Owner relinquished animals; and
- Stray or abandoned animals that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

# Methods for Claiming Costs

Eligible claimants may elect one of following two methods to claim costs for the care and maintenance of impounded stray or abandoned animals specified in Food and Agriculture Code section 31753 that die during the increased holding period or are ultimately euthanized:

- Actual Cost Method –Under the actual cost method, actual reimbursable care and maintenance costs per animal per day are computed for an annual claim period.
  - a) Determine the total annual cost of care and maintenance for all animals specified in Food and Agriculture Code section 31753 that are impounded at a facility. Total cost of care and maintenance includes labor, materials, supplies, indirect costs, and contract services.
  - b) Determine the average daily census of the animals specified in Food and Agriculture Code section 31753.
  - c) Multiply the average daily census of the animals specified in Food and Agriculture Code section 31753 by 365 = yearly census of animals specified in Food and Agriculture Code section 31753.
  - d) Divide the total annual cost of care by the yearly census of animals specified in Food and Agriculture Code section 31753 = cost per animal per day.
  - e) Multiply the cost per animal per day, by the number of impounded stray or abandoned animals specified in Food and Agriculture Code section 31753 that die during the increased holding period or are ultimately euthanized, by

each reimbursable day (four or six business days from the day after impoundment).

• Time Study Method – Under the time study method, a random sample of impounded stray or abandoned animals are observed to determine the amount of time to provide care and maintenance during a reimbursable day.

The time study shall be developed using one representative month each quarter and be supported with actual source documentation. Time studies shall be conducted on a more frequent basis if there are significant variations of time expended from month to month. The time study shall identify hours devoted to each specific category. If the time study supports a fixed-cost approach such as an animal day, the eligible claimant shall document the analysis supporting the method used.

Time records used to support the time study shall:

- a) Reflect an after-the-fact distribution of each employee's actual activity;
- b) Account for the total activity for which each employee is compensated;
- c) Account for the total labor hours of the month;
- d) Be signed and dated by the employee not later than the end of the pay period that follows the pay period covered by the report; and
- e) Document, by signature or initials and date, supervisor approval.
- 4. Agencies Using the Holding Period of Four Business Days After the Day of Impoundment (Food & Agr. Code, §§ 31108, 31752, 31753)

Beginning January 1, 1999 - For impounded animals specified in Food and Agriculture Code section 31753, either:

- Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or
- For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.

Beginning July 1, 1999 - For impounded dogs and cats, either:

- Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or
- For those local agencies with fewer than three full-time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owners to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.
- 5. Feral Cats (Food & Agr. Code, § 31752.5)

Beginning January 1, 1999 - Verifying whether a cat is feral or tame by using a standardized protocol within the first three days of the required holding period if an apparently feral cat has not been reclaimed by its owner or caretaker.

6. Lost and Found Lists (Food & Agr. Code, § 32001)

Beginning January 1, 1999 - Providing owners of lost animals and those who find lost animals with all of the following:

- Ability to list the animals they have lost or found on "lost and found" lists maintained by the local agency;
- Referrals to animals listed that may be the animals the owner or finders have lost or found;
- The telephone numbers and addresses of other pounds and shelters in the same vicinity;
- Advice as to means of publishing and disseminating information regarding lost animals; and
- The telephone numbers and addresses of volunteer groups that may be of assistance in locating lost animals.
- 7. Maintaining Non-Medical Records (Food & Agr. Code, § 32003)

Beginning January 1, 1999 - Maintaining non-medical records on animals that are either taken up, euthanized after the holding period, or impounded. Such records shall include the following:

- The date the animal was taken up, euthanized, or impounded;
- The circumstances under which the animal is taken up, euthanized, or impounded;
- The names of the personnel who took up, euthanized, or impounded the animal; and

• The final disposition of the animal, including the name of the person who euthanized the animal or the name and address of the adopting party.

The cost of software license renewal contracts, to the extent these costs are not claimed as an indirect cost under these parameters and guidelines, is eligible for reimbursement under Section V (A) (2) of these parameters and guidelines. If the computer software is utilized in some way that is not directly related to the maintenance of records specified in this section, only the pro rata portion of the software license renewal contract that is used for compliance with this section is reimbursable.

8. "Necessary and Prompt Veterinary Care" (Civ. Code, §§ 1834 and 1846)

Beginning January 1, 1999 - Providing "necessary and prompt veterinary care" for stray and abandoned animals, other than injured cats and dogs given emergency treatment, that die during the holding period or are ultimately euthanized, during the holding periods specified in Statutes of 1998, Chapter 752.

"Necessary and prompt veterinary care" means all reasonably necessary medical procedures performed by a veterinarian or someone under the supervision of a veterinarian to make stray or abandoned animals "adoptable." The following veterinary procedures, if conducted, are eligible for reimbursement:

- An initial physical examination of the animal to determine the animal's baseline health status and classification as "adoptable," "treatable," or "non-rehabilitatable."
- A wellness vaccine administered to "treatable" or "adoptable" animals.
- Veterinary care to stabilize and/or relieve the suffering of a "treatable" animal.
- Veterinary care intended to remedy any applicable disease, injury, or congenital or hereditary condition that adversely affects the health of a "treatable" animal or that is likely to adversely affect the animal's health in the future, until the animal becomes "adoptable."

### Population Exclusions

Eligible claimants are *not* entitled to reimbursement for providing "necessary and prompt veterinary care" to the following population of animals:

• Animals that are irremediably suffering from a serious illness or severe injury (Food & Agr. Code, § 17006);

- Newborn animals that need maternal care and have been impounded without their mothers (Food & Agr. Code, § 17006);
- Animals too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal. (Pen. Code, §§ 597.1, subd. (e), 597f, subd. (d));
- Owner relinquished animals; and
- Stray or abandoned animals that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

## Veterinary Care Exclusions

Eligible claimants are *not* entitled to reimbursement for providing the following veterinary procedures:

- Emergency treatment given to injured cats and dogs (Pen. Code, § 597f, subd. (b));
- Administration of rabies vaccination to dogs (Health & Saf. Code, § 121690);
- Implantation of microchip identification;
- Spay or neuter surgery and treatment;
- Euthanasia.
- 10. Beginning January 1, 1999 Procuring medical, kennel, and computer equipment necessary to comply with the reimbursable activities listed in Section IV (B) of these parameters and guidelines, to the extent these costs are not claimed as an indirect cost under Section V (B) of these parameters and guidelines. If the medical, kennel, and computer equipment is utilized in some way not directly related to the mandated program or the population of animals listed in Section IV (B), only the pro rata portion of the activity that is used for the purposes of the mandated program is reimbursable.

## V. Claim Preparation and Submission

Each of the following cost elements must be identified for each reimbursable activity identified in Section IV, Reimbursable Activities, of this document. Each claimed reimbursable cost must be supported by source documentation as described in Section IV. Additionally, each reimbursement claim must be filed in a timely manner.

## A.Direct Cost Reporting

Direct costs are those costs incurred specifically for the reimbursable activities. The following direct costs are eligible for reimbursement.

### 1. Salaries and Benefits

Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

## 2. Materials and Supplies

Report the cost of materials and supplies that have been consumed or expended for the purpose of the reimbursable activities. Purchases shall be claimed at the actual price after deducting discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged on an appropriate and recognized method of costing, consistently applied.

## 3. Contracted Services

Report the name of the contractor and services performed to implement the reimbursable activities. If the contractor bills for time and materials, report the number of hours spent on the activities and all costs charged. If the contract is a fixed price, report the services that were performed during the period covered by the reimbursement claim. If the contract services are also used for purposes other than the reimbursable activities, only the pro-rata portion of the services used to implement the reimbursable activities can be claimed. Submit contract consultant and attorney invoices with the claim and a description of the contract scope of services.

### 4. Fixed Assets and Equipment

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

## 5. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element A.1, Salaries and Benefits, for each applicable reimbursable activity.

### 6. Training

Report the cost of training an employee to perform the reimbursable activities, as specified in Section IV of this document. Report the name and job classification of each employee preparing for, attending, and/or conducting training necessary to implement the reimbursable activities. Provide the title, subject, and purpose (related to the mandate of the training session), dates

attended, and location. If the training encompasses subjects broader than the reimbursable activities, only the pro-rata portion can be claimed. Report employee training time for each applicable reimbursable activity according to the rules of cost element A.1, Salaries and Benefits, and A.2, Materials and Supplies. Report the cost of consultants who conduct the training according to the rules of cost element A.3, Contracted Services.

#### B. Indirect Cost Rates

Indirect costs are costs that are incurred for a common or joint purpose, benefiting more than one program, and are not directly assignable to a particular department or program without efforts disproportionate to the result achieved. Indirect costs may include both (1) overhead costs of the unit performing the mandate; and (2) the costs of the central government services distributed to the other departments based on a systematic and rational basis through a cost allocation plan.

Compensation for indirect costs is eligible for reimbursement utilizing the procedure provided in the Office of Management and Budget (OMB) Circular A-87. Claimants have the option of using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal (ICRP) if the indirect cost rate claimed exceeds 10%.

If the claimant chooses to prepare an ICRP, both the direct costs (as defined and described in OMB Circular A-87 Attachments A and B) and the indirect costs shall exclude capital expenditures and unallowable costs (as defined and described in OMB Circular A-87 Attachments A and B). However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable.

The distribution base may be (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.), (2) direct salaries and wages, or (3) another base which results in an equitable distribution.

In calculating an ICRP, the claimant shall have the choice of one of the following methodologies:

- 1. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) classifying a department's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected; or
- 2. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) separating a department into groups, such as divisions or sections,

and then classifying the division's or section's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate that is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected.

## VI. RECORD RETENTION

Pursuant to Government Code section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter<sup>3</sup> is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed not later than two years after the date that the audit is commenced. All documents used to support the reimbursable activities, as described in Section IV, must be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

## VII. OFFSETTING SAVINGS AND OTHER REIMBURSEMENTS

Any offsetting savings that the claimant experiences as a direct result of this mandate must be deducted from the costs claimed. Additionally, reimbursement for this mandate received from any source shall be identified and deducted from this claim. These sources shall include, but not be limited to, rewards received under the authority of Civil Code section 1845; licensing fees and fines received and applied pursuant to Food and Agriculture Code section 30652, Government Code section 28502, and Penal Code section 597f; other state funds, and federal funds. The fees and fines received pursuant to Food and Agriculture Code section 30652 shall be deducted from the claim according to the priority specified in the statute and stated below:

- First, to pay fees for the issuance of dog license tags pursuant to Food and Agriculture Code section 30652, subdivision (a);
- Second, in accordance with Food and Agriculture Code section 30652, subdivision (b), any excess revenue held after the payment of dog license tags shall be applied to the fees, salaries, costs, expenses, or any or all of them for the enforcement of Division 14 of the Food and Agriculture Code, including Food and Agriculture Code section 31108, and all ordinances that are made pursuant to Division 14. Costs incurred under Food and Agriculture Code section 31108 are specified in Section IV (B) (1), (2), (3), and (5), and Section IV (A) of

<sup>&</sup>lt;sup>3</sup> This refers to Title 2, division 4, part 7, chapter 4 of the Government Code.

these parameters and guidelines. Any or all excess revenue must be applied to the costs incurred under Food and Agriculture Code section 31108 before any revenue can be applied to subdivisions (c) and (d) of Food and Agriculture Code section 30652.

## VIII. STATE CONTROLLER'S REVISED CLAIMING INSTRUCTIONS

Pursuant to Government Code section 17558, subdivision (c), the Controller shall issue revised claiming instructions for each mandate that requires state reimbursement not later than 60 days after receiving the revised parameters and guidelines from the Commission, to assist local agencies and school districts in claiming costs to be reimbursed. The revised claiming instructions shall be derived from the test claim decision and the revised parameters and guidelines adopted by the Commission.

Pursuant to Government Code section 17561, subdivision (d)(2), issuance of the revised claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon the revised parameters and guidelines adopted by the Commission.

# IX. REMEDIES BEFORE THE COMMISSION

Upon request of a local agency or school district, the Commission shall review the claiming instructions issued by the State Controller or any other authorized state agency for reimbursement of mandated costs pursuant to Government Code section 17571. If the Commission determines that the claiming instructions do not conform to the parameters and guidelines, the Commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the Commission.

In addition, requests may be made to amend parameters and guidelines pursuant to Government Code section 17557, subdivision (d), and California Code of Regulations, title 2, section 1183.2.

# X. LEGAL AND FACTUAL BASIS FOR THE PARAMETERS AND GUIDELINES

The Statement of Decision is legally binding on all parties and provides the legal and factual basis for the parameters and guidelines. The support for the legal and factual findings is found in the administrative record for the test claim. The administrative record, including the Statement of Decision, is on file with the Commission.

Local Mandated Cost Manual

			For State Controller Use O	nly PROGRAM
	MAL ADOPTION M FOR PAYMENT	r	(19) Program Number 00213 (20) Date Filed (21) LRS Input	213
(01) Claimant Identification Number			Reimbursement Cl	aim Data
(02) Claimant Name			(22) FORM-1, (04) A. 1. (g)	
County of Location			(23) FORM-1, (04) A. 2. (g)	
Street Address of P.O. Box		Suite	(24) FORM-1, (04) A. 3. (g)	
City	State	Zip Code	(25) FORM-1, (04) B. 1. (g)	
		Type of Claim	(26) FORM-1, (04) B. 2. (g)	
	(03)	(09) Reimbursement	(27) FORM-1, (04) B. 3. (g)	
	(04)	(10) Combined	(28) FORM-1, (04) B. 4. (g)	
	(05)	(11) Amended	(29) FORM-1, (04) B. 5. (g)	
Fiscal Year of Cost	(06)	(12)	(30) FORM-1, (04) B. 6. (g)	
Total Claimed Amount	(07)	(13)	(31) FORM-1, (04) B. 7. (g)	
Less: 10% Late Penalty (refer to	attached Instructions)	(14)	(32) FORM-1, (04) B. 8. (g)	
Less: Prior Claim Payment Re	ceived	(15)	(33) FORM-1, (04) B. 9. (g)	
Net Claimed Amount		(16)	(34) FORM-1, (04) B. 10.(g)	
Due from State	(08)	(17)	(35) FORM-1, (06)	
Due to State		(18)	(36) FORM-1, (07)	
	A IM	•	· · ·	

#### (37) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code Section 17560 and 17561, I certify that I am the officer authorized by the local agency to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Article 4, Chapter 1 of Division 4 of Title 1 Government Code.

I further certify that there was no application other than from the claimant, nor any grants or payments received for reimbursement of costs claimed herein and claimed costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the parameters and guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.

The amount for this reimbursement is hereby claimed from the State for payment of actual costs set forth on the attached statements.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Officer		
	Date Signed	
	Telephone Number	
	E-Mail Address	
Type or Print Name and Title of Authorized Signatory		
(38) Name of Agency Contact Person for Claim	Telephone Number	
	E-mail Address	
Name of Consulting Firm / Claim Preparer	Telephone Number	
	E-mail Address	

# PROGRAM

## ANIMAL ADOPTION CLAIM FOR PAYMENT INSTRUCTIONS

FORM FAM-27

- (01) Enter the payee number assigned by the State Controller's Office.
- (02) Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.

#### (03) to (08) Leave blank.

- (09) If filing a reimbursement claim, enter an "X" in the box on line (09) Reimbursement.
- (10) If filing a combined reimbursement claim on behalf of districts within the county, enter an "X" in the box on line (10) Combined.
- (11) If filing an amended reimbursement claim, enter an "X" in the box on line (11) Amended.
- (12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 for each fiscal year.
- (13) Enter the amount of the reimbursement claim as shown in the attached Form-1 line (11). The total claimed amount must exceed \$1,000.
- (14) Initial claims must be filed as specified in the claiming instructions. Annual reimbursement claims must be filed by February 15 of the following fiscal year in which costs were incurred or the claims must be reduced by a late penalty. Enter zero if the claim was timely filed. Otherwise, enter the penalty amount as a result of the calculation formula as follows:
  - Late Initial Claims: FAM-27 line(13) multiplied by 10%, without limitation; or
  - Late Annual Reimbursement Claims: FAM-27, line (13) multiplied by 10%, late penalty not to exceed \$10,000.
- (15) Enter the amount of payment, if any, received for the claim. If no payment was received, enter zero.
- (16) Enter the net claimed amount by subtracting the sum of lines (14) and (15) from line (13).
- (17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17), Due from State.
- (18) If line (16), Net Claimed Amount, is negative, enter that amount on line (18), Due to State.
- (19) to (21) Leave blank.
- (22) to (36) Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim, e.g., Form-1, (04) A. 1. (g), means the information is located on Form-1, line (04) A. 1., column (g). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 35.19% should be shown as 35. Completion of this data block will expedite the payment process.
  - (37) Read the statement of Certification of Claim. The claim must be dated, signed by the agency's authorized officer, and must type or print name, title, telephone number and email address. Claims cannot be paid unless accompanied by an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)
  - (38) Enter the name, telephone number, and e-mail address of the agency contact person for the claim. If claim is prepared by external consultant, type or print the name of the consulting firm, telephone number, and e-mail address.

#### SUBMIT A SIGNED ORIGINAL, AND A COPY OF FORM FAM-27, WITH ALL OTHER FORMS TO:

#### Address, if delivered by U.S. Postal Service:

OFFICE OF THE STATE CONTROLLER ATTN: Local Reimbursements Section Division of Accounting and Reporting P.O. Box 942850 Sacramento, CA 94250 Address, if delivered by other delivery service:

OFFICE OF THE STATE CONTROLLER ATTN: Local Reimbursements Section Division of Accounting and Reporting 3301 C Street, Suite 700 Sacramento, CA 95816

State	Controller's	Office
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Program 213							
(01) Claimant			(02	)			Fiscal Year
							20/20
(03) Department							
Direct Costs			Ot	oject Accour	nts		
<ul> <li>(04) Reimbursable</li> <li>Activities</li> <li>A. One-Time Activities</li> </ul>	(a) Salaries	(b) Benefits	(c) Materials and Supplies	(d) Contract Services	(e) Fixed Assets	(f) Travel and Training	(g) Total
1. Policies and Procedures			Cappiloo				
2. Training							
3. Computer Software							
B. Ongoing Activities							
1. Acquiring Space/Facilities							
2. Renovating Facilities							
3. Care of Dogs & Cats							
4. Care of Other Animals							
5. Holding Period							
6. Feral Cats							
7. Lost and Found Lists							
8. Non-Medical Records							
9. Veterinary Care							
10. Procuring Equipment							
(05) Total Direct Costs							
Indirect Costs							1
(06) Indirect Cost Rate				[From ICRP	]		%
(07) Total Indirect Costs	[Refer to claiming instructions]						
(08) Total Direct and Ind	irect Costs		[L	ine (05)(g) + line	e (07)]		
Cost Reduction							
(09) Less: Offsetting Sa	vings						
(10) Less: Other Reimbo	ursements/O	ffsetting Rev	venue				
(11) Total Claimed Amou	unt		[Line (	08) - {line (09) +	- line (10)}]		

Revised 10/10

Program <b>213</b>	ANIMAL ADOPTION CLAIM SUMMARY INSTRUCTIONS	form 1
(01)	Enter the name of the claimant.	
(02)	Enter the fiscal year of costs.	
(03)	Department. If more than one department has incurred costs for this mandate, give t each department. A separate Form 1 must be completed for each department.	he name of
(04)	Reimbursable Activities. For each reimbursable activity, enter the total from Form- columns (d) through (i) to Form-1, block (05), columns (a) through (f) in the appropria each row.	
(05)	Total Direct Costs. Total columns (a) through (g).	
(06)	Indirect Cost Rate. Indirect costs may be computed as 10% of direct labor costs, excl benefits, without preparing an ICRP. If an indirect cost rate of greater than 10% is used, Indirect Cost Rate Proposal (ICRP) with the claim.	

- (07) Local agencies have the option of using the flat rate of 10% of direct labor costs or using a department's indirect cost rate proposal (ICRP) in accordance with the Office of Management and Budget OMB Circular A-87 (Title 2 CFR Part 225). If the flat rate is used for indirect costs, multiply Total Salaries, line (05)(a), by 10%. If an ICRP is submitted, multiply applicable costs used in the distribution base for the computation of the indirect cost rate, by the Indirect Cost Rate, line (06). If more than one department is reporting costs, each must have its own ICRP for the program.
- (08) Total Direct and Indirect Costs. Enter the sum of Total Direct Costs, line (05)(g), and Total Indirect Costs, line (07).
- (09) Less: Offsetting Savings. If applicable, enter the total savings realized by the claimant as a direct result of this mandate. Submit a detailed schedule of savings with the claim.
- (10) Less: Other Reimbursements/Offsetting Revenue. Reimbursement received from any source must be identified and deducted from this claim. Sources may include, but are not limited to offsetting revenues from Form 3, lines (04) and (05), rewards received under authority of Civil Code Section 1845, licensing fees and fines received and applied pursuant to Food and Agriculture Code Section 30652, Government Code Section 28502, and Penal Code Section 597f, and other state funds, and federal funds. Fees and fines received pursuant to Food & Agriculture Code Section 30652 must be deducted according to the priority specified on page 15 of the P's and G's.
- (11) Total Claimed Amount. From Total Direct and Indirect Costs, line (08), subtract the sum of Offsetting Savings, line (09), and Other Reimbursements, line (10). Enter the remainder on this line and carry the amount forward to form FAM-27, line (13) for the Reimbursement Claim.

State Controller's Office						Man	dated C	ost Manual
Program 213		ANIMA ACTIVITY	L ADOPTI COST DI					FORM 2
(01) Claimant			(02) F	-iscal Yea	r			
(03) Reimbursable Activities: Cl One-Time Policies and Proc	-	-	er form to in Training	dentify the	activity be	-	ed. r Software	
Ongoing Acquiring Space/I			Renovating F	acilities			ogs & Cat	6
Care of Other Ani	mals	F	lolding Perio	d		Feral Cat	S	
	Lost and Found Lists Non-Medical Records Veterinary Care							
(04) Description of Expenses Object Accounts								
	(b)		(d)	(0)	-	1	(h)	(i)
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(C) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f) Materials and Supplies	(g) Contract Services	(h) Fixed Assets	(i) Travel and Training

#### State Controller's Office

## Mandated Cost Manual

# ProgramANIMAL ADOPTIONFORM213ACTIVITY COST DETAIL<br/>INSTRUCTIONS2

- (01) Claimant. Enter the name of the claimant. If more than one department has incurred costs for this mandate, give the name of each department. A separate Form-2 must be completed for each department.
- (02) Fiscal Year. Enter the fiscal year for which costs were incurred.
- (03) Reimbursable Activities. Check the box which indicates the cost activity being claimed. Check only one box per form. A separate Form -2 must be prepared for each applicable activity.
- (04) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the activity box checked in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, travel and training expenses. The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed. For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the date the claim was filed or last amended, whichever is later. If no funds were appropriated and no payment was made at the time the claim was filed, the time for the Controller to initiate an audit will be from the date of initial payment of the claim. Such documents must be made available to the SCO on request.

Object/ Sub object								Submit supporting documents		
Accounts	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	with the claim
Salaries	Employee Name/Title	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked						
Benefits	Activities Performed	Benefit Rate			Benefits = Benefit Rate x Salaries					
Materials and Supplies	Description of Supplies Used	Unit Cost	Quantity Used			Cost = Unit Cost x Quantity Used				
Contract Services	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service				Cost = Hourly Rate x Hours Worked			Copy of Contract
Fixed Assets	Description of Equipment Purchased	Unit Cost	Usage					Cost = Unit Cost x Usage		
Travel and Training Travel	Purpose of Trip Name and Title Departure and Return Date	Per Diem Rate Mileage Rate Travel Cost	Days Miles Travel Mode						Total Travel Cost = Rate x Days or Miles	
Training	Employee Name/Title Name of Class		Dates Attended						Registration Fee	

(05) Total line (04), columns (d) through (i) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the activity costs, number each page. Enter totals from line (05), columns (d) through (i) to Form-1, block (04), columns (a) through (f) in the appropriate row.

Program 213	FORM			
(01) Claimant	SUMMARY OF SERVICES PROVIDE	-		Ū
		(02)		Fiscal Year
				2020
(03) Is your ag	ency providing animal shelter services under	contract v	with another entity?	Yes No
(04) If yes, list	each entity, the amount received, and any m	andate-rel	lated offsetting revenu	ue below:
			(a)	(b)
	Name of Entity	Amount Received	Offsetting Revenue	
Total (Include	column (b) total on Form 1, line 10)			
(05) The amou reimbursable n	Int reported as offsetting revenue should also nandated costs. List other mandated-related	be report	ed by the contracting	entity as above
	Type of Revenue	encennig i		Offsetting Revenue
				Revenue
Total (Include	column (b) total on Form 1, line 10)			
		Yes		
(06) Is anothe	No			
If yes, identify	the entity and list the amount paid to the othe	er entity.		
	Name of Entity			Amount Paid
Total				

Program

13

# ANIMAL ADOPTION SUMMARY OF SERVICES PROVIDED UNDER CONTRACT INSTRUCTIONS

# FORM 3

- (01) Enter the name of the claimant.
- (02) Enter the fiscal year of costs.
- (03) Indicate whether or not your agency is providing contracted animal shelter services for another agency.
- (04) (a) If the answer to line (03) is "Yes" List the names of the contracting agencies for whom you are providing services. Record the full amount of the contract in column (a), Amount Received.
  - (b) Record in column (b) the amount of the contract, if any, that is used to fund mandate-related activities. The total amount shown for line (04)(b) should be reported on Form 1, line (10), as offsetting revenue.

Note: Any amount shown as mandate-related offsetting revenue in column (b) can be claimed by the identified agencies on a mandated cost claim.

- (05) List any other mandate-related offsetting revenue not already identified on line (04) above.
- (06) Indicate whether or not your agency is contracting with another agency for animal control services.
- (07) If the answer to line (06) is "Yes", list the name of the agency and the contract amount.

# **CITY OF LOS ANGELES**

# Audit Report

# **ANIMAL ADOPTION PROGRAM**

Chapter 752, Statutes of 1998, and Chapter 313, Statutes of 2004

July 1, 1998, through June 30, 2008, excluding July 1, 2003, through June 30, 2005



# JOHN CHIANG California State Controller

April 2011



# JOHN CHIANG California State Controller

April 6, 2011

The Honorable Antonio R. Villaraigosa Mayor of the City of Los Angeles 200 North Main Stret, Suite 303 Los Angeles, CA 90012

Dear Mayor Villaraigosa:

The State Controller's Office audited the costs claimed by the City of Los Angeles for the legislatively mandated Animal Adoption Program (Chapter 752, Statutes of 1998, and Chapter 313, Statutes of 2004) for the period of July 1, 1998, through June 30, 2008, excluding July 1, 2003, through June 30, 2005.

The city claimed \$13,368,151 (\$13,390,008 less a \$21,857 penalty for filing a late claim) for the mandated program. Our audit disclosed that \$7,942,338 is allowable and \$5,425,813 is unallowable. The costs are unallowable primarily because the city claimed ineligible costs, claimed estimated costs, claimed unsupported costs, understated the number of non-medical records, understated the annual animal census data, overstated the number of eligible animals, understated productive hourly rates, and misstated indirect cost rates. The State paid the city \$8,303,862. The amount paid exceeds allowable costs claimed by \$361,524.

If you disagree with the audit findings, you may file an Incorrect Reduction Claim (IRC) with the Commission on State Mandates (CSM). The IRC must be filed within three years following the date that we notify you of a claim reduction. You may obtain IRC information at the CSM's Web site at www.csm.ca.gov/docs/IRCForm.pdf.

If you have any questions, please contact Jim L. Spano, Chief, Mandated Cost Audits Bureau, at (916) 323-5849.

Sincerely,

Original signed by

JEFFREY V. BROWNFIELD Chief, Division of Audits

JVB/wm

cc: Wendy Greuel, City Controller City of Los Angeles
Brenda Barnette, General Manager Animal Services Department, City of Los Angeles
Jeff Carosone, Principal Program Budget Analyst Cor-Gen Unit, Department of Finance
Jay Lal, Manager Division of Accounting and Reporting State Controller's Office

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Attachment—City's Response to Draft Audit Report	

# **Audit Report**

Summary	The State Controller's Office (SCO) audited the costs claimed by the City of Los Angeles for the legislatively mandated Animal Adoption Program (Chapter 752, Statutes of 1998, and Chapter 313, Statutes of 2004) for the period of July 1, 1998, through June 30, 2008, excluding July 1, 2003, through June 30, 2005. The city claimed \$13,368,151 (\$13,390,008 less a \$21,857 penalty for filing a late claim) for the mandated program. Our audit disclosed that
	\$7,942,338 is allowable and \$5,425,813 is unallowable. The costs are unallowable primarily because the city claimed ineligible costs, claimed estimated costs, claimed unsupported costs, understated the number of non-medical records, understated the annual animal census data, overstated the number of eligible animals, understated productive hourly rates, and misstated indirect cost rates. The State paid the city \$8,303,862. The amount paid exceeds allowable costs claimed by \$361,524
Background	Food and Agriculture Code sections 31108, 31752-31753, 32001, and 32003 (added and amended by Chapter 752, Statutes of 1998) attempted to end the euthanasia of adoptable and treatable animals. It expressly identifies the state policy that "no adoptable animal should be euthanized if it can be adopted into a suitable home" and that "no treatable animal should be euthanized." The legislation increases the holding period for stray and abandoned dogs, cats, and other specified animals. It also requires public or private shelters to:
	• Verify the temperament of feral cats;
	• Post lost and found lists;
	<ul> <li>Maintain records for impounded animals; and</li> </ul>
	• Ensure that impounded animals receive necessary and prompt veterinary care.
	On January 25, 1981, the Commission on State Mandates (CSM) determined that Chapter 752, Statutes of 1998, imposed a state mandate reimbursable under Government Code section 17561.
	The program's parameters and guidelines establish the state mandate and define reimbursement criteria. The CSM adopted the parameters and guidelines on February 28, 2002, corrected them on March 20, 2002, and last amended them on January 26, 2006. In compliance with Government Code section 17558, the SCO issues claiming instructions to assist local agencies and school districts in claiming mandated program reimbursable

For fiscal year (FY) 2003-04, the Legislature suspended the Animal Adoption Program.

costs.

Objective, Scope, and Methodology	We conducted the audit to determine whether costs claimed represent increased costs resulting from the Animal Adoption Program for the period of July 1, 1998, through June 30, 2008, excluding July 1, 2003, through June 30, 2005.
	Our audit scope included, but was not limited to, determining whether costs claimed were supported by appropriate source documents, were not funded by another source, and were not unreasonable and/or excessive.
	We conducted this performance audit under the authority of Government Code sections 12410, 17558.5, and 17561. We did not audit the city's financial statements. We conducted the audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.
	We limited our review of the city's internal controls to gaining an understanding of the transaction flow and claim preparation process as necessary to develop appropriate auditing procedures.
Conclusion	Our audit disclosed instances of noncompliance with the requirements outlined above. These instances are described in the accompanying Summary of Program Costs (Schedule 1) and in the Findings and Recommendations section of this report.
	For the audit period, the City of Los Angeles claimed \$13,368,151 (\$13,390,008 less a \$21,857 penalty for filing a late claim) for costs of the Animal Adoption Program. Our audit disclosed that \$7,942,338 is allowable and \$5,425,813 is unallowable.
	For the FY 1998-99 claim, the State paid the city \$759,353. Our audit disclosed that \$314,199 is allowable. The State will offset \$445,154 from other mandated program payments due the city. Alternatively, the city may remit this amount to the State.
	For the FY 1999-2000 claim, the State paid the city \$2,081,935. Our audit disclosed that \$1,125,848 is allowable. The State will offset \$956,087 from other mandated program payments due the city. Alternatively, the city may remit this amount to the State.
	For the FY 2000-01 claim, the State paid the city \$2,172,046. Our audit disclosed that \$1,337,003 is allowable. The State will offset \$835,043 from other mandated program payments due the city. Alternatively, the city may remit this amount to the State.
	For the FY 2001-02 claim, the State made no payment to the city. Our audit disclosed that \$1,040,998 is allowable. The State will pay allowable costs claimed that exceed the amount paid, totaling \$1,040,998, contingent upon available appropriations.

For the FY 2002-03 claim, the State made no payment to the city. Our audit disclosed that \$865,501 is allowable. The State will pay allowable costs claimed that exceed the amount paid, totaling \$865,501, contingent upon available appropriations.

For the FY 2005-06 claim, the State paid the city \$1,463,827. Our audit disclosed that \$1,143,476 is allowable. The State will offset \$320,351 from other mandated program payments due the city. Alternatively, the city may remit this amount to the State.

For the FY 2006-07 claim, the State paid the city \$1,826,701. Our audit disclosed that \$1,065,939 is allowable. The State will offset \$760,762 from other mandated program payments due the city. Alternatively, the city may remit this amount to the State.

For the FY 2007-08 claim, the State made no payment to the city. Our audit disclosed that \$1,049,374 is allowable. The State will pay allowable costs claimed that exceed the amount paid, totaling \$1,049,374, contingent upon available appropriations.

Views of<br/>ResponsibleWe issued a draft audit report on March 10, 2011. Brenda Barnette,<br/>General Manager, responded by letter dated March 29, 2011<br/>(Attachment), expressing general disagreement with the audit process<br/>without responding to any specific audit findings.

**Restricted Use** This report is solely for the information and use of the City of Los Angeles, the California Department of Finance, and the SCO; it is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

Original signed by

JEFFREY V. BROWNFIELD Chief, Division of Audits

April 6, 2011

# Schedule 1— Summary of Program Costs July 1, 1998, through June 30, 2008

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustments	Reference <sup>1</sup>	
July 1, 1998, through June 30, 1999					
Direct costs: Training Computer software Care of maintenance of dogs and cats Care and maintenance of other animals Increased holding period Lost and found lists Non-medical records Necessary and prompt veterinary care Total direct costs Indirect costs Total program costs Less amount paid by the State	\$ 9,468 1,855 186,383 5,510 337,191 12,655 47,236 50,984 651,282 108,071 \$ 759,353	\$ 563 1,062 	$ \begin{array}{c} \$ & (8,905) \\ & (793) \\ (186,383) \\ & (2,354) \\ (246,925) \\ & (8,803) \\ & 9,598 \\ \hline & (25,575) \\ \hline & (470,140) \\ \hline & 24,986 \\ \$ & (445,154) \\ \end{array} $	Finding 1 Finding 2 Finding 3 Finding 3 Finding 4 Finding 5 Finding 6 Finding 7 Finding 9	
Allowable costs claimed in excess of (less than) amount paid		(759,353) <u>\$ (445,154)</u>			
July 1, 1999, through June 30, 2000 Direct costs: Training Computer software Care and maintenance of dogs and cats Care and maintenance of other animals Increased holding period Lost and found lists Non-medical records Necessary and prompt veterinary care Total direct costs Indirect costs Total program costs Less amount paid by the State Allowable costs claimed in excess of (less than) amount paid	\$ 5,357 131,896 577,369 40,450 754,105 26,185 140,516 129,149 1,805,027 276,908 \$ 2,081,935	$\begin{array}{c ccccc} \$ & 3,897 \\ & 45,453 \\ & 375,062 \\ & 7,031 \\ & 201,949 \\ & 8,615 \\ & 127,181 \\ & 56,834 \\ \hline & 826,022 \\ & 299,826 \\ \hline & 1,125,848 \\ & (2,081,935) \\ \hline \$ & (956,087) \\ \end{array}$	$ \begin{array}{c} \$ & (1,460) \\ & (86,443) \\ (202,307) \\ & (33,419) \\ (552,156) \\ & (17,570) \\ & (13,335) \\ \hline & (72,315) \\ \hline & (979,005) \\ \hline & 22,918 \\ \$ & (956,087) \end{array} $	Finding 1 Finding 2 Finding 3 Finding 3 Finding 4 Finding 5 Finding 6 Finding 7 Finding 9	
July 1, 2000, through June 30, 2001 Direct costs: Training Computer software Care and maintenance of dogs and cats Care and maintenance of other animals Increased holding period Lost and found lists Non-medical records Necessary and prompt veterinary care	\$ 3,521 145,193 463,535 13,107 784,231 30,373 126,793 308,004	\$ 2,572 54,313 487,021 7,157 211,205 9,008 135,995 67,504	\$ (949) (90,880) 23,486 (5,950) (573,026) (21,365) 9,202 (240,500)	Finding 1 Finding 2 Finding 3 Finding 3 Finding 4 Finding 5 Finding 6 Finding 7	

	A	Actual Costs	A	llowable Per		Audit	
Cost Elements		Claimed		Audit	A	Adjustments	Reference <sup>1</sup>
July 1, 2000, through June 30, 2001 (continue	ed)						
Total direct costs Indirect costs		1,874,757 297,289		974,775 362,228		(899,982) 64,939	Finding 9
Total program costs	\$	2,172,046		1,337,003	\$	(835,043)	
Less amount paid by the State				(2,172,406)			
Allowable costs claimed in excess of less than) amount paid			\$	(835,043)			
July 1, 2001, through June 30, 2002 Direct costs: Training Computer software Care and maintenance of dogs and cats Care and maintenance of other animals Increased holding period	\$	3,070 123,836 686,106 21,184 805,160	\$	2,261 72,576 307,530 7,358 213,025	\$	(809) (51,260) (378,576) (13,826) (592,135)	Finding 1 Finding 2 Finding 3 Finding 3 Finding 4
Lost and found lists		79,450		9,087		(70,363)	Finding 5
Non-medical records		26,714		131,162		104,448	Finding 6
Necessary and prompt veterinary care		244,864		51,839		(193,025)	Finding 7
Total direct costs Indirect costs		1,990,384 701,641		794,838 268,017		(1,195,546) (433,624)	Finding 9
							Finding 9
Total direct and indirect costs Less late penalty		2,692,025 (21,857)		1,062,855 (21,857)		(1,629,170)	
Total program costs	\$	2,670,168		1,040,998	\$	(1,629,170)	
Less amount paid by the State	Ψ	2,070,100			Ψ	(1,02),170)	
Allowable costs claimed in excess of (less than) amount paid			\$	1,040,998			
July 1, 2002, through June 30, 2003							
Direct costs:							
Training Computer software Care and maintenance of dogs and cats Care and maintenance of other animals Increased holding period Lost and found lists	\$	1,130 58,826 291,737 12,018 115,785 9,371	\$	550 29,413 228,809 5,642 218,413 9,318	\$	(580) (29,413) (62,928) (6,376) 102,628 (53)	Finding 1 Finding 2 Finding 3 Finding 3 Finding 4 Finding 5
Non-medical records		23,921		124,455		100,534	Finding 6
Necessary and prompt veterinary care		226,389		38,753		(187,636)	Finding 7
Procuring equipment		78,179		12,932		(65,247)	Finding 8
Total direct costs Indirect costs		817,356 160,758		668,285 197,216		(149,071) 36,458	Finding 9
Total program costs	\$	978,114		865,501	\$	(112,613)	
Less amount paid by the State							
Allowable costs claimed in excess of							
(less than) amount paid			\$	865,501			

# Schedule 1 (continued)

# Schedule 1 (continued)

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustments	Reference <sup>1</sup>
July 1, 2005, through June 30, 2006		1 10011	1.10,000000000	
Direct costs:				
Training Computer software Care and maintenance of dogs and cats Care and maintenance of other animals Increased holding period Lost and found lists Non-medical records Necessary and prompt veterinary care Total direct costs Indirect costs	\$ 2,735 30,522 244,197 37,227 246,783 12,237 30,738 379,918 984,357 479,470	\$ 4,590 27,261 233,359 15,318 295,417 12,600 155,122 40,823 784,490 358,986	\$ 1,855 (3,261) (10,838) (21,909) 48,634 363 124,384 (339,095) (199,867) (120,484)	Finding 1 Finding 2 Finding 3 Finding 3 Finding 4 Finding 5 Finding 6 Finding 7 Finding 9
Total program costs	\$ 1,463,827	1,143,476	\$ (320,351)	
Less amount paid by the State		(1,463,827)		
Allowable costs claimed in excess of (less than) amount paid		\$ (320,351)		
July 1, 2006, through June 30, 2007 Direct costs: Training	\$ 5,936	\$ 5,625	\$ (311)	Finding 1
Computer software Care and maintenance of dogs and cats Care and maintenance of other animals Increased holding period Lost and found lists Non-medical records Necessary and prompt veterinary care	33,385 193,875 99,093 550,209 13,016 20,871 391,374	28,693 196,262 17,929 308,794 13,364 156,162 40,429	(4,692) 2,387 (81,164) (241,415) 348 135,291 (350,945)	Finding 2 Finding 3 Finding 3 Finding 4 Finding 5 Finding 6 Finding 7
Total direct costs Indirect costs	1,307,759 518,942	767,258 298,681	(540,501) (220,261)	Finding 9
Total program costs	\$ 1,826,701	1,065,939	\$ (760,762)	
Less amount paid by the State		(1,826,701)		
Allowable costs claimed in excess of (less than) amount paid		\$ (760,762)		
July 1, 2007, through June 30, 2008 Direct costs:				
Training Computer software Care and maintenance of dogs and cats Care and maintenance of other animals Increased holding period Lost and found lists Non-medical records Necessary and prompt veterinary care	\$ 2,928 	\$ 4,647 12,000 231,063 19,581 302,164 13,270 178,308 43,577		Finding 1 Finding 2 Finding 3 Finding 3 Finding 4 Finding 5 Finding 6 Finding 7

Cost Elements		Actual Costs Claimed	A	llowable Per Audit	 Audit Adjustments	Reference <sup>1</sup>
July 1, 2007, through June 30, 2008 (continue Total direct costs Indirect costs	<u>ed)</u>	1,061,212 354,795		804,610 244,764	(256,602) (110,031)	Finding 9
Total program costs	\$	1,416,007		1,049,374	\$ (366,633)	
Less amount paid by the State						
Allowable costs claimed in excess of (less than) amount paid			\$	1,049,374		
Summary: July 1, 1998, through June 30, 200	<u>08</u>					
Direct costs: Training Computer software Care and maintenance of dogs and cats Care and maintenance of other animals Increased holding period Lost and found lists Non-medical records Necessary and prompt veterinary care Procuring equipment Total direct costs Indirect costs Total direct and indirect costs Less late penalty Total program costs Less amount paid by the State	\$ 	34,145 525,513 2,837,320 272,841 3,886,965 195,493 468,667 2,193,011 78,179 10,492,134 2,897,874 13,390,008 (21,857) 13,368,151	\$	24,705 270,771 2,059,106 83,172 1,841,233 79,114 1,065,219 365,168 12,932 5,801,420 2,162,775 7,964,195 (21,857) 7,942,338 (8,303,862)	\$ $\begin{array}{c} (9,440)\\ (254,742)\\ (778,214)\\ (189,669)\\ (2,045,732)\\ (116,379)\\ 596,552\\ (1,827,843)\\ (65,247)\\ (4,690,714)\\ (735,099)\\ (5,425,813)\\ \hline \end{array}$	
Allowable costs claimed in excess of (less than) amount paid			\$	(361,524)		
Recap: by Object Account Direct costs:			+	(200,200,000)		
Salaries and benefits Materials and supplies Fixed assets	\$	5,772,308 4,641,647 78,179	\$	3,435,113 2,353,375 12,932	\$ (2,337,195) (2,288,272) (65,247)	
Total direct costs Indirect costs Less late payment penalty		10,492,134 2,897,874 (21,857)		5,801,420 2,162,775 (21,857)	 (4,690,714) (735,099) —	
Total program costs	\$	13,368,151	\$	7,942,338	\$ (5,425,813)	

# Schedule 1 (continued)

<sup>&</sup>lt;sup>1</sup> See the Findings and Recommendations section.

# Schedule 2— Summary of Care and Maintenance Costs July 1, 1998, through June 30, 2003 and July 1, 2005, through June 30, 2008

			Allowable Per Auc							
Category	A	Actual Costs Claimed		Salaries, enefits, and Related direct Costs		aterials and Supplies		Total	A	Audit djustments
January 1, 1999, through June 30, 1999										
Total care and maintenance costs Total animal census	\$ ÷	3,398,931 258,420	\$ ÷	4,294,154 476,517	\$ ÷	103,013 476,517				
Cost per day		\$13.12		\$ 9.01		\$ 0.22				
Care and maintenance of dogs and cats: Cost per day Number of eligible dogs and cats Reimbursable days	× ×	\$13.12 7,103 2	× ×	\$ 9.01 3	× ×	\$ 0.22 3				
Total care and maintenance costs for dogs and cats	\$	186,383	\$		\$		\$	—	\$	(186,383)
Care and maintenance of other "eligible" animals: Cost per day Number of eligible other animals Reimbursable days	× ×	13.12 105 4	× ×	\$ 9.01 57 6	× ×	\$ 0.22 57 6				
Total care and maintenance costs for other animals	\$	5,510	\$	3,081	\$	75		3,156		(2,354)
Total care and maintenance	\$	191,893	\$	3,081	\$	75	\$	3,156	\$	(188,737)
July 1, 1999, through June 30, 2000										
Total care and maintenance costs Total animal census	\$ ÷	4,304,979 258,420	\$ ÷	4,801,703 476,517	\$ ÷	136,599 476,517				
Cost per day		\$16.66		\$10.08		\$ 0.29				
Care and maintenance of dogs and cats: Cost per day Number of eligible dogs and cats Reimbursable days	× ×	\$16.66 17,328 2	× ×	\$10.08 12,056 3	× ×	\$ 0.29 12,056 3				
Total care and maintenance costs for dogs and cats Care and maintenance of other "eligible" animals: Cost per day	<u></u>	577,369 \$16.66	<u>\$</u>	364,573 \$10.08	<u>\$</u>	10,489 \$ 0.29	\$	375,062	\$	(202,307)
Number of eligible other animals Reimbursable days	× ×	607 4	× ×	113 6	××	113 6				
Total care and maintenance costs for other animals	\$	40,450	\$	6,834	\$	197		7,031		(33,419)
Total care and maintenance	\$	617,819	\$	371,407	\$	10,686	\$	382,093	\$	(235,726)
July 1, 2000, through June 30, 2001			_							
Total care and maintenance costs Total animal census	\$ ÷	4,890,106 322,295	\$ ÷	5,299,831 455,088	\$ ÷	74,446 455,088				
Cost per day		\$15.17		\$11.65		\$ 0.16				
Care and maintenance of dogs and cats: Cost per day Number of eligible dogs and cats Reimbursable days	× ×	\$15.17 15,278 2	××	\$11.65 13,746 3	× ×	\$ 0.16 13,746 3				
Total care and maintenance costs for dogs and cats	\$	463,535	\$	480,423	\$	6,598	\$	487,021	\$	23,486

# Schedule 2 (continued)

Allowable Per Audit Salaries,									<u>.</u>		
Category	A	Actual Costs Claimed		Benefits, and Related Indirect Costs		aterials and Supplies	Total		А	Audit Adjustments	
January 1, 2000, through June 30, 2001 (continued)			·							5	
Care and maintenance of other "eligible" animals: Cost per day Number of eligible other animals Reimbursable days	×××	\$15.17 216 4	× ×	\$11.65 101 6	× ×	\$ 0.16 101 6					
Total care and maintenance costs for other animals	\$	13,107	\$	7,060	\$	97		7,157		(5,950)	
Total care and maintenance	\$	476,642	\$	487,483	\$	6,695	\$	494,178	\$	17,536	
	<u> </u>	,			<u> </u>		<u> </u>	,	: <u>-</u>	/	
July 1, 2001, through June 30, 2002 Total care and maintenance costs Total animal census	\$ _	6,899,953 272,290	\$ ÷	4,792,766 497,945	\$ _	131,473 497,945					
Cost per day	<u> </u>	\$25.34		\$ 9.63	<u> </u>	\$ 0.26					
Care and maintenance of dogs and cats: Cost per day Number of eligible dogs and cats Reimbursable days	×××	\$25.34 13,538 2	×××	\$ 9.63 10,365 3	× ×	\$ 0.26 10,365 3					
Total care and maintenance costs for dogs and cats	\$	686,106	\$	299,445	\$	8,085	\$	307,530	\$	(378,576)	
Care and maintenance of other "eligible" animals: Cost per day Number of eligible other animals Reimbursable days	× ×	\$25.34 209 4	× ×	\$ 9.63 124 6	× ×	\$ 0.26 124 6					
Total care and maintenance costs for other animals	\$	21,184	\$	7,165	\$	193		7,358		(13,826)	
Total care and maintenance	\$	707,290	\$	306,610	\$	8,278	\$	314,888	\$	(392,402)	
July 1, 2002, through June 30, 2003											
Total care and maintenance costs Total animal census	\$ ÷	6,257,289 449,730	\$ ÷	4,405,861 450,176	\$ ÷	141,952 450,176					
Cost per day		\$13.91		\$ 9.79		\$ 0.32					
Care and maintenance of dogs and cats: Cost per day Number of eligible dogs and cats Reimbursable days	× ×	\$13.91 10,484 2	× ×	\$ 9.79 7,544 3	× ×	\$ 0.32 7,544 3					
Total care and maintenance costs for dogs and cats Care and maintenance of other "eligible" animals: Cost per day Number of eligible other animals Reimbursable days	\$ × ×	291,737 \$13.91 216 4	\$ × ×	221,567 \$ 9.79 93 6	\$ × ×	7,242 \$ 0.32 93 6	\$	228,809	\$	(62,928)	
Total care and maintenance costs for other animals	\$	12,018	\$	5,463	\$	179		5,642		(6,376)	
Total care and maintenance costs	\$	303,755	\$	227,030	\$	7,421	\$	234,451	\$	(69,304)	
July 1, 2005, through June 30, 2006											
Total care and maintenance costs Total animal census	\$ 1 ÷	0,487,509 509,248	\$ ÷	6,775,244 515,312	\$ ÷	223,754 515,312					
Cost per day	_	\$20.59		\$13.15		\$ 0.43					
Care and maintenance of dogs and cats:											
Cost per day Number of eligible dogs and cats Reimbursable days	× ×	\$20.59 5,930 2	× ×	\$13.15 5,728 3	× ×	\$ 0.43 5,728 3					

# Schedule 2 (continued)

					llow	able Per Au	dit			
Category	A	Actual Costs Claimed	Be	Salaries, enefits, and Related lirect Costs		terials and Supplies		Total	А	Audit djustments
July 1, 2005, through June 30, 2006 (continued)		Claimer			·	Suppres		1000		ajasanenas
Total care and maintenance costs for dogs and cats	\$	244,197	\$	225,970	\$	7,389	\$	223,359	\$	(10,3838)
Care and maintenance of other "eligible" animals: Cost per day Number of eligible other animals Reimbursable days	Ψ	\$20.59 452 4	\$	\$13.15 188 6	\$ × ×	0.43 188 6	Ŷ	220,007	Ŷ	(10,5050)
Total care and maintenance costs for other animals	\$	37,227	\$	14,833	\$	485		15,318		(21,909)
Total care and maintenance costs	\$	281,424	\$	240,803	\$	7,874	\$	248,677	\$	(32,747)
July 1, 2006, through June 30, 2007										
Total care and maintenance costs Total animal census	\$ : ÷	11,585,706 655,576	\$ ÷	8,687,989 706,491	\$ ÷	329,620 706,491				
Cost per day		\$17.67		\$12.30		\$ 0.47				
Care and maintenance of dogs and cats: Cost per day Number of eligible dogs and cats Reimbursable days	××	\$17.67 5,486 2	××	\$12.30 5,123 3	× ×	\$ 0.47 5,123 3				
Total care and maintenance costs for dogs and cats Care and maintenance of other "eligible" animals: Cost per day Number of eligible other animals Reimbursable days	\$ × ×	193,875 \$17.67 1,402 4	\$ × ×	189,039 \$12.30 234 6	\$ × ×	7,223 \$ 0.47 234 6	\$	196,262	\$	2,387
Total care and maintenance costs for other animals	\$	99,093	\$	17,269	\$	660		17,929		(81,164)
Total care and maintenance costs	\$	292,968	\$	206,308	\$	7,883	\$	214,191	\$	(78,777)
July 1, 2007, through June 30, 2008	<u> </u>	, ,	- <u>-</u>	,	<u> </u>	, , , , , , , , , , , , , , , , , , , ,	<u> </u>	,	<u> </u>	
Total care and maintenance costs Total animal census	\$ : ÷	12,856,179 799,326	\$1 ÷	0,432,321 816,858	\$ ÷	539,706 816,858				
Cost per day		\$16.08	\$	\$12.77		\$ 0.66				
Care and maintenance of dogs and cats: Cost per day Number of eligible dogs and cats Reimbursable days	× ×	\$16.08 6,036 2	× ×	\$12.77 5,735 3	× ×	\$ 0.66 5,735 3				
Total care and maintenance costs for dogs and cats	\$	194,118	\$	219,708	\$	11,355	\$	231,063	\$	36,945
Care and maintenance of other "eligible" animals: Cost per day Number of eligible other animals Reimbursable days	× ×	\$16.08 688 4	× ×	\$12.77 243 6	× ×	\$ 0.66 243 6				
Total care and maintenance costs for other animals	\$	44,252	\$	18,619	\$	962		19,581		(24,671)
Total care and maintenance costs	\$	238,370	\$	238,327	\$	12,317	\$	250,644	\$	12,274
Summary: July 1, 1998, through June 30, 2008, excluding July 1, 2003, through June 30, 2005										
Care and maintenance of dogs and cats Care and maintenance of other 'eligible' animals	\$	2,837,320 272,841		2,000,725 80,324	\$	58,381 2,848		2,059,106 83,172	\$	(778,214) (189,669)
Total care and maintenance costs	\$	3,110,161	\$	2,081,049	\$	61,229	\$	2,142,278	\$	(967,883)

# **Findings and Recommendations**

FINDING 1— Overstated training costs The city claimed \$34,145 for training costs during the audit period. We determined that \$24,705 is allowable and \$9,440 is unallowable. The costs were unallowable because the city overstated training hours for new employees (\$15,309) and understated productive hourly rates (\$5,869).

The following table summarizes the claimed, allowable, and unallowable costs for the audit period by fiscal year:

Fiscal Year		mount aimed		mount lowable	Audit Adjustment				
Salaries and Benefits:									
1998-99	\$	9,468	\$	563	\$	(8,905)			
1999-2000		5,357		3,897		(1,460)			
2000-01		3,521		2,572		(949)			
2001-02		3,070		2,261		(809)			
2002-03		1,130		550		(580)			
2005-06		2,735		4,590		1,855			
2006-07		5,936		5,625		(311)			
2007-08		2,928		4,647		1,719			
Total	<u>\$</u> 3	34,145	\$ 2	24,705	\$	(9,440)			

#### **Overstated Training Hours**

The city claimed training hours for Chameleon software for all newly hired employees within the Training Costs component. During our fieldwork, the Animal Services Department provided a sample training agenda to showcase the multitude of topics covered during the training process. The department pro-rated a portion of the training time and claimed three- and two-hour increments in different fiscal periods attributed to the portion of training related to Chameleon software. The department provided a list of all new hires throughout the audit period. We calculated allowable hours based on the list of new hires provided by the department.

We concluded that the three- and two-hour training increments claimed were reasonable. However, we noted that the number of new employees reported on the claims was misstated. Subsequently, we determined that the city overstated 39 hours spent on training activities during the first four years of the audit period and understated 24 hours spent on training activities during the last four years of the audit period. As a result, allowable costs were overstated by \$15,309 during the audit period.

#### Misstated Productive Hourly Rates

The city incorrectly calculated employee productive hourly rates during the audit period. The rates were calculated based on budgeted information rather than the actual payroll. We recalculated all productive hourly rates for all classifications of employees based on the actual annual payroll information. During fieldwork, we received and were able to analyze the actual payroll summaries for all classifications of employees included in the claims for the last three years of the audit period fiscal year (FY) 2005-06 through FY 2007-08). However, the actual payroll information was not available for the earlier five years of the audit period. We used a consumer price index to deflate the amounts paid for labor in prior years. Our analysis revealed that the claimed productive hourly rates were generally understated. We used the revised rates in our calculations of allowable costs for all cost components. For the Training cost component, we determined that allowable costs were understated by \$5,869.

Summary of Productive Hourly Rate Adjustments by Reimbursable Components

The productive hourly rate calculation noted previously also affected the following reimbursable components:

Reimbursable Component	A	Audit djustment
Training	\$	5,869
Computer software		1,707
Increased holding period		126,963
Lost and found lists		3,097
Non-medical records		35,708
Veterinary care		1,658
Total	\$	175,002

The program's parameters and guidelines allow reimbursement for the one-time activity of providing training to staff on reimbursable activities.

#### **Recommendation**

We recommend that the city ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

#### City's Response

The city did not provide a response to this specific finding. However, the city did comment on the audit process and the audit findings in general. See the city's response under "Other Issues."

Animal Adoption Program

The city claimed \$525,513 for computer software costs during the audit period. We determined that \$270,771 is allowable and \$254,742 is unallowable (\$56,259 for salaries and benefits and \$198,483 for materials and supplies). The material and supply costs were unallowable because the city did not pro-rate computer equipment and software costs attributed to the mandated activities (\$164,849), claimed unsupported costs (\$41,889), claimed unallowable invoices (\$37,991), and did not claim allowable costs of \$46,246. The salary and benefit costs were unallowable because the city did not pro-rate the Chameleon maintenance hours attributed to the mandated activities (\$57,966) and understated productive hourly rates (\$1,707).

The following table summarizes the claimed, allowable, and unallowable costs for the audit period by fiscal year:

Fiscal Year		Amount Claimed	Amount llowable	Audit Adjustment			
			 nowable		lajustitient		
Salaries and benefits:	÷						
1998-99	\$	1,855	\$ 1,062	\$	(793)		
1999-2000		5,237	2,997		(2,240)		
2000-01		4,655	3,110		(1,545)		
2001-02		5,453	3,138		(2,315)		
2002-03		34,826	17,413		(17,413)		
2005-06		30,522	15,261		(15,261)		
2006-07		33,385	 16,693		(16,692)		
Total salaries and benefits		115,933	 59,674		(56,259)		
Materials and supplies:							
1999-2000		126,659	42,456		(84,203)		
2000-01		140,538	51,203		(89,335)		
2001-02		118,383	69,438		(48,945)		
2002-03		24,000	12,000		(12,000)		
2005-06			12,000		12,000		
2006-07			12,000		12,000		
2007-08			 12,000		12,000		
Total materials and supplies		409,580	 211,097		(198,483)		
Total	\$	525,513	\$ 270,771	\$	(254,742)		

Chameleon System Screens Analysis

The Los Angeles Animal Services Department purchased Chameleon software for FY 1999-2000. All of the city's shelters use the Chameleon system to maintain animal records. The Chameleon database has various screens that contain options for storing animal information. Some screens relate to the mandated activities and some do not.

The department performed an analysis of its Chameleon software system to determine the extent the system was used for mandated activities. In this analysis, the department identified the following 10 screens and the approximate percentages of those screens as they relate to the entire software system:

- 1. Animal Window 11%
- 2. Kennel Window 20%
- 3. Cham Cam 4%
- 4. Person Window -7%
- 5. Tag / Link Window -10%

- 6. Receipt Window 13%
- 7. Treatment and To Do Window 15%
- 8. Activity and Dispatch Windows 10%
- 9. Memo Window 5%
- 10. Other Windows -5%

In suggesting percentages for each of the screens, the department took into consideration how much time, on average, shelter staff spends noting information in each screen, how often these screens get updated, and the approximate amount of information contained within each screen.

Per discussions with the department's staff, we determined that 5 of the 10 screens identified above have a direct relation to the mandated activities. The mandate-related screens are as follows:

- 1. Animal Window
- 2. Kennel Window
- 3. Cham Cam
- 4. Person Window
- 5. Memo Window

We determined that the mandate-related windows comprise approximately 50% of the total Chameleon screens and information contained in those screens. We applied this 50% pro-rata percentage to all allowable costs in our calculations. Subsequently, we concluded that the city overstated allowable computer equipment costs totaling \$164,849 and overstated salary and benefit costs totaling \$57,966 during the audit period.

#### Misstated and Unsupported Computer Equipment Costs

The city was unable to provide invoices for all computer purchases claimed throughout the audit period. The unsupported portion of the costs totaled \$41,889. In addition, the city claimed unallowable costs totaling \$37,991 for FY 2000-01. The unallowable costs consisted of one license-renewal fee that was claimed twice in the same fiscal year and one invoice containing generic software licenses that were unrelated to Chameleon software. In addition, the city did not include in its claims additional costs totaling \$46,246 for FY 2001-02 and FY 2005-06 through FY 2007-08. The additional amount includes additional invoices totaling \$10,246 for computer hardware for FY 2001-02 and Chameleon licensing fees totaling \$36,000 for FY 2005-06 through FY 2007-08.

#### Understated Productive Hourly Rates

As identified in Finding 1, the city generally understated employee productive hourly rates. We applied the adjusted rates and determined that allowable costs for this component were understated by \$1,707.

The parameters and guidelines allow reimbursement for developing or procuring computer software for the maintenance of specified animal records. In addition, the parameters and guidelines state that if the computer software is used in a way that is not directly related to the maintenance of animal records, then only the pro-rata portion of the activity that is used for compliance with the mandated program is reimbursable.

#### Recommendation

We recommend that the city ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

#### City's Response

The city did not provide a response to this specific finding. However, the city did comment on the audit process and the audit findings in general. See the city's response under "Other Issues."

## FINDING 3— Overstated care and maintenance costs

The city claimed \$3,110,161 for care and maintenance costs during the audit period. We determined that \$2,142,278 is allowable and \$967,883 is unallowable. The costs were unallowable because the city incorrectly reported annual expenditures attributed to the care and maintenance function, incorrectly calculated the yearly census of dogs and cats and other animals, and subsequently overstated the claimed costs per animal per day in each fiscal period. In addition, the city incorrectly calculated the number of eligible stray dogs and cats and other animals that died during the increased holding period or were ultimately euthanized. The city also used an incorrect number of reimbursable days for this component.

The following table summarizes the claimed, allowable, and unallowable costs for the audit period by fiscal year:

	Amount Claimed						 An						
Fiscal Year	]	Dogs/Cats	Other Animals Total Claimed			 Dogs/Cats	Other Animals		Total Allowable			Audit justment	
Care and mai	inte	enance:											
1998-99	\$	186,383	\$	5,510	\$	191,893	\$ 	\$	3,156	\$	3,156	\$ (1	188,737)
1999-2000		577,369		40,450		617,819	375,062		7,031		382,093	(2	235,726)
2000-01		463,535		13,107		476,642	487,021		7,157		494,178		17,536
2001-02		686,106		21,184		707,290	307,530		7,358		314,888	(3	392,402)
2002-03		291,737		12,018		303,755	228,809		5,642		234,451		(69,304)
2005-06		244,197		37,227		281,424	233,359	1	5,318		248,677		(32,747)
2006-07		193,875		99,093		292,968	196,262	1	7,929		214,191		(78,777)
2007-08		194,118		44,252		238,370	 231,063	1	9,581		250,644		12,274
Total	\$	2,837,320	\$	272,841	\$ 3	3,110,161	\$ 2,059,106	\$ 8	3,172	\$ 2	2,142,278	\$ (9	967,883)

The care and maintenance formula calculations of claimed, allowable, and unallowable costs by fiscal year are presented in Schedule 2—Summary of Care and Maintenance Costs.

During our review, we noted the following issues:

- The city did not use actual expenditure amounts relating to care and maintenance to calculate the cost per animal per day. Instead, the city used budgeted expenditure amounts that were not actual costs. In addition, the costs that the city reported were not pro-rated to the portion of the costs relating to the care and maintenance functions.
- The city did not use accurate annual animal census information to calculate the cost per animal per day.
- The city overstated the cost per animal per day in each fiscal year of the audit period.
- The city did not use the accurate number of eligible dogs and cats and other animals that died during the increased holding period or were ultimately euthanized. This error occurred primarily because the city did not account for all animal population exclusions noted in the parameters and guidelines.
- The city did not use the correct number of reimbursable increased holding period days to calculate claimed costs.

Our analysis of each issue identified in this list is presented below in the same order as listed above.

#### Total Annual Expenditures Related to Care and Maintenance

The city did not use the actual expenditure amounts relating to care and maintenance that it incurred to calculate the cost per animal per day. Instead, the city used budgeted expenditure amounts that were not actual costs and were not pro-rated to the portion of the costs relating to the care and maintenance functions.

The following table summarizes claimed, allowable, and unallowable expenditure amounts used for the calculation of care and maintenance costs:

		Amount A						
		Salaries,						
	Amount	Benefits and	Benefits and Materials and					
Fiscal Year	Claimed	Indirect Cost	Supplies	Adjustment				
Care and maintenance	e expenditures:							
1998-99	\$ 3,398,931	\$ 4,294,154	\$ 103,013	\$ 998,236				
1999-2000	4,304,979	4,801,703	136,599	633,323				
2000-01	4,890,106	5,299,831	74,446	484,171				
2001-02	6,899,953	4,792,766	131,473	(1,975,714)				
2002-03	6,257,289	4,405,861	141,952	(1,709,476)				
2005-06	10,487,509	6,775,244	223,754	(3,488,511)				
2006-07	11,585,706	8,687,989	329,620	(2,568,097)				
2007-08	12,856,179	10,432,321	539,706	(1,884,152)				
Total	\$ 60,680,652	\$ 49,489,869	\$ 1,680,563	\$ (9,510,220)				

Labor Costs Related to Care and Maintenance (Salaries, Benefits, and Indirect Costs)

During the course of the audit, we requested that the city provide the actual salary amounts paid to those employee classifications directly involved with the care and maintenance function. We also requested the duty statements for such classifications to assist us in determining the percentage of daily workload that was devoted to caring and maintaining animals. The Animal Services Department provided a list of personnel who participate in the care and maintenance functions. The department also provided information relating to the involvement level of each classification and submitted job duty statements that supported the its proposed pro-rated percentages.

As proposed by the department, we used the following employee classifications and percentages of their annual salary, benefit, and related indirect costs to calculate labor costs relating to the Care and Maintenance cost component for each fiscal year:

- Animal Care Technicians (80%)
- Animal Care Technician Supervisor (40%)

We used actual annual payroll information for each employee classification for the last three years of the audit period (FY 2005-06 through FY 2007-08). However, the actual payroll information was not

available for the earlier five years of the audit period. We used a consumer price index to deflate the amounts paid for labor in these prior years.

Materials and Supplies Costs Related to Care and Maintenance

Subsequent to the issuance of the draft audit report, the city submitted documentation supporting actual materials and supplies expenditures incurred for care and maintenance activities. The city submitted summary reports containing year end expenditures by vendor for two accounts:

- 1. Account 4580 Animal Food
- 2. Account 6020 Shelters Operating Supplies

For the audit period, the year end expenses submitted totaled \$2,488,030 for both accounts. We examined the detailed spreadsheets with expenditures by vendor in both accounts to determine whether any of the submitted costs could be potentially included in our calculation of allowable care and maintenance costs. Of the \$2,488,030 in costs submitted, we concluded that costs totaling \$1,680,563 were allowable. Accordingly, we included these costs in the care and maintenance formula calculations.

	Amount		Amount		Audit	
Fiscal Year	Claimed		Allowable		Adjustment	
Account 4580 – Animal Food:						
1998-99	\$	79,175	\$	79,1752	\$	
1999-2000		118,361		112,034		(6,327)
2000-01		48,325		48,325		
2001-02		71,335		71,335		
2002-03		76,695		76,695		
2005-06		115,602		107,736		(7,866)
2006-07		178,828		178,828		
2007-08		288,067		288,067		
Total animal food		976,388		962,195		(56,259)
Account 6020 – Operating supplies						
1998-99		148,213		23,838		(124,375)
1999-2000		89,209		24,565		(64,644)
2000-01		126,057		26,121		(99,936)
2001-02		136,362		60,138		(76,224)
2002-03		125,345		65,257		(60,088)
2005-06		200,587		116,018		(84,569)
2006-07		325,315		150,792		(174,523)
2007-08		360,554		251,639		(108,915)
Total operating supplies		1,511,642		718,368		(793,274)
Total	\$ 2	2,488,030	\$	1,680,563	\$	(807,467)

The following table summarizes the amounts submitted, allowable, and audit adjustment by fiscal year:

Expenses Unrelated to the function of caring and maintaining animals:

During fieldwork, we discussed with department staff the reimbursable criteria for this cost component. With the department's assistance, we identified specific types of materials and supplies expenditures that might be allowable under the component of care and maintenance. The department's staff agreed that allowable expenditures for this component would primarily include animal food and cleaning supplies.

Upon our review of the city's additional documentation, we concluded that some expenditures were unallowable under the Care and Maintenance cost component. We excluded any expenses that were unrelated to the function of caring and maintaining the animals. The examples of unallowable expenses include the following:

- Office supplies, such, calculators, staples, office furniture, etc.
- Printing supplies, such as paper and ink
- Film processing and camera expenses
- Shooting range expenses
- Cell phone expenses
- Relocation expenses
- Expenses for animal traps
- Expenses for license tags
- Magazine subscription expenses
- Laboratory services
- Diagnostic services
- Medical waste disposal services
- Medical expenses
- Petty cash funds
- Bank card payment expenditures for the department's administative purchases

During fieldwork and status meetings, we discussed the types of vendors and allowable expenses that could be included in our calculation of allowable care and maintenance costs. We determined that allowable expenses by vendor included the following:

- Newco Distributors Account 4580, Vendor ID #000022807
- Empire Cleaning Supply Account 6020, Vendor ID #000001138
- Gale Supply Co (Cleaning Supplies) Account 6020, Vendor ID #000001313
- Animal Health and Sanitary Supply (Cleaning Supplies) Account 6020, Vendor ID #000041889
- C Specialties Inc (Animal Care Products) Account 6020, Vendor ID #000038437
- BJ Enterprises (food storage supplies) Account 6020, Vendor ID #000022709
- Animal Care Account 6020, Vendor ID #000029262

# Additional Allowable Care and Maintenance Costs Resulting from New Information

We incorporated the additional materials and supplies costs identified above into our calculations of allowable care and maintenance costs. After adding the allowable materials and supplies costs into the care and maintenance formula, additional allowable care and maintenance costs total \$61,229 for the audit period.

	Previous Allowable Amount			Revise			
Fiscal Year	Dogs/Cats	Other Animals	Total Allowable Amount	Dogs/Cats	Other Animals	Total Revised Allowable Amount	Audit Adjustment
Care and ma	intenance:						
1998-99	\$ —	\$ 3,081	\$ 3,081	\$ —	\$ 3,156	\$ 3,156	\$ 75
1999-2000	364,573	6,834	371,407	375,062	7,031	382,093	10,686
2000-01	480,423	7,060	487,483	487,021	7,157	494,178	6,695
2001-02	299,445	7,165	306,610	307,530	7,358	314,888	8,278
2002-03	221,567	5,463	227,030	228,809	5,642	234,451	7,421
2005-06	225,970	14,833	240,803	233,359	15,318	248,677	7,874
2006-07	189,039	17,269	206,308	196,262	17,929	214,191	7,883
2007-08	219,708	18,619	238,327	231,063	19,581	250,644	12,317
Total	\$ 2,000,725	\$ 80,324	\$ 2,081,049	\$ 2,059,106	\$ 83,172	\$ 2,142,278	\$ 61,229

The following table summarized the revised allowable amounts for care and maintenance expenses by fiscal year:

The revised care and maintenance formula calculations of claimed, allowable, and unallowable costs by fiscal year are also presented in Schedule 2—Summary of Care and Maintenance Costs.

### Annual Animal Census Data

The yearly census refers to the total number of days that all animals were housed in the city's shelters. The Animal Services Department was able to provide the actual animal census information from its Chameleon tracking system for FY 2000-01 through FY 2007-08. For the earlier two years, for which Chameleon statistics were not available, we were able to use the average data from animal statistics available for FY 2000-01 and FY 2001-02.

#### Exclusions

The only two exclusions noted in this category were the animals that came in Dead on Arrival (DOA) or Missing. We did not count DOA animals as part of the annual census because no costs were incurred to care for them. In addition, we did not count Missing animals as part of the annual census because their holding period was unknown.

#### Input Errors

During our analysis of the annual census information, we noted some data input errors relating to dates. Some animal entries showed a negative holding period or extraordinarily long holding periods (e.g., exceeding ten years). Because these input errors were very obvious, we either eliminated these animals from the population or changed the incoming or outgoing dates.

Our review of the Chameleon animal information indicated that the city understated the annual animal census in each fiscal year of the audit period.

			Animal Census Allowable				
	Total			Other	Total	Audit	
Fiscal Year	Claimed	Dogs/Cats	Birds	Animals	Allowable	Adjustment	
Annual animal census:							
1998-99	258,420				476,517	218,097	
1999-2000	258,420				476,517	218,097	
2000-01	322,295	405,287	21,792	28,009	455,088	132,793	
2001-02	272,290	418,756	37,926	41,263	497,945	225,655	
2002-03	449,730	407,574	13,821	28,781	450,176	446	
2005-06	509,248	415,652	17,307	82,353	515,312	6,064	
2006-07	655,576	525,522	15,520	165,449	706,491	50,915	
2007-08	799,326	695,980	34,574	86,304	816,858	17,532	
Total	3,525,305	2,868,771	140,940	432,159	4,394,904	869,599	

The following table summarizes the claimed, allowable, and revised animal census information by fiscal year:

Cost Per Animal Per Day

The actual cost formula requires the eligible annual cost of care to be divided by the yearly census to arrive at an average cost per animal per day. The cost per animal per day is then multiplied by the eligible number of animals and the number of increased holding period days.

We used the audited annual expenditures and the annual animal census information to calculate the allowable cost per animal per day. We concluded that the city overstated the cost per animal per day in each fiscal period, as shown in the table below.

Fiscal Year	Cost Claimed		Cost Allowable		Audit Adjustment	
Cost per animal per day:						
1998-99	\$	13.12	\$	9.23	\$	(3.89)
1999-2000		16.66		10.37		(6.29)
2000-01		15.17		11.81		(3.36)
2001-02		25.34		9.89		(15.45)
2002-03		13.91		10.11		(3.80)
2005-06		20.59		13.58		(7.01)
2006-07		17.67		12.77		(4.90)
2007-08		16.08		12.43		(2.65)

#### Eligible Animal Population

We determined the eligible animal population for dogs and cats and other animals by analyzing the Chameleon database information and taking into account all exclusions per the requirement of the mandated program. The following animals were excluded from the population of eligible animals:

- Dogs and cats and other animals that were owner-surrendered or previously owned (only stray animals were included in the eligible population);
- Dogs, cats, and other animals that were ultimately adopted, transferred, rescued, or redeemed (only those animals with the outcome of "died" or "euthanized" were reviewed);

- Dogs, cats, and other animals that went missing from their kennels, were stolen, or escaped;
- Dogs, cats, and other animals that were DOA;
- Dogs, cats, and other animals that were euthanized as requested by owners or if euthanasia was required / requested ("Dispo Req" or "Euth Req");
- Dogs, cats, and other animals that were euthanized for humane reasons (usually on day 1);
- Dogs, cats, and other animals that were suffering from a serious illness or severe injury (usually euthanized on day 1 or died on day 1);
- Newborn animals that need maternal care and were impounded without their mothers (usually died or were euthanized within the first few days; the excluded categories included "Unweaned" or "8 weeks unsustainable");
- Ineligible other animals such as rodents, livestock, or wild animals;
- Ineligible birds, such as pigeons, doves, ducks, chickens, owls, pheasants, mallards, and gamefowls;
- Dogs and cats that died in the shelter's kennels outside of increased holding period (days 1, 2, 3, and day 7 and beyond), as per the requirements of the mandate. (Local agencies are eligible to receive reimbursement to care for dogs and cats that *died during the increased holding period* [days 4, 5, and 6]);
- "Other" animals that died in the shelters' kennels on day 7 and beyond (after the increased holding period). (Local agencies are eligible to receive reimbursement to care for other animals that *died during the increased holding period* [days 2, 3 through 6]); and
- Dogs, cats, and other animals that were euthanized during the holding period as per the requirements of the mandate. The agencies are eligible to receive reimbursement to care for dogs and cats and other animals that were *euthanized after the holding period* (day 7 of the holding period and beyond).

Our review of the Chameleon database revealed that the city overstated eligible animal populations in each fiscal period.

	Animals Claimed			An	Animals Allowable			
	Dogs/	Other	Total	Dogs/	Other	Total	Audit	
Fiscal Year	Cats	Animals	Claimed	Cats	Animals	Allowable	Adjustment	
Eligible anim	als:							
1998-99	7,103	105	7,208		56	56	(7,152)	
1999-2000	17,328	607	17,935	12,056	113	12,169	(5,766)	
2000-01	15,278	216	15,494	13,746	101	13,847	(1,647)	
2001-02	13,538	209	13,747	10,365	124	10,489	(3,258)	
2002-03	10,484	216	10,700	7,544	93	7,637	(3,063)	
2005-06	5,930	452	6,382	5,728	188	5,916	(466)	
2006-07	5,486	1,402	6,888	5,123	234	5,357	(1,531)	
2007-08	6,036	688	6,724	5,735	243	5,978	(746)	
Total	81,183	3,895	85,078	60,297	1,152	61,449	(23,629)	

The following table summarizes the claimed, allowable, and unallowable animals for the audit period by fiscal year:

Increased Holding Period Days

The parameters and guidelines identify the number of reimbursable days for dogs and cats to be the difference between three days from the day of capture and four business days from the day after impoundment. For other animals, the parameters and guidelines identify the number of reimbursable days to be four business days from the day after impoundment.

Determining the exact number of reimbursable days is often difficult. Depending on the impound day, each animal will have a different holding period requirement. For example, for a dog impounded at noon on Monday, the "old" law (prior to 1999) requires the city to hold the dog until noon on Thursday (72 hours); the current law requires the city to hold the dog until closing on Friday (which is 4 business days following impoundment). Under the current law, the holding period was increased by 1 day and 5 hours (or 29 hours). However, for the dog impounded at noon on Friday, the "old" law requires the city to hold the dog until closing on Friday (which is 4 business days following impoundment). Under the current law requires the city to hold the dog until noon on Monday (72 hours); and the current law requires the city to hold the dog until closing on Friday (which is 4 business days following impoundment). Under the current law, the holding period was increased by 4 days and 5 hours (or 101 hours).

This calculation takes into consideration that the required holding period does not include either Saturday or Sunday as a business day, which is consistent with the Appellate Court decision dated March 26, 2010, in the case of *Purifoy et al v. Howell*. We also took into consideration the operating schedules of the city's shelters; some shelters are closed on Mondays. In such cases, we did not count Monday as a business day.

To determine the number of reimbursable days for all of the city's shelters, we analyzed every possible impound option (e.g., Monday impound, Tuesday impound, Wednesday impound, etc.) and determined the average increased holding period for dogs and cats to be 3 days and the average increased holding period for other "eligible" animals to be 6 days.

The following chart summarizes the formula:

#### Care and Maintenance Formula for Dogs and Cats

Cost per animal × per dayEligible dogs and co (died days 4,5,6) (euthanized days 7 and	(3 days for dogs and cats)
---	----------------------------

## **Care and Maintenance Formula for Other Animals**

Cost per animal $\times$	Eligible Animals	× Number of Increased Days
per day	(died days 2,3,4,5,6)	(6 days for other)
	(euthanized days 7 and on)	

The parameters and guidelines (section IV.B.3–Care and Maintenance for Impounded Stray or Abandoned Dogs and Cats that Die During the Increased Holding Period or Are Ultimately Euthanized) identify the following reimbursable activities:

Beginning July 1, 1999 – Providing care and maintenance during the increased holding period for impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized. The increased holding period shall be measured by calculating the difference between three days from the day of capture and four or six business days from the day after impoundment.

The parameters and guidelines (section IV.B.4–Care and Maintenance for Impounded Stray or Abandoned Animals Specified in Food and Agriculture Code Section 31753 that Die During the Increased Holding Period or Are Ultimately Euthanized) also state:

Beginning January 1, 1999 – For providing care and maintenance for... stray or abandoned rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles, and tortoises legally allowed as personal property that die during the increased holding period or are ultimately euthanized.

Eligible claimants are *not* entitled to reimbursement for the care and maintenance of the following population of dogs and cats and other animals:

- Stray or abandoned dogs, cats, and other animals that are irremediably suffering from a serious illness or severe injury,
- Newborn stray or abandoned dogs, cats, and other animals that need maternal care and have been impounded without their mothers,
- Stray or abandoned dogs, cats, and other animals too severely injured to move or when a veterinarian is not available and it would be more humane to dispose of the animal,
- Owner-relinquished dogs, cats, and other animals, and
- Stray or abandoned dogs, cats, and other animals that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

Eligible claimants may elect one of two methods, actual cost method or time study method, to claim costs for the care and maintenance of impounded stray or abandoned dogs, cats, and other animals that die during the increased holding period or are ultimately euthanized. The city elected to use the actual cost method to claim these costs.

Under the actual cost method, actual reimbursable care and maintenance costs per animal per day are computed for an annual claim period. The computation method is as follows:

- 1. Determine the total annual cost of care and maintenance for all dogs, cats, and other animals impounded at a facility. Total cost of care and maintenance includes labor, materials, supplies, indirect costs, and contract services.
- 2. Determine the average daily census of all dogs, cats, and other animals. For purposes of claiming reimbursement under IV.B.3, "average daily census" is defined as the average number of all dogs and cats at a facility housed on any given day, in 365-day period and the average number of all other animals at a facility housed on any given day, in a 365-day period.
- 3. Multiply the average daily census of dogs, cats, and other animals by 365 = the yearly census of dogs and cats and the yearly census of other animals.
- 4. Divide the total annual cost of care by the yearly census of dogs and cats = cost per dog and cat per day and yearly census of other animals = cost per other animal per day.
- 5. Multiply the cost per animal per day, by the number of impounded stay or abandoned dogs, cats, and other animals that die during the increase holding period or are ultimately euthanized by each reimbursable day. The reimbursable day for cats and dogs is the difference between three days from the day of capture, and four or six business days from the day after impoundment.

Care and Maintenance Formula

The parameters and guidelines provide for a formula-driven methodology to determine allowable mandated costs for the care and maintenance of dogs and cats and other animals. The use of this method requires claimants to calculate the total amount of eligible costs incurred to provide care and maintenance for the animals housed in its shelter. This total is divided by the annual census of animals housed in the shelter to determine a cost per animal per day. The next element of the formula is adding the number of stray and abandoned animals that died of natural causes during the holding period plus those animals that were euthanized after the required holding period. This total number of animals is then multiplied by the cost per animal per day. The resulting amount represents allowable costs for providing care and maintenance. The mandate is reimbursing claimants for costs associated with animals that were not relinquished, redeemed, adopted, or released to a nonprofit agency—animals for which the local agency was unable to assess fees to recover such costs.

## Recommendation

We recommend that the city ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

## City's Response

The city did not respond to this finding. However, the city provided additional supporting documentation subsequent to the issuance of the draft audit report.

# SCO's Comment

The finding amount decreased by \$61,229—from \$1,029,112 to \$967,883 based on the additional information provided. The recommendation remains unchanged.

# FINDING 4— Overstated increased holding period costs

The city claimed \$3,886,965 for increased holding period costs for the audit period. We determined that \$1,841,233 is allowable and \$2,045,732 is unallowable. The unallowable costs occurred because the city overstated allowable hours and the number of allowable positions (\$2,172,695) and understated productive hourly rates (\$126,963).

The following table summarizes the claimed, allowable, and unallowable costs for the audit period by fiscal year:

Fiscal Year	Amount Claimed		Amount Allowable		Audit djustment
Salaries and benefits:					
1998-99	\$ 337,191	\$	90,266	\$	(246,925)
1999-2000	754,105		201,949		(552,156)
2000-01	784,231		211,205		(573,026)
2001-02	805,160		213,025		(592,135)
2002-03	115,785		218,413		102,628
2005-06	246,783		295,417		48,634
2006-07	550,209		308,794		(241,415)
2007-08	 293,501		302,164		8,663
Total	\$ 3,886,965	\$ 1	,841,233	\$ (	(2,045,732)

# Misstated Allowable Hours and Employee Positions

The city claimed hours for Animal Care Technicians, Animal Care Technician Supervisors, Animal Control Officers, and Clerk Typists for working on one of the weekend days. The city, however, did not take into account the difference between the regular staffing needs and the increased staffing needs to comply with the requirement of this component. As a result, the city overstated the number of eligible employee positions and did not properly calculate the number of reimbursable hours per each position. This resulted in overstated costs totaling \$2,172,695 during the audit period.

# Hours of Operation

The city provided documentation identifying the hours of operation for its animal shelters. All shelters in the city operate on the same schedule and stay open to the public six days a week (excluding Mondays), from 8 am until 5 pm. Thus, as per the requirement of the mandate, each shelter makes animals available for owner redemption or adoption on either of the weekend days. We concluded that reimbursement is allowable for the increased and eligible staffing on Saturdays.

# Staffing Requirements

For agencies using the holding period of four business days after the day of impoundment, we needed to determine the additional costs incurred to have the impounded animals available for owner redemption or adoption. In order to determine the additional staffing requirements, we inquired about the number of employees and classifications of staff members working when the shelter is closed to the public (Mondays) and the staffing needed to comply with the mandate and stay open during the increased hours (Saturdays). When the shelter is closed to the public, animals must still be cared for and fed. Usually, most of the staff members whose duties include caring for animals would be at the shelters regardless of whether the shelters were open to the public or not. Therefore, as the main duties of these employees are to care and maintain animals, these positions are generally not reimbursable for this cost component.

However, some positions are reimbursable under this component depending on the increased staffing needs on those days when the shelter is open to the public. To demonstrate the increased staffing requirements for Saturdays, the city provided monthly working schedules for each shelter. After reviewing these schedules, we determined that the following additional employees were needed to comply with the mandate requirement and stay open during one weekend day.

- Animal Care Technicians (10 positions, 9 hours each)
- Animal Care Technician Supervisor (1 position, 9 hours)
- Front Counter Clerks (10 positions, 8 hours each)

#### Allowable Annual Hours

Starting with FY 1999-2000, we calculated allowable annual hours the same way for every year using the following formula:

Allowable weekly hours per classification  $\times$  Number of positions  $\times$  52 weeks

The following table summarizes the annual hours per employee classification needed to perform the mandated activities:

Employee Classification	Number of Eligible Employees	Allowable Weekly Hours	Allowable Annual Hours
Animal Care Technicians	10	9	4,680
ACT Supervisor	1	9	468
Front Counter Clerks	10	8	4,160
			9.308

The FY 1998-99 reimbursement period for this cost component began in January 1999. Accordingly, we reduced allowable annual hours by half for this fiscal period.

## Understated Productive Hourly Rates

As identified in Finding 1, the city generally understated employee productive hourly rates. We applied the adjusted rates and determined that allowable costs for this component were understated by \$126,963.

The parameters and guidelines (section IV.B.5–Using the Holding Period of Four Business Days After the Day of Impoundment) state that the following activities are reimbursable beginning January 1, 1999, for impounded animals specified in Food and Agriculture Code section 31753 ("other animals"), and beginning July 1, 1999, for impounded dogs and cats:

- Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or
- For those local agencies with fewer than three full time employees or that are not open during all regular weekday business hours, establishing a procedure to enable the owner to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.

# Recommendation

We recommend that the city ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

# City's Response

The city did not provide a response to this specific finding. However, the city did comment on the audit process and the audit findings in general. See the city's response under "Other Issues."

# FINDING 5— Overstated lost and found lists costs

The city claimed \$195,493 for the Lost and Found Lists cost component during the audit period. We determined that \$79,114 is allowable and \$116,379 is unallowable. The costs were unallowable because the city claimed estimated hours in the first four years of the audit period (\$77,428), claimed unsupported Web project development costs (\$44,699), understated allowable hours due to rounding errors in the time study (\$2,651), and understated employee productive hourly rates (\$3,097).

The following table summarizes the claimed, allowable, and unallowable costs for the audit period by fiscal year:

	Amount	Amount	Audit	
Fiscal Year	Claimed	Allowable	Adjustment	
Salaries and benefits:				
1998-99	\$ 12,655	\$ 3,852	\$ (8,803)	
1999-2000	26,185	8,615	(17,570)	
2000-01	30,373	9,008	(21,365)	
2001-02	54,530	9,087	(45,443)	
2002-03	9,371	9,318	(53)	
2005-06	12,237	12,600	363	
2006-07	13,016	13,364	348	
2007-08	12,206	13,270	1,064	
Total salaries and benefits	170,573	79,114	(91,459)	
Materials and supplies:				
2001-02	24,920		(24,920)	
Total	\$ 195,493	\$ 79,114	\$ (116,379)	

#### Estimated and Unsupported Costs

The city claimed estimated hours for Clerk Typists for FY 1998-99 through FY 2001-02. The estimated salary and benefit costs totaled \$77,428. Furthermore, the city also claimed unsupported costs for the creation of its Web site for FY 2001-02 totaling \$19,779 for salaries and benefits and \$24,920 for materials and supplies. The city did not provide any documentation to support claimed costs nor document the pro-rated portion of these costs attributed to the mandated activity of Lost and Found Lists.

## Time Study

Starting with FY 2002-03, the city started claiming hours based on a time study that it conducted for this cost component. The time study recorded the time increments for the Clerk Typists to print out and display the stray sheets and inventory of stray animals for the public to review. The time study results showed that it takes an average of 11.63 minutes each day for Clerk Typists to perform this activity at each of the city's shelters. The city claimed 11 minutes per clerk (one clerk per each shelter) for this component starting in FY 2002-03. Our review of the time study revealed rounding errors in the city's favor. We calculated allowable hours using 11.63 minutes for one Clerk Typists per day at each of the six shelters. We applied the results of the time study for all years in the audit period.

Using the methodology described above, we calculated allowable annual hours totaling 424.50 per fiscal year, as shown in the table below. For FY 1998-99, reimbursement begins in January 1999, so we used half of total hours allowable for this fiscal year.

	Number of	Allowable	
	Eligible	Daily	Allowable
Employee Classification	Employees	Minutes	Annual Hours
Front Counter Clerks	6	11.63	424.50

The city understated allowable hours from the time study due to the rounding errors. As a result, allowable costs were understated by \$2,651 for the audit period.

## Understated Productive Hourly Rates

As identified in Finding 1, the city generally understated employee productive hourly rates. We applied the adjusted rates and determined that allowable costs for this component were understated by \$3,097.

The parameters and guidelines (section IV.B.7–Lost and Found Lists) identify the following reimbursable activities:

Beginning January 1, 1999 – Providing owners of lost animals and those who find lost animals with all of the following:

- Ability to list the animals they have lost or found on "lost and found" lists maintained by the agency;
- Referrals to animals listed that may be the animals the owner or finders have lost or found;
- The telephone numbers and addresses of other pounds and shelters in the same vicinity;
- Advice as to means of publishing and disseminating information regarding lost animals; and
- The telephone numbers and addresses of volunteer groups that may be of assistance in locating lost animals.

## Recommendation

We recommend that the city ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

# City's Response

The city did not provide a response to this specific finding. However, the city did comment on the audit process and the audit findings in general. See the city's response under "Other Issues."

# FINDING 6— Understated non-medical records costs

The city claimed \$468,667 for the Maintaining Non-Medical Records cost component during the audit period. We determined that \$1,065,219 is allowable and the city underclaimed costs in the net amount of \$596,552. The costs were misstated because the city claimed overstated and unallowable time increments per non-medical record during the first three years of the audit period (\$237,933), understated the number of eligible animal records (\$814,940), overstated hours spent by the Systems Analyst classification performing mandated activities (\$16,163), and understated productive hourly rates (\$35,708).

The following table summarizes the claimed, allowable, and unallowable costs for the audit period by fiscal year:

	Amount	Amount	Audit	
Fiscal Year	Claimed	Allowable	Adjustment	
Salaries and benefits:				
1998-99	\$ 47,236	\$ 56,834	\$ 9,598	
1999-2000	140,516	127,181	(13,335)	
2000-01	126,793	135,995	9,202	
2001-02	26,714	131,162	104,448	
2002-03	23,921	124,455	100,534	
2005-06	30,738	155,122	124,384	
2006-07	20,871	156,162	135,291	
2007-08	51,878	178,308	126,430	
Total	\$ 468,667	\$ 1,065,219	\$ 596,552	

## Overstated and Unallowable Costs

In the first three years of the audit period (FY 1998-99 through FY 2000-01), the city claimed 20 minutes per animal record for Veterinary Assistants to record information relating to the health of animals. However, recording animal health information is not a reimbursable activity and is, therefore, unallowable. The unallowable costs in the first three years of the audit period totaled \$237,933.

# Time Study

In the latter five years of the audit period (FY 2001-02, FY 2002-03, and FY 2005-06 through FY 2007-08), the city claimed 5 minutes per nonmedical animal record for the Animal Care Technicians to input animal intake information based on the results of the time study. The city then applied the 5-minute increments from the time study to the number of records processed for euthanized animals. After reviewing the time study results, we concluded that the 5-minute increments were reasonable and well-supported. We applied the 5-minute increments per non-medical record in all fiscal years of the audit period, including the first three years during which the hours were unallowable.

# Involvement Level of Various Employee Classifications

The city's time study documented that record-keeping was performed by the Animal Care Technicians. However, during audit fieldwork, the city provided intake animal statistics supporting the involvement level of Animal Care Technicians and Animal Control Officers with this activity. These intake statistics segregated the intake procedures and recordkeeping activities performed by these two employee classifications.

The intake statistics reports documented that about 23% of animals are brought in from the field, and that Animal Control Officers perform the intake record-keeping for this population of animals. The Animal Care Technicians perform intake record-keeping for the remaining 77% of the animal population. We used these statistics in our calculations of allowable costs.

# Understated Non-Medical Records

Allowable animal records for this cost component include any nonmedical record that was created for any animal impounded throughout the audit period. We were able to retrieve this information from the Chameleon database by checking the number of animals that came into the city's shelters during each fiscal year. After analyzing the Chameleon data, we concluded that the city understated the number of eligible records in all fiscal years of the audit period. The city understated the records because it claimed only the records for animals that died or were euthanized. However, the mandated program allows reimbursement for maintaining non-medical records for all impounded animals.

We were able to retrieve Chameleon intake information dating back to FY 2000-01. Chameleon statistics were not available for the first two years of the audit period. To determine the eligible number of records for FY 1998-99 and FY 1999-00, we calculated an average number of animal records processed during FY 2000-01 and FY 2001-02. For FY 1998-99, we used half of this average because reimbursement begins in January 1999 for this component.

After calculating the actual number of intake records, we concluded that the city under-claimed the total number of animal records processed by 356,909 during the audit period, resulting in understated allowable costs totaling \$814,940 during the audit period.

The following table summarizes the claimed, allowable, and understated records for the audit period by fiscal year:

Fiscal Year	Records Claimed	Records Allowable	Audit Adjustment
Non-Medical Records			
1998-99	7,136	32,447	25,311
1999-2000	17,935	64,893	46,958
2000-01	15,494	66,343	50,849
2001-02	13,747	63,443	49,696
2002-03	11,960	58,717	46,757
2005-06	11,135	54,102	42,967
2006-07	7,127	52,580	45,453
2007-08	7,175	56,093	48,918
Total	91,709	448,618	356,909

## Senior Systems Analyst Time

For FY 2007-08, the city claimed 25% of the Senior Systems Analyst's total annual productive hours as time spent to maintain the Chameleon database. According to the Systems Analyst, claimed hours were spent on general oversight and maintenance of the animal database. However, claimed hours did not account for the 50% share of the Chameleon software that is used for non-mandated activities. Accordingly, we pro-rated claimed hours by 50%, which resulted in overstated costs totaling \$16,163 for FY 2007-08.

## Understated Productive Hourly Rates

As stated in Finding 1, the city generally understated employee productive hourly rates. We applied the adjusted rates and determined that allowable costs for this component were understated by \$35,708.

The parameters and guidelines (section IV.B.8–Maintaining Non-Medical Records) identify the following reimbursable activities:

Beginning January 1, 1999 – Maintaining non-medical records on animals that are either taken up, euthanized after the holding period, or impounded. Such records shall include the following:

- The date the animal was taken up, euthanized, or impounded;
- The circumstances under which the animal is taken up, euthanized, or impounded;
- The names of the personnel who took up, euthanized, or impounded the animal; and
- The final disposition of the animal, including the name of the person who euthanized the animal or the name and address of the adopting party.

## **Recommendation**

We recommend that the city ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

## City's Response

The city did not provide a response to this specific finding. However, the city did comment on the audit process and the audit findings in general. See the city's response under "Other Issues."

# FINDING 7— Overstated necessary and prompt veterinary care costs

The city claimed \$2,193,011 under the cost component of Necessary and Prompt Veterinary Care during the audit period. We determined that \$365,168 is allowable and \$1,827,843 is unallowable. The costs were unallowable because the city claimed estimated materials and supplies costs (\$488,137), claimed unsupported materials and supplies costs (\$608,849), claimed misstated and unallowable hours (\$732,515), and understated productive hourly rates (\$1,658).

The following table summarizes the claimed, allowable, and unallowable costs for the audit period by fiscal year:

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
Salaries and benefits:			
1998-99	\$ —	\$ 25,409	\$ 25,409
1999-2000		56,834	56,834
2000-01		67,504	67,504
2001-02	179,750	51,839	(127,911)
2002-03	143,387	38,753	(104,634)
2005-06	262,640	40,823	(221,817)
2006-07	212,421	40,429	(171,992)
2007-08	297,827	43,577	(254,250)
Total salaries and benefits	1,096,025	365,168	(730,857)
Materials and supplies:			
1998-99	50,984		(50,984)
1999-2000	129,149		(129,149)
2000-01	308,004		(308,004)
2001-02	65,114	_	(65,114)
2002-03	83,002	_	(83,002)
2005-06	117,278		(117,278)
2006-07	178,953	_	(178,953)
2007-08	164,502		(164,502)
Total materials and supplies	1,096,986		(1,096,986)
Total	\$ 2,193,011	\$ 365,168	\$ (1,827,843)

## Salary and Benefit Costs

The city did not claim any labor costs in the first three years of the audit period (FY 1998-99 through FY 2000-01). Starting in FY 2001-02, the city began claiming costs for Veterinarians and Veterinary Technicians to perform various activities. The claimed hours were based on a time study that recorded increments of time to perform various medical procedures. We reviewed the city's initial time study and determined that it was inadequate.

The initial time study focused on recording non-routine medical procedures as opposed to repetitive activities. Non-routine procedures are not appropriate for a time study because they are unique in nature and in the duration of time spent. Furthermore, non-routine medical procedures are reimbursable only for medical services performed during the required holding period for animals that either died during the holding period or were euthanized after the required holding period. Thus, these types of non-recurring expenses would need to be examined on a case-by-case basis to determine eligibility for reimbursement.

Our review also indicated that included in the time study were some emergency treatments, microchip implantation procedures, and euthanasia procedures, all of which are excluded activities under this cost component.

The two repetitive tasks that are appropriate for a time study under this cost component are (1) performing an initial physical examination to determine the animal's baseline health status and classification as adoptable, treatable, or non-rehabilitatable and (2) administering wellness vaccines to treatable or adoptable animals. We advised the city that it should perform a new time study to capture time spent on these two repetitive and eligible procedures.

## Allowable Time Study

During the course of the audit, the city performed a new time study. The new time study included the following activities (usually performed by Veterinary Technicians):

- Performing the initial physical examination;
- Administering of wellness vaccine upon animal's intake (excluding rabies vaccines);
- Administering other routine medications upon animal's intake (flea, tic, etc.); and
- Inputting animal medical statistics into the Chameleon database about animal's baseline health (not a reimbursable activity).

Out of the four activities noted above, the first two are reimbursable under this component as applied to the eligible animal population. The third activity, administering routine medications to eligible animals, is also reimbursable, but would normally be claimed under the Care and Maintenance cost component. Considering the agency's procedure that Veterinary Technicians perform all three activities at the same time, we decided to allow the third activity under this component as well.

However, the fourth activity, input of medical information into Chameleon, is outside the scope of this component. Noting the animals' baseline health and medical information in the Chameleon software is not a reimbursable activity. We worked with representatives of the city's Animal Services Department to segregate the time study results per each individual activity. We were able to calculate a 10-minute time increment per animal that accounted for time spent on the three reimbursable activities noted above. Subsequently, we used the 10minute increments to calculate allowable costs for this component by applying it to the eligible population of animals per the Chameleon database.

Our analysis revealed that the city misstated salary and benefit costs for this component by \$732,515 during the audit period.

## Materials and Supplies

During the audit period, the city claimed estimated materials and supplies costs (\$488,137) and claimed unsupported materials and supplies costs (\$608,849). The estimated costs occurred in the first three years of the audit period (FY 1998-99 through FY 2000-01), when the city estimated that 3% of the operating costs were attributable to the component of Necessary and Prompt Veterinary Care. In the latter five years of the audit period (FY 2001-02, FY 2002-03, and FY 2005-06 through FY 2007-08), the city claimed materials and supplies costs that were not supported, and we were unable to determine what portion of the cost might have been attributed to reimbursable activities.

## Understated Productive Hourly Rates

As identified in Finding 1, the city generally understated employee productive hourly rates. We applied the adjusted rates and determined that allowable costs for this component were understated by \$1,658.

The parameters and guidelines (section IV.B.9–Necessary and Prompt Veterinary Care) identify the following reimbursable activities:

Beginning January 1, 1999 – For providing "necessary and prompt veterinary care" for stray and abandoned animals, other than injured cats and dogs given emergency treatment, that die during the holding period or are ultimately euthanized during the holding periods specified in Statutes of 1998, Chapter 752.

"Necessary and prompt veterinary care" means all reasonably necessary medical procedures performed by a veterinarian or someone under the supervision of a veterinarian to make stray or abandoned animals "adoptable." The following veterinary procedures, if conducted, are eligible for reimbursement:

- An initial physical examination of the animal to determine the animal's baseline health status and classification as "adoptable," "treatable," or "non-rehabilitatable."
- A wellness vaccine administered to "treatable" or "adoptable" animals.
- Veterinary care to stabilize and or relieve the suffering of a "treatable" animal.
- Veterinary care intended to remedy any applicable disease, injury, or congenital or hereditary condition that adversely affects the health of a "treatable" animal or that is likely to adversely affect the animal's health in the future, until the animal becomes "adoptable."

## Population Exclusions

Eligible claimants are *not* entitled to reimbursement for providing "necessary and prompt veterinary care" to the following population of animals:

- Animals that are irremediably suffering from a serious illness or severe injury . . .;
- Newborn animals that need maternal care and have been impounded without their mothers . . .;

- Animals too severely injured to move or where a veterinarian is not available and it would be more humane to dispose of the animal . . .;
- Owner-relinquished animals; and
- Stray or abandoned animals that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

#### Recommendation

We recommend that the city ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

### City's Response

The city did not directly address this audit finding in its response. However, the city submitted documentation subsequent to the issuance of the draft report, providing expenditure amounts for veterinary materials and supplies. The city submitted summary reports containing year end expenditures by vendor for Account 3190 – Medical Supplies. For the audit period, the expenses submitted totaled \$2,086,819.

## SCO's Comment

The finding and recommendation remain unchanged.

We examined the detailed spreadsheets containing expenditures by vendor to determine whether any of the submitted costs were allowable costs under the Necessary and Prompt Veterinary Care cost component.

During fieldwork, we discussed with the department's staff the reimbursable criteria for this component. We specifically addressed all of the exclusions and limitations noted in the parameters and guidelines. In order for veterinary materials and supplies to be reimbursable, the department needed to show what specific materials and supplies were expended for the eligible population of animals. Further, the department needed to show that these medical expenditures took place as a result of treatments occurring during the holding period days for those eligible animals.

We concluded that we are unable to consider the medical expenses submitted for reimbursement, because the city did not determine what portion of the costs actually related to the eligible animals and allowable treatments that took place during the required holding period.

# FINDING 8— Overstated procuring equipment costs

The city claimed \$78,179 for procuring equipment costs for FY 2002-03. We determined that \$12,932 is allowable and \$65,247 is unallowable. The unallowable costs occurred because the city claimed unsupported costs (\$52,316) and did not pro-rate allowable computer equipment costs proportionate to the share attributed to the mandated activities (\$12,931).

The parameters and guidelines (section IV.B.10–Procuring Equipment) state that:

If the medical, kennel, and computer equipment is utilized in some way not directly related to the mandated program or the population of animals listed in Section IV(B), only the pro rata portion of the activity that is used for purposes of the mandated program is reimbursable.

# Recommendation

We recommend that the city ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

# City's Response

The city did not provide a response to this specific finding. However, the city did comment on the audit process and the audit findings in general. See the city's response under "Other Issues."

# FINDING 9— Overstated indirect costs

The city claimed \$2,897,874 for indirect costs during the audit period. We determined that \$2,162,775 is allowable and the net amount of \$735,099 is unallowable (overstated by \$1,229,323 and understated by \$494,224). The overstatement of \$1,229,322 occurred as a result of the unallowable salaries identified in audit Findings 1 through 8. The city also understated indirect costs totaling \$494,223 because it understated its indirect cost rates in FY 1998-99, FY 1999-2000, and FY 2000-01.

The following table summarizes the claimed, allowable, and unallowable costs for the audit period by fiscal year:

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
Indirect costs:			
1998-99	\$ 108,07	1 \$ 133,057	\$ 24,986
1999-2000	276,90	299,826	22,918
2000-01	297,28	362,228	64,939
2001-02	701,64	1 268,017	(433,624)
2002-03	160,75	58 197,216	36,458
2005-06	479,47	70 358,986	(120,484)
2006-07	518,94	2 298,681	(220,261)
2007-08	354,79	244,764	(110,031)
Total	\$ 2,897,87	\$ 2,162,775	\$ (735,099)

# Unallowable Indirect Costs Related to Unallowable Salaries

As a result of the unallowable salaries identified in Findings 1 through 8, related indirect costs totaling \$1,229,322 are also unallowable.

# Understated Indirect Cost Rates

The city understated its indirect cost rates in FY 1998-99, FY 1999-2000, and FY 2000-01. The rates were understated because the city used incorrect rates from the annual citywide Cost Allocation Plans (CAP).

The City Controller prepares annual CAPs, which provide details for approved fringe benefit rates and indirect cost rates for each of the city's departments. The rates indicated in each CAP are approved by the U.S. Department of Health and Human Services under the contract with the city's cognizant federal agency, the U.S. Department of Housing and Urban Development. The city uses these approved rates to prepare claims for various programs, grants, and contracts.

As per the CAP instructions, the indirect cost rates consist of two separate rates: the central services rate and the departmental administration and support rate. Both overhead rates should be combined and applied to direct salaries, excluding fringe benefits, and overtime.

Fiscal Year 1998-99 1999-2000 2000-01 Category Claimed indirect cost rates 30.82% 37.13% 39.31% Allowable indirect cost rates: Central services rate 56.25% 56.14% 66.61% Department administration and 30.82% 39.31% support rate 37.13% Total allowable rate 87.07% 93.27% 105.92% Audit adjustment 56.25% 56.14% 66.61%

However, the Animal Services Department did not combine the two overhead rates in the first three years of the audit period, and thus understated the rates for those fiscal years, as noted in the table:

The understated rates resulted in underclaimed indirect costs totaling \$494,223 as noted in the following table:

	Fiscal Year		
Category	1998-99	1999-2000 2000	0-01 Total
Rate claimed Rate allowable	30.82% 87.07%		9.31% 5.92%
Difference Allowable salaries	56.25% ×\$ 152,816	56.14% 6 ×\$ 321,460 ×\$ 34	6.61% 41,982
Audit adjustment	\$ 85,959	\$ 180,469 \$ 22	27,795 \$ 494,223

The parameters and guidelines (section V.B.–Claim Preparation and Submission, Indirect Cost Rates) state that compensation for indirect costs is eligible for reimbursement using the procedure provided in the Office of Management and Budget Circular A-87. Claimants have the option of using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal if the indirect cost rate exceeds 10%.

### Recommendation

We recommend that the city ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

#### City's Response

The city did not provide a response to this specific finding. However, the city did comment on the audit process and the audit findings in general. See the city's response under "Other Issues."

# **OTHER ISSUES**

ISSUE 1— Proposition F and construction of new facilities In its response dated March 29, 2011, the city commented on the audit process and the audit findings in general.

The city did not claim any costs during the audit period under the Acquisition of Additional Space and/or Construction of New Facilities cost component. During audit fieldwork, the city inquired about the eligibility of costs it incurred for the construction and renovation of animal shelters under the mandated program.

During the audit period, the city constructed new animal shelters and underwent renovation work on existing animal shelters. These improvements have been an ongoing project for the City of Los Angeles that involved a ballot measure in the November 2000 general election. In that general election, the voters passed Proposition F, which allowed the city to issue bonds for the purposes of constructing new animal shelter facilities and fire stations.

The city provided background information on this project for our review. After reviewing the information provided, we determined that the terms of Proposition F required that the city's taxpayers would fund the construction projects through additional levies made to their property taxes. The city's taxpayers have been and are still currently assessed property taxes in amounts specifically for the purpose of retiring the Proposition F bonds. Therefore, the city's taxpayers are funding both the entire bond principal and interest amounts. Accordingly, we determined that this non-discretionary revenue source was used to build the city's animal shelters and none of the city's discretionary general fund moneys were involved.

While the city performed the required analysis to determine that additional shelter space was needed to provide additional capacity in order to comply with the provisions of the Hayden Bill, restricted resources funded the construction costs for the additional capacity, not the city's general fund. Therefore, the city did not incur any increased costs to construct/remodel its animal shelters under Government Code section 17514.

## City's Response

First, there should not seem to be any dispute whether there was a cost mandated by the State. The costs are clearly idenified as reimbursable costs in the Controller's claiming instructions for the Hayden Bill which meets all the requirements of Section 17514 above.

The Controller's issue seems to be, are these local revenues or "proceeds of taxes." The state has the right to preclude the City from being reimbursed for state, federal or grant funds, but not for local revenues which are proceeds of taxes.

On January 31, 2001, the Los Angeles City Council adopted a resolution providing for the issuance and sale of the City of Los Angeles General Obligation Bonds authorized by the voters by Proposition F, in an aggregate principal amount not to exceed \$201.3 million for a variety of local projects and services. The Council identified up to \$36.5 million for animal shelter facilities. These are clearly local revenues and to the extent the funds are used to pay for state mandate programs, there should be reimbursed by the state.

A similar issue was contested in Redevelopment Agency v. Commission on State Mandates (1997) 55 Cal.App.4th 976. The court set forth the following analysis:

The California Supreme Court's summary of the history and substance of the law applicable to state mandates, commented: "Through adoption of Proposition 13 in 1978, the voters added article XIII A to the California Constitution, which 'imposes a limit on the power of state and local governments to adopt and levy taxes. [Citation.]' [Citation.] The next year, the voters added article XIII B to the Constitution, which 'impose[s] a complementary limit on the rate of growth in governmental spending.' [Citation.] These two constitutional articles 'work in tandem, together restricting California governments' power both to levy and to spend for public purposes.' [Citation.] Their goals are 'to protect residents from excessive taxation and government spending. [Citation.]' [Citation.]" (County of San Diego v. State of California, supra, 15 Cal.4th at pp. 80-81.)

In County of San Diego v. State of California, supra, 15 Cal.4th at page 81, the Supreme Court explained that section 6 represents recognition that together articles XIII A and XIII B severely restrict the taxing and spending powers of local agencies. The purpose of the section is to preclude the state from shifting financial responsibility for governmental functions to local agencies, which are ill equipped to undertake increased financial responsibilities because they are subject to taxing and spending limitations under articles XIII A and XIII B. (County of San Diego v. State of California, supra, at p. 81.)

In County of Placer v. Corin (1980) 113 Cal.App.3d 443, 451 [170 Cal.Rptr. 232], the court defined "proceeds of taxes" in this way: "Under article XIII B, with the exception of state subventions, the items that make up the scope of ' "proceeds of taxes" ' concern charges levied to raise general revenues for the local entity. ' "Proceeds of taxes," ' in addition to 'all tax revenues' includes 'proceeds ... from ... regulatory licenses, user charges, and user fees [only] to the extent that such proceeds exceed the costs reasonably borne by such entity in providing the regulation, product or service....' (§ 8, subd. (c).) (Italics added.) Such 'excess' regulatory or user fees are but taxes for the raising of general revenue for the entity. [Citations.] Moreover, to the extent that an assessment results in revenue above the cost of the improvement or is of general public benefit, it is no longer a special assessment but a tax. [Citation.] We conclude 'proceeds of taxes' generally contemplates only those impositions which raise general tax revenues for the entity." (Italics added.) (Id. at 980-984.)

In summary, the courts have held, and the Commission will follow suit in holding, that Proposition F funds are clearly proceeds of taxes and local revenue and to the extent they were used to pay for state mandated costs associated with the increased cost of building animal shelters due to the Hayden bill, should be reimbursed by the State.

#### SCO's Comment

The draft report contains our response to the city's request to consider reimbursement for animal shelter construction costs under the section entitled "Other Issues." In our response, we stated that such costs were not reimbursable because the construction costs incurred were funded entirely by the city's taxpayers via property tax assessments. However, the city attached to its draft report response a legal argument suggesting that such costs should be reimbursable under the mandated program. We submitted the city's legal arguments to SCO legal counsel for follow-up. Based upon our legal counsel's guidance, we will revisit this issue if necessary.

ISSUE 2—	The city provided three separate documents (Attachment) in response to
Audit findings and the	the draft audit report. These documents consisted of:
audit process	• Letter to State Controller John Chiang from Brenda Barnette, General Manager of Animal Control Services

- Bullet Point List containing various comments related to the audit, and
- Summary of Department's Response to Finding 8 Prop F costs

Our comments related to the city's response concerning Proposition F is noted above. We will address our comments to the first two responses provided by the city below.

## Letter to Controller John Chiang

The letter from Animal Services Department General Manager Brenda Barnette contains a number of allegations about the SCO audit process that misrepresent what occurred during the course of audit fieldwork. Ms. Barnette was not directly involved in the audit process. We documented the actual sequence of events that transpired during the audit process, as described below. Our comments relate to the main points that appear in Ms. Barnette's letter to the Controller.

## "Unreasonable time constraints imposed . . . on the Department."

# City's Response

Due to the unreasonable time constraints imposed by the State on the Department, substantial and delinquent demand made by the State that the City provide detailed documentation for audit periods as long as 12 years, and strong likelihood that the [sic] with sufficient and fair notice to the City the actual reimbursement to the City would be closer to the actual amounts billed, the Department of Animals Services recommends that the City of Los Angeles direct the State of California to immediately and fully reimburse all amounts claimed by the Department of Animal Services that have not been paid by the State.

## SCO's Comment

The audit began with an entrance conference held on April 28, 2009. In November 2009, further work on the audit was temporarily discontinued when the Audit Manager overseeing the project transferred to another unit within the SCO. Subsequently, the audit was transferred to another Audit Manager and Auditor-In-Charge (AIC) for completion.

This new audit group met with Animal Services Department representatives and their mandated cost consultant on July 19, 2010, to resume fieldwork for the audit. At that time, the city was given notice that a final audit report would be issued no later than April 2011, nine months later. We provided department representatives with a status report documenting where things stood with the audit as of that date. During the next four days, the SCO Audit Manager visited four of the city's animal shelters to gather information on how the city operated its animal shelters, while the AIC worked with department employees to gather information in support of claimed costs. Subsequent to the July 19, 2010 meeting, the city's mandated cost consultant was no longer involved in the audit process (i.e., did not participate in any audit discussions with department representatives nor had any contact with SCO auditors with questions or concerns about the audit as it progressed).

At the end of this first week (July 22, 2010), we conducted another status meeting with department representatives to address some of the issues we noted and request documents to support training costs, computer software costs, care and maintenance costs (labor as well as materials and supplies), increased holding period costs, lost-and-found lists costs, non-medical records, and necessary and prompt veterinary care costs. We then discussed each cost component in detail with the department staff and discussed which types of expenditures would be reimbursable. We addressed the criteria for reimbursement found in the program's parameters and guidelines, and possible audit findings.

We also discussed in detail the support needed for care and maintenance expenditures and even identified the city's expenditure accounts that probably contained the information (expenditure account 6020 – Operating Expenses, and account 4580 – Animal Food Expenses). When we asked about actual expenditure information, department representatives had no knowledge of any actual expenditure information that was available. We were informed that the department only worked with budgeted information. We suggested that the department contact the City Controller's Office for actual cost data.

Over the weeks that followed, we maintained constant contact with department representatives via telephone and e-mail. The AIC revisited the department during the week of October 19, 2010, for a second week of fieldwork. At that time, we provided department representatives with a detailed write-up of our preliminary findings to date. This handout also provided a list of documentation still needed to complete calculations for training, computer equipment and software license renewal, care and maintenance, lost-and-found lists, and veterinary care.

At the conclusion of this additional week of fieldwork, we conducted another status meeting with department representatives addressing the progress made that week. We provided the department another detailed handout containing information relating to the lack of documentation for some of the cost components. We again addressed the missing documents related to the care and maintenance expenses we previously requested. The department staff stated they were still working on retrieving expenditure amounts from accounts 6020 – Operating Supplies, and 4580 – Animal Food. The department stated it was still in the process of determining the proration of time attributed to the function of care and maintenance by some key employee classifications. At this point, the city still was not able to provide any supporting documentation for part of lost-and-found lists costs, all veterinary care costs, and part of the computer software costs. On October 28, 2010, per the department's request, we sent a document containing details about our analysis of the city's Chameleon database information. We addressed that our calculations were based on the raw animal data provided by the department from its system. We provided details of our calculations for the annual census of animals and the number of eligible animals per each fiscal year in the audit period. We also provided a list of the excluded animals that we noted during our review of the animal data. To date, the city has not provided any objections to our analysis of its Chameleon data.

On November 23, 2010, we made another attempt to request documentation that had not yet been provided. This included the expenditure amounts for care and maintenance costs, veterinary expenditures relating to reimbursable activities, and the proration analysis for the Chameleon software that relates to the mandated activities. All of these items were originally requested in July 2010.

On January 12, 2011, we held an exit conference with representatives of the Animal Services Department and addressed each audit finding in detail. The city's mandated cost consultant did not attend this meeting. We discussed how we calculated the allowable costs and noted the documentation that was still needed, primarily the actual cost information supporting materials and supplies expenditures for care and maintenance. At the exit conference, we advised department representatives again that we would be issuing a final report no later than early April. We also explained that even though a final report was issued, we would still consider additional information that the city provided and adjust the final audit report as appropriate.

A short time after the exit meeting, we were advised that Linda Barth, our main contact person for the audit, and the Department's Assistant General Manager, had left the department. The department did not provide any more documentation to us after the exit meeting, up to the issuance of the draft report on March 10, 2011.

As noted above, we have worked extensively with city representatives to determine allowable costs to the maximum extent possible.

# "The claims filed by the City were submitted timely and were properly documented."

# City's Response

Full reimbursement is proper because the claims filed by the City were submitted timely (except as noted), and were properly documented according to all of the State's guidelines and rules in place at the time each request for reimbursement was submitted.

## SCO's Comment

The city did not provide supporting documentation for all of its costs claimed, consistent with the rules in place when the claims were filed. The documentation requirements for the city's mandated cost claims are contained within the parameters and guidelines adopted by the CSM on February 28, 2002, and amended on January 26, 2006. The parameters

and guidelines require that all costs claimed be traceable to source documents that show evidence of the validity of such costs and their relationship to this mandate.

The city is responsible for maintaining documentation for the period the claims were subject to audit. However, the department representatives indicated to us that some of the supporting documentation has been destroyed, specifically invoices supporting materials and supplies costs related to animal care and maintenance activities.

# "The audit [must] be reopened to [reconsider] Prop F funds."

# City's Response

If the audit must be closed to meet a statutory deadline, we additionally request that the audit be reopened to allow adequate time to consider acceptance of offset allowance for Prop F funds expended on facility construction and other expenditures to comply with the Hayden Bill.

# SCO's Comment

As noted previously in our comments above, we advised department representatives that we would welcome any additional documentation subsequent to the issuance of the final audit report that supports additional allowable costs. We also advised that we would adjust the audit results as appropriate and reissue the audit report.

In light of the city's legal argument related to Prop F funds, we have requested further guidance from our legal counsel. We will adjust the audit results as appropriate based on the guidance that we receive concerning this issue.

"The State's audit [was] untimely, lack[ed] proper notification, and [is] contrary to the general purposes of good government."

## City's Response

For all the reasons stated in the attached, the Department recommends that the city reject the State's audit as untimely, lacking proper notification, and contrary to the general purposes of good government, and as a result, reject the audit findings.

## SCO's Comment

Our audit was conducted in accordance with *Generally Accepted Auditing Standards*. These standards require that we obtain sufficient and relevant evidence that adequately supports the audit findings and conclusions. We did this. As noted above, the audit was performed within the statutory time period and the city was provided proper notification of audit issues. As noted in our audit report, the city filed its mandate claims with significant errors and omissions.

# "Audit process . . . should support the good faith and honest efforts of local agencies to comply with the mandate."

## City's Response

Rather than reducing the burden on local animal care and control agencies of implementing a valuable State-mandated law, the Hayden Bill, the entire audit process by the State Controller's Office is resulting in numerous large financial penalties to local jurisdictions for following the rules of the State and, therefore, for supporting the mandates of the Hayden Bill in good faith, and for reporting expenses honestly. The State Mandates reimbursement process, including the audit, should accomplish just the opposite, that is, it should support the good faith and honest efforts of local agencies to comply with the mandate.

# SCO's Comment

Our audit determined whether costs claimed represent increased costs resulting from the mandated program. The city is not entitled to mandated reimbursement for costs not allowable under the parameters and guidelines.

A city's good faith and honest effort is not relevant in determining costs reimbursable under the mandate.

# **Bullet Point List of Comments Related to the Audit**

The city provided a list of 31 bullet points related to our audit of its claims filed under the Animal Adoption Program for the audit period. Many of these bullet points contain comments that are unrelated to the audit findings, but rather are comments related to the audit process. Some of the city's comments were already addressed in our comments related to the letter sent to the Controller by General Manager Barnette. Some of the bullet points have nothing to do with the audit findings; therefore we did not respond to them. The city's bullet points are not numbered. Our responses below follow the same general headings used by the city.

# Deadline

## City's Response

- The State Controller's Office (State) extended the deadline for providing the Department's response to the by two days to allow submission of additional material when the Department has requested 30 days. The State's refusal to allow the time requested by the Department is based on the State's April 6, 2011 deadline to file the audit in order to stay within the two-year statute of limitations that an audit must be completed within two years of initiation.
- The State's refusal to allow additional time requested by the Department as allowed in the guidelines is attributable to the State's delay, not that of the Department. The Department was initially contacted by the State Controller's Office almost two years ago to schedule the audit. The entrance conference was held and for seven months the State auditors met with Department staff and documents were requested and provided. The Department provided over 200 hours to the audit. In November 2009, the State discontinued contact with the Department. In about June 2010 the Department was contacted by the State again, a new State auditor was assigned. A second entrance conference was held and the State periodically contacted the Department to request information. The

Department provided at least 250 hours in support of this audit. Over 450 hours has been allocated by the Department to support the continuous audit process mostly because of the continual demand of the State auditors for exact detailed information of expenditures including vendor, year, and detailed description of each line item expenditure included in the request for reimbursement.

- The Department has acted in good faith to comply with all audit requests. In a few minor cases, the State auditor agreed to accept some samples of invoices instead of full and complete detailed verification.
- The State issued the draft audit in March, 2011. As of today, the State auditor is still determining methods to allocate various costs among what the State determines to be eligible and ineligible costs.

## SCO's Comment

We advised Animal Services Department representatives in July 2010 that actual cost information was needed to support materials and supplies costs for care and maintenance. We also informed the city that it would have 15 days to respond to the draft report findings and that we would issue a final audit report no later than April 2011. The city did not respond to our e-mails and telephone calls and did not take an active role in supporting these allowable costs until after the issuance of the draft audit report on March 10, 2011. All of the additional information provided by the city should have been available at the beginning of the audit in April 2009.

We also advised city representatives that even after we issued a final report, the audit findings could be updated and a revised report would be issued based upon new information that became available.

The SCO has devoted significant hours of employee time to this project, so there is a considerable amount of involvement by both parties. Contrary to the city's comments, we are not still determining methods to allocate costs for our audit findings. Instead, we were waiting for the city to supply the information that we requested long ago so that we could put it into the actual cost formula to determine allowable care and maintenance costs. We reviewed the additional documentation the city provided after the issuance of the draft report. As a result, allowable costs increased by \$61,229.

# Additional Information Submitted or Eligible

## City's Response

- The Department is providing additional detailed information to the State auditors as part of its response to the draft audit in the format and level of detail acceptable to the State auditors covering expenditures for medical supplies, cleaning supplies, animal food, staff training, and Prop F costs.
- Information for just the medical supplies, cleaning supplies, and animal food in a linked spreadsheet contains 4.5 million bits of information. These three accounts cover categories of expenditures that are essential for maintenance of animals. Additional information could be provided for other qualifying expenditures in other accounts, such as Account 4460, Private Vet Care, but there are not sufficient time or staff resources to continue to provide millions of items of information gong back 12 years

for yet-to-be determined eligibility criteria. Some spay/neuter surgeries for adopted animals are required by the Hayden Bill. Also, details for purchases of eligible cleaning and maintenance supplies from accounts other than Account 6020 have not been calculated due to lack of time and staff resources.

- The Department has requested that the State consider reimbursement for medical supplies. (Account 3190) The State auditors had determined these costs were not eligible, but per our request, agreed to consider them. The State Controller has not yet developed a method to allocate these costs among their determination of what are eligible and ineligible costs. Today the Department is submitting detailed statements of expenditures by year and by line item for medical supplies for the audit period. Stray animals taken to the shelter have unknown medical conditions until the are given a check up and examined by a veterinarian. Animals are given two vaccinations, and medication for deworming and flea control. This treatment is standard. If the animal is ill, additional treatment or medications could include IV fluid, splints, X-rays, or other treatment. The State auditors have yet to develop a formula for allocation of these costs.
- The State auditor has agreed that cleaning and other supplies (Account 6020) would be considered if expenses are determined to be eligible and if the Department is able to provide detailed records of expenditure by vendor and by invoice line item for all years audited. The Department was able to verify the largest vendors. These records are being submitted to the State Controller today.
- The State auditor has agreed that animal food (Account 4580) would be considered if the Department is able to provide detailed records of expenditure by vendor and by invoice line item for all years audited. These records are being submitted today.
- The State auditors rejected Department costs incurred in 2000 to provide initial training of staff for use of a new central database system called Chameleon purchased by the Department to comply with the requirements of the Hayden Bill. The Department was required by the State auditors to provide a list of all employees in the Department in the year 2000 who received the training in order to be reimbursed for it a 10 years after the training was provided. No prior request to maintain these employee records was provided to the City. The Department was able to retrieve the records but only after considerable expense and time.

## SCO's Comment

We understand the eligible and ineligible activities under this mandated program. We communicated this information to Animal Services Department personnel multiple times.

During the audit process, Animal Services Department representatives had a difficult time obtaining actual cost information from the city's accounting system. As an alternative, we suggested that they prepare a list of costs expended by vendor. We noted that if the city could provide sample invoices from these vendors, we could verify that the costs incurred for these vendors were for care and maintenance activities. The city could then prepare cumulative reports of expenditures for these vendors, which we would in turn accept for the entire audit period, rather than requiring invoices or other supporting documents. This is what department representatives have now provided. Based on the additional supporting documentation provided, we revised the audit finding amount for Finding 3—Unallowable Care and Maintenance costs, as appropriate. The city states that "The State auditors rejected Department costs incurred in 2000 to provide initial training of staff for use of a new central database system called Chameleon purchased by the Department to comply with the requirements of the Hayden Bill." However, this statement is incorrect. In the draft audit report, allowable training costs for FY 1999-2000 totaled \$3,897. This represented costs for training 51 new employees identified by the department, although no support was provided other than a training agenda being used currently within the city's animal shelters for newly hired staff. Subsequent to the issuance of the draft report, the city requested that we consider allowing 2-3 hours to train all 282 employees on payroll within the Animal Services Department. However, the city has no documentation available to support that any of these employees actually received any training concerning the requirements of the Hayden Bill.

## **Response to Audit Process and Draft Audit**

## City's Response

- Claims in the early years of the Hayden mandate (1999-2002) were built on averages and estimates before the publication of the current guidelines. According to the current guidelines as interpreted by the State auditor, the City's claims were uniformly overstated as were claims by virtually all local agencies. The State Controller's Office has indicated that the State audits of local animal care agencies typically reduce the amount reimbursed to about 50% of the amount originally claimed. For example: Contra Costa County billed the State \$11,457,157 for Hayden Bill expenses. The State allowed \$5,521,096 of the amount submitted and did not allow \$5,930,661. Disallowed costs exceeded allowed costs for seven of the nine local jurisdictions audited by the State Controller's Office where audits are posted on their web site.
- All claims were filed through a third party consultant, Maximus, who provided guidance in the formulas and claim amounts. Maximus gathered information and used templates and formulas set up based on the 2002 guidelines for the periods containing most of the questioned costs.
- A court of appeals decision in May 2010 regarding the definition of "business-day" leaves both Saturday and Sunday as non-business days for purposes of calculating the hold days. The auditors have been advised by state legal counsel to apply this standard back to 1999. This has an unknown effect on the reimbursement. Our number of eligible animals decreases if we euthanized before newly defined four-day period. This is more likely a problem in the earlier years when shelter capacity was small. On the other hand, the average-holding-days calculation increases because typically we would have to hold animals longer if Saturday, Sunday, and Monday do not count as hold days. This issue needs significant further research and discussion for the audit and for the future when Hayden is no longer suspended.
- The State is in arrears to the City for a little more than \$5 million in past claims not yet reimbursed. After further adjustment and submissions expected, the amount the auditors find to be overstated is just about \$5 million.
- Hourly rates throughout the audit period are actually higher than the City's claim. The City used Wages and Counts averages, while auditing actual payrolls gave a slightly increased hourly rate for all classifications.
- All computer hardware, software, and data management staffing claims (related to Chameleon) must be prorated because not all of Chameleon's modules are strictly for mandated activities of animal care (i.e. Chameleon also does licensing, citation, receipts, etc.), even though the equipment purchases were required to comply. The City claimed 100%, the auditors agreed to a 50% pro-ration.

- The City used the annual budget total attributed to animal care to calculate the per animal day cost. The State auditors pro-rated actual salaries of ACT staff only to narrowly define and ascertain care and maintenance eligibility. Department staff has submitted additional records of medical, cleaning, and animal food expenditures from the City's Financial Management Information System (FMIS) central accounting database.
- Annual animal census figures calculated by auditor are significantly different from the estimates used in claims in the first four years of reimbursement claims. The Department was not provided with any guidelines before submission of reimbursement requests and has not had an opportunity to verify that these calculations are supported by data.
- The City claimed reimbursement for dogs and cats in all of 1999 but the Hayden bill stipulated that reimbursement should not begin for dogs and cats until July 1999.
- The entire shelter staff working on Saturdays was claimed for reimbursement for the first four claim years; according to the auditors, only those staff that specifically have to be on duty because of being open to the public can be claimed, as was done in later years.
- According to State auditors, indirect costs were improperly calculated in the first years (understated) but overall were overstated because in several other findings categories the auditors are disallowing many of the overstated hours for care and medical wellness.
- State auditors were provided documentation about the Prop F Bond projects with a request to consider pro-rated reimbursement since one of the reasons for expanding the shelter system was to meet Hayden requirements. Auditors determined that because property taxes were raised to fund the bond, it was not eligible for reimbursement. The preparation of the Master Facilities Study (by a consultant) may be reimbursable.
- According to the State auditor, the City's claims included overstated medical costs. Hayden only reimburses for routine wellness checks for incoming animals, not special care, not rabies vaccination, and not emergency care, because the later was already required of shelters by state law. The City had claimed nearly all medical supplies and a high level of medical staff. For the audit, we performed a time study to determine the actual average wellness exam time.

#### SCO's Comment

The first bullet point in this section refers to audits of other local agencies that the SCO has performed under the Animal Adoption Program. The purpose of this comment is unclear, since audits of other local agency claims have nothing to do with SCO's audit of claims filed by the City of Los Angeles.

The response also refers to the city's claims filed for FY 1999-2000 through FY 2001-02 and makes the statement that the claims were overstated because they were based on estimates. This statement is inconsistent with the specifics documented in the draft audit report. None of the unallowable costs for this time frame were based solely on the use of estimates. The city even notes a few bullet points later that we used employee productive hourly rates that were higher than the estimated rates used in the city's claims.

Most of the unallowable costs were for the cost component of Holding Period. For this cost component, the city's claims included costs for employee classifications that are already reimbursable under other cost components of the mandated program, as well as certain other employee classifications that performed non-mandated activities and were not reimbursable under the mandated program just because they were working on Saturday. Another significant area of unallowable costs occurred for the Care and Maintenance of Dogs and Cats cost component. For this cost component, costs were unallowable primarily because animal census figures were understated, thereby inflating the cost per animal per day.

The city's comments point out that the audit adjustment is about the same amount that is currently owed to the city for its filed claims. This comment infers that the SCO audit process included an agenda to reduce the State's liability to zero. This comment is invalid as we increased allowable costs for the cost component of Non-Medical Records by 227% over the amount claimed by the city during the audit period.

The city also had concerns about the proration of employee classifications performing care and maintenance activities. We don't understand the comment suggesting that our analysis was narrowly defined. Instead, our proration was based on discussions held with Animal Services Department management regarding the percentage of time spent on these activities by various employee classifications. We noted the calculations in the audit report. The city is welcome to provide a more comprehensive analysis for reconsideration if the information that they already agreed was correct is actually incorrect.

We concur that the animal census figures used by the city in its claims are misstated. However, the city's statement that there was a lack of guidelines for reimbursement is incorrect. The specifics of animal census data required for reimbursement has always existed within the language of the applicable cost components within the parameters and guidelines as adopted by the CSM. The city's statement that they have not been able to verify the animal census calculations is incorrect. We conferred with the department's Senior Systems Analyst when we obtained and analyzed animal census data from the city's Chameleon system database. We explained our analysis of the animal data, including which animals were excluded and why. We were told that the animal census numbers that we were using to determine allowable costs was correct. The city is welcome to provide a more comprehensive analysis for reconsideration if the information that they already agreed was correct is actually incorrect.

The city states:

Hayden only reimburses for routine wellness checks for incoming animals, not special care, not rabies vaccination, and not emergency care, because the later was already required of shelters by state law. The City had claimed nearly all medical supplies and a high level of medical staff. . . .

This statement is incorrect. The parameters and guidelines (Section IV.B.9–Necessary and Prompt Veterinary Care) identify the following reimbursable activities:

The following veterinary procedures, if conducted, are eligible for reimbursement:

• An initial physical examination of the animal to determine the animal's baseline health status and classification as "adoptable," "treatable," or "re-habilitatable."

- A wellness vaccine administered to "treatable" or "adoptable" animals.
- Veterinary care to stabilize and/or relieve the suffering of a "treatable" animal.
- Veterinary care intended to remedy any applicable disease, injury, or congenital or hereditary condition that adversely affects the health of a "treatable" animal or that is likely to adversely affect the animal's health in the future, until the animal becomes "adoptable."

The language under this cost component goes on to note animal population exclusions and veterinary care exclusions. The requirements also state that reimbursement is limited to veterinary procedures performed during the holding period and is only applicable to animals that died during the holding period plus those that were euthanized after the required holding period. The city provided additional documentation for medical costs incurred within expenditure account 3190, Medical Supplies. However, reimbursable costs are co-mingled with non-reimbursable costs in the documentation provided. Therefore, we cannot make a determination at this time of the extent to which the city incurred allowable costs under the mandated program.

The city conducted a time study supporting the amount of time spent to perform the first two activities cited in the parameters and guidelines. We requested that the city also provide information relating to costs incurred for the wellness vaccines administered. While the city has supplied materials and supplies costs incurred for medical supplies in total, the city has not yet provided specific information relating to vaccine costs. The second two bullet points describe activities that are not suitable for a time study because they are not repetitive activities. The costs for salaries and benefits, and materials and supplies for these procedures must be supported by actual cost information that also notes that the procedures were performed during the required holding period. The city did not maintain or provide this kind of detailed information for the procedures performed by its medical staff.

#### **Reimbursement and Audit Procedures**

#### City's Response

- The Department was not given notice at beginning of audit period and not given notice at beginning of audit periods of requirements for methods to follow or records to maintain.
- Other minor areas in which follow up will result in slight increases in the reimbursement calculations: Start-up training information has been retrieved by the Department's systems staff and verified by the payroll section and was provided to the auditor.
- The City questions the Controller's retroactive application of the Purifoy decision that Saturday is not a business day, and of the description of the scope of work reasonably required to be performed in accordance with the mandate on a Saturday. The City's believes retroactive application of the Purifoy case is improper. The Commission on State Mandates was silent as to the definition of business day. The court held that although the Hayden Bill requires animal shelters to hold animals longer or be open for business on a weekday evening or Saturday, Saturday is not a business day for the purposes of calculating how long to hold an animal

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- The City followed all guidelines provided by the State and available at the time each request for reimbursement was filed.
- The State waited for as long as 12 years after the close of an audit period to conduct an audit of the claimed expenses incurred during that audit period, then requested a level of detailed proof (original document as proof of each line item expenditure, including name of vendor, quantity, and description of each item purchased) not previously requested or required. Many vendors have destroyed the detailed information (invoices) as the time exceeds any Statute of Limitations. The City General Services Department destroyed copies of invoices because these times exceeded the required records retention period. Requiring the City to guess in what future distant period the State may decide to audit records in any given year and be forced to retain all detailed expenditure records is a burden that is inefficient and unnecessary.
- Initially, the State accepted budgeted expenditures as sufficient proof of expenditure. However, in this audit, the State accepted only detailed proof of actual expenditures and rejected budgeted amounts. This surprise change in documentation requirements is burdensome.
- The State reimbursement process is inefficient. For example, due to the lack of prior notice as to the specific levels and form of proof required, lack of adequate prior guidelines, and delay in audit, the Department was required to allocate well over 450 hours of staff time to respond to this audit at a time when both the State and City are undergoing significant staffing reductions and furloughs. Administration of animal care and control services depends on efficiency. Inefficiency of any type leads to fewer adoptions, less revenue, less policing, and more euthanasia. This is contrary to the intent of the Hayden Bill.
- The State process of sending the notices of the entrance conferences and exit conferences to the City of Los Angeles Department of Animal Services only, and the draft final audit to the City Controller only, and copying the Department is confusing.

#### SCO's Comment

The city notes its disagreement with our retroactive application of the Appellate Court decision in the case of Purifoy et al. v. Howell. In that case, Saturday was determined NOT to be a business day for the purposes of determining the required holding period for dogs. For the purposes of our audit, this affected the allowable cost calculations for unallowable care and maintenance costs (Finding 3), and misstated necessary and prompt veterinary care costs (Finding 7). We contend that the court decision defines the legal definition of a business day for the required holding period as of the date that the statute was enacted in 1998. The decision published in the *Purifoy vs. Howell* court case did not change the verbiage in the parameters and guidelines nor did the definition of a business day change when the court case was published on March 26, 2010. The holding period requirement per the Hayden Bill has always read "four or six 'business days' after the day of impoundment." We acknowledge that the court's decision did not take into consideration the effect that this decision would have on mandated cost claims filed by local agencies.

The city's statement that they were not given notice at the beginning of the audit period nor given notice of methods to follow or records to maintain are both incorrect. We sent a letter dated April 7, 2009, to Laura Chick, City Controller, documenting the beginning of our audit of the city's mandated cost claims for FY 1998-99 through FY 2007-08 (excluding FY 2003-04 and FY 2004-05). A copy of this letter was also sent to Edward Boks, General Manager of the city's Animal Services Department.

The requirements of methods to follow in order to compute reimbursement under the Animal Adoption Program have always been contained within the cost components of the parameters and guidelines. Parameters and guidelines section VI requires the city to maintain the supporting documentation, as no funds were appropriated for the mandated program.

However, the city goes on to state:

The State waited for as long as 12 years after the close of an audit period to conduct an audit of the claimed expenses incurred during that audit period, then requested a level of detailed proof (original document as proof of each line item expenditure, including name of vendor, quantity, and description of each item purchased) not previously requested or required. Many vendors have destroyed the detailed information (invoices) as the time exceeds any Statute of Limitations. The City General Services Department destroyed copies of invoices because these times exceeded the required records retention period. Requiring the City to guess in what future distant period the State may decide to audit records in any given year and be forced to retain all detailed expenditure records is a burden that is inefficient and unnecessary.

The city overstates the amount of time that has elapsed since their initial claims were filed. The city's Animal Adoption Program claims for FY 1998-99, FY 1999-2000, and FY 2000-01 were all filed on September 10, 2002. We initiated an audit of these claims six and one-half years after they were filed. We had statutory authority under Government Code section 17558.5 to audit these claims, as no moneys were appropriated.

We are uncertain why the city would expect its vendors to maintain supporting documentation for its mandated cost claims. The city is responsible for maintaining relevant supporting documentation. The city's statement that it would need to guess when the SCO would actually conduct an audit is meaningless in light of the requirements stated in section VI of the parameters and guidelines of the mandated program, as described above. These requirements were adopted by the CSM, not the SCO. It appears that the city's mandated cost consultant failed to clarify this information with city representatives. The city is entitled to reimbursement from the State for the increased costs that it incurred to comply with the requirements of the mandated program if it follows the provisions contained within the parameters and guidelines describing what the requirements are, and applies them accordingly. If city representatives have questions pertaining to the Animal Adoption Program, we encourage them to contact our office and we will assist them.

The city states, "... in this audit, the State accepted only detailed proof of actual expenditures and rejected budgeted amounts. This surprise change in documentation requirements is burdensome." We are uncertain how the city arrived at this determination. We audit to the requirements of the adopted parameters and guidelines. These criteria require that all costs claimed be traceable to source documents. Budgeted information is not a source document that shows evidence of the validity of such costs.

## Attachment— City's Response to Draft Audit Report

BOARD OF ANIMAL SERVICES COMMISSIONERS

MELANE RAMSAYER

RUTHANNE SECUNDA

COMMISSIONERS TARIQ A. KHERO

THERESA MACELLARD KATHLEEN RIORDAN

# City of Los Angeles



ANTONIO R. VILLARAIGOSA MAYOR DEPARTMENT OF ANIMAL SERVICES 221 North Figueroa Street 5" Floor Los Angeles, CA 90012 (888) 452-7381 FAX (213) 482-9511

BRENDA F. BARNETTE

KATHLEEN J. DAVIS

March 29, 2011

John Chiang, California State Controller California State Controller's Office P.O. Box 94250-5874 Sacramento, CA 94250-5874

> Attention: James L. Spano, Chief Mandated Cost Audits Bureau, Division of Audits

Re: Response to Draft Audit Report of the City of Los Angeles Animal Adoption Program

Dear Mr. Chiang:

Attached are the main points of the response by the Department of Animal Services to the Draft Audit of the State Controller's Office, and a rough draft response to audit finding number 8 regarding eligibility of Prop F funding for construction of animal care centers. These attachments have been provided to the City Controller, Wendy Greuel because the draft audit was addressed to Ms. Greuel.

Due to the unreasonable time constraint imposed by the State on the Department, substantial and delinquent demand made by the State that the City provide detailed documentation for audit periods as long ago as 12 years, and strong likelihood that the with sufficient and fair notice to the City the actual reimbursement to the City would be closer to the actual amounts billed, the Department of Animal Services recommends that the City of Los Angeles direct the State of California to immediately and fully reimburse all amounts claimed by the Department of Animal Services that have not been paid by the State. Full reimbursement is proper because the claims filed by the City were submitted timely (except as noted), and were properly documented according to all of the State's guidelines and rules in place at the time each request for reimbursement was submitted. If the audit must be closed to meet a statutory deadline, we additionally request that the audit be reopened to allow adequate time to consider acceptance of offset allowances for Prop F funds expended on facility construction and other expenditures to comply with the Hayden Bill.

> "Creating a Humane LA" AN EQUAL OPPORTUNITY EMPLOYER Visit our website at www.LAAnimatServices.com

John Chiang, California State Controller Page 2

For all the reasons stated in the attached, the Department recommends that the City reject the State's audit as untimely, lacking proper notification, and contrary to the general purposes of good government, and as a result, reject the audit findings.

Rather than reducing the burden on local animal care and control agencies of implementing a valuable State-mandated law, the Hayden Bill, the entire audit process by the State Controller's Office is resulting in numerous large financial penalties to local jurisdictions for following the rules of the State and, therefore, for supporting the mandates of the Hayden Bill in good faith, and for reporting expenses honestly. The State Mandates reimbursement process, including the audit, should accomplish just the opposite, that is, it should support the good faith and honest efforts of local agencies to comply with the mandate.

Should you have any questions, please contact John Forland of our staff.

Thank you.

Mune 7 Barnette

Brenda F. Barnette, General Manager Department of Animal Services

Attachments: Bullet Points Prop F Offsets

Copies:

Wendy Greuel, Controller, City of Los Angeles Jim Venneman, Audit Manager, State Controller's Office Masha Vorobyova, Auditor, State Controller's Office Alan Burdick, Consultant, MGT of America

#### Attachment the Los Angeles Department of Animal Services' Response to the State Controller's Office Draft Audit of Hayden Bill Mandated Reimbursement Requests 1998-99 through 2007-08

#### **Bullet Points**

#### Deadline:

- The State Controller's Office (State) extended the deadline for providing the Department's
  response to the by two days to allow submission of additional material when the Department
  has requested 30 days. The State's refusal to allow the time requested by the Department is
  based on the State's April 6, 2011 deadline to file the audit in order to stay within the twoyear statute of limitations that an audit must be completed within two years of initiation.
- The State's refusal to allow additional time requested by the Department as allowed in the guidelines is attributable to the State's delay, not that of the Department. The Department was initially contacted by the State Controller's Office almost two years ago to schedule the audit. The entrance conference was held and for seven months the State auditors met with Department staff and documents were requested and provided. The Department provided over 200 hours to the audit. In November 2009, the State discontinued contact with the Department. In about June 2010 the Department was contacted by the State again, a new State auditor was assigned. A second entrance conference was held and the State periodically contacted the Department to request information. The Department provided at least 250 hours in support of this audit. Over 450 hours has been allocated by the Department to support the continuous audit process mostly because of the continual demand of the State auditors for exact detailed information of expenditures including vendor, year, and detailed description of each line item expenditure included in the request for reimbursement.
- The Department has acted in good faith to comply with all audit requests. In a few minor cases, the State auditor agreed to accept some samples of invoices instead of full and complete detailed verification.
- The State issued the draft audit in March, 2011. As of today, the State auditor is still
  determining methods to allocate various costs among what the State determines to be
  eligible and ineligible costs.

#### Additional Information Submitted or Eligible:

- The Department is providing additional detailed information to the State auditors as part of
  its response to the draft audit in the format and level of detail acceptable to the State auditors
  covering expenditures for medical supplies, cleaning supplies, animal food, staff training,
  and Prop F costs.
- Information for just the medical supplies, cleaning supplies, and animal food in a linked spreadsheet contains 4.5 million bits of information. These three accounts cover categories of expenditures that are essential for maintenance of animals. Additional information could be provided for other qualifying expenditures in other accounts, such as Account 4460, Private Vet Care, but there are not sufficient time or staff resources to continue to provide

> millions of items of information gong back 12 years for yet-to-be determined eligibility criteria. Some spay/neuter surgeries for adopted animals are required by the Hayden Bill. Also, details for purchases of eligible cleaning and maintenance supplies from accounts other than Account 6020 have not been calculated due to lack of time and staff resources.

- The Department has requested that the State consider reimbursement for medical supplies. (Account 3190) The State auditors had determined these costs were not eligible, but per our request, agreed to consider them. The State Controller has not yet developed a method to allocate these costs among their determination of what are eligible and ineligible costs. Today the Department is submitting detailed statements of expenditures by year and by line item for medical supplies for the audit period. Stray animals taken to the shelter have unknown medical conditions until the are given a check up and examined by a veterinarian. Animals are given two vaccinations, and medication for de-worming and flea control. This treatment is standard. If the animal is ill, additional treatment or medications could include IV fluid, splints, X-rays, or other treatment. The State auditors have yet to develop a formula for allocation of these costs.
- The State auditor has agreed that cleaning and other supplies (Account 6020) would be considered if expenses are determined to be eligible and if the Department is able to provide detailed records of expenditure by vendor and by invoice line item for all years audited. The Department was able to verify the largest vendors. These records are being submitted to the State Controller today.
- The State auditor has agreed that animal food (Account 4580) would be considered if the Department is able to provide detailed records of expenditure by vendor and by invoice line item for all years audited. These records are being submitted today.
- The State auditors rejected Department costs incurred in 2000 to provide initial training of staff for use of a new central database system called Chameleon purchased by the Department to comply with the requirements of the Hayden Bill. The Department was required by the State auditors to provide a list of all employees in the Department in the year 2000 who received the training in order to be reimbursed for it – a 10 years after the training was provided. No prior request to maintain these employee records was provided to the City. The Department was able to retrieve the records but only after considerable expense and time.

#### Response to Audit Process and Draft Audit:

 Claims in the early years of the Hayden mandate (1999-2002) were built on averages and estimates before the publication of the current guidelines. According to the current guidelines as interpreted by the State auditor, the City's claims were uniformly overstated as were claims by virtually all local agencies. The State Controller's Office has indicated that the State audits of local animal care agencies typically reduce the amount reimbursed to about 50% of the amount originally claimed. For example: Contra Costa County billed the State \$11,457,157 for Hayden Bill expenses. The State allowed \$5,521,096 of the amount submitted and did not allow \$5,930,661. Disallowed costs exceeded allowed costs for seven

> of the nine local jurisdictions audited by the State Controller's Office where audits are posted on their web site.

- All claims were filed through a third party consultant, Maximus, who provided guidance in the formulas and claim amounts. Maximus gathered information and used templates and formulas set up based on the 2002 guidelines for the periods containing most of the questioned costs.
- A court of appeals decision in May 2010 regarding the definition of "business-day" leaves both Saturday and Sunday as non-business days for purposes of calculating the hold days. The auditors have been advised by state legal counsel to apply this standard back to 1999. This has an unknown effect on the reimbursement. Our number of eligible animals decreases if we euthanized before newly defined four-day period. This is more likely a problem in the earlier years when shelter capacity was small. On the other hand, the average-holding-days calculation increases because typically we would have to hold animals longer if Saturday, Sunday, and Monday do not count as hold days. This issue needs significant further research and discussion for the audit and for the future when Hayden is no longer suspended.
- The State is in arrears to the City for a little more than \$5 million in past claims not yet reimbursed. After further adjustment and submissions expected, the amount the auditors find to be overstated is just about \$5 million.
- Hourly rates throughout the audit period are actually higher than the City's claim. The City
  used Wages and Counts averages, while auditing actual payrolls gave a slightly increased
  hourly rate for all classifications.
- All computer hardware, software, and data management staffing claims (related to Chameleon) must be prorated because not all of Chameleon's modules are strictly for mandated activities of animal care (i.e. Chameleon also does licensing, citation, receipts, etc.), even though the equipment purchases were required to comply. The City claimed 100%, the auditors agreed to a 50% pro-ration.
- The City used the annual budget total attributed to animal care to calculate the per animal day cost. The State auditors pro-rated actual salaries of ACT staff only to narrowly define and ascertain care and maintenance eligibility. Department staff has submitted additional records of medical, cleaning, and animal food expenditures from the City's Financial Management Information System (FMIS) central accounting database.
- Annual animal census figures calculated by auditor are significantly different from the
  estimates used in claims in the first four years of reimbursement claims. The Department
  was not provided with any guidelines before submission of reimbursement requests and has
  not had an opportunity to verify that these calculations are supported by data.

- The City claimed reimbursement for dogs and cats in all of 1999 but the Hayden bill stipulated that reimbursement should not begin for dogs and cats until July 1999.
- The entire shelter staff working on Saturdays was claimed for reimbursement for the first four claim years; according to the auditors, only those staff that specifically have to be on duty because of being open to the public can be claimed, as was done in later years.
- According to State auditors, indirect costs were improperly calculated in the first years (understated) but overall were overstated because in several other findings categories the auditors are disallowing many of the overstated hours for care and medical wellness.
- State auditors were provided documentation about the Prop F Bond projects with a request
  to consider pro-rated reimbursement since one of the reasons for expanding the shelter
  system was to meet Hayden requirements. Auditors determined that because property taxes
  were raised to fund the bond, it was not eligible for reimbursement. The preparation of the
  Master Facilities Study (by a consultant) may be reimbursable.
- According to the State auditor, the City's claims included overstated medical costs. Hayden
  only reimburses for routine wellness checks for incoming animals, not special care, not
  rabies vaccination, and not emergency care, because the later was already required of
  shelters by state law. The City had claimed nearly all medical supplies and a high level of
  medical staff. For the audit, we performed a time study to determine the actual average
  wellness exam time.

#### Reimbursement and Audit Procedures:

- The Department was not given notice at beginning of audit period and not given notice at beginning of audit periods of requirements for methods to follow or records to maintain.
- Other minor areas in which follow up will result in slight increases in the reimbursement calculations: Start-up training information has been retrieved by the Department's systems staff and verified by the payroll section and was provided to the auditor.
- The City questions the Controller's retroactive application of the Purifoy decision that Saturday is not a business day, and of the description of the scope of work reasonably required to be performed in accordance with the mandate on a Saturday. The City's believes retroactive application of the Purifoy case is improper. The Commission on State Mandates was silent as to the definition of business day. The court held that although the Hayden Bill requires animal shelters to hold animals longer or be open for business on a weekday evening or Saturday, Saturday is not a business day for the purposes of calculating how long to hold an animal before it can be released for adoption or disposal. The decision, published on March 26, 2010, is clearly applicable to all future claims. Applying the rule retroactively, as the State has done, is unfair and tends to inhibit or defeat the purpose of the Hayden Bill of extending the holding period so that animals are treated humanely (redeemed or adopted).

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#### Attachment the Los Angeles Department of Animal Services' Response to the State Controller's Office Draft Audit of Hayden Bill Mandated Reimbursement Requests 1998-99 through 2007-08

#### Summary of Department's Response to Finding 8 - Prop F Costs

#### **Controller Finding:**

The City did not incur any increased costs to construct or remodel its animal shelters under Government Code section 17514. Government Code section 17514 states:

"Costs mandated by the state" means any increased costs which a local agency or school district is required to incur after July 1, 1980, as a result of any statute enacted on or after January 1, 1975, or any executive order implementing any statute enacted on or after January 1, 1975, which mandate a new program or higher level of service of an existing program within the meaning of Section 6 of Article XIIIB of the California Constitution.

The Controller argued that Proposition F of 1990 required city's taxpayers to fund construction projects through additional levies made to their property taxes. As a result, the taxpayers and not the City incurred the cost. The Controller determined that the nondiscretionary revenue source was used to build the City's animal shelters and none of the city's discretion general fund was involved.

#### **City Response:**

First, there should not seem to be any dispute whether there was a cost mandated by the State. The costs are clearly idenified as reimbursable costs in the Controller's claiming instructions for the Hayden Bill which meets all the requirements of Section 17514 above.

The Controller's issue seems to be, are these local revenues or "proceeds of taxes." The state has the right to preclude the City from being reimbursed for state, federal or grant funds, but not for local revenues which are proceeds of taxes.

On January 31, 2001, the Los Angeles City Council adopted a resolution providing for the issuance and sale of the City of Los Angeles General Obligation Bonds authorized by the voters by Proposition F, in an aggregate principal amount not to exceed \$201.3 million for a variety of local projects and services. The Council identified up to \$36.5 million for animal shelter facilities. These are clearly local revenues and to the extent the funds are used to pay for state mandate programs, there should be reimbursed by the state.

A similar issue was contested in Redevelopment Agency v. Commission on State Mandates (1997) 55 Cal.App.4th 976. The court set forth the following analysis:

1 of 3

The California Supreme Court's summary of the history and substance of the law applicable to state mandates, commented: "Through adoption of Proposition 13 in 1978, the voters added article XIII A to the California Constitution, which 'imposes a limit on the power of state and local governments to adopt and levy taxes. [Citation.]' [Citation.] The next year, the voters added article XIII B to the Constitution, which 'impose[s] a complementary limit on the rate of growth in governmental spending.' [Citation.] These two constitutional articles 'work in tandem, together restricting California governments' power both to levy and to spend for public purposes.' [Citation.] Their goals are 'to protect residents from excessive taxation and government spending. [Citation.]' [Citation.]" (County of San Diego v. State of California, supra, 15 Cal.4th at pp. 80-81.)

In County of San Diego v. State of California, supra, 15 Cal.4th at page 81, the Supreme Court explained that section 6 represents recognition that together articles XIII A and XIII B severely restrict the taxing and spending powers of local agencies. The purpose of the section is to preclude the state from shifting financial responsibility for governmental functions to local agencies, which are ill equipped to undertake increased financial responsibilities because they are subject to taxing and spending limitations under articles XIII A and XIII B. (County of San Diego v. State of California, supra, at p. 81.)

\* \* \*

In County of Placer v. Corin (1980) 113 Cal.App.3d 443, 451 [170 Cal.Rptr. 232], the court defined "proceeds of taxes" in this way: "Under article XIII B, with the exception of state subventions, the items that make up the scope of ' "proceeds of taxes" ' concern charges levied to raise general revenues for the local entity. ' "Proceeds of taxes," ' in addition to 'all tax revenues' includes 'proceeds ... from ... regulatory licenses, user charges, and user fees [only] to the extent that such proceeds exceed the costs reasonably borne by such entity in providing the regulation, product or service....' (§ 8, subd. (c).) (Italics added.) Such 'excess' regulatory or user fees are but taxes for the raising of general revenue for the entity. [Citations.] Moreover, to the extent that an assessment results in revenue above the cost of the improvement or is of general public benefit, it is no longer a special assessment but a tax. [Citation.] We conclude 'proceeds of taxes' generally contemplates only those impositions which raise general tax revenues for the entity." (Italics added.) (Id. at 980- 984.)

In summary, the courts have held, and the Commission will follow suit in holding, that Proposition F funds are clearly proceeds of taxes and local revenue and to the extent they

2 of 3

were used to pay for state mandated costs associated with the increased cost of building animal shelters due to the Hayden bill, should be reimbursed by the State.

State Controller's Office Division of Audits Post Office Box 942850 Sacramento, CA 94250-5874

http://www.sco.ca.gov

* e		IENT	For Controller Use Only	Program				
Pursua	nt to Government Co ANIMAL ADOPT		(19) PI, am Number <b>00213</b> (20) Date File <b>S P ()</b> 4 2002 (21) LRS filet P 1 () 2002	<b>213</b>				
(01) Claimant Identif	ication Number 98194	487	Reimbursement Claim Data					
(02) Claimant Name			(22) AA-1, (04)(A)(1)(g)					
County of Loca			(23) <b>AA-1, (04)(A)(2)(g)</b>	9,468				
Street Adress of	of P.O. Box 419 S. Spring Street		(24) AA-1, (04)(A)(3)(g)	1,855				
City	State CA	Zip Code <b>90013</b>	(25) <b>AA-1, (04)(B)(1)(g)</b>					
Type of Claim	Estimated Claim	Reimbursement Claim	(26) AA-1, (04)(B)(2)(g)					
	(03) Estimated	(09) Reimbursement X	(27) AA-1, (04)(B)(3)(g)	337,191				
	(04) Combined	(10) Combined	(28) <b>AA-1, (04)(B)(4)(g)</b>	5,510				
	(05) Amended	(11) Amended	(29) AA-1, (04)(B)(5)(g)	337,191				
Fiscal Year of Cost	(06)	(12) <b>1/1/99-6/30/99</b>	(30) AA-1, (04)(B)(6)(g)					
Total Claimed Amount	(07)	(13) <b>\$759,353</b>	(31) AA-1, (04)(B)(7)(g)	12,655				
LESS: 10% Late F	Penalty, not to exceed \$1,000	(14)	(32) AA-1, (04)(B)(8)(g)	47,235				
LESS: Prior Clair	n Payment Received	(15)	(33) AA-1, (04)(B)(9)(g)	50,984				
Net Claimed Amo	unt	(16) <b>\$759,353</b>	(34) AA-1, (04)(B)(10)(g)					
Due from State	(08)	(17) <b>\$759,353</b>	(35) <b>AA-1, (06)</b>	31				
Due to State		(18)	(36)					

#### (37) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file claims with the State of California for costs mandated by Chapter 752, Statutes of 1998, and certify under penalty of perjury that I have not violated any of the provisions of Govenment Code Sections 1090 to 1096, inclusive.

further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program mandated by Chapter 752, Statutes of 1998.

The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs for the mandated program of Chapter 752, Statutes of 1998 set forth on the attached statements.

Signature of Authorized Officer	Date
Therwalt	4 September '0'
Jerry Greenwalt	General Manager
Type or Print Name	Title
(38) Name of Contact Person for Claim	Telephone Number (949) 440-0845 ext. 108
Colleen Tribby, MAXIMUS	E-mail Address colleentribby@maximus.com

Form FAM-27 (New 5/02)

Program **213** 

#### MANDATED COSTS ANIMAL ADOPTION CLAIM SUMMARY

FORM AA-1

(01) Claimant: City of L	os Angeles	(02) Fiscal	1/1/99-	9-6/30/99							
(03) Department	Animal Ser	vices		<u></u>	· · · · · · · · · · · · · · · · · · ·						
Direct Costs	Object Accounts										
(04) Reimbursable Components A. One-Time Costs	(a) Salaries	(b) Benefits	(c) Materials & Supplies	(d) Contract Services	(e) Travel & Training	(f) Fixed Assets	(g) Total				
1. Policies and Procedures											
2. Training	\$8,130	\$1,339					\$9,468				
3. Computer Software	\$1,593	\$262		7			\$1,855				
<ul> <li>B. Ongoing Costs</li> <li>1. Acquiring Space/Facilities</li> <li>2. Renovating Facilities</li> </ul>											
3. Care of Dogs & Cats			\$186,383				\$186,383				
4. Care of Other Animals	· · · · · · · · · · · · · · · · · · ·		\$5,510				\$5,510				
5. Holding Period 6. Feral Cats	\$289,509	\$47,682					\$337,191				
7. Lost and Found Lists	\$10,865	\$1,790					\$12,655				
8. Non-Medical Records	\$40,556	\$6,680					\$47,235				
9. Veterinary Care		. ,	\$50,984				\$50,984				
10. Procuring Equipment											
(05) Total Direct Costs	\$350,652	\$57,752	\$242,877				\$651,282				
Indirect Costs	••••••••••••••••••••••••••••••••••••••		L		· · ·						
(06) Indirect Cost Rate		[From IC	RP]	Salary and V	Vages		30.829				
(07) Total Indirect Costs	[Line (06)(a)	x line(05)(a))]	or [{Line(06)	x line (05)(a)]	) + line (05)(b	))}]	\$108,07 <sup>-</sup>				
(08) Total Direct and Indirect Co	sts	[Line(0	5)(g) + line(07	)]		·	\$759,353				
Cost Reduction											
(09) Less: Offsetting Savings		······································									
(10) Less: Other Reimbursement	S		· · · · · · · · · · · · · · · · · · ·								
(11) Total Claimed Amount		ine(08) - {Lin	e (09) + Line(*	10)}]		<del></del>	\$759,353				

MANDATED COSTS	
ANIMAL ADOPTION	

....

			OMPON	ENIAC		02120					AA-2	
(01) Claimai	nt: City of	f Los Ange	eles	(02) Fisc	cal year costs were incurred: 1/1/99-6/30/99							
(03) Reimbu	Irsable Components: (	Check <u>only</u>	one box p	per form to	dentify	the compo	onent bei	ng claime	d.			
One-Time	Policies and	Procedures	6	X	Training				Computer Software			
Ongoing	Ongoing Acquiring Space/Facilities				Renovat	ing Faciliti	es		Care of I	Dogs & Ca	ts	
	Care of Othe	er Animals			Holding	Period			] Feral Ca	its		
	Lost and Fo	ound Lists			Non-Me	dical Reco	rds		] Veterina	ry Care		
	Procuring E	quipment										
(04) Descrip	otion of Expenses						O	oject Acco	ounts			
Emplo	(a) oyee Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)		
	ns, Functions Performed cription of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.	
Training em	ployees on the											
mandated a												
<u>(3 hours pei</u>	r employee)											
28 Clerk Ty		\$13.93	·	1					\$1,170	\$193	\$1,363	
8 Snr Clerk		\$17.25		1					\$414	\$68	\$482	
2 Veterinari		\$28.64							\$172	\$28	\$200	
	ry Assistants Care Technicians	\$17.05		1					\$614	\$101 \$206	\$715	
	are Technician Supvs	\$14.76 \$17.53		\$					\$1,860 \$263	\$306 \$43	\$2,166 \$306	
	Control Officers (I)	\$17.53							\$203 \$1,369	\$225	\$300	
	Control Officers (II)	\$18.46		1					\$1,274	\$210	\$1,484	
	al Control Officers (I)	\$19.91		1					\$358	\$59	\$417	
	al Control Officers (I)	\$21.36		1					\$577	\$95	\$672	
1 Training C	• /	\$19.91		1					\$60	\$10	\$70	
			• .									
(05) Total	() Subtotal ()	Page:	of		1	1		1.	\$8,130	\$1,339	\$9,468	

New 5/02

Program

Chapter 752/98

A A 2

Program 213		СС	A	MANDAT NIMAL ENT/ACT	ADOP	ΓΙΟΝ	DETAIL				FORM AA-2	
(01) Claimant:	City of	Los Ange	eles	(02) Fisc	al year co	osts wer	e incurre	d:	1/	1/1/99-6/30/99		
(03) Reimbursable C One-Time	omponents: 0		-	ber form to	<b>identify</b>		iponent b	eing clain X	٦	er Softwar	e	
Ongoing	Acquiring Sp	oace/Faciliti	es		Renova	ting Faci	lities		Care of	Dogs & Ca	ats	
	Care of Othe	er Animals			Holding	Period			Feral Ca	ats		
	Lost and Fo				Non-Me	edical Re	cords		] Veterina	iry Care		
	Procuring E	quipment			r							
(04) Description of E (a)	·····	(b)	(c)	(d)	(e)	(f)	(g)	)bject Acc		(i)		
Employee Nam Classifications, Functi and Description o	ons Performed	Hourly Rate or Unit Cost	Benefit Rate	Hours Worked or Quantity	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Salaries	Benefits	Total Sal. & Ben	
Develop and purcha software for mainter medical animal recc	nance of non-	ted										
Senior Systems Ana	ilyst I	\$30.51	16.47%	52.20			•		\$1,593	\$262	\$1,855	
					-							
					-							
·												
				5								
(05) Total ( ) Su	ibtotal ( )	Page:_	of						\$1,593	\$262	\$1,85	

,													
Program 213		CO	MANDATED COSTS ANIMAL ADOPTION COMPONENT/ACTIVITY COSTS DETAIL										
(01) Claimant:	City of Lo	s Ange	les	(02) Fisc	cal year costs were incurred: 1/1/99-6/30/99								
(03) Reimburs One-Time	able Components: Cheo Policies and Pro		one box	per form t	o <b>identify th</b> Training	e compoi	nent be	ing claim	1	er Software	<b>e</b>		
Ongoing	Acquiring Space		S		Renovatin Holding Pe	-	3	X	1	Care of Dogs & Cats Feral Cats			
	Lost and Found Procuring Equip				Non-Medic	cal Record	IS		Veterina	ry Care			
(04) Descriptio	on of Expenses							ject Acc	ounts				
Employ	(a) yee Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)			
	s, Functions Performed cription of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.		
dogs and cats increased hold <u>utimately eutha</u> Total cost for all	animals = \$3,398,931				\$186,383								
	258,420 d during increased or were euthanized =												
Daily cost per a	nimal = \$13.12												
<u>ACTUAL COST</u> Daily cost per do	burseable days = 2 <u>METHOD:</u> og/cat (\$13.12) x number nanized (7,103) x												
	seable days (2) =												
(05) Total (	) Subtotal ( )	Page:	of _	<u> </u>	\$186,383								

213		CON	A	NIMAL	ED COST ADOPTI VITY COS	ON	TAIL				FORM AA-2
(01) Claimar	nt: City of Lo	s Angel	es	(02) Fiscal year costs were incurred: 1/1/99-6/3							
(03) Reimbu One-Time	Policies and Proc		e box p	er form to	<b>identify the</b> Training	compor	nent beil	ng claime	1	er Software	Ð
Ongoing	X Care of Other An	Acquiring Space/Facilities         X       Care of Other Animals         Lost and Found Lists			Renovatin Holding P Non-Medi	eriod			Care of Feral Ca Veterina		its
·	Procuring Equipr	nent								· ·	
(04) Descrip	otion of Expenses (a)	(b)	(c)	(d)	(e)	(f)	OI (g)	oject Acco (h)	ounts	(i)	
Classificati	ployee Names, Job ions, Functions Performed escription of Expenses	Hourly Rate or Unit Cost	Benefit Rate	Hours Worked or Quantity	(e) Materials and Supplies	Contract Services	(9) Fixed Assets	Travel and Training	Salaries	Benefits	Total Sal. & Ben.
all other anii increased he <u>utimately eu</u> Total cost for Yearly censu	all animals = \$3,398,931 s = 258,420				\$5,510						
holding perio 105	died during increased d or were euthanized = r animal = \$13.12										
<u>ACTUAL COS</u> Daily cost per that die/are e	eimburseable days = 4 <u>ST METHOD:</u> r dog/cat (\$13.12) x number euthanized (105) x burseable days (4) =										
-	·	Page:	of		\$5,510						

Massa	F100	
New	5/11/2	

•

Program											
213				MAL AC							FORM
		COM	PONEN	T/ACTIVI		STS DE	TAIL				AA-2
(01) Claima	nt: City of Lo	os Angel	es	(02) Fisca	l year co	osts wer	e incur	red:	1/1	/99-6/30	/99
(03) Reimbu	ursable Components: Check	c <u>only</u> one	box per	form to ide	ntify the	compor	nent be	ing claim	ed.		
One-Time	Policies and Proc	Policies and Procedures						L	Computer	Software	
Ongoing	Acquiring Space/	Acquiring Space/Facilities					cilities		Care of D	ogs & Cats	<b>;</b>
	Care of Other Ani	imals		X	] Holdin	g Period			Feral Cat	6	
	Lost and Found L	ists			Non-M	edical R	ecords		Veterinary	Care	
	Procuring Equipm	nent			<b>-</b>						
(04) Descrip	ption of Expenses							Object A	Accounts		
En	(a) nployee Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	
Classifica	tions, Functions Performed Description of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services		and Training	Salaries	Benefits	Total Sal. & Ben.
Making anir	mals available for owner										
	on one weekend day/week										
	Each employee worked										
208.8 hours	s at each location.										
ANNEX											-
t	re Technicians		16.47%	626.40					\$9,246	\$1,523	\$10,768
1 Animal Car	re Technician Supv	\$17.53	16.47%	208.80					\$3,660	\$603	\$4,263
EAST VALLE	ΞY										
	re Technicians	1	16.47%						\$15,409	\$2,538	\$17,947
	re Technician Supv		16.47%	208.80		· ·			\$3,660	\$603	\$4,263
	ntroll Officers (I)	\$15.73		626.40					\$9,853	\$1,623	\$11,476
3 Clerk Typis	ntrol Officers (II)	\$18.46	16.47% 16.47%						\$7,709	\$1,270	\$8,979
5 Clerk Typis	15	\$13.90	10.47 %	626.40					\$8,745	\$1,440	\$10,185
HARBOR						Í					
	re Technicians	\$14.76		626.40					\$9,246	\$1,523	\$10,768
	re Technician Supv	\$17.53		20.80					\$365	\$60	\$425
2 Animal Cor 1 Clerk Typis	ntroll Officers (I)	\$15.73 \$13.96		417.60					\$6,569	\$1,082	\$7,651
i Clerk Typis	15	\$13.90	16.47%	208.80					\$2,915	\$480	\$3,395
NORTH CEN	ITRAL					-					
	re Technicians	\$14.76	16.47%	1461.60					\$21,573	\$3,553	\$25,126
	re Technician Supv	\$17.53		208.80					\$3,660	\$603	\$4,263
1	ntroll Officers (I)	\$15.73		626.40					\$9,853	\$1,623	\$11,476
	ntrol Officers (II)	\$18.46		417.60					\$7,709	\$1,270	\$8,979
3 Clerk Typis	15	\$13.96	16.47%	626.40					\$8,745	\$1,440	\$10,185
SOUTH LOS									· · · ·		<b>)</b>
2	re Technicians	\$14.76							\$27,737	\$4,568	\$32,305
	re Technician Supv	\$17.53		208.80	1				\$3,660	\$603	\$4,263
	ntroll Officers (I)	\$15.73		1044.00					\$16,422	\$2,705	\$19,127
	ntrol Officers (II)	\$18.46		1044.00					\$19,272	\$3,174	\$22,446
2 Clerk Typis			16.47%	417.60					\$5,830	\$960	\$6,790
(05) Total	() Subtotal (X) Pa	age: <u>1</u>	ot <u>2</u>						\$201,838	\$33,243	\$235,081

New 5/02

MANDATED COSTS	1
ANIMAL ADOPTION	
COMPONENT/ACTIVITY COSTS DETAIL	

FORM
AA-2

Program 213		COM	AN	ANDATEI	DOPTI	ON	TAIL		· · · · · · · · · · · · · · · · · · ·		FORM AA-2
(01) Claimant:	City of Lo	City of Los Angeles (02					e incur	red:	1/1/99-6/30/99		
1	ble Components: Check		e box per	form to id	entify the	e compo	nent be	eing clai		· .	
One-Time	Policies and Proc	edures			Trainin	g			Computer	Software	
Ongoing	Acquiring Space/I	acilities			] Renov	ating Fac	ilities		Care of Do	gs & Cats	
	Care of Other Ani	mals		X	] Holdin	g Period			Feral Cats		
	Lost and Found L	ists			] Non-M	edical R	ecords		Veterinary	Care	
	Procuring Equipm	ent									
(04) Description	of Expenses				[			Object /	Accounts		
Employ	(a) vee Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materiale	(f) Contract	(g) Fixed	(h) Travel		(i)	
Classifications	, Functions Performed ription of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services		and	Salaries	Benefits	Total Sal. & Ben.
redemption on o (broken down by WEST LOS ANGI 4 Animal Care Te 1 Animal Care Te 2 Animal Controll 1 Animal Control 3 Clerk Typists WEST VALLEY 5 Animal Care Te 4 Animal Care Te 4 Animal Control 3 Clerk Typists	achnicians achnician Supv Officers (I) Officers (II) achnicians achnician Supv Officers (I) Officers (II)	\$14.76 \$17.53 \$15.73 \$18.46 \$13.96 \$14.76 \$17.53 \$15.73 \$18.46 \$13.96	16.47% 16.47% 16.47%	835.20 208.80 417.60 208.80 626.40 1044.00 208.80 835.20 626.40 626.40					\$12,328 \$3,660 \$6,569 \$3,854 \$8,745 \$15,409 \$3,660 \$13,138 \$11,563 \$8,745	\$2,030 \$603 \$1,082 \$635 \$1,440 \$2,538 \$603 \$2,164 \$1,904 \$1,440	\$4,263 \$15,301 \$13,468 \$10,185
(05) Total (X)	Subtotal ( ) Pi	age: <u>2</u>	of <u>2</u>	<b></b>					\$289,509	\$47,682	\$337,191
New 5/02					L	L		I			pter 752/98

MANDATED COSTS
ANIMAL ADOPTION
COMPONENT/ACTIVITY COSTS DETAIL

F	0	R	M	

Program 213									FORM AA-2		
(01) Claima	Int: City of Los Angeles (02) Fiscal year costs were incurred: 1/1/99-6/30/9						/99				
(03) Reimbu One-Time	Policies and		-	per form to	<b>identify</b> Training	-	ponent	being clai	med. Computer	Software	
Ongoing	Acquiring Space/Facilities         Care of Other Animals         X         Lost and Found Lists         Procuring Equipment				Renovating Facilities         Holding Period         Non-Medical Records				Care of Dogs & Cats Feral Cats Veterinary Care		
(04) Descrip	otion of Expenses							Object Ac	counts		
Emple	(a) oyee Names, Job	(b) Houriy	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	
Classification	ns, Functions Performed scription of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Totai Sai. & Ben.
owners and animals. Lis animal, refe information, publish and <u>animal infor</u> 6 Clerk Typ 1 Clerk Typis 5 days/week North Centra South Centra East Valley S West Valley	ists at spends 1 hr/day, at these locations: al Shelter al Annex Shelter Shelter geles Shelter	\$13.93	16.47%	780.00					\$10,865	\$1,790	\$12,655
(05) Total	() Subtotal ()	Page:_	of						\$10,865	\$1,790	\$12,655

Rrogram 213		CC	Α	MANDATI NIMAL A ENT/ACTI	DOPT	ION	ETAIL	 			FORM AA-2
(01) Claimant:	City of	Los Angeles (02) Fiscal year costs were incurred:						1/	1/1/99-6/30/99		
(03) Reimburs One-Time	able Components:       C         Policies and         Acquiring Sp         Care of Othe         Lost and Fo	Procedures pace/Faciliti er Animals und Lists	S	per form to	] Training Renova ] Holding	ating Facili	ties	eing clai	imed. Computer Care of Do Feral Cats Veterinary	ogs & Cats	
	Procuring E	quipment			· ·						
(04) Descriptio	on of Expenses (a)	(b)	(c)	(d)	(e)	(f)	(g)	Object / (h)	Accounts	(i)	
Classifications,	e Names, Job Functions Performed ption of Expenses	Hourly Rate or Unit Cost	Benefit Rate	Hours Worked or Quantity	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Salaries	Benefits	Total Sal. & Ben.
on animals tha euthanized aft period, or impo include all man Veterinary Ass It takes a Veteri approximately 2	ounded. Records ndated items. sistant inary Assistant 20 minutes to cal information on = 7,208	\$17.05	16.47%	2378.64					\$40,556	\$6,680	\$47,235
(05) Total (	) Subtotal ( )	Page:	of	······					\$40,556	\$6,680	\$47,23

New 5/02

r <u>r</u>												
Program 213		СС	Α	NIMAL	ED COST ADOPTIC VITY COS	ON	TAIL				FORM AA-2	
(01) Claimar	<sup>nt:</sup> City of L	Los Angeles (02) Fiscal year costs were incurred:						1/	1/1/99-6/30/99			
(03) Reimbu One-Time	Policies and P		-	ber form to	identify the Training	compor	nent be	ing claim	1	er Software	e	
Ongoing	Acquiring Space	Animals d Lists	2S		Renovating Holding Pe Non-Medic	eriod	4 	X	Care of Feral Ca Veterina		nts	
(04) Descrip	otion of Expenses						0	bject Acc	ounts			
Emp	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)			
Classificatio	loyee Names, Job ons, Functions Performed escription of Expenses	Hourly Rate or Unit Cost	Benefit Rate	Hours Worked or Quantity	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Salaries	Benefits	Total Sal. & Ben.	
veterinary ca abondoned	ecessary and prompt are for stray and animals that died during olding period or were uthanized											
1	STS FOR TREATMENT ating costs, based on nd 01/02)				\$50,984							
to cats and d owner relingu animals ultim	ergency treatment given logs, newborn care, uished animals, and nately redeemed, eleased to animal nizations)											
(05) Total	( ) Subtotal ( )	Page:	of		\$50,984							

BOARD OF ANIMAL SERVICES COMMISSION

PAUL JOLLY PRESIDENT KATHLEEN RIORDAN VICE PRESIDENT HELEN ANN JOHNSON **City of Los Angeles** 

CALIFORNIA



DEPARTMENT OF ANIMAL SERVICES 419 South Spring Street 14<sup>th</sup> Floor Los Angeles, CA 90013 (213) 473-8253 FAX (213) 473-7511

JERRY GREENWALT GENERAL MANAGER

August 29, 2002

Laura N. Chick City Controller, City of Los Angeles City Hall, Room 1220 Los Angeles, California 90012

### Subject: POLICIES AND PROCEDURES CHANGES IN SUPPORT OF SB 1785

In 1998, the State of California passed the Hayden Bill, Senate Bill (SB) 1785 directing animal care and control agencies to hold stray animals longer to increase animal adoption and decrease animal euthanasia. As a result of SB 1785, the General Manager of the Department of Animal Services (Department) directed Department staff to review existing policies and procedures for compliance to the bill and to procure necessary supplies and equipment to house animals for the additional holding period. Changes in policies and procedures included, but were not limited to, revising shelter operations procedures and training staff on the new procedures; expenditures for the creation and implementation of a Department Wide Area Network to enable installation and operation of the Chameleon Animal Shelter Management Software operating system; and implementation of a Departmental Website to make pictures of lost animals available Citywide.

If you have any questions, feel free to call Margaret Sullivan, Chief Management Analyst, at 473-7507.

Sincerely,

JE**R**XY GREENWALT General Manager

## COST ALLOCATION PLAN 21 (CAP 21) - INDIRECT COST RATES WITH CARRY FORWARD

The rates below are to be used to prepare grant applications, contracts and billings for grant activities, and to compute Fees for Special Services, during 1998-99. They are to be applied only to straight time, gross salaries (with CTO). When only net salaries (without CTO) are available, convert net salaries to gross salaries using the CTO rate. Please be sure to adjust rates to deduct directly billed costs. See list, Attachment C and Instructions, Attachment B.

DEPARTMENT/Cost Center	Fringe Benefits	Central Services	Department Administration & Support	Division Overhead*	сто
AGING: Balance of Department Title V	17.83% 7.72%	80.22% 2.81%	; na na	*	20.09% 12.24%
ANIMAL REGULATION	16,47%	56.25%	30.82%	*	17.12%
BUILDING & SAFETY	16.71%	28.94%	16.43%	•	19.73%
CITY ADMINISTRATIVE OFFICER: CRA, Petroleum Admin., Proprietary, Capital Projects (Phy. Plant) Emergency Management	12.90% 16.23%	34.98% 1.21%	32.62% 45.75%	•	19.07% 19.07%
CITY ATTORNEY: Direct Billed - User's Site (Proprietary Depts.) Direct Billed - In City Space Criminal	6.96% 9.40% 14.53%	0.84% 6.41% 19.16%	3.11% 7.23% 10.93%	• • •	18.13% 18.13% 18.13%
CITY CLERK: Elections Land Records Tax & Permit	36.62% 16.99% 17.86%	65.86% 33.31% 38.68%	3.12% 20,13% 15.99%	* *	1.27% 20.38% 20.38%
COMMISSION FOR CHILDREN, YOUTH AND THEIR FAMILIES	18.49%	82.06%	54.90%	• • •	12,52%
COMMISSION ON STATUS OF WOMEN	19.14%	112.44%	27.37%	•	16.07%
COMMUNITY DEVELOPMENT: Balance of Department Summer Youth Employment Program	15.19% 5.45%	22,70% 0.20%	ก่อ	•	19.72% 0.00%
CONTROLLER: Direct Billed (at User's site) Direct Billed (in City space)	21.23% 22.15%	4.28% 86.50%	39.03% 34.87%	**************************************	22.05% 22.05%
CULTURAL AFFAIRS	20.01%	72.61%	24.64%	• • •	20.00%
EL PUEBLO	15.70%	6.91%	27.13%	•	23.38%

•	CLAIM FOP PAYN	IENT	For Te Controller Use Only	Program
Pursua	nt to Government Co ANIMAL ADOPT		(19) Pi, am Number <b>00213</b> (20) Date File <b>SFP ()</b> <u>4</u> <u>2002</u> (21) LRS <b>Det</b> P <u>1</u> <u>()</u> <u>2002</u>	213
(01) Claimant Identif	ication Number 98194	487	Reimbursement C	Claim Data
(02) Claimant Name		RECEIVED	(22) AA-1, (04)(A)(1)(g)	
County of Loca	tion Los Angeles	May 19, 2014 Commission on	(23) AA-1, (04)(A)(2)(g)	9,468
Street Adress o		State Mandates	(24) AA-1, (04)(A)(3)(g)	1,855
City	State Los Angeles CA	Zip Code <b>90013</b>	(25) <b>AA-1, (04)(B)(1)(g)</b>	
Type of Claim	Estimated Claim	Reimbursement Claim	(26) AA-1, (04)(B)(2)(g)	
	(03) Estimated	(09) Reimbursement X	(27) AA-1, (04)(B)(3)(g)	337,191
	(04) Combined	(10) Combined	(28) AA-1, (04)(B)(4)(g)	5,510
	(05) Amended	(11) Amended	(29) AA-1, (04)(B)(5)(g)	337,191
Fiscal Year of Cost	(06)	(12) <b>1/1/99-6/30/99</b>	(30) AA-1, (04)(B)(6)(g)	
Total Claimed Amount	(07)	(13) <b>\$759,353</b>	(31) AA-1, (04)(B)(7)(g)	12,655
LESS: 10% Late P	Penalty, not to exceed \$1,000	(14)	(32) AA-1, (04)(B)(8)(g)	47,235
LESS: Prior Clain	n Payment Received	(15)	(33) AA-1, (04)(B)(9)(g)	50,984
Net Claimed Amo	unt	(16) <b>\$759,353</b>	(34) AA-1, (04)(B)(10)(g)	
Due from State	(08)	(17) <b>\$759,353</b>	(35) <b>AA-1, (06)</b>	31
Due to State		(18)	(36)	

#### (37) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file claims with the State of California for costs mandated by Chapter 752, Statutes of 1998, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1096, inclusive.

I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program mandated by Chapter 752, Statutes of 1998.

The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs for the mandated program of Chapter 752, Statutes of 1998 set forth on the attached statements.

Signature of Authorized Officer	Date
Therwalt	4 September '02
Jerry Greenwalt	General Manager
(38) Name of Contact Person for Claim	Telephone Number (949) 440-0845 ext. 108
Colleen Tribby, MAXIMUS	E-mail Address colleentribby@maximus.com

Form FAM-27 (New 5/02)

Program **213** 

#### MANDATED COSTS ANIMAL ADOPTION CLAIM SUMMARY

FORM AA-1

(01) Claimant: City of L	os Angeles	(02) Fiscal	-6/30/99							
(03) Department	Animal Ser	vices		<u></u>	· · · · · · · · · · · · · · · · · · ·					
Direct Costs	Object Accounts									
(04) Reimbursable Components A. One-Time Costs	(a) Salaries	(b) Benefits	(c) Materials & Supplies	(d) Contract Services	(e) Travel & Training	(f) Fixed Assets	(g) Total			
1. Policies and Procedures										
2. Training	\$8,130	\$1,339					\$9,468			
3. Computer Software	\$1,593	\$262		7			\$1,855			
<ul> <li>B. Ongoing Costs</li> <li>1. Acquiring Space/Facilities</li> <li>2. Renovating Facilities</li> </ul>										
3. Care of Dogs & Cats			\$186,383				\$186,383			
4. Care of Other Animals	· · · · · · · · · · · · · · · · · · ·		\$5,510				\$5,510			
5. Holding Period 6. Feral Cats	\$289,509	\$47,682					\$337,191			
7. Lost and Found Lists	\$10,865	\$1,790					\$12,655			
8. Non-Medical Records	\$40,556	\$6,680					\$47,235			
9. Veterinary Care		. ,	\$50,984				\$50,984			
10. Procuring Equipment										
(05) Total Direct Costs	\$350,652	\$57,752	\$242,877				\$651,282			
Indirect Costs	••••••••••••••••••••••••••••••••••••••		L		· · ·					
(06) Indirect Cost Rate		[From IC	RP]	Salary and V	Vages		30.829			
(07) Total Indirect Costs	[Line (06)(a)	x line(05)(a))]	or [{Line(06)	x line (05)(a)]	) + line (05)(b	))}]	\$108,07 <sup>-</sup>			
(08) Total Direct and Indirect Co	sts	[Line(0	5)(g) + line(07	)]		·	\$759,353			
Cost Reduction										
(09) Less: Offsetting Savings		······································								
(10) Less: Other Reimbursement	S		· · · · · · · · · · · · · · · · · · ·							
(11) Total Claimed Amount		ine(08) - {Lin	e (09) + Line(*	10)}]		<del></del>	\$759,353			

MANDATED COSTS	
ANIMAL ADOPTION	

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LIV			OMPON	ENIAC		0212 D					AA-2	
(01) Claimai	nt: City of	Los Ange	eles	(02) Fisc	al year co	sts were i	incurred:		1/	1/99-6/30	)/99	
(03) Reimbu	Irsable Components: C	Check <u>only</u>	one box p	per form to	o identify	the comp	onent bei	ng claime	d.			
One-Time	Policies and			X	Training				1	er Software	;	
Ongoing	Acquiring Sp	pace/Facilities			Renovat	ing Faciliti	es		Care of Dogs & Cats			
- 	Care of Othe	er Animals			Holding Period				Feral Cats			
	Lost and Fo	und Lists			Non-Me	dical Reco	rds		Veterina	ry Care		
	Procuring E	quipment										
(04) Descrip	otion of Expenses				-		O	oject Acco	ounts			
(a) (b) (c) Employee Names, Job Hourly Benefit				(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)		
	ns, Functions Performed cription of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.	
mandated a (3 hours per 28 Clerk Typ 8 Snr Clerk 2 Veterinaria 12 Veterinaria 42 Animal C 5 Animal C 29 Animal C 23 Animal C 6 Snr Anima	r employee) pists Typists ans ry Assistants Care Technicians are Technician Supvs Control Officers (I) Control Officers (I) al Control Officers (I) al Control Officers (I)	\$13.93 \$17.25 \$28.64 \$17.05 \$14.76 \$17.53 \$15.73 \$18.46 \$19.91 \$21.36 \$19.91	16.47% 16.47% 16.47% 16.47% 16.47% 16.47% 16.47% 16.47%	24.00 6.00 36.00 126.00 15.00 87.00 69.00 18.00 27.00					\$1,170 \$414 \$172 \$614 \$1,860 \$263 \$1,369 \$1,274 \$358 \$577 \$60	\$193 \$68 \$28 \$101 \$306 \$43 \$225 \$210 \$59 \$95 \$10	\$1,363 \$482 \$200 \$715 \$2,166 \$306 \$1,594 \$1,484 \$417 \$672 \$70	
(05) Total	()Subtotal())	Page:_	of						\$8,130	\$1,339	\$9,468	

New 5/02

Program

Chapter 752/98

A A 2

Program 213	MANDATED COSTS ANIMAL ADOPTION COMPONENT/ACTIVITY COSTS DETAIL											
(01) Claimai	nt: City of	Los Ange	eles	(02) Fisc	al year co	osts wer	I 1/1/99-6/30/99					
(03) Reimbursable Components: Check <u>only</u> one box One-Time Policies and Procedures				ber form to	<b>identify</b>		ned. ] Computer Software					
Ongoing	Acquiring Sp	bace/Faciliti	es		Renova	ting Faci		Care of	Dogs & Ca	nts		
	Care of Othe	er Animals			Holding	Period			Feral Ca	nts		
	Lost and Fo				Non-Me	edical Re	cords		] Veterina	ry Care		
	Procuring Ed	quipment			r							
	otion of Expenses (a)	(b)	(c)	(d)	(e)	(f)	(g)	bject Acc		(i)		
Classification	oyee Names, Job ns, Functions Performed cription of Expenses	Hourly Rate or Unit Cost	Benefit Rate	Hours Worked or Quantity	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Salaries	Benefits	Total Sal. & Ben	
software for	d purchase computer maintenance of non- mal records as manda	ted										
Senior Syste	ems Analyst I	\$30.51	16.47%	52.20			•		\$1,593	\$262	\$1,855	
		1										
					-							
										-		
		-										
					•							
				-								
				×.								
	( ) Subtotal ( )	Page:_	of						\$1,593	\$262	\$1,85	

,													
Program 213		СО	Α	NIMAL	ADOPTI		FORM AA-2						
(01) Claimant:	City of Lo	City of Los Angeles				(02) Fiscal year costs were incurred:							
(03) Reimburs One-Time	able Components: Cheo Policies and Pro	ck <u>only</u> one box per form to identify the component being cla pocedures							med.				
Ongoing	Acquiring Space		S		I	-	3	X	1	-	its		
	Lost and Found Procuring Equip				Non-Medic	cal Record	IS		Veterina	ry Care			
(04) Descriptio	on of Expenses			AA-2         (02) Fiscal year costs were incurred:       1/1/99-6/30/99         per form to identify the component being claimed.         Training       Computer Software         Renovating Facilities       X       Care of Dogs & Cats         Holding Period       Feral Cats         Non-Medical Records       Veterinary Care         (d)       (e)       (f)       (g)         Worked or and Guantity Supplies       Services       Assets       Training         \$186,383       Image: Services       Assets       Image: Services       Image: Services         \$186,383       Image: Services       Image: Services       Image: Services       Image: Services         \$186,383       Image: Services       Image: Services       Image: Services       Image: Services       Image: Services         \$186,383       Image: Services       Image: Services       Image: Services       Image: Services       Image: Services         \$186,383       Image: Services       Image: Services       Image: Services       Image: Services       Image: Services         \$186,383       Image: Services       Image: Services       Image: Services       Image: Services       Image: Services         \$186,383       Image: Services       Image: Services									
Employ	(a) yee Names, Job	(b) Hourly	(C) Benefit							(i)			
	s, Functions Performed cription of Expenses	Rate or Unit Cost	Rate	4		Services	Assets		Salaries	Benefits			
dogs and cats increased hold <u>utimately eutha</u> Total cost for all	animals = \$3,398,931				\$186,383								
	258,420 d during increased or were euthanized =												
Daily cost per a	nimal = \$13.12												
<u>ACTUAL COST</u> Daily cost per do	burseable days = 2 <u>METHOD:</u> og/cat (\$13.12) x number nanized (7,103) x												
	seable days (2) =												
(05) Total (	) Subtotal ( )	Page:	of _	<u> </u>	\$186,383								

213	MANDATED COSTS ANIMAL ADOPTION COMPONENT/ACTIVITY COSTS DETAIL										FORM AA-2	
(01) Claimai	nt: City of Lo	s Angel	es	(02) Fisca	al year cos	1/1/99-6/30/99						
(03) Reimbu One-Time	Policies and Proc	er form to	<b>identify the</b> Training	compor	ed. ] Computer Software							
Ongoing Acquiring Space/Fac X Care of Other Anima					Renovatin Holding P Non-Medi	eriod			Care of Dogs & Cats Feral Cats Veterinary Care			
·	Procuring Equipr	nent				· ·						
(04) Descrip	otion of Expenses (a)	(b)	(c)	(d)	(e)	(f)	OI (g)	oject Acco (h)	ounts	(i)		
Classificat	iployee Names, Job ions, Functions Performed bescription of Expenses	Hourly Rate or Unit Cost	Benefit Rate	Hours Worked or Quantity	(e) Materials and Supplies	Contract Services	(9/ Fixed Assets	Travel and Training	Salaries	Benefits	Total Sal. & Ben.	
Provide care and maintenance for all other animals* that die during the increased holding period or are <u>utimately euthanized</u> Total cost for all animals = \$3,398,931 Yearly census = 258,420					\$5,510							
Number that died during increased holding period or were euthanized = 105 Daily cost per animal = \$13.12												
<u>ACTUAL CO</u> Daily cost per that die/are e	eimburseable days = 4 <u>ST METHOD:</u> r dog/cat (\$13.12) x number euthanized (105) x burseable days (4) =											
-		Page:	of		\$5,510							

Massa	F100	
New	5/11/2	

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Program	12 ANIMAL ADOPTION												
213											FORM		
	COMPONENT/ACTIVITY COSTS DETAIL										AA-2		
(01) Claima	nt: City of Lo	os Angel	es	(02) Fiscal year costs were incurred: 1/1/99-6/30/99									
(03) Reimbu	ursable Components: Check	c <u>only</u> one	box per	form to ide	ntify the	compor	nent be	ing claim	ed.				
One-Time	Policies and Proc	edures			Trainin	ng		L	Computer	Software			
Ongoing	Acquiring Space/	Facilities		Renovating Facilities					Care of D	ogs & Cats	<b>i</b> .		
	Care of Other Animals			X	] Holdin	g Period			Feral Cat	6			
	Lost and Found L	ists			Non-M	edical R	ecords		Veterinary	Care			
	Procuring Equipm	nent											
(04) Descrip	ption of Expenses							Object A	Accounts				
En	(a) nployee Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel	(i)				
Classifica	tions, Functions Performed Description of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services		and Training	Salaries	Benefits	Total Sal. & Ben.		
Making anir	mals available for owner												
	on one weekend day/week												
	Each employee worked												
208.8 hours	s at each location.												
ANNEX													
t	re Technicians		16.47%	626.40					\$9,246	\$1,523	\$10,768		
1 Animal Car	re Technician Supv	\$17.53	16.47%	208.80					\$3,660	\$603	\$4,263		
EAST VALLE	ΞY												
	re Technicians	1	16.47%						\$15,409	\$2,538	\$17,947		
	re Technician Supv		16.47%	208.80		· ·			\$3,660	\$603	\$4,263		
	ntroll Officers (I)	\$15.73		626.40					\$9,853	\$1,623	\$11,476		
3 Clerk Typis	ntrol Officers (II)	\$18.46	16.47% 16.47%						\$7,709	\$1,270	\$8,979		
5 Clerk Typis	15	\$13.90	10.47 %	626.40					\$8,745	\$1,440	\$10,185		
HARBOR						Í							
	re Technicians	\$14.76		626.40					\$9,246	\$1,523	\$10,768		
	re Technician Supv	\$17.53		20.80					\$365	\$60	\$425		
2 Animal Cor 1 Clerk Typis	ntroll Officers (I)	\$15.73 \$13.96		417.60					\$6,569	\$1,082	\$7,651		
i Clerk Typis	15	\$13.90	16.47%	208.80					\$2,915	\$480	\$3,395		
NORTH CEN	ITRAL					-							
	re Technicians		16.47%						\$21,573	\$3,553	\$25,126		
1	re Technician Supv	\$17.53		208.80					\$3,660	\$603	\$4,263		
	ntroll Officers (I)	\$15.73		626.40					\$9,853	\$1,623	\$11,476		
	ntrol Officers (II)	\$18.46		417.60					\$7,709	\$1,270	\$8,979		
3 Clerk Typis	15	\$13.96	16.47%	626.40					\$8,745	\$1,440	\$10,185		
SOUTH LOS									· · · ·				
9 Animal Care Technicians		\$14.76							\$27,737	\$4,568	\$32,305		
1	re Technician Supv	\$17.53		208.80	1				\$3,660	\$603	\$4,263		
	ntroll Officers (I)	\$15.73		1044.00					\$16,422	\$2,705	\$19,127		
	ntrol Officers (II)	\$18.46		1044.00					\$19,272	\$3,174	\$22,446		
2 Clerk Typis			16.47%	417.60					\$5,830	\$960	\$6,790		
(05) Total	() Subtotal (X) Pa	age: <u>1</u>	ot <u>2</u>						\$201,838	\$33,243	\$235,081		

New 5/02

MANDATED COSTS	1
ANIMAL ADOPTION	
COMPONENT/ACTIVITY COSTS DETAIL	

FORM
AA-2

Program 213		COM	AN	ANDATEI	DOPTI	ON	TAIL		· · · · · · · · · · · · · · · · · · ·		FORM AA-2
(01) Claimant:	City of Lo	s Angel	es	(02) Fisca	Fiscal year costs were incurred: 1/1/99-6/30/					/99	
1	ble Components: Check		e box per	form to id	entify the	e compo	nent be	eing clai		· .	
One-Time	Policies and Proc	edures			Trainin	g			Computer	Software	
Ongoing	Acquiring Space/I	acilities			] Renov	ating Fac	ilities		Care of Do	gs & Cats	
	Care of Other Ani	mals		X	] Holdin	g Period			Feral Cats		
	Lost and Found L	ists			] Non-M	edical R	ecords		Veterinary	Care	
	Procuring Equipm	ent									
(04) Description	of Expenses				[			Object /	Accounts		
Employ	(a) vee Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materiale	(f) Contract	(g) Fixed	(h) Travel		(i)	
Classifications	, Functions Performed ription of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services		and	Salaries	Benefits	Total Sal. & Ben.
redemption on o (broken down by WEST LOS ANGI 4 Animal Care Te 1 Animal Care Te 2 Animal Controll 1 Animal Control 3 Clerk Typists WEST VALLEY 5 Animal Care Te 4 Animal Care Te 4 Animal Control 3 Clerk Typists	achnicians achnician Supv Officers (I) Officers (II) achnicians achnician Supv Officers (I) Officers (II)	\$14.76 \$17.53 \$15.73 \$18.46 \$13.96 \$14.76 \$17.53 \$15.73 \$18.46 \$13.96	16.47% 16.47% 16.47%	835.20 208.80 417.60 208.80 626.40 1044.00 208.80 835.20 626.40 626.40					\$12,328 \$3,660 \$6,569 \$3,854 \$8,745 \$15,409 \$3,660 \$13,138 \$11,563 \$8,745	\$2,030 \$603 \$1,082 \$635 \$1,440 \$2,538 \$603 \$2,164 \$1,904 \$1,440	\$4,263 \$15,301 \$13,468 \$10,185
(05) Total (X)	Subtotal ( ) Pi	age: <u>2</u>	of <u>2</u>	<b></b>					\$289,509	\$47,682	\$337,191
New 5/02					L	L		I			pter 752/98

MANDATED COSTS
ANIMAL ADOPTION
COMPONENT/ACTIVITY COSTS DETAIL

F	0	R	M	

Program 213										FORM AA-2	
(01) Claima	nt: City of	Los Ange	eles	(02) Fisc	al year co	sts were	incurre	ed:	1/1	/99-6/30/	/99
(03) Reimbu One-Time	Policies and		-	per form to	<b>identify</b> Training	-	ponent	being clai	med. Computer		
Ongoing	Acquiring Sp Care of Othe X Lost and For Procuring Ed	er Animals und Lists	es		Holding	ing Facili Period dical Rec			Care of Do Feral Cats Veterinary		
(04) Descrip	otion of Expenses							Object Ac	counts		
Emple	(a) oyee Names, Job	(b) Houriv	(b) (c) Hourly Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	
Classification	ns, Functions Performed scription of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Totai Sai. & Ben.
owners and animals. Lis animal, refe information, publish and <u>animal infor</u> 6 Clerk Typ 1 Clerk Typis 5 days/week North Centra South Centra East Valley S West Valley	ists at spends 1 hr/day, at these locations: al Shelter al Annex Shelter Shelter geles Shelter	\$13.93	16.47%	780.00					\$10,865	\$1,790	\$12,655
(05) Total	() Subtotal ()	Page:_	of						\$10,865	\$1,790	\$12,655

Rrogram 213		CC	Α	MANDATI NIMAL A ENT/ACTI	DOPT	ION	ETAIL	 			FORM AA-2
(01) Claimant:	City of	Los Ang	eles	(02) Fiscal	year cos	ts were i	ncurred	:	1/	1/99-6/30	)/99
(03) Reimburs One-Time	able Components:       C         Policies and         Acquiring Sp         Care of Othe         Lost and Fo	Procedures pace/Faciliti er Animals und Lists	S	per form to	] Training Renova ] Holding	ating Facili	ties	eing clai	imed. Computer Care of Do Feral Cats Veterinary	ogs & Cats	
	Procuring E	quipment			· ·						
(04) Descriptio	on of Expenses (a)	(b)	(c)	(d)	(e)	(f)	(g)	Object / (h)	Accounts	(i)	
Classifications,	e Names, Job Functions Performed ption of Expenses	Hourly Rate or Unit Cost	Benefit Rate	Hours Worked or Quantity	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Salaries	Benefits	Total Sal. & Ben.
on animals tha euthanized aft period, or impo include all man Veterinary Ass It takes a Veteri approximately 2	ounded. Records ndated items. sistant inary Assistant 20 minutes to cal information on = 7,208	\$17.05	16.47%	2378.64					\$40,556	\$6,680	\$47,235
(05) Total (	) Subtotal ( )	Page:	of	······					\$40,556	\$6,680	\$47,23

r											
Program 213		СС	Α	NIMAL	ED COST ADOPTIC VITY COS	ON	TAIL				FORM AA-2
(01) Claimar	<sup>nt:</sup> City of L	os Ang	eles	(02) Fisca	al year cost	s were ir	ncurred	:	1/	1/99-6/30	0/99
(03) Reimbu One-Time	Policies and P		-	ber form to	identify the Training	compor	nent be	ing claim	1	er Software	e
Ongoing	Acquiring Space	Animals d Lists	2S		Renovating Holding Pe Non-Medic	eriod	4 	X	Care of Feral Ca Veterina		nts
(04) Descrip	otion of Expenses						0	bject Acc	ounts		
Emp	(a)	(b)	(c)	(d)	(e)	(f)	(g) (h)		(i)		
Classificatio	loyee Names, Job ons, Functions Performed escription of Expenses	Hourly Rate or Unit Cost	Benefit Rate	Hours Worked or Quantity	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Salaries	Benefits	Total Sal. & Ben.
veterinary ca abondoned	ecessary and prompt are for stray and animals that died during olding period or were uthanized										
1	STS FOR TREATMENT ating costs, based on nd 01/02)				\$50,984						
to cats and d owner relingu animals ultim	ergency treatment given logs, newborn care, uished animals, and nately redeemed, eleased to animal nizations)										
(05) Total	( ) Subtotal ( )	Page:	of		\$50,984						

BOARD OF ANIMAL SERVICES COMMISSION

PAUL JOLLY PRESIDENT KATHLEEN RIORDAN VICE PRESIDENT HELEN ANN JOHNSON **City of Los Angeles** 

CALIFORNIA



DEPARTMENT OF **ANIMAL SERVICES** 419 South Spring Street 14<sup>th</sup> Floor Los Angeles, CA 90013 (213) 473-8253 FAX (213) 473-7511

JERRY GREENWALT GENERAL MANAGER

August 29, 2002

Laura N. Chick City Controller, City of Los Angeles City Hall, Room 1220 Los Angeles, California 90012

### Subject: POLICIES AND PROCEDURES CHANGES IN SUPPORT OF SB 1785

In 1998, the State of California passed the Hayden Bill, Senate Bill (SB) 1785 directing animal care and control agencies to hold stray animals longer to increase animal adoption and decrease animal euthanasia. As a result of SB 1785, the General Manager of the Department of Animal Services (Department) directed Department staff to review existing policies and procedures for compliance to the bill and to procure necessary supplies and equipment to house animals for the additional holding period. Changes in policies and procedures included, but were not limited to, revising shelter operations procedures and training staff on the new procedures; expenditures for the creation and implementation of a Department Wide Area Network to enable installation and operation of the Chameleon Animal Shelter Management Software operating system; and implementation of a Departmental Website to make pictures of lost animals available Citywide.

If you have any questions, feel free to call Margaret Sullivan, Chief Management Analyst, at 473-7507.

Sincerely,

JERRY GREENWALT General Manager

## COST ALLOCATION PLAN 21 (CAP 21) - INDIRECT COST RATES WITH CARRY FORWARD

The rates below are to be used to prepare grant applications, contracts and billings for grant activities, and to compute Fees for Special Services, during 1998-99. They are to be applied only to straight time, gross salaries (with CTO). When only net salaries (without CTO) are available, convert net salaries to gross salaries using the CTO rate. Please be sure to adjust rates to deduct directly billed costs. See list, Attachment C and Instructions, Attachment B.

DEPARTMENT/Cost Center	Fringe Benefits	Central Services	Department Administration & Support	Division Overhead*	сто
AGING: Balance of Department Title V	17.83% 7.72%	80.22% 2.81%	; na na	*	20.09% 12.24%
ANIMAL REGULATION	16,47%	56.25%	30.82%	*	17.12%
BUILDING & SAFETY	16.71%	28.94%	16.43%	•	19.73%
CITY ADMINISTRATIVE OFFICER: CRA, Petroleum Admin., Proprietary, Capital Projects (Phy. Plant) Emergency Management	12.90% 16.23%	34.98% 1.21%	32.62% 45.75%	•	19.07% 19.07%
CITY ATTORNEY: Direct Billed - User's Site (Proprietary Depts.) Direct Billed - In City Space Criminal	6.96% 9.40% 14.53%	0.84% 6.41% 19.16%	3.11% 7.23% 10.93%	• • •	18.13% 18.13% 18.13%
CITY CLERK: Elections Land Records Tax & Permit	36.62% 16.99% 17.86%	65.86% 33.31% 38.68%	3.12% 20,13% 15.99%	* *	1.27% 20.38% 20.38%
COMMISSION FOR CHILDREN, YOUTH AND THEIR FAMILIES	18.49%	82.06%	54.90%	• • •	12,52%
COMMISSION ON STATUS OF WOMEN	19.14%	112.44%	27.37%	•	16.07%
COMMUNITY DEVELOPMENT: Balance of Department Summer Youth Employment Program	15.19% 5.45%	22,70% 0.20%	ก่อ	•	19.72% 0.00%
CONTROLLER: Direct Billed (at User's site) Direct Billed (in City space)	21.23% 22.15%	4.28% 86.50%	39.03% 34.87%	**************************************	22.05% 22.05%
CULTURAL AFFAIRS	20.01%	72.61%	24.64%	• • •	20.00%
EL PUEBLO	15.70%	6.91%	27.13%	•	23.38%

√ 1 = 1× 1	CLAIM FOP PAYN	IENT	For ""ate Controller Use Only	Program			
Pursua	nt to Government Co	de Section 17561	(19) Pi am Number 00213 (20) Date Fi <b>SE</b> P_0 / <u>4 2002</u>				
	ANIMAL ADOPT	ION	(21) LRE 124	213			
(01) Claimant Identif	fication Number		Reimbursement Cl	aim Data			
(00) Olainant Name	181	9487					
(02) Claimant Name	, performances	RECEIVED	(22) AA-1, (04)(A)(1)(g)				
County of Loca	City of Los Angeles	May 19, 2014	(23) AA-1, (04)(A)(2)(g)				
	Los Angeles	Commission on		5,35			
Street Adress of		State Mandates	(24) AA-1, (04)(A)(3)(g)				
	419 S. Spring Street			131,890			
City	State CA	Zip Code <b>90013</b>	(25) AA-1, (04)(B)(1)(g)				
Type of Claim	Estimated Claim	Reimbursement Claim	(26) AA-1, (04)(B)(2)(g)				
	(03) Estimated	(09) Reimbursement X	(27) AA-1, (04)(B)(3)(g)	754,10			
	(04) Combined	(10) Combined	(28) AA-1, (04)(B)(4)(g)	40,450			
	(05) Amended	(11) Amended	(29) AA-1, (04)(B)(5)(g)	754,10			
Fiscal Year of Cost	(06)	(12) <b>1999-2000</b>	(30) AA-1, (04)(B)(6)(g)	·			
Total Claimed Amount	(07)	(13) <b>\$2,081,935</b>	(31) AA-1, (04)(B)(7)(g)	26,18			
LESS: 10% Late F	Penalty, not to exceed \$1,000	(14)	(32) AA-1, (04)(B)(8)(g)	140,516			
LESS: Prior Clair	n Payment Received	(15)	(33) AA-1, (04)(B)(9)(g)	129,149			
Net Claimed Amo	punt	(16) <b>\$2,081,935</b>	(34) AA-1, (04)(B)(10)(g)				
Due from State	(08)	(17) <b>\$2,081,935</b>	(35) <b>AA-1, (06)</b>	3			
Due to State		(18)	(36)				
(37) CERTIFICA	TION OF CLAIM			<u> </u>			
In accordance with the	e provisions of Government Code 1756	1. I certify that I am the officer authorize	ed by the local agency to file claims with	the State of California for			
	apter 752, Statutes of 1998, and certil		ot violated any of the provisions of Goven				

I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program mandated by Chapter 752, Statutes of 1998.

The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs for the mandated program of Chapter 752, Statutes of 1998 set forth on the attached statements.

Signature o	of Authorize	d Officer

Date

ptembo Jerry Greenwalt **General Manager** Type or Print Name Title Telephone Number (949) 440-0845 ext. 108 (38) Name of Contact Person for Claim Colleen Tribby, MAXIMUS E-mail Address colleentribby@maximus.com

Form FAM-27 (New 5/02)

Program 213		ANIMAL	TED COSTS ADOPTIC SUMMARY				FORM AA-1
(01) Claimant: City of L	_os Angeles	(02) Fiscal	199	9-2000			
(03) Department	Animal Ser	vices		<u> </u>			
Direct Costs			0	bject Acco	unts		
(04) Reimbursable Components A. One-Time Costs	(a) Salaries	(b) Benefits	(c) Materials & Supplies	(d) Contract Services	(e) Travel & Training	(f) Fixed Assets	(g) Total
1. Policies and Procedures							
2. Training	\$4,289	\$1,068					\$5,357
3. Computer Software	\$4,193	\$1,044	\$126,659				\$131,896
<b>B. Ongoing Costs</b> 1. Acquiring Space/Facilities							
2. Renovating Facilities	· · · · · · · · · · · · · · · · · · ·		<b>#577.000</b>				¢577.000
<ol> <li>Care of Dogs &amp; Cats</li> <li>Care of Other Animals</li> </ol>			\$577,369		· · ·		\$577,369
5. Holding Period	\$603,816	\$150,290	\$40,450				\$40,450 \$754,105
6. Feral Cats	\$003,010	\$150,290					\$754,105
7. Lost and Found Lists	\$20,966	\$5,219					\$26,185
8. Non-Medical Records	\$112,512	\$28,004		<u> </u>			\$140,516
9. Veterinary Care	ψ112,012	Ψ20,004	\$129,149	· · · · · · · · · · · · · · · · · · ·			\$129,149
10. Procuring Equipment	· · · · · · · · · · · · · · · · · · ·		ψ120,140		1		<b>\$120,110</b>
(05) Total Direct Costs	\$745,776	\$185,624	\$873,628				\$1,805,028
Indirect Costs	•••••	φ105,024	\$075,020			<u> </u>	<b>\$1,000,020</b>
(06) Indirect Cost Rate		[From IC	RP]	Salary and \	Wages		37.13%
(07) Total Indirect Costs	[Line (06)(a) :	x line(05)(a))]	or [{Line(06)	x line (05)(a)	} + line (05)(b	))}]	\$276,907
(08) Total Direct and Indirect Co	osts	[Line(08	5)(g) + line(07	()]			\$2,081,935
Cost Reduction					•		
(09) Less: Offsetting Savings				. <u></u>			
(10) Less: Other Reimbursement	ts						
(11) Total Claimed Amount	{Li	ne(08) - {Line	e (09) + Line(	10)}]			\$2,081,935
New 5/02							hapter 752/98

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### MANDATED COSTS ANIMAL ADOPTION COMPONENT/ACTIVITY COSTS DETAIL

FORM AA-2

(01) Claimar	nt: City of	Los Ange	eles	(02) Fisc	al year co	sts were i	incurred:			1999-20	DO	
(03) Reimbu	Irsable Components: C	Check only	one box p	per form to	o identify	the comp	onent bei	ng claime	d.			
One-Time	Policies and			X				Computer Software				
Ongoing	Acquiring Sp	oace/Faciliti	es		Renovat	ing Faciliti	es		Care of Dogs & Cats			
	Care of Other Animals				Holding	Period			] Feral Ca	its		
	Lost and Fo	und Lists			Non-Med	dical Reco	rds		] Veterina	ry Care		
	Procuring E	quipment										
(04) Descrip	otion of Expenses						O	oject Acco	ounts			
Emplo	(a) byee Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel	(i)			
Classification	ns, Functions Performed cription of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.	
-	ployees (new hires) dated activities <u>r employee)</u>						-					
24 Animal C 2 Animal Ca 16 Animal C 10 Animal C 5 Snr Anima	Typists ans ry Assistants Care Technicians are Technician Supvs Control Officers (I) Control Officers (I) al Control Officers (I) al Control Officer (I)		24.89% 24.89% 24.89% 24.89% 24.89% 24.89% 24.89%	9.00 6.00 36.00 72.00 6.00 48.00 30.00 15.00 3.00					\$282 \$155 \$163 \$684 \$1,086 \$114 \$793 \$576 \$308 \$67 \$62	\$70 \$39 \$41 \$170 \$270 \$28 \$197 \$143 \$77 \$17 \$15	\$352 \$193 \$204 \$855 \$1,356 \$142 \$990 \$719 \$385 \$84 \$77	
(05) Total	( ) Subtotal ( )	Page:_	of						\$4,289	\$1,068	\$5,357	

### Program 213

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### MANDATED COSTS **ANIMAL ADOPTION**

FORM AA-2

COMPONENT/ACTIVITY COSTS DETAIL
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(01) Claimant:	City of	Los Ange	eles	(02) Fisc 	al year cost	1999-2000					
	able Components: C	Check <u>only</u>	one box p	per form to	identify the	e compon	ent beir		1	······	······································
One-Time	Policies and	Procedure	S		Training			X	Computer Software		
Ongoing	Acquiring Sp	bace/Faciliti	es		Renovating	g Facilities	i		Care of Dogs & Cats		
	Care of Othe	er Animals			Holding Pe	eriod			Feral Ca	its	
	Lost and Found Lists				Non-Medic	al Record	s		Veterina	ry Care	
	Procuring E	quipment									
(04) Descriptio	n of Expenses						Ob	ject Acco	unts		
Employee	(a) e Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	, i
Classifications, I	Functions Performed	Rate or Unit Cost	Rate	Worked or Quantity		Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.
software for ma	urchase computer aintenance of non- I records as manda	ted									
Senior System	s Analyst II	\$40.01	24.89%	104.80	\$126,659				\$4,193	\$1,044	\$5,237
		,									
								1. A.			
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(05) Tetal (											#2 001
(05) Total ( New 5/02	) Subtotal ( )	Page:_	of		\$126,659				\$4,193		\$5,237 oter 752/98

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### MANDATED COSTS ANIMAL ADOPTION COMPONENT/ACTIVITY COSTS DETAIL

FORM AA-2

(01) Claimar	nt: City of Lo	s Ange	les	(02) Fisc	al year cost	s were in	curred:			1999-20	00	
(03) Reimbu	Irsable Components: Chec	ck <u>only</u> c	ne box	per form t	o identify th	e compoi	nent bei	ng claime	d.	· · · · · · · · · · · · · · · · · · ·	· · · ·	
One-Time	Policies and Pro	ocedures			Training				Compute	er Softwar	e	
Ongoing	Acquiring Space	e/Facilitie	S		Renovatin	g Facilities	6	X	Care of Dogs & Cats			
· · · · ·	Care of Other A	nimals			Holding Pe	eriod			Feral Ca	its		
	Lost and Found	Lists			Non-Medio	cal Record	s		Veterina	ry Care		
	Procuring Equip	ment										
(04) Descrip	ntion of Expenses						Ob	ject Acco	unts			
Emp	(a) bioyee Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)		
	ons, Functions Performed escription of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.	
Provide care	e and maintenance for											
dogs and ca	its that die during the				1							
	olding period or are											
utimately eu	• •				\$577,369							
Total cost for	all animals = \$4,304,979								the second			
Yearly censu	s = 258,420											
Number that	died during increased				-							
holding period 17,328	d or were euthanized =			-								
Daily cost per	r animal = \$16.66											
Number of re	imburseable days = 2											
ACTUAL COS												
	r dog/cat (\$16.66) x number											
	uthanized (17,328) x											
number reimt \$577,369.96	burseable days (2) =											
\$377,303.30												
		1.00										
								- ·		-		
н. - С												
(05) Total	( ) Subtotal ( )	Page:	of	L	\$577,369			<u> </u>				

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(2) Support of the state of	

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### MANDATED COSTS ANIMAL ADOPTION

FORM

### COMPONENT/ACTIVITY COSTS DETAIL

(01) Claimar	01) Claimant: City of Los Angeles				al year costs	1999-2000							
(03) Reimbu	rsable Components: Chec	k <u>oniy</u> on	e box p	er form to	identify the	compor	nent bei	ng claime	ed.				
One-Time	Policies and Pro	cedures			Training				Compute	er Softwar	ə :		
Ongoing	Acquiring Space	/Facilities			Renovating Facilities					Care of Dogs & Cats			
	X Care of Other Animals				Holding Pe	riod			Feral Ca	its			
	Lost and Found	Lists			Non-Medic	al Record	ds		Veterina	ry Care			
	Procuring Equip	ment											
(04) Descrip	tion of Expenses						O	bject Acco	ounts				
	(a) ployee Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)			
	ons, Functions Performed escription of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Totai Sai. & Ben.		
all other ani	e and maintenance for mals* that die during the olding period or are												
utimately eu					\$40,450								
Total cost for	all animals = \$4,304,979												
Yearly censu	s = 258,420												
	died during increased d or were euthanized =												
Daily cost per	r animal = \$16.66												
Number of re	imburseable days = 4												
that die/are e	ST METHOD: r dog/cat (\$16.66) x number uthanized (607) x purseable days (4) =												
			2 2										
•													
	ea pigs, hamsters, gs, birds, lizards, snakes, pises.								•				
(05) Total	() Subtotal () I	Page:	of		\$40,450								

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Program				MAL AD							FORM	
213		COM				-	TAIL				AA-2	
(01) Claimai	nt: City of Los	s Angel	es	(02) Fisca	al year c	osts we	re incı	urred:	1	1999-2000	)	
(03) Reimbu	ursable Components: Check	only one	box per f	orm to ide	ntify the	compoi	nent bo	eing clai	med.		h <u>aar</u> aa da da ay da	
One-Time	Policies and Proce	dures			] Trainin	ıg			Computer	Software		
Ongoing	Acquiring Space/F	acilities			Renov	ating Fac	cilities		Care of Do	Care of Dogs & Cats		
	Care of Other Anin	nals	,	X	Holding	g Period			Feral Cats			
	Lost and Found Lists				] Non-M	ledical R	ecords		Veterinary	Care		
	Procuring Equipment											
(04) Descrip	otion of Expenses					-		Object	Accounts			
En Fr	(a) nployee Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Matariala	(f) Contract	(g) Fixed	(h) Travel		(i)		
Classifica	itions, Functions Performed Description of Expenses	Rate or Unit Cost	Rate	Hours Worked or Quantity	1	Services		1 1	Salaries	Benefits	Totai Sai. & Ben.	
	nals available for owner											
-	on one weekend day/week											
(Saturday)	Each employee worked											
<u>419.2 hours</u>	at each location.											
ANNEX												
1	e Technicians	1	24.89%	1					\$18,965	\$4,720	\$23,685	
1 Animal Car	e Technician Supv	\$18.92	24.89%	419.20					\$7,931	\$1,974	\$9,905	
EAST VALLE	<u>EY</u>											
1	e Technicians		24.89%						\$31,608	\$7,867	\$39,475	
1	re Technician Supv	1 1	24.89%						\$7,931	\$1,974	\$9,905	
	ntroll Officers (I)		24.89%						\$20,776	\$5,171	\$25,947	
2 Animal Cor 3 Clerk Typis	ntrol Officers (II)		24.89% 24.89%						\$16,097	1	\$20,104 \$21,109	
з снетк туріа	LS .	<b>⊅</b> 13.44	24.0970	1257.00					\$16,902	\$4,207	⊅∠1,105	
HARBOR	<b>₩</b> • • •	A15 00	C 1 000/						\$10.00F	<b>64</b> 700	1 000 005	
	re Technicians re Technician Supv	1 1		1257.60					\$18,965	\$4,720	\$23,685	
1	ntroll Officers (I)		24.89% 24.89%	1					\$7,931 \$13,850	\$1,974 \$3,447	\$9,905 \$17,298	
2 Animar Cor 1 Clerk Typis	.,		24.89% 24.89%						\$13,850	\$3,447 \$1,402	\$7,036	
l'olone , jele		ψισ	27.00 /0	710.20					Ψ0,00-	Ψ1, το 2	ψ1,000	
NORTH CEN												
	e Technicians	4 1	24.89%	1		· · .	ľ		\$44,251	\$11,014	\$55,265	
	re Technician Supv		24.89%						\$7,931	\$1,974	\$9,905	
	ntroll Officers (I)	1 1	24.89%						\$20,776	\$5,171	\$25,947	
	ntrol Officers (II)		24.89%						\$16,097	\$4,007	\$20,104	
3 Clerk Typis	ts	\$13.44	24.89%	1257.60					\$16,902	\$4,207	\$21,109	
SOUTH LOS												
	re Technicians			3772.80					\$56,894	\$14,161	\$71,055	
1	re Technician Supv		24.89%			1			\$7,931	\$1,974	\$9,905	
1	ntroll Officers (I)		24.89%						\$34,626	\$8,618	\$43,244	
	ntrol Officers (II)		24.89%						\$40,243	\$10,017	\$50,260	
2 Clerk Typis			24.89%	838.40	<u> </u>	<b> </b>	ļ	ļ	\$11,268	\$2,805	\$14,073	
(05) Total	( ) Subtotal (X) Pag	ge: <u>1</u>	of <u>2</u>		1				\$423,509	\$105,411	\$528,921	

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### MANDATED COSTS **ANIMAL ADOPTION**

FORM

213		COMPONENT/ACTIVITY COSTS DETAIL									AA-2
(01) Claimant:	City of Lo	os Angel	les	(02) Fiscal year costs were incurred: 1999-200							
1	ble Components: Chec		e box per	form to id	entify the	e compo	onent be	eing claim	1		
One-Time	Policies and Proc	cedures			Trainir	ıg	-		Computer	Software	
Ongoing	Acquiring Space/	Acquiring Space/Facilities				ating Fa	cilities		Care of Dogs & Cats		
	Care of Other An	imals		X	] Holdin	g Period			Feral Cats	\$	
	Lost and Found I	_ists			] Non-M	ledical R	ecords		Veterinary	Care	
	Procuring Equipr	nent									
(04) Description	n of Expenses							Object A	ccounts		
	(a) yee Names, Job s, Functions Performed	(b) Hourly Rate or	(C) Benefit Rate	(d) Hours Worked or	(e) Materials and	(f) Contract Services		(h) Travel and	Salaries	(i) Benefits	Total
4	cription of Expenses	Unit Cost	Nuc	Quantity	Supplies	1	735613	Training	Jaiaries	Denenta	Sal. & Ben
redemption on (broken down b WEST LOS ANG											
4 Animal Care Te 1 Animal Care Te 2 Animal Control 1 Animal Control 3 Clerk Typists	echnician Supv I Officers (I)	\$18.92 \$16.52 \$19.20	24.89% 24.89% 24.89% 24.89% 24.89%	1676.80 419.20 838.40 419.20 1257.60					\$25,286 \$7,931 \$13,850 \$8,049 \$16,902	\$6,294 \$1,974 \$3,447 \$2,003 \$4,207	\$31,580 \$9,905 \$17,298 \$10,052 \$21,109
WEST VALLEY 5 Animal Care Te 1 Animal Care Te 4 Animal Control 3 Animal Control 3 Clerk Typists	echnician Supv I Officers (I)	\$18.92 \$16.52 \$19.20	24.89% 24.89% 24.89% 24.89% 24.89%	419.20 1676.80					\$31,608 \$7,931 \$27,701 \$24,146 \$16,902	\$7,867 \$1,974 \$6,895 \$6,010 \$4,207	\$39,475 \$9,905 \$34,595 \$30,156 \$21,109

Page:\_\_2\_ of \_\_2

New 5/02

(05) Total (X) Subtotal ()

\$603,816 ###### \$754,105

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### MANDATED COSTS ANIMAL ADOPTION

COMPONENT/ACTIVITY COSTS DETAIL

FORM AA-2

						- A- W				
(01) Claimant: City	y of Los An	geles	(02) Fisca	l year cos	ts were in	ncurred	:	. 1	999-200	0
(03) Reimbursable Componen	ts: Check on	y one box	per form t	o identify	the comp	onent b	eing clain	ned.		
One-Time Policies	s and Procedu	res		Training				Computer	Software	·· .
Ongoing Acquiri	ng Space/Faci	lities		Renovating Facilities				Care of Do	ogs & Cats	;
Care of	f Other Animals	6		Holding Period				Feral Cats		
X Lost an	d Found Lists			Non-Me	dical Reco	rds		Veterinary	Care	
Procuri	ng Equipment									
(04) Description of Expenses						(	Object Acc	ounts		
(a) Employee Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	
Classifications, Functions Perform and Description of Expenses	med Rate or	Rate	Worked or Quantity	and	Services	Assets	and	Salaries	Benefits	Total Sal. & Ben.
Providing lost and found lists owners and rescuers of lost animals. Lists include type of animal, referrals, shelter conta information, advice on how to publish and disseminate lost <u>animal information</u>	act									
6 Clerk Typists 1 Clerk Typist spends 1 hr/day, 5 days/week at these locations: North Central Shelter South Central Annex East Valley Shelter West Valley Shelter West Los Angeles Shelter Harbor Shelter	\$13.44	24.89%	1560.00					\$20,966	\$5,219	\$26,185
								· ·		
(05) Total ( ) Subtotal (	) Page	of						\$20,966	\$5 240	\$26,185

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### MANDATED COSTS ANIMAL ADOPTION

COMPONENT/ACTIVITY COSTS DETAIL

FORM

AA-2

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(01) Claimai	nt: City of	Los Ang	jeles	(02) Fiscal year costs were incurred:					1999-2000			
(03) Reimbu	ursable Components: (	Check <u>onl</u>	y one box	x per form	to identify	the con	nponent	being cla	imed.		· .	
One-Time	Policies and	I Procedur	es		] Training				Computer	Software		
Ongoing	Acquiring S	pace/Facil	ities		Renovat	ing Facili	ities		Care of Do	ogs & Cats		
	Care of Othe	er Animals	\$		] Holding	Period			Feral Cats			
	Lost and Fo	und Lists		X	] Non-Me	dical Rec	ords		Veterinary Care			
	Procuring E	quipment										
(04) Descrip	otion of Expenses							Object A	ccounts			
Emple	(a) oyee Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)		
Classification	ns, Functions Performed	Rate or Unit Cost	Rate	Worked or Quantity	1	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.	
on animals f euthanized period, or in <u>include all m</u> Veterinary A		\$19.01	24.89%	5918.55					\$112,512	\$28,004	\$140,516	
approximatel												
(05) Total	( ) Subtotal ( )	Page	of	L	<u> </u>				\$112,512	\$28,004	\$140,516	

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### MANDATED COSTS **ANIMAL ADOPTION**

COMPONENT/ACTIVITY COSTS DETAIL

FORM ΔΔ-2

1999-2000	
nputer Software	

(01) Claimar	<sup>nt:</sup> City of L	.os Ang	eles	(02) Fisc	al year cos	ts were i	ncurrec	1:	<u></u>	1999-20	00
(03) Reimbu	ursable Components: Ch	eck <u>only</u> (	one box p	per form to	identify the	e compo	nent be	ing claim	ed.		
One-Time	Policies and P	rocedures	•		Training			L	Comput	er Softwar	e
Ongoing	Acquiring Spa	ce/Facilitie	es		Renovatin	g Facilitie	es		Care of	Dogs & Ca	ats
	Care of Other	Animals			Holding P	eriod			] Feral Ca	ats	
	Lost and Foun		d Lists		Non-Medi	cal Recor	ds	X	] Veterina	ry Care	
	Procuring Equ	ipment									
(04) Descrip	otion of Expenses						0	bject Acc	ounts	<u></u>	
	(a) Noyee Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	
	ons, Functions Performed scription of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.
veterinary ca abondoned increased ho <u>ultimately eu</u> TOTAL COS	STS FOR TREATMENT ating costs, based on				\$129,149						
to cats and de owner relinqu animals ultim	ergency treatment given logs, newborn care, uished animals, and nately redeemed, eleased to animal nizations)										
			•								
			Ŷ								

\$129,149

New 5/02

(05) Total ( ) Subtotal ( )

Page:\_

of\_

BOARD OF ANIMAL SERVICES COMMISSION

PAUL JOLLY PRESIDENT KATHLEEN RIORDAN VICE PRESIDENT

HELEN ANN JOHNSON

**City of Los Angeles** 

CALIFORNIA



DEPARTMENT OF **ANIMAL SERVICES** 419 South Spring Street 14<sup>th</sup> Floor Los Angeles, CA 900 13 (213) 473-8253 FAX (213) 473-7511

JERRY GREENWALT GENERAL MANAGER

1

August 29, 2002

Laura N. Chick City Controller, City of Los Angeles City Hall, Room 1220 Los Angeles, California 90012

### Subject: POLICIES AND PROCEDURES CHANGES IN SUPPORT OF SB 1785

In 1998, the State of California passed the Hayden Bill, Senate Bill (SB) 1785 directing animal care and control agencies to hold stray animals longer to increase animal adoption and decrease animal euthanasia. As a result of SB 1785, the General Manager of the Department of Animal Services (Department) directed Department staff to review existing policies and procedures for compliance to the bill and to procure necessary supplies and equipment to house animals for the additional holding period. Changes in policies and procedures included, but were not limited to, revising shelter operations procedures and training staff on the new procedures; expenditures for the creation and implementation of a Department Wide Area Network to enable installation and operation of the Chameleon Animal Shelter Management Software operating system; and implementation of a Departmental Website to make pictures of lost animals available Citywide.

If you have any questions, feel free to call Margaret Sullivan, Chief Management Analyst, at 473-7507.

Sincerely,

JE**R**EY GREENWALT General Manager

Animal Adoption Reimbursement Claims Sorte

ed by Date	Vendor	Description	Date	Invoiced <u>Amount</u>	Actual Paid <u>Amount</u>	Invoice <u>Number</u>	Actual Paid Amount Fiscal Year <u>Sub-Totals</u>
99-00							
X100501	Compucom	Software Licenses	8/10/1999	75.40	75.40	83519978	
X100508	En Pointe Technologies	Printer Cartridges	8/13/1999	611.31	580.74	966885	
X100504	Compucom (HLP)	Software Licenses	8/16/1999	11,478.58	11,478.58	83564027	
W335714	ICF Communication Solutions	Cable Installation	9/2/1999	1,363.44	1,363.44	73953	
W335087	ICF Communication Solutions	Cable Installation	9/13/1999	30.07	30.07	43845	
W335087	ICF Communication Solutions	Cable Installation	9/13/1999	45.11	45.11	43846	
W335087	ICF Communication Solutions	Cable Installation	9/13/1999	75.18	75.18	43847	
X100513	En Pointe Technologies	Printers	9/29/1999	638.40	606.48	982844	
X100515	En Pointe Technologies	Printer Cartridges	9/29/1999	344.24	327.03	982841	
X100514	En Pointe Technologies	PC & Monitor	10/21/1999	1,110.65	1,055.12	90005000	
X100514	En Pointe Technologies	PC & Monitor	10/21/1999	204.81	194.57	90000302	
X100516	En Pointe Technologies	Printer Cartridges	10/21/1999	1,110.65	1,055.12	90003719	
X100516	En Pointe Technologies	PC & Monitor	10/21/1999	204.81	194.57	90000303	
X100529	Anixter Inc	Cable	11/3/1999	941.77	932.35	143-281676	
X100530	Fibertron Corp	Fiber Optic Cable	11/9/1999	3,338.00	3,338.00	180911	
X100534	Cabling System Warehouse	Network Cabling Supplies & Accessories	11/9/1999	1,973.40	1,973.40	954401	
X100534	Cabling System Warehouse	Network Cabling Supplies & Accessories	11/9/1999	308.40	308.40	954532	
X100534	Cabling System Warehouse	Network Cabling Supplies & Accessories	11/9/1999	2,386.91	2,386.91	954440	
X100526	Anixter Inc	Cable	11/18/1999	4,371.13	4,283.71	143-281680	
X100526	Anixter Inc	Cable	11/18/1999	2,987.70	2,927.95	143-281681	
X100526	Anixter Inc	Cable	11/18/1999	8,963.10	8,783.84	143-281821	
X100526	Anixter Inc	Cable	11/18/1999	5,228.47	5,123.90	143-281975	•
X100527	Anixter Inc	Cable	11/18/1999	1,749.36	1,731.87	143-281678	
X100527	Anixter Inc	Cable	11/18/1999	110.41	109.31	143-281679	
X100528	Anixter Inc	Cable	11/18/1999	8,370.50	8,286.80	143-281677	
X100528	Anixter Inc	Cable	11/18/1999	211.08	208.97	143-281820	
X100528	Anixter Inc	Cable	11/18/1999	1,010.25	1,000.15	143-281974	
X100525	Alltel Supply	Telephone Block	11/23/1999	136.72	136.72	425003	
X100544	En Pointe Technologies	Printer Cartridges	12/2/1999	338.84	321.90	90024412	
X100520	GTE	Communications Equipment	12/13/1999	7,938.42	7,938.42	ED08233	
X100522	GTE	Communications Equipment	12/13/1999	5,838.68	5,838.68	ED08235	
X100524	GTE	Communications Equipment	12/13/1999	4,157.44	4,157.44	ED08237	
X100536	En Pointe Technologies	Cabling	12/15/1999	1,842.78	1,750.64	90021329	
X100536	En Pointe Technologies	Cabling	12/21/1999	6,720.66	6,720.66	90020550	

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## Animal Adoption Reimbursement Claims T Hardware & Software Expenditures

## Sorted by Date

PO#	Vendor	Description	Date	Invoiced <u>Amount</u>	Actual Paid <u>Amount</u>	Invoice <u>Number</u>	Amount Fiscal Year <u>Sub-Totals</u>
X100533	Associated of Los Angeles	Cabling Supplies	12/27/1999	780.38	780.38	1017000-00	
X100533	Associated of Los Angeles	Cabling Supplies	12/27/1999	780.38	780.38	1017000-01	
X100533	Associated of Los Angeles	Cabling Supplies	12/27/1999	34.50	34.50	1017000-02	
X100533	Associated of Los Angeles	Cabling Supplies	12/27/1999	34.50	34.50	1017000-03	
X100533	Associated of Los Angeles	Cabling Supplies	12/27/1999	498.32	498.32	1017000-04	
X100533	Associated of Los Angeles	Cabling Supplies	12/27/1999	1,382.14	1,382.14	1017000-05	
X100533	Associated of Los Angeles	Cabling Supplies	12/27/1999	72.74	72.74	1017000-06	
X100533	Associated of Los Angeles	Cabling Supplies	12/27/1999	56.35	56.35	1017000-07	
X100533	Associated of Los Angeles	Cabling Supplies	12/27/1999	56.35	56.35	1017000-08	
X100533	Associated of Los Angeles	Cabling Supplies	12/27/1999	81.19	81.19	1017000-09	
	Various	Miscellaneous Computer Accessories	Jan-00	90.34	90.34		•
X100532	John B. Rudy Company	Network Cabinets	1/20/2000	340.99	334.17	273458	
X100634	John B. Rudy Company	Network Cabinets	1/20/2000	500.12	490.12	2730241-A	
X100635	John B. Rudy Company	Network Cabinets	1/20/2000	500.12	490.12	2730241-B	
X100636	John B. Rudy Company	Network Cabinets	1/20/2000	500.12	490.12	2730241-C	
X100637	John B. Rudy Company	Network Cabinets	1/20/2000	500.12	490:12	2730241-D	
X100638	John B. Rudy Company	Network Cabinets	1/20/2000	500.12	490.12	2730241-E	
X100641	John B. Rudy Company	Network Cabinets	1/20/2000	500.12	490.12	2730241-F	
X100647	HLP	Chameleon Documentation	1/24/2000	207.84	207.84 L	ACT0100man	
Credit Card	Compucom	Software Licenses	1/27/2000	263.07	263.07	84013994	
•	Various	Miscellaneous Computer Accessories	Feb-00	152.50	152.50		
X100556	En Pointe Technologies	PCs & Monitors	2/8/2000	2,203.97	2,093.77	90063406	
X100556	En Pointe Technologies	PCs & Monitors	2/8/2000	541.25	514.19	90061736	
X100557	En Pointe Technologies	PCs & Monitors	2/8/2000	1,082.50	1,028.38	90061737	
X100557	En Pointe Technologies	PCs & Monitors	2/8/2000	4,407.94	4,187.54	90063407	
X100558	En Pointe Technologies	Printer	2/8/2000	1,668.18	1,584.77	90060156	
X100559	Compucom	Software Licenses	2/15/2000	4,260.42	4,260.42	83977682	
X100559	Compucom	Software Licenses	2/15/2000	937.55	937.55	83978945	
X100559	Compucom	Software Licenses	2/15/2000	16.51	16.51	84006062	
X100569	Compucom	Software Licenses	2/25/2000	1,505.23	1,505.24	84043683	
X100568	En Pointe Technologies	Backup UPS	2/28/2000	1,472.20	1,398.59	90069938	
X100567	En Pointe Technologies	PCs & Monitors	3/8/2000	30,316.50	28,800.68	90084467	
X100570	En Pointe Technologies	Monitors	3/8/2000	2,435.63	2,313.85	90082347	
Credit Card	-	50' Patch Cord	4/12/2000	16.23	16.23	4481513	
X100580	En Pointe Technologies	Monitor	4/12/2000	270.63	257.10	90111694	

Actual Paid

### 2

### Animal Adoption Reimbursement Claims T Hardware & Software Expenditures orted by Date

							Amount
PO#	Vendor	Description	Date	Invoiced <u>Amount</u>	Actual Paid Amount		Fiscal Year Sub-Totals
<u>r o</u> #	Vendor	Description	Date	Anoun	Amount	Indiliber	Sub-I Olais
X100581	En Pointe Technologies	Monitors	4/12/2000	1,353.13	1,285.47	90111696	
Credit Card	Fry's Electronics	Network Adapter Cards	4/17/2000	107.98	107.98	4500905	
Credit Card	Fry's Electronics	NIC Adapters & Cable	4/27/2000	194.46	194.46	4539278	
X100585	Compucom	Software Licenses	5/3/2000	16.43	16.43	84217288	
X100585	Compucom	Software Licenses	5/3/2000	39.45	39.45	84257669	
X100574	En Pointe Technologies	Printer Ethernet cards	5/5/2000	2,560.38	2,432.62	90123969	
X100578	En Pointe Technologies	Server Hard Drive	5/8/2000	433.00	411.35	90117808	
X100571	En Pointe Technologies	Printers	5/17/2000	10,840.67	10,298.64	90130145	
X100564	En Pointe Technologies	PCs & Monitors	5/31/2000	5,417.91	5,147.01	90136387	
X100572	En Pointe Technologies	PCs	5/31/2000	5,417.91	5,147.01	90136388	
X100672	HLP	Chameleon Documentation	6/7/2000	155.88	155.88	LACT0500man	
X100677	En Pointe Technologies	Monitor	6/8/2000	297.69	282.81	90143540	
X100678	En Pointe Technologies	Monitor	6/8/2000	297.69	282.81	90143540	
X428298	En Pointe Technologies	Server RAM	6/27/2000	1,110.65	1,055.12	90219927	168,878.78
<u>Y 2000-01</u>							i
X100593	En Pointe Technologies	Printer	7/6/2000	529.12	502.66	90156916	
X428297	En Pointe Technologies	Production printer	7/27/2000	1,630.71	1,549.17	90163524	
X428297	En Pointe Technologies	Production printer	7/27/2000	3,143.22	2,986.06	90168422	
X100586	HLP	Software Licenses	8/8/2000	24,000.00	24,000.00	LACT0400ann	
X428296	En Pointe Technologies	Monitors and NICs	8/10/2000	1,769.89	1,681.40	90181651	
X428295	Compucom	Software Licenses	8/22/2000	10,037.04	10,037.04	84541159	
Y100521	En Pointe Technologies	Network Adapter Cards	8/22/2000	1,350.28	1,282.77	90189747	
Y100588	HLP	Onsite Chameleon Training	8/31/2000	20,000.00	20,000.00	LACT0800trn	
•	Various	Miscellaneous Computer Accessories	Nov-00	10.28	10.28		
Y100585	En Pointe Technologies	PCs	11/3/2000	8,335.24	7,918.49	90232381	
Y100585	En Pointe Technologies	PCs	11/3/2000	30,188.76	28,679.32	90233177	
Y100702	En Pointe Technologies	External Floppy Drive	12/6/2000	94.15	89.44	90246963	
Y100735	En Pointe Technologies	Printers	1/10/2001	5,065.86	4,812.57	90263928	
19666	HLP	Annual Chameleon Maint & Support	1/16/2001	24,000.00	24,000.00		
Y100720	HLP	Programming Services	1/23/2001	1,700.00	1,700.00	LACT100srv	
Y100746	Cabling System Warehouse	Cable	1/31/2001	129.17	129.17	958856	
•	Various	Miscellaneous Computer Accessories	Feb-01	43.15	43.15		
Y100796	En Pointe Technologies	PCs, Monitors & Printers	2/14/2001	8,581.68	8,152.60	90280435	
Y100796	En Pointe Technologies	PCs, Monitors & Printers	2/14/2001	1,099.45	1,044.48	90281979	
Y100796	En Pointe Technologies	PCs, Monitors & Printers	2/20/2001	2,763.94	2,625.74	90281980	
				-	-		

**Actual Paid** 

### COST ALLOCATION PLAN 22 (CAP 22) - INDIRECT COST RATES WITH CARRY FORWARD

The rates below are to be used to \_\_\_\_\_\_pare grant applications, contracts and bi \_\_\_\_\_\_gs for grant activities, and to compute Fees for Special Services, during 1999-2000. They are to be applied only to straight time, gross salaries (with CTO). When only net salaries (without CTO) are available, convert net salaries to gross salaries using the CTO rate. For rates applicable to overtime salaries, please contact CAP staff. Please note: You MUST adjust rates to deduct directly billed costs. See list, Attachment C and Instructions, Attachment B.

Compensated time	e⊥/ Fringe	Central	Department Administration	Division Overhead*	сто
DEPARTMENT/Cost Center	Benefits	Services	& Support	Overneau	
AGING: Balance of Department	15.45%	46.15%	na	*	19.66%
Title V	11.67%	4.20%	na	<b>.</b>	11.53%
ANIMAL REGULATION	24.89%	56.14%	37.13%	*	20.32%
BUILDING & SAFETY	16.28%	17.83%	16.92%	*	19.52%
CITY ADMINISTRATIVE OFFICER: CRA, Petroleum Admin., Proprietary, Capital Projects (Phy. Plant)	16.58%	37.69%	21.66%	 <b>*</b>	19.84%
		52.27%	23.33%	· · · · · · · · · · · · · · · · · · ·	19.84%
Emergency Management	17.59%	52.21 /0	20.0070		
CITY ATTORNEY:					1
Criminal	17.77%	13.35%	11.70%	*	18.60%
Direct Billed - User's Site (Proprietary Depts.)	13.63%	0.60%	2.30%	1999 - <b>1</b> 999 - 19999 - 19999 - 1999 - 1999 - 1999 - 1999 - 1999 - 1999	18.60% }
Direct Billed - In City Space	16.79%	3.46%	11.57%	*	18.60%
CITY CLERK: Elections Land Records Tax & Permit	50.77% 17.82% 18.34%	87.59% 71.80% 39.64%	13.53% 17.52% 13.51%	*	0.16% 18.87% 18.87%
COMMISSION FOR CHILDREN, YOUTH AND THEIR FAMILIES	25.65%	77.28%	23.81%	*	14.76%
COMMISSION ON STATUS OF WOMEN	19.99%	103.38%	26.96%	*	17.18%
COMMUNITY DEVELOPMENT: Balance of Department Summer Youth Employment Program	15.66% 14.12%	21.10% 0.71%	na na		19.40% 0.00%
CONTROLLER: Direct Billed (at User's site) Direct Billed (in City space)	17.52% 14.86%	3.52% 50.97%	46.68% 29.86%	*	21.45% 21.45%
CULTURAL AFFAIRS	24.41%	60.00%	52.03%	` <b>*</b>	18.38%
EL PUEBLO	15.36%	17.61%	26.43%	*	22.57%

-	<u></u>				
		OP PAYM	·	For ~ te Controller Use Only (19) Prcm Number 00213	Program
Pursua	nt to Governr	nent Co	de Section 17561	(19) Prc Minumber 00213 (20) Date Filed SEP 0_4_200	213
	ANIMAL	ADOPT	ION	(21) LR Enpup 1 () 2002	<u> </u>
(01) Claimant Identif	fication Number	0 0	<u> </u>	Reimbursement	Claim Data
		78/	9481		
(02) Claimant Name			RECEIVED	(22) AA-1, (04)(A)(1)(g)	
County of Loca	City of Los Ange tion	eles	May 19, 2014	(23) AA-1, (04)(A)(2)(g)	
-	Los Angeles		Commission on		3,521
Street Adress of			State Mandate		
	419 S. Spring St				145,193
City	Los Angeles	State CA	Zip Code <b>90013</b>	(25) AA-1, (04)(B)(1)(g)	
Type of Claim	Estimated		Reimbursement Cla	aim (26) AA-1, (04)(B)(2)(g)	
	(03) Estimated		(09) Reimbursement	X (27) AA-1, (04)(B)(3)(g)	784,231
	(04) Combined		(10) Combined	(28) AA-1, (04)(B)(4)(g)	13,107
	(05) Amended		(11) Amended	(29) <b>AA-1, (04)(B)(5)(g)</b>	784,231
Fiscal Year of Cost	(06)		(12) <b>2000-2001</b>	(30) AA-1, (04)(B)(6)(g)	
Total Claimed Amount	(07)		(13) <b>\$2,172,046</b>	(31) AA-1, (04)(B)(7)(g)	30,373
LESS: 10% Late F	enalty, not to exco	eed \$1,000	(14)	(32) AA-1, (04)(B)(8)(g)	126,793
LESS: Prior Clair	n Payment Receiv	ed	(15)	(33) AA-1, (04)(B)(9)(g)	308,004
Net Claimed Amo	ount		(16) <b>\$2,172,046</b>	(34) AA-1, (04)(B)(10)(g)	
Due from State	(08)	· · ·	(17) <b>\$2,172,046</b>	(35) <b>AA-1, (06)</b>	39
Due to State			(18)	(36)	
(37) CERTIFICA	TION OF CLAIM				
costs mandated by Ch 1090 to 1096, inclusive I further certify that the costs are for a new pro The amounts for Estim	apter 752, Statutes of 1 e. ere was no application o ogram or increased leve nated Claim and/or Rein	998, and certif ther than from I of services of nbursement Cla	y under penalty of perjury that I the claimant, nor any grant or pa an existing program mandated aim are hereby claimed from the	authorized by the local agency to file claims w have not violated any of the provisions of Gov ayment received, for reimbursement of costs by Chapter 752, Statutes of 1998.	venment Code Sections claimed herein; and such
program of Chapter 75 Signature of Auth	52, Statutes of 1998 set	forth on the att		Date	
	teanut	H		4 Septer	nber 10-2
Jerry Greenwalt	t			General Manager	
Type or Print Name				Title	

(38) Name of Contact Person for Claim

Colleen Tribby, MAXIMUS

Title

### Telephone Number (949) 440-0845 ext. 108

colleentribby@maximus.com E-mail Address

Form FAM-27 (New 5/02)

Program 213		ANIMAL	ED COSTS ADOPTIO SUMMARY				FORM AA-1	
(01) Claimant: City of Lo	os Angeles	(02) Fiscal	year costs v	were incurre	ed: 2000-2001			
(03) Department	Animal Ser	vices						
Direct Costs		-	Ob	ject Accou	ints	· · ·		
04) Reimbursable Components A. One-Time Costs	(a) Salaries	(b) Benefits	(c) Materials & Supplies	(d) Contract Services	(e) Travel & Training	(f) Fixed Assets	(g) Total	
1. Policies and Procedures								
2. Training	\$2,804	\$717			ļ		\$3,521	
3. Computer Software	\$3,708	\$948	\$140,538				\$145,193	
B. Ongoing Costs 1. Acquiring Space/Facilities								
<ol> <li>Renovating Facilities</li> <li>Care of Dogs &amp; Cats</li> </ol>			\$463,535				\$463,535	
4. Care of Other Animals			\$13,107				\$13,107	
5. Holding Period	\$624,587	\$159,644	ψ10,107	· · · · · · · · · · · · · · · · · · ·			\$784,231	
6. Feral Cats	<del>4024,007</del>	\$100,044					<i><i><i></i></i></i>	
7. Lost and Found Lists	\$24,190	\$6,183					\$30,373	
8. Non-Medical Records	\$100,982	\$25,811		······			\$126,793	
9. Veterinary Care			\$308,004				\$308,004	
10. Procuring Equipment								
(05) Total Direct Costs	\$756,271	\$193,303	\$925,183				\$1,874,756	
ndirect Costs		• · · · · · · · · · · · · · · · · · · ·				······································		
(06) Indirect Cost Rate		[From ICI	RP]	Salary and V	Vages		39.31%	
(07) Total Indirect Costs	[Line (06)(a)	x line(05)(a))]	or [{Line(06)	x line (05)(a)]	} + line (05)(b	)}]	\$297,290	
(08) Total Direct and Indirect Cos	ts	[Line(05	i)(g) + line(07	)]			\$2,172,0 <b>4</b> 6	
Cost Reduction								
(09) Less: Offsetting Savings		·····						

(10) Less: Other Reimbursements

(11) Total Claimed Amount

{Line(08) - {Line (09) + Line(10)}]

\$2,172,046 Chapter 752/98

4

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New 5/02

Program 213		C		MANDA NIMAL ENT/AC	ADOP	TION	ETAIL			•	FORM AA-2
(01) Claima	nt: City of	Los Ange	eles	(02) Fisc	al year co	sts were i	ncurred:			2000-20	01
(03) Reimbu	ursable Components: C	heck <u>only</u>	one box p	per form to	dentify	the compo	onent bei	ng claime	d.		
One-Time	Policies and	Procedures	S ·	X	Training			L	Compute	er Softwar	e
Ongoing	Acquiring Sp	bace/Faciliti	es		Renovat	ing Faciliti	es		Care of	Dogs & Ca	ats
	Care of Othe	er Animals			Holding	Period			] Feral Ca	its	
	Lost and For	und Lists			Non-Me	dical Reco	rds		] Veterina	ry Care	
	Procuring Ed	quipment									
(04) Descrip	ption of Expenses						Ot	oject Acco	ounts		
Empl	(a) oyee Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	
Classification	ns, Functions Performed scription of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and	Salaries	Benefits	Total Sal. & Ben.
on the mane ( <u>3 hours per</u> 7 Clerk Typ 2 Snr Clerk 4 Veterinari 7 Veterinary 5 Animal Ca 17 Animal Co 6 Animal Co 1 Snr Anima 1 Training C	Typists ans y Assistants are Technicians Control Officers (I) ontrol Officers (II) al Control Officer (I) Officer	\$14.75 \$19.09 \$30.08 \$19.75 \$15.48 \$17.25 \$20.18 \$21.54 \$21.54	25.56% 25.56% 25.56% 25.56% 25.56% 25.56% 25.56%	6.00 12.00 21.00 15.00 51.00 18.00 3.00					\$310 \$115 \$361 \$415 \$232 \$880 \$363 \$65 \$65	\$79 \$29 \$106 \$59 \$225 \$93 \$17 \$17	\$389 \$144 \$453 \$521 \$292 \$1,105 \$456 \$81 \$81
(05) Total	( ) Subtotal ( )	Page:_	of						\$2,804	\$717	
New 5/02					·					Cha	pter 752/98

Program 213		C	Α	NIMAL	TED COS ADOPTI IVITY CO	ION	ETAIL				FORM AA-2
(01) Claimant:	City of	Los Ange	eles	(02) Fisc	al year cost	s were i	ncurred:	· · · · · · · · · · · ·		2000-200	D1
(03) Reimburs One-Time	able Components: 0 Policies and		-	ber form to	o <b>identify th</b> ] Training	e compo	nent bei	ing claime	7	er Software	9
Ongoing	Acquiring Sp Care of Othe Lost and Fo	er Animals und Lists	es		Renovatin Holding Pe	eriod			Care of Feral Ca		its
(04) Descriptio	on of Expenses				T			oject Acco	unte	·	
Employe	(a) ee Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g)	(h) Travel		(i)	
	Functions Performed iption of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.
software for m	ourchase computer naintenance of non- al records as manda	ted									
Senior System	ns Analyst II	\$35.65	25.56%	104.00	\$134,538				\$3,708	\$948	\$4,655
Annual softwa	re license renewal				\$6,000						
		'									
(05) Total (	) Subtotal ( )	Page:	of		\$140,538				\$3,708	\$948	\$4,655

Program 213		со		NIMAL	TED COS ADOPTI IVITY CO	ION	ETAIL				FORM AA-2
(01) Claimar	nt: City of Lo	s Ange	les	(02) Fisc	al year cost	s were i	ncurred:		<u>.</u>	2000-20	D1
	rsable Components: Che	ck <u>only</u> o	ne box	per form t	o identify th	e compo	onent be	ing claim	ed.		
One-Time	Policies and Pro	ocedures		L	Training				Comput	er Softwar	e
Ongoing	Acquiring Space	e/Facilitie	S		Renovatin	g Facilitie	es	X	Care of	Dogs & Ca	ats
	Care of Other A	nimals			Holding Pe	eriod			Feral Ca	its	
	Lost and Found	Lists			Non-Medic	cal Recor	ds		Veterina	ry Care	
	Procuring Equip	ment							- 		
(04) Descrip	otion of Expenses	••••••••••••••••••••••••••••••••••••••					Ot	oject Acco	ounts		
Emr	(a) ployee Names, Job	(b) Hourly	(c) Benefit	(d)	(e) Materials	(f)	(g) Fixed	(h) Travel		(i)	
Classificati	ons, Functions Performed escription of Expenses	Rate or Unit Cost	Rate	Hours Worked or Quantity	and Supplies	Contract Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.
dogs and ca increased he <u>utimately eu</u> Total cost for Yearly census Number that holding period 15,278 Daily cost per Number of re <u>ACTUAL COS</u> Daily cost per that die/are e	all animals = \$4,890,106				\$463,535						
(05) Total	() Subtotal ()	Page:	of		\$463,535						

Program 213		COI		NIMAL	TED COS ADOPT	ON	TAIL		· · ·		FOR <b>M</b> AA-2
(01) Claimant:	City of Los	s Angel	es	(02) Fisca	al year cost	s were in	curred:			2000-200	)1
(03) Reimbursable One-Time	Policies and Pro		ne box	per form to	o <b>identify th</b> Training	e compoi	nent bei	ng claime	1	er Software	)
OngoingX	Acquiring Space Care of Other Ar Lost and Found	nimals	;		Renovating Holding Pe Non-Medic	eriod			Care of Feral Ca Veterina		ts
	Procuring Equip	ment							1		
(04) Description o			<b>r</b>				·····	ject Acco	ounts		
Employee	(a) Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	
	unctions Performed ion of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Totai Sal. & Ben.
Provide care and all other animals* increased holding <u>utimately euthaniz</u> Total cost for all ani Yearly census = 322 Number that died du holding period or we 216 Daily cost per anima Number of reimburss <u>ACTUAL COST ME</u> Daily cost per dog/c that die/are euthaniz number reimburseat <b>\$13,106.88</b>	that die during the period or are ed mals = \$4,890,106 2,295 uring increased ere euthanized = al = \$15.17 eeable days = 4 <u>THOD:</u> at (\$15.17) x number zed (216) x				\$13,107						
*rabbits, guinea pigs pot-bellied pigs, birc turtles or tortoises.											

Ne	w	5/	02	
ne	W	JI	υz	

Program		COM	ANI	NDATED MAL AD	OPTI	ON					FORM AA-2
(01) Claimar		· · ·		(02) Fisca				red:		2000-2001	
	City of Lo									.000-2001	
and the second second second second	rsable Components: Check		box per i	form to ide	ntify the	compo	nent be	ing clai	med.		
One-Time	Policies and Proce	edures			Trainin	ig			Computer	Software	
Ongoing	Acquiring Space/F	acilities			] Renov	ating Fa	cilities		Care of Do	gs & Cats	
	Care of Other Anii	mals		X	] Holdin	g Period			Feral Cats		
	Lost and Found Li	sts			Non-M	edical R	ecords		Veterinary	Care	
			l						· ·		
	Procuring Equipm	ent		-							
(04) Descrip	otion of Expenses		-	· .		<u> </u>		Object	Accounts		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)		(i)	
	ployee Names, Job tions, Functions Performed	Hourly Rate or	Benefit Rate	Hours Worked or	Materials and	Contract Services		Travel and	Salaries	Benefits	Total
	Description of Expenses	Unit Cost	Nale	Quantity	Supplies		M35613	Training	Jaidites	Denenta	Sal. & Ben.
redemption (Saturday).	nals available for owner on one weekend day/week Each employee worked <u>t each location.</u>										
ANNEX											
3 Animal Care	e Technicians	\$15.48	25.56%	1248.00					\$19,319	\$4,938	\$24,257
1 Animal Car	e Technician Supv	\$18.97	25.56%	416.00					\$7,892	\$2,017	\$9,909
EAST VALLE	Y										
	e Technicians		25.56%						\$32,198	\$8,230	\$40,428
	e Technician Supv		25.56%						\$7,892	\$2,017	\$9,909
	troll Officers (I)		25.56%	1248.00					\$21,528	\$5,503	\$27,031
2 Animal Con 3 Clerk Typis	ntrol Officers (II)		25.56%						\$16,790	\$4,291	\$21,081
S CIEIK Typis	15	ງ 14.75	25.56%	1248.00					\$18,408	\$4,705	\$23,113
<u>HARBOR</u>											·
	e Technicians		25.56%						\$19,319	\$4,938	\$24,257
	e Technician Supv		25.56%	416.00	1				\$7,892	\$2,017	\$9,909
	troll Officers (I)		25.56%	832.00	and the second				\$14,352	\$3,668	\$18,020
1 Clerk Typist	IS	\$14.75	25.56%	416.00					\$6,136	\$1,568	\$7,704
NORTH CEN	TRAL										
	e Technicians	\$15.48	25.56%	2912.00					\$45,078	\$11,522	\$56,600
1 Animal Care	e Technician Supv	\$18.97	25.56%	416.00		-			\$7,892	\$2,017	\$9,909
	troll Officers (I)		25.56%				1		\$21,528	\$5,503	\$27,031
	trol Officers (II)		25.56%	832.00					\$16,790	\$4,291	\$21,081
3 Clerk Typist	18	\$14.75	25.56%	1248.00					\$18,408	\$4,705	\$23,113
SOUTH LOS	ANGELES										
	e Technicians	\$15.48	25.56%	3744.00					\$57,957	\$14,814	\$72,771
	e Technician Supv		25.56%	416.00					\$7,892	\$2,017	\$9,909
	troll Officers (I)		25.56%	2080.00					\$35,880	\$9,171	\$45,051
	trol Officers (II)		25.56%						\$41,974	\$10,729	\$52,703
2 Clerk Typist			25.56%	832.00	<b> </b>				\$12,272	\$3,137	\$15,409
(05) Total (	( ) Subtotal (X) Pa	ige: <u>1</u>	of <u>2</u>						\$437,395	\$111,798	\$549,193

Program 213		CON	AN	ANDATEI IMAL AI IT/ACTIVI	DOPTI	ON	ETAIL				FORM AA-2
(01) Claimar	nt: City of Lo	s Angel	es	(02) Fisca	l year co	osts wer	e incur	red:	2	000-200 <sup>°</sup>	1
	Irsable Components: Check		e box per	form to id	entify the	e compo	onent be	eing clai			
One-Time	Policies and Proc	edures			] Trainin	ng			Computer	Software	
Ongoing	Acquiring Space/	Facilities		· .	] Renov	ating Fac	cilities		Care of Do	gs & Cats	
а. С	Care of Other An	imals		X	Holdin	g Period			Feral Cats		
	Lost and Found L	ists			] Non-M	ledical R	ecords		Veterinary	Care	•
	Procuring Equipm	nent									
(04) Descrip	tion of Expenses		÷	· · · ·				Object	Accounts	1	
Em	(a) ployee Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	
Classificat	ions, Functions Performed Description of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services		and Training	Salaries	Benefits	Total Sal. & Ben.
redemption (broken dow WEST LOS A 4 Animal Car 1 Animal Car 2 Animal Cor 3 Clerk Typis WEST VALLE 5 Animal Car 1 Animal Car 4 Animal Cor	e Technicians e Technician Supv htroll Officers (I) htrol Officers (II) ts <u>EY</u> e Technicians e Technician Supv htroll Officers (I) htrol Officers (II)	\$15.48 \$18.97 \$17.25 \$20.18 \$14.75 \$15.48 \$15.48 \$18.97 \$17.25 \$20.18	25.56% 25.56% 25.56% 25.56% 25.56% 25.56% 25.56% 25.56%	416.00 832.00 416.00 1248.00 2080.00 416.00 1664.00 1248.00					\$25,759 \$7,892 \$14,352 \$8,395 \$18,408 \$32,198 \$7,892 \$28,704 \$25,185 \$18,408	\$6,584 \$2,017 \$3,668 \$2,146 \$4,705 \$8,230 \$2,017 \$7,337 \$6,437 \$4,705	\$32,343 \$9,909 \$18,020 \$10,541 \$23,113 \$40,428 \$9,909 \$36,041 \$31,622 \$23,113
	(X) Subtotal ( ) P	age: 2							\$624,587		\$784,23 <sup>,</sup>

Program 213	<u></u>	СС	Α	MANDAT NIMAL	ADOP	ΓΙΟΝ	ETAIL				FORM AA-2
(01) Claimant:	City of	Los Ang	eles	(02) Fisca	l year co	sts were	incurrec	1:	2	2000-200	1
(03) Reimbursable Co				ber form to	identify	the comp	onent b	eing clai	1	· · · · · · · · · · · · · · · · · · ·	
One-Time	Policies and	Procedures	3		Training	g statut			Computer	Software	
Ongoing	Acquiring Sp	ace/Faciliti	es		Renova	ating Facili	ties		Care of Do	ogs & Cats	
	Care of Othe	er Animals			Holding	Period			Feral Cats	<b>.</b>	
X	Lost and For	und Lists			Non-Me	edical Rec	ords		Veterinary	Care	
	Procuring Ed	quipment									
(04) Description of Ex	penses						(	Object Ad	counts		
(a) Employee Names	, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel	· · ·	(i)	
Classifications, Function and Description of I		Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.
owners and rescuers of animals. Lists include animal, referrals, shelf information, advice on publish and dissemina <u>animal information</u>	type of ter contact how to										
6 Clerk Typists 1 Clerk Typist spends 1 5 days/week at these loo North Central Shelter South Central Shelter South Central Annex East Valley Shelter		\$14.75	25.56%	1640.00					\$24,190	\$6,183	\$30,373
West Valley Shelter West Los Angeles Shelt	er										
Harbor Shelter											
(05) Total ( ) Subt	otal ( )	Page:	of						\$24,190	\$6,183	\$30,373

Program 213		СС	Α	MANDATE NIMAL A ENT/ACTI\	DOPT	ON	ETAII	_			FORM AA-2
(01) Claima	nt: City of	Los Ang	eles	(02) Fiscal	year cos	ts were	incurr	ed:		2000-2001	
(03) Reimb	ursable Components: C	heck <u>only</u>	one box p	per form to i	dentify th	ne comp	onent	being c	aimed.		
One-Time	Policies and	Procedures	\$		Training	)			Computer S	Software	
Ongoing	Acquiring Sp	bace/Faciliti	es		Renova	ting Fac	ilities		Care of Dog	gs & Cats	n fa se gant a S
	Care of Othe				Holding				Feral Cats		
	Lost and Fo	und Lists		X	Non-Me	dical Re	cords	·	Veterinary	Jare	
	Procuring E	quipment									
(04) Descri	ption of Expenses				,			Objec	t Accounts		
Empl	(a) oyee Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract		(i)			
	ns, Functions Performed scription of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.
on animals euthanized period, or ir <u>include all r</u>	non-medical records that are taken up, after the holding npounded. Records <u>nandated items.</u>										
approximate	terinary Assistant ly 20 minutes to edical information on ls = 15,494	\$19.75	25.56%	5113.02					\$100,982	\$25,811	\$126,793
							-				
(05) Total	( ) Subtotal ( )	Page:	of						\$100,982	\$25,811	\$126,793

Program 213		СС	Α	NIMAL	ED COST ADOPTIC	ON	TAIL				FORM AA-2
(01) Claimant:	City of L	os Ange	eles	(02) Fisc	al year cost	ts were i	ncurred	l:		2000-20	L D1
(03) Reimbursa One-Time	ble Components: Che Policies and Pr			er form to	<b>identify the</b> Training	compoi	nent bei	ing claime	٦	er Softwar	e
Ongoing	Acquiring Space	Animals			Renovatin Holding Pe Non-Medic	eriod			Care of Feral Ca		ıts
	Procuring Equi	pment							-		
(04) Description	n of Expenses	-			· · · · · · · · · · · · · · · · · · ·		0	bject Acc	ounts	· · ·	
Employe	(a) ee Names, Job	(b) Hourly	(c) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	- <u></u>
	, Functions Performed iption of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ber
veterinary care abondoned ani increased holdi <u>ultimately eutha</u> TOTAL COSTS (see attachmer	mals that died during ing period or were <u>anized</u> S FOR TREATMENT nt) ency treatment given				\$308,004						
owner relinquish animals ultimatel adopted, or relea rescue organizat	ed animals, and ly redeemed, ased to animal										
(05) Total (	) Subtotal ( )	Page:	of		\$308.004						

. BOARD OF ANIMAL SERVICES COMMISSION

PAUL JOLLY PRESIDENT KATHLEEN RIORDAN VICE PRESIDENT

HELEN ANN JOHNSON

**City of Los Angeles** 

CALIFORNIA



DEPARTMENT OF **ANIMAL SERVICES** 419 South Spring Street 14<sup>th</sup> Floor Los Angeles, CA 900 13 (213) 473-8253 FAX (213) 473-7511

JERRY GREENWALT GENERAL MANAGER

1

JAMES K. HAHN

August 29, 2002

Laura N. Chick City Controller, City of Los Angeles City Hall, Room 1220 Los Angeles, California 90012

### Subject: POLICIES AND PROCEDURES CHANGES IN SUPPORT OF SB 1785

In 1998, the State of California passed the Hayden Bill, Senate Bill (SB) 1785 directing animal care and control agencies to hold stray animals longer to increase animal adoption and decrease animal euthanasia. As a result of SB 1785, the General Manager of the Department of Animal Services (Department) directed Department staff to review existing policies and procedures for compliance to the bill and to procure necessary supplies and equipment to house animals for the additional holding period. Changes in policies and procedures included, but were not limited to, revising shelter operations procedures and training staff on the new procedures; expenditures for the creation and implementation of a Department Wide Area Network to enable installation and operation of the Chameleon Animal Shelter Management Software operating system; and implementation of a Departmental Website to make pictures of lost animals available Citywide.

If you have any questions, feel free to call Margaret Sullivan, Chief Management Analyst, at 473-7507.

Sincerely,

JERRY GREENWALT General Manager

Animal Adoption Reimbursement Claims IT Hardware & Software Expenditures Sorted by Date

		· .			•	•		Amount
					Invoiced	Actual Paid		Fiscal Year
	<u>P0#</u>	Vendor	Description	Date	Amount	<u>Amount</u>	Number	Sub-Totals
	X100581	En Pointe Technologies	Monitors	4/12/2000	1,353.13	1,285.47	90111696	
	Credit Card	Fry's Electronics	Network Adapter Cards	4/17/2000	107.98	107.98	4500905	
	Credit Card	Fry's Electronics	NIC Adapters & Cable	4/27/2000	194.46	194.46	4539278	
	X100585	Compucom	Software Licenses	5/3/2000	16.43	16.43	84217288	
	X100585	Compucom	Software Licenses	5/3/2000	39.45	39.45	84257669	
	X100574	En Pointe Technologies	Printer Ethernet cards	5/5/2000	2,560.38	2,432.62	90123969	
	X100578	En Pointe Technologies	Server Hard Drive	5/8/2000	433.00	411.35	90117808	
	X100571	En Pointe Technologies	Printers	5/17/2000	10,840.67	10,298.64	90130145	
	X100564	En Pointe Technologies	PCs & Monitors	5/31/2000	5,417.91	5,147.01	90136387	
	X100572	En Pointe Technologies	PCs	5/31/2000	5,417.91	5,147.01	90136388	
	X100672	HLP	Chameleon Documentation	6/7/2000	155.88	155.88	LACT0500man	
	X100677	En Pointe Technologies	Monitor	6/8/2000	297.69	282.81	90143540	:
	X100678	En Pointe Technologies	Monitor	6/8/2000	297.69	282.81	90143540	
	X428298	En Pointe Technologies	Server RAM	6/27/2000	1,110.65	1,055.12	90219927	168,878.78
FY 2	000-01	-					-	
	X100593	En Pointe Technologies	Printer	7/6/2000	529.12	502.66	90156916	
	X428297	En Pointe Technologies	Production printer	7/27/2000	1,630.71	1,549.17	90163524	
	X428297	En Pointe Technologies	Production printer	7/27/2000	3,143.22	2,986.06	90168422	
	X100586	HLP	Software Licenses	8/8/2000	24,000.00	24,000.00	LACT0400ann	
	X428296	En Pointe Technologies	Monitors and NICs	8/10/2000	1,769.89	1,681.40	90181651	
	X428295	Compucom	Software Licenses	8/22/2000	10,037.04	10,037.04	84541159	
	Y100521	En Pointe Technologies	Network Adapter Cards	8/22/2000	1,350.28	1,282.77	90189747	
	Y100588	HLP	Onsite Chameleon Training	8/31/2000	20,000.00	20,000.00	LACT0800trn	
		Various	Miscellaneous Computer Accessories	Nov-00	10.28	10.28		
	Y100585	En Pointe Technologies	PCs	11/3/2000	8,335.24	7,918.49	90232381	• .
	Y100585	En Pointe Technologies	PCs	11/3/2000	30,188.76	28,679.32	90233177	
	Y100702	En Pointe Technologies	External Floppy Drive	12/6/2000	94.15	89.44	90246963	
	Y100735	En Pointe Technologies	Printers	1/10/2001	5,065.86	4,812.57	90263928	
	19666	HLP	Annual Chameleon Maint & Support	1/16/2001	24,000.00	24,000.00		
	Y100720	HLP	Programming Services	1/23/2001	1,700.00	1,700.00	LACT100srv	
	Y100746	Cabling System Warehouse	Cable	1/31/2001	129.17	129.17	958856	
	•	Various	Miscellaneous Computer Accessories	Feb-01	43.15	43.15		
	Y100796	En Pointe Technologies	PCs, Monitors & Printers	2/14/2001	8,581.68	8,152.60	90280435	
	Y100796	En Pointe Technologies	PCs, Monitors & Printers	2/14/2001	1,099.45	1,044.48	90281979	•••
	Y100796	En Pointe Technologies	PCs, Monitors & Printers	2/20/2001	2,763.94	2,625.74	90281980	
					£,100.04	6,V6V.14	JULO 130U	

**Actual Paid** 

# Animal Adoption Reimbursement Claims IT Hardware & Software Expenditures Sorted by Date

GILEU DY DALE							Actual Paid Amount
· · · · · ·			4	Invoiced	Actual Paid	Invoice	Fiscal Year
<u>PO#</u>	Vendor	Description	Date	<u>Amount</u>	<u>Amount</u>	Number	Sub-Totals
•	Various	Miscellaneous Computer Accessories	Mar-01	172.03	172.03		
Y100796	En Pointe Technologies	PCs, Monitors & Printers	3/7/2001	4,131.00	3,924.45	90293231	
Y100735	En Pointe Technologies	Printers	3/14/2001	272.00	258.40	90270167	•
•	Various	Miscellaneous Computer Accessories	Apr-01	37.38	37.38		¢.,
Y100718	Compucom	Software	4/12/2001	30.56	30.56	85183883	
Y100718	Compucom	Software	4/12/2001	202.17	202.17	85173324	•
10040	En Pointe Technologies	CDRW Drive	4/17/2001	249.15	230.69		
Y100726	Compucom	Software	4/20/2001	18.59	18.59	85173349	
28175	En Pointe Technologies	Printers	5/2/2001	13,163.88	12,188.78		
19874	En Pointe Technologies	Printer Color Coating Kit	5/9/2001	48.75	45.14		
•	Various	Miscellaneous Computer Accessories	Jun-01	405.50	405.50		
49809	Cisco Systems	Network Equipment	6/18/2001	3,728.97	3,415.25		•
45285	En Pointe Technologies	Network Adapter Cards	6/22/2001	551.23	510.40		
46066	En Pointe Technologies	Notebook PC	6/25/2001	2,489.68	2,305.26		
49583	Cabling System Warehouse	Cabling Materials	6/29/2001	436.53	404.20		
50862	Compucom	Software Licenses	6/29/2001	15,109.77	13,990.54	· · · · · ·	179,383.68
<u> 2001-02</u>							
•	Various	Miscellaneous Computer Accessories	Jul-01	141.44	141.44		
52111	En Pointe Technologies	PCs and Monitors	7/31/2001	21,087.17	19,525.16		
•	Various	Miscellaneous Computer Accessories	Aug-01	246.67	246.67		
•	Various	Miscellaneous Computer Accessories	Sep-01	569.35	569.35		
55286	En Pointe Technologies	Printer Cables	9/6/2001	99.79	92.40		
69378	Compucom	Software	9/24/2001	536.22	496.94		
<b>.</b> .	Various	Miscellaneous Computer Accessories	Oct-01	88.96	88.96		
49798	Anixter	Network Equipment	10/8/2001	1,056.24	978.00		
83043	En Pointe Technologies	PCs and Monitors	10/18/2001	9,052.18	18,101.65		
•	Various	Miscellaneous Computer Accessories	Nov-01	292.61	292.61		
81760	Office Depot	Office Equipment	11/6/2001	993.37	919.79		
91486	En Pointe Technologies	PCs	11/15/2001	10,497.60	9,720.00		
91586	En Pointe Technologies	PCs, Monitors & Printers	11/16/2001	32,588.54	30,174.57		
•	Various	Miscellaneous Computer Accessories	Dec-01	323.97	323.97		
49652	Anixter	Cable	12/14/2001	5,581.44	5,168.00		
•	Various	Miscellaneous Computer Accessories	Jan-02	116.95	116.95		
•	Various	Miscellaneous Computer Accessories	Feb-02	511.00	511.00		
131608	Compucom	Software	2/26/2002	356.06	328.93		

**Actual Paid** 

### Attachment A

### COST ALLOCATION PLAN (CAP

(CAP 23) - INDIRECT COST RATI

WITH CARRY FORWARD

The rates below are to be used to prepare grant applications, contracts and billings for grant activities, and to compute Fees for Special Services, during 2000-01. They are to be applied only to straight time, gross salaries (with CTO). When only net salaries (without CTO) are available, convert net salaries to gross salaries using the CTO rate. For rates applicable to overtime salaries, please contact CAP staff. **Please note: You MUST adjust rates to deduct directly billed costs.** See list, Attachment C and Instructions, Attachment B.

DEPARTMENT/Cost Center	Fringe Benefits	Central Services	Department Administration & Support	Division Overhead	сто
	Borronto			overnead	010
AGING:					
Balance of Department	18.83%	37.25%	na	*	21.19%
Title V	9.23%	3.70%	na	*	14.08%
ANIMAL SERVICES	25.56%	66.61%	39.31%	*	18.14%
BUILDING & SAFETY	20.06%	22.39%	21.79%	*	19.77%
CITY ADMINISTRATIVE OFFICER (now OARS	3):	•	•	يني. موجع	
CRA, Petroleum Admin., Proprietary,			4	•	
Capital Projects (Phy. Plant)	20.51%	14.91%	19.66%	*	19.91%
Emergency Management	18.74%	76.37%	17.90%		19.91%
CITY ATTORNEY:					· · · · ·
Criminal	20.63%	11.75%	11.79%	***	18.32%
Direct Billed - User's Site (Proprietary Depts.)	17.47%	3.27%	2.91%	*	18.32%
Direct Billed - In City Space	16.76%	8.29%	12.34%	*	18.32%
CITY CLERK:	· .	·		• •	
Elections	9.75%	33.30%	2.27%	*	2.41%
Land Records	21.30%	84.84%	19.00%	*	19.17%
Tax & Permit	21.58%	37.91%	15.05%	• • • • • • • • • • • • • • • • • • •	19.17%
COMMISSION FOR CHILDREN, YOUTH					
AND THEIR FAMILIES	21.79%	61.54%	18.54%	* * * * *	21.76%
COMMISSION ON STATUS OF WOMEN	18.77%	99.88%	25.99%	*	15.75%
COMMUNITY DEVELOPMENT:	•			н 1. 1. (1. (1. (1. (1. (1. (1. (1. (1. (1. (	
Balance of Department	19.69%	22.92%	na	* *	20.01%
Summer Youth Employment Program	13.66%	5.92%	na	*	0.00%
CONTROLLER:					
Direct Billed (at User's site)	20.35%	10.36%	47.51%	*	20.44%
Direct Billed (in City space)	18.98%	31.37%	54.49%	*	20.44%
CULTURAL AFFAIRS	26.80%	57.58%	45.35%	*	17.63%
DEPARTMENT on DISABILITY	17.92%	73.92%	51.90%		17.67%
EL PUEBLO	19.13%	49.53%	34.73%	*	24.33%
			•		

-						- Program
Pursua	nt to Governme	ent Code	Section 1756		Program Number 00213	
	ANIMAL A				LRS Input	<u>4</u> 213
				(21)	~ (   )) & V /	2004
(01) Claimant Ident					Reimbursement	Claim Data May 19, 2014
(00) Claimant Nam	9819487					
(02) Claimant Name		_ Ar		(22)	AA-1, (04)(A)(1)(g)	Commission on State Mandates
County of Loca	City of Los Angele ation		Ruge -	(23)	AA-1, (04)(A)(2)(g)	
	Los Angeles				~~~`;(\+)(+)( <b>+</b> )(9)	3,070
Street Adress				(24)	AA-1, (04)(A)(3)(g)	
	419 S. Spring Stree	et				123,836
City		State	Zip Code	(25)	AA-1, (04)(B)(1)(g)	
	Los Angeles	CA	90013			
Type of Claim	Estimated Cla	im	Reimbursement C	laim (26)	AA-1, (04)(B)(2)(g)	
	(03) Estimated	(09	) Reimbursement	(27)	AA-1, (04)(B)(3)(g)	686,106
	(04) Combined	(10	) Combined	(28)	AA-1, (04)(B)(4)(g)	21,184
	(05) Amended	(11	) Amended	<b>X</b> (29)	AA-1, (04)(B)(5)(g)	805,160
Fiscal Year of Cost	(06)	(12	) <b>2001-200</b> 2		AA-1, (04)(B)(6)(g)	
Total Claimed Amount	(07)	(13	) <b>\$2,692,02</b> 5	V (31)	AA-1, (04)(B)(7)(g)	79,450
LESS: 10% Late P	enalty	(14	) \$21,857	(32)	AA-1, (04)(B)(8)(g)	26,715
LESS: Prior Claim	n Payment Received	(15	)	(33)	AA-1, (04)(B)(9)(g)	244,864
Net Claimed Amou	unt	(16)	) \$2,670,168	1	AA-1, (04)(B)(10)(g)	
Due from State	(08)	(17)	\$2,670,168		AA-1, (06)	81
Due to State		(18)		(36)	<u> </u>	

### (37) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file claims with the State of California for costs mandated by Chapter 752, Statutes of 1998, and certify under penalty of perjury that I have not violated any of the provisions of Govenment Code Sections 1090 to 1096, inclusive.

I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program mandated by Chapter 752, Statutes of 1998.

The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs for the mandated program of Chapter 752, Statutes of 1998 set forth on the attached statements.

Signature of Authorized Officer	
An	

Signature of Authorized Officer		Date
Areanwalt	· · · · · · · · · · · · · · · · · · ·	14 Jon 04
Jerry Greenwalt	· ·	General Manager
Type or Print Name		Title
(38) Name of Contact Person for Claim	Telephone Number	(949) 440-0845 ext. 108
Ginger Wilhite, MAXIMUS	E-mail Address	gingerwilhite@maximus.com

Form FAM-27 (New 5/02)

## MANDATED COSTS ANIMAL ADOPTION CLAIM SUMMARY

, Program

FORM AA-1

(01) Claimant: City of L	os Angeles	(02) Fisca	200	2001-2002			
(03) Department	Animal Ser	vices					
Direct Costs			Ot	oject Accou	unts		
(04) Reimbursable Components	(a) Salaries	(b) Benefits	(c) Materials &	(d) Contract	(e) Travel &	(f) Fixed	(g)
A. One-Time Costs	Jaiaries	Denents	Supplies	Services	Training	Assets	Total
1. Policies and Procedures							
2. Training	\$2,470	\$600					\$3,070
3. Computer Software	\$4,387	\$1,066	\$118,383				\$123,836
B. Ongoing Costs			and the state of the			and the second	
1. Acquiring Space/Facilities							
2. Renovating Facilities							
3. Care of Dogs & Cats			\$686,106				\$686,106
4. Care of Other Animals			\$21,184				\$21,184
5. Holding Period	\$647,704	\$157,457				······································	\$805,160
6. Feral Cats							
7. Lost and Found Lists	\$43,866	\$10,664	\$24,920			, .	\$79,450
8. Non-Medical Records	\$21,490	\$5,224					\$26,715
9. Veterinary Care	\$144,598	\$35,152	\$65,114				\$244,864
10. Procuring Equipment							
05) Total Direct Costs	\$864,515	\$210,164	\$915,707				\$1,990,385
ndirect Costs							
06) Indirect Cost Rate		[From ICF	RP] 5	Salary and W	ages		81.16%
07) Total Indirect Costs	[Line (06)(a) x	line(05)(a))]o	or [{Line(06) x	line (05)(a)} ·	+ line (05)(b) <u>}</u>	1	\$701,640
8) Total Direct and Indirect Cos	ts	[Line(05]	)(g) + line(07)]	······································			\$2,692,025
ost Reduction							
)) Less: Offsetting Savings				······································			
) Less: Other Reimbursements			;				
Total Claimed Amount	{Lin	e(08) - {Line	(09) + Line(10)	)}]			\$2,692,025
5/02							hapter 752/98

Mogram.			Δ	MANUA							FORM	
213		C	OMPON	ENT/ACT		OSTS D	ETAIL				AA-2	
(01) Claimant:	City of	Los Ange	eles	(02) Fisc	al year co	sts were i	ncurred:			2001-200	)2	
(03) Reimbursable Cor	nponents: C	Check <u>only</u>	one box p	per form to	identify	the compo	onent bei	ng claime				
One-Time	Policies and	Procedures	S	X	Training	-	•			puter Software		
Ongoing	Acquiring Sp	bace/Faciliti	es		Renovat	ing Faciliti	es		Care of I	Dogs & Ca	its	
	Care of Othe	er Animals			Holding	Period			Feral Ca	Feral Cats		
	Lost and Fo	und Lists			Non-Mee	dical Reco	rds		Veterina	ry Care	•	
	Procuring E	quipment										
(04) Description of Exp	benses	<u> </u>	,				Ot	oject Acco	ounts			
(a)	lah	(b)	(c) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)		
Employee Names Classifications, Function and Description of E	s Performed	Hourly Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben	
Training employees (n on the mandated activ ( <u>3 hours per employee</u> 3 Snr Clerk Typists 1 Veterinarian 3 Veterinary Assistants 37 Animal Care Techn 1 Animal Control Offic 1 Animal Control Offic 1 Snr Animal Control O 1 Snr Animal Control ( 1 Training Officer	ities <u>)</u> s icians er (I) er (II) Officer (I)	\$30.08 \$19.75 \$15.48 \$17.25 \$20.18 \$21.54 \$23.43	24.31% 24.31% 24.31% 24.31% 24.31% 24.31% 24.31% 24.31%	3.00 9.00 111.00 3.00 3.00 3.00 3.00					\$172 \$90 \$178 \$1,718 \$52 \$61 \$65 \$70 \$65	\$42 \$22 \$43 \$418 \$13 \$15 \$16 \$17 \$16	\$214 \$112 \$221 \$2,136 \$64 \$75 \$80 \$87 \$80	
			of						\$2,470	\$600	\$3,07	

243.			С		NIMAL	TED COS ADOPT TIVITY CO	ION	TAIL				FORM AA-2	
(01) Claimar	nt:	City of	Los Ange	eles	(02) Fisc	al year cost	s were in	curred:			2001-20	02	
(03) Reimbu One-Time	And the second se	ponents: C Policies and			er form to	identify the Training	e compon	ent bein	g claimed X		er Softwar	9	
Ongoing	[]	Acquiring Sp		es		Renovating	-			J 7	Dogs & Ca	its	
		Care of Othe				Holding Pe		S	i	J 7	Feral Cats		
		Procuring Ed	quipment			· · ·						-	
(04) Descrip		enses				(-)	(6)		ject Acco	J	(i)		
Classification	(a) oyee Names, ns, Functions cription of E	Performed	(b) Hourly Rate or Unit Cost	(C) Benefit Rate	(d) Hours Worked or Quantity	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training	Salaries	Benefits	Total Sal. & Ben	
Senior Syste			\$42.18	24.31%	104.00	\$94,383 \$24,000				\$4,387	\$1,066	\$5,453	
					ų.								
(05) Total	() Subto		Page:_	of		\$118,383				\$4,387	\$1,066	\$5,45 pter 752/9	

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213		со	-	NIMAL ADOPTION ENT/ACTIVITY COSTS DETAIL							
(01) Claimar	nt: City of Lo	s Ange	les	(02) Fisc	al year cost	s were i	ncurred:			2001-20	02
(03) Reimbu	Irsable Components: Cheo	ck <u>only</u> o	ly one box per form to identify the component being claimed.								
One-Time	Policies and Pro				Training					er Softwar	e
Ongoing	Acquiring Space	/Facilities	5		Renovatin	g Facilitie	es	X	Care of	Dogs & Ca	ats
	Care of Other A	nimals			Holding Pe	eriod	L.		Feral Ca	ats	
	Lost and Found	Lists			Non-Medic	al Reco	rds		Veterina	ry Ca <b>r</b> e	
	Procuring Equip										
(04) Descrip	tion of Expenses	· .					0	oject Acco	ounts		
_	(a) ployee Names, Job	(b)	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	
Emp Classification and Dec	Hourly Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services		and Training	Salaries	Benefits	Total Sal. & Ben.	
dogs and ca increased he <u>utimately eu</u> Total cost for Yearly census Number that of holding period 13,538 Daily cost per Number of rei <u>ACTUAL COS</u> Daily cost per that die/are et	all animals = \$6,899,953 s = 272,290 died during increased d or were euthanized = • animal = \$25.34 imburseable days = 2				\$686,106						
(05) Total	() Subtotal ()	Page:	of		\$686,106						

Chapter 752/98

213		CON	Α	NIMAL	TED COST ADOPTIC IVITY COS	ON	<b>FAIL</b>				FORM AA-2
(01) Claimant:	City of Lo				al year cost					2001-20	02
(03) Reimbursable ( One-Time	Components: Chec		e box p	er form to	<b>identify the</b> Training	compon	ent bei	ng claime	<b>d.</b> Comput	er Softwar	e
Ongoing	Acquiring Space	/Facilities			Renovating	g Facilities	3		י ר	Dogs & Ca	ats
X	Care of Other A				Holding Pe Non-Medic		s		Feral Ca		
	Procuring Equipment							[	1	•	
(04) Description of							0	bject Acc	ounts	- <u></u>	
	(a) (b) (c) (d)						(g)	(h)		(i)	
Employee N Classifications, Fur and Descriptio	Hourly Rate or Unit Cost	Benefit Rate	Hours Worked or Quantity	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Salaries	Benefits	Total Sal. & Ben.	
Provide care and m all other animals* th increased holding p <u>utimately euthanize</u> Total cost for all anim Yearly census = 272,2 Number that died duri holding period or were 209	hat die during the heriod or are d als = \$6,899,953 290 ing increased				\$21,184						
Daily cost per animal											
Number of reimburses ACTUAL COST METH Daily cost per dog/cat hat die/are euthanize umber reimburseable 21,184.24	<u>HOD:</u> (\$25.34) x number d (209) x										
hbbits, guinea pigs, t-bellied pigs, birds, tles or tortoises. 5) Total ( ) Si	lizards, snakes,	Page:	of		\$21,184						

MANDATED COSTS ANIMAL ADOPTION COMPONENT/ACTIVITY COSTS DETAIL												
		COM	PONEN								AA-2	
(01) Claiman	City of Ed			(02) Fisca	-					2001-2002	<b>?</b> • •	
(03) Reimbu	rsable Components: Check	only one	box per f	form to ide	ntify the	compor	nent be	ing clai				
One-Time	Policies and Proc	edures			Training Computer Software							
Ongoing	Acquiring Space/F	acilities			Renov	ating Fa	cilities		Care of Do	gs & Cats		
l	Care of Other Ani	mals		X Holding Period Feral Cats								
	Lost and Found L			Non-M	edical R	ecords		Veterinary	Care			
	Procuring Equipment											
(04) Description of Expenses Object Accounts												
Em	(a) ployee Names, Job	(c) Benefit	(d) Hours	(e) Materials	(f) Contract		(h) Travel		(i)			
	ions, Functions Performed Description of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.	
Making anim redemption ( (Saturday).	nals available for owner on one weekend day/week Each employee worked t each location.											
<u>ANNEX</u> 3 Animal Care 1 Animal Care	e Technicians e Technician Supv		24.31% 24.31%	1248.00 416.00					\$19,718 \$8,603	\$4,794 \$2,091	\$24,512 \$10,694	
3 Animal Cont	e Technicians e Technician Supv troll Officers (I) trol Officers (II)	\$20.68 \$17.67 \$21.33	24.31% 24.31% 24.31% 24.31% 24.31%	416.00 1248.00 832.00					\$32,864 \$8,603 \$22,052 \$17,747 \$19,169	\$7,989 \$2,091 \$5,361 \$4,314 \$4,660	\$40,853 \$10,694 \$27,413 \$22,061 \$23,829	
	e Technician Supv troll Officers (I)	\$20.68 \$17.67	24.31% 24.31% 24.31% 24.31%	416.00 832.00					\$19,718 \$8,603 \$14,701 \$6,390	\$4,794 \$2,091 \$3,574 \$1,553	\$24,512 \$10,694 \$18,275 \$7,943	
3 Animal Cont 2 Animal Cont 3 Clerk Typist	e Technicians e Technician Supv troll Officers (I) trol Officers (II) s	\$20.68 \$17.67 \$21.33	24.31% 24.31% 24.31% 24.31% 24.31%	416.00 1248.00 832.00					\$46,010 \$8,603 \$22,052 \$17,747 \$19,169	\$11,185 \$2,091 \$5,361 \$4,314 \$4,660	\$57,195 \$10,694 \$27,413 \$22,061 \$23,829	
Animal Care Animal Cont	e Technicians e Technician Supv troll Officers (I) trol Officers (II) s	\$20.68 \$17.67 \$21.33	24.31% 24.31% 24.31% 24.31% 24.31%	416.00 2080.00 2080.00					\$59,155 \$8,603 \$36,754 \$44,366 \$12,780 <b>\$453,407</b>	\$14,381 \$2,091 \$8,935 \$10,785 \$3,107 \$110,223	\$73,536 \$10,694 \$45,688 \$55,152 \$15,886 \$563,630	

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Chapter 752/98

erogram 213		· · · · · · · · · · · · · · · · · · ·	со	A	MANDATI NIMAL A NT/ACTI	ADOP1	<b>FION</b>	DETAI	L			FORM AA-2
(01) Claiman	nt:	City of Lo	s Angel	es	(02) Fisca	l year co	osts wer	e incu	rred:		2001-2002	
(03) Reimbu	Irsable Co	mponents: Check	c <u>only</u> on	e box per	form to id	entify th	e compo	onent l	peing cl	aimed.		
One-Time		Policies and Proc	edures			Trainin	g		L	Computer S	Software	
Ongoing [		Acquiring Space/I	-acilities			] Renov	ating Fa	cilities		Care of Dog	gs & Cats	
[		Care of Other Ani	mals		X	Holding	g Period			Feral Cats		
		Lost and Found L	ists			] Non-M	edical R	ecords		Veterinary (	Care	
		Procuring Equipm	ent									
(04) Descript	4) Description of Expenses Object Accounts											
	(a)		(b)	(c)	(d)	(e)	(f) Contract	(g) Fixed	(h) Travel		(i)	
Classificati		nes, Job tions Performed of Expenses	Hourly Rate or Unit Cost	Benefit Rate	Hours Worked or Quantity	and Supplies	Services		and Training	Salaries	Benefits	Total Sal. & Ben.
redemption c	ANGELES e Technicia e Technicia e Technicia troll Officer trol Officer s EY e Technicia e Technicia troll Officer troll Officer	an Supv rs (I) rs (II) ans an Supv rs (I)	\$20.68 \$17.67 \$21.33 \$15.36 \$15.80 \$20.68 \$17.67 \$21.33	24.31% 24.31% 24.31% 24.31% 24.31% 24.31% 24.31% 24.31%	416.00 832.00 416.00 1248.00 2080.00					\$26,291 \$8,603 \$14,701 \$8,873 \$19,169 \$32,864 \$8,603 \$29,403 \$26,620 \$19,169	\$6,391 \$2,091 \$3,574 \$2,157 \$4,660 \$7,989 \$2,091 \$7,148 \$6,471 \$4,660	\$32,683 \$10,694 \$18,275 \$11,030 \$23,829 \$40,853 \$10,694 \$36,551 \$33,091 \$23,829
(05) Total (	X) Sub	total ( ) Pa	nge:	of 2	L			·		\$647,704	\$157,457	\$805,16 pter 752/9

Program			Δ	NIMAL		ION					FORM
-213		C		ENT/ACT		-	TAIL				<b>AA-</b> 2
(01) Claimar	nt: City of	Los Ang	eles	(02) Fisca	l year cost	s were in	curred	:	2	2001-200	2
(03) Reimbu	Irsable Components: C	Check <u>only</u>	one box p	er form to	identify the	e compor	ent be	ing claim	ed.		,
One-Time	Policies and	Procedures	5		Training				Computer	Software	
Ongoing	Acquiring Sp	bace/Facilitie	es		Renovati	ng Facilitie	es		Care of D	ogs & Cats	; <sup>.</sup>
	Care of Othe	er Animals			Holding F	Period			Feral Cate	3	
	X Lost and Fo	und Lists			Non-Med	lical Reco	rds		Veterinary	Care	
	Procuring Ed	quipment									
(04) Descrip	otion of Expenses							Object Ac	counts		
-	(a) oyee Names, Job	(b) Hourly Rate or	(c) Benefit Rate	(d) Hours Worked or	(e) Materials and	(f) Contract Services	(g) Fixed Assets	(h) Travel and	Salaries	(i) Benefits	Total
	ns, Functions Performed cription of Expenses	Unit Cost	Kale	Quantity	Supplies	Jervices		Training			Sal. & Ben.
owners and animals. Lis animal, refer information, publish and <u>animal inforn</u> 6 Clerk Typist 1 Clerk Typist	sts t spends 1 hr/day, at these locations: / Shelter / Shelter / Annex Shelter Shelter geles Shelter	\$15.36	24.31%	1820.00					\$27,955	\$6,796	\$34,751
of posting lo (25% of total Bob Perino, Donyielle Ho Napa Dumri ACT Superv Animal Car Snr Animal ( Snr Animal ( Animal Cont	Technician Control Officer II Control Officer I trol Officer II trol Officer I oftware Purchase	\$42.18 \$34.06 \$25.84 \$20.68 \$15.80 \$24.89	24.31% 24.31% 24.31% 24.31% 24.31% 24.31% 24.31% 24.31%	10.00 412.25 13.25 7.50 21.25 4.50 4.25 9.25 11.75	\$24,920				\$422 \$14,041 \$342 \$155 \$336 \$112 \$98 \$197 \$208	\$103 \$3,413 \$83 \$38 \$82 \$27 \$24 \$48 \$50	\$524 \$17,455 \$426 \$193 \$417 \$139 \$121 \$245 \$258
(05) Total		Page:	of		\$24,920				\$43,866	\$10,664	\$54,530
New 5/02							<u> </u>			Cha	pter 752/98

MANDATED COSTS       ANIMAL ADOPTION       213     COMPONENT/ACTIVITY COSTS DETAIL											FORM AA-2
(01) Claiman	nt: City	of Los Ang	eles	(02) Fiscal	year cos	sts were	incurr	red:		2001-2002	2
(03) Reimbu	rsable Components:			er form to i	dentify th	ne comp	onent	being c	laimed.		
One-Time	Policies a	nd Procedure:	S		Training			Computer S	Software		
Ongoing	Acquiring	Space/Faciliti	es	Renovating Facilities				Care of Do	gs & Cats		
[	Care of O	ther Animals		Holding Period				Feral Cats			
[	Lost and F	Found Lists		X	] Non-Me	edical Re	cords		Veterinary	Care	
	Procuring	Equipment									
(04) Descript	tion of Expenses							Obje	ct Accounts		
Emplo	(a) byee Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	
Classification	s, Functions Performed cription of Expenses		Rate	Worked or Quantity	and	Services	1 .		Salaries	Benefits	Total Sal. & Ben.
	nimals that are thanized after period, or Record Records 13,747		24.31%	1145.58					\$21,490	\$5,224	\$26,715
(05) Total (	) Subtotal ( )	Page:_	of						\$21,490		\$26,71 apter 752/9

(1) Claimant:       City of Los Angeles       (02) Flical year costs were incurred:       2001-2002         (03) Relmbursable Components:       Check only one box per form to identify the component being claimed.       Computer Software         One-Time       Policies and Procedures       Training       Computer Software         Ongoing       Acquiring Space/Facilities       Renovating Facilities       Care of Objes & Cats         Cate of Other Animals       Hoding Period       Faral Cats         Lost and Found Lists       Non-Medical Records       X       Veterinary Care         Proculing Equipment       (a)       (b)       (c)       (d)       Mours         (d) Description of Expanses       Contact       Fixed       Training       Starles         (a) Excitotion Performed and Description of Expanses       (d)       (e)       (f)       (f)         (a) Excitotion Performed animals.       Non-Medical Records       X       Veterinary Care         Provide Incosesary and propriot vetainary care*       Catal Base file       Safes       Basefile       Safes         Veterinarian       \$36.39       24.31%       \$45,114       Safes       Safes       \$21,632       \$110,615         Startinarian       \$36.39       24.31%       \$65,114       Safes       Safes	Program 213									FORM AA-2			
One-Time       Policies and Procedures       Training       Computer Software         Ongoing       Acquiring Space/Facilities       Renovating Facilities       Care of Dogs & Cats         Care of Other Animals       Holding Period       Feral Cats         Lost and Found Lists       Non-Medical Records       X       Veterinary Care         (04) Description of Expenses       (c)       (c)       (d)       (c)       (	(01) Claimar	nt: City of	Los Ang	jeles	(02) Fisc	al year cost	s were inc	curred:			2001-2002		
Care of Other Animals       Holding Period       Feral Cats         Lost and Found Lists       Non-Medical Records       X       Veterinary Care         Procuring Equipment       (b)       (b)       (c)       (d)       (e)       (f)       (g)       (h)       (i)         Classifications, Functions Performed and Description of Expenses       (b)       (c)       (d)       (e)       (f)       (g)       (h)       (i)         Classifications, Functions Performed and Description of Expenses       Unit Cost       Benefit Rate       Worked or Quantity       Services       Assets       and Services       Salarles       Benefits       Total Sal. & Ben.         Provide"necessary and prompt veterinary care" for stray and abandoned animals.       Average time (min.) to provide emergency treatement.       \$36.39       24.31%       4       and       and       and       and       and       \$88,983       \$21,632       \$110,615         Veterinarian       \$36.39       24.31%       4       and       and       and       \$88,983       \$21,632       \$110,615					per form to	1	compone	ent bein	g claime	7	Software	, , , , , , , , , , , , , , , , , , ,	
Lost and Found Lists       Non-Medical Records       X       Veterinary Care         (04) Description of Expenses       (b)       (c)       (d)       (e)       (f)       (g)       (h)         Classifications, Functions Performed and Description of Expenses       (b)       (c)       (d)       (e)       (f)       (g)       (h)       Travel Assets       Salaries       Benefits       Total and Supplies         Provide"necessary and prompt veterinary care" for stray and abandoned animals.       Image: Salaries       Benefits       Salaries       Salaries       Benefits       Salaries       Salaries       Benefits       Salaries       Salaies	Ongoing	Acquiring Spa	ace/Faciliti	es		Renovating	Facilities			Care of Do	ogs & Cats		
(04) Description of Expenses(a)(b)(c)(d)(e)(f)(g)(h)(i)Employee Names, JobRate orBenefitHoursyMaterialsServicesAssetsandSalariesBenefitsTotalClassifications, Functions Performed and Description of ExpensesUnit CostRate orQuantitySuppliesServicesAssetsandSalariesBenefitsTotalProvide"necessary and prompt veterinary care" for stray and abandoned animals.AAAAIIIIAverage time (min.) to provide emergency treatement.\$36.3924.31%24.31%IIII\$88,983\$21,632\$110,615Veterinary Technician\$22.7624.31%IIIII\$88,983\$21,632\$110,615								6		J			
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses(b) Hourly Rate or Unit Cost(c) Benefit Rate Quantity(d) Hours Worked or Quantity(e) Materials and Supplies(f) Contract Services(g) Fixed Assets(h) Travel and Travel Assets(i)(i)Provide "necessary and prompt veterinary care" for stray and abandoned animals.Image: Contract or Abandoned animals.Image: Contract or Aban		Procuring Eq	uipment										
Employee Names, Job Classifications, Functions Performed and Description of ExpensesHoury Rate or Unit CostBenefit Rate Rate Unit CostHours Rate OuantityMaterials and SuppliesContract ServicesFixed AssetsTravel and TrainingProvide"necessary and prompt veterinary care" for stray and abandoned animals.Image: Service of the serv	(04) Descript	-							Object A	ccounts			
Classifications, Functions Performed and Description of ExpensesRate or Unit CostRate or QuantityWorked or SuppliesServicesAssetsand TrainingSalariesBenefitsTotal Sala. & Ben.Provide "necessary and prompt veterinary care" for stray and abandoned animals.Image: Constrained on the second on the	Empl				1		(		• •		(i)		
prompt veterinary care" for stray and abandoned animals.Average time (min.) to provide emergency treatement.Average time (min.) to provide emergency treatement.Average time (min.) to provide emergency treatement.Safe.3924.31%Safe.3924.31%Safe.3924.31%Safe.39 </th <th>Classificatio</th> <th>ns, Functions Performed</th> <th>Rate or</th> <th>1</th> <th>Worked or</th> <th>and</th> <th></th> <th></th> <th>and</th> <th>Salaries</th> <th>Benefits</th> <th></th>	Classificatio	ns, Functions Performed	Rate or	1	Worked or	and			and	Salaries	Benefits		
	prompt veter stray and aba Average time emergency tr <u>Veterinarian</u> <u>Veterinary T</u>	inary care" for andoned animals. e (min.) to provide eatement. <u>echnician</u>	1 1			\$65,114							
	(05) Total ( ew 5/02	) Subtotal ( )	Page:	of		\$65,114				\$144,598	\$35,152	\$179,750 pter 752/98	

### MAINTAINING NON MEDICAL RECORDS FY 2001-02 (AMMENDED)

### MAINTAINING NON MEDICAL RECORDS

### **DESCRIPTION:**

Maintaining non-medical records on animals that are taken up, euthanized after the holding period or impounded.

### FORMULA:

Time required to input non-medical records: five (5) minutes per record

Number of animals: 13,747

### **COMPUTATION:**

Time required to input individual record x number of records / 60 minutes = 1,145.58 total hours required to input non-medical records.

Hours to input non-medical records x hourly rate for Animal Care Technician = Total cost.

Average salary for an Animal Care Technician is \$33,766.65 / 1,800 annual hours = Hourly rate.

### OR

5 minutes x 13,747 / 60 minutes = 1,145.58 hours

\$33,766.65 / 1,800 work hours = \$18.76

\$18.76 x 1,145.58 hours = \$21,491

### **EXPENSE TOTAL:**

<u>\$21,491</u>

### VETERINARY CARE (Amended for FY 2001-02)

### **DESCRIPTION:**

Providing necessary and prompt veterinary care for stray and abandoned animals that died during the increased holding period or were ultimately euthanized.

### FORMULA:

Veterinarian annual and hourly rate:	\$65,506.09 / 1,800 = \$36.39
Veterinary Technician annual and hourly rate:	\$40,967.26 / 1,800 = \$22.76

Average time to provide emergency medical treatment: 12 minutes

Cost of providing Veterinarian emergency medical treatment per animal: 36.39 / 60 minutes x 12 minutes = 7.28

Cost of a Veterinary Technician assisting a Veterinarian in an emergency medical treatment per animal: \$22.76 / 60 minutes x 12 minutes = \$4.55

Number of animals requiring prompt medical care: 12,223

### **COMPUTATION:**

Cost of providing emergency medical treatment x number of animals requiring prompt medical care = Total Expense

Medical supply use was based on a comparison between FY 1997-98, the last full fiscal year before SB 1785 and FY 2001-02 a post SB 1785 year.

In FY 2001-02 there were 6 Veterinarians and 24 Veterinarian Assistants. Expenses for Account 3190 – Animal Medical Supplies was \$196,992.

In FY 1997-98 there were 2 Veterinarians and 12 Veterinarian Assistants. Expenses for Account 3190 – Animal Medical Supplies was \$131,878.

Therefore \$196,992 - \$131,878 = \$65,114 in expenditure of Animal Medical Supplies to support additional Veterinary Care under SB 1785.

### OR

Veterinarian:	\$7.28 x 12,223 = \$88,983.44
Veterinary Technician:	\$4.55 x 12,223 = \$55,614.65
Animal Medical Supplies:	= \$ 65,114.00
Total	\$209,712.09
EXPENSE TOTAL:	

### <u>\$209,712</u>

BOARD OF ANIMAL SERVICES COMMISSION

PAUL JOLLY PRESIDENT KATHLEEN RIORDAN VICE PRESIDENT

HELEN ANN JOHNSON

# **City of Los Angeles**

CALIFORNIA



DEPARTMENT OF ANIMAL SERVICES 419 South Spring Street 14<sup>th</sup> Floor Los Angeles. CA 90013 (213) 473-8253 FAX (213) 473-7511

JERRY GREENWALT

August 29, 2002

Laura N. Chick City Controller, City of Los Angeles City Hall, Room 1220 Los Angeles, California 90012

### Subject: POLICIES AND PROCEDURES CHANGES IN SUPPORT OF SB 1785

In 1998, the State of California passed the Hayden Bill, Senate Bill (SB) 1785 directing animal care and control agencies to hold stray animals longer to increase animal adoption and decrease animal euthanasia. As a result of SB 1785, the General Manager of the Department of Animal Services (Department) directed Department staff to review existing policies and procedures for compliance to the bill and to procure necessary supplies and equipment to house animals for the additional holding period. Changes in policies and procedures included, but were not limited to, revising shelter operations procedures and training staff on the new procedures; expenditures for the creation and implementation of a Department Wide Area Network to enable installation and operation of the Chameleon Animal Shelter Management Software operating system; and implementation of a Departmental Website to make pictures of lost animals available Citywide.

If you have any questions, feel free to call Margaret Sullivan, Chief Management Analyst, at 473-7507.

Sincerely,

or • 1

JERRY GREENWALT General Manager

AN EQUAL EMPLOYMENT OPPORTUNITY-AFFIRMATIVE ACTION EMPLOYER

Fax:213-275-212:xb7

# Animal Adoption Reimbursement Claims IT Hardware & Software Expenditures Sorted by Date

	<u>P0#</u>	<u>Vendor</u>	Description	Date	Invoicad <u>Amount</u>	Actual Peid <u>Amount</u>	Invoiçe	Actual Paid Amount Fiscal Year
	Y100796	Various	Miscellaneous Computer Accessories	- -			NUMper	Sub-Totals
77	Y100735		PCs, Monitors & Printers	Mar-01	172.03	172.03		
NZ:UL	100/35	and i contrologies	Printers	3/7/2001	4,131.00	3,924.45		• •
	Y100718	Various	Miscellaneous Computer Accessories	3/14/2001	272,00	258.40	90293231	
크		Compucom	Software	Apr-01	37.38	208.40 37.38	90270167	· ·
7004	Y100718	Compucom	Software	4/12/2001	30.56		. •	•
	10040	En Pointe Technologies	CDRW Drive	4/12/2001	202.17	30.56	85183883	•
12	Ý100726	. Compucom	Software	4/17/2001	249.15	202.17	85173324	
Jan	28175	En Pointe Technologies	Printers	4/20/2001	18.59	230.69		
-	19874	En Pointe Technologies		5/2/2001		18,59	85173349	
	•	Various	Printer Color Coating Kit	5/9/2001	13,163.88	12,188.78	•	•
	49809	Cisco Systems	Miscellaneous Computer Accessories	Jun-01	48.75	45.14		•
-	45285	En Pointe Technologias	TOUTOIR Equipment	6/18/2001	405.50	405.50		
	46066	En Pointe Technologies	Network Adapter Cards	6/22/2001	3,728.97	3,415.25		•
	49583	Cabling System Warehouse	Notebook PC	6/25/2001	551.23	510.40		•
	50862	Compucom	Cabling Materials	6/29/2001	2,489.68	2,305.26		
은 <b>EY</b>	2001-02		Software Licenses	6/29/2001	436,53	404.20	· .	
ň	•	Various		0/28/2001	15,109.77	13,990.54		170 000 001
Fax:213-473	52111	En Pointe Technologies	Miscellaneous Computer Accessories		•		L_	179,383.68
м.	•	Various		Jul-01	141.44	141.44		
51	•	Various	Miscellaneous Computer Accessories	7/31/2001	21,087,17	19,525.16		
X	55286	En Pointe Technologies	miscelleneous Compliter Accordance	Aug-01	246.67	246.67	•	
ц	69378	Compucom		Sep-01	569.35	569.35		
	•	Various	Software	9/6/2001	<del>99</del> .79	92.40		• • •
Ś	49798	Anixter	Miscellaneous Computer Accessories	9/24/2001	536.22	496,94		
Щ	83043		Network Equipment	Oct-01	88.96	88.96		
1IA		En Pointe Technologies	PCs and Monitors	10/8/2001	1,056.24	978.00	•	
SERVICES	81760	Various	Miscellaneous Computer Accessories	10/18/2001	9,052.18			
	91486	Office Depot	Office Equipment	Nov-01	292.61	18,101.65		
L ط	•	En Pointe Technologies	PCs	11/8/2001	993.37	292.61		
A. ANIMAL	91586	En Pointe Technologies		11/15/2001	10,497.60	919.79		·
Æ		Vanous	PCs, Monitors & Printers	11/16/2001		9,720.00	•	
ġ	49652	Anixter	Miscellaneous Computer Accessories	Dec-01	32,588.54	30,174.57		· · ·
i	,	Various		12/14/2001	323.97	323.97		
		Various	Miscellaneous Computer Accessories	Jan-02	5,581.44	5,168.00		
	131608	Compucom	THOUGHINGOUS COMPUTER Assessed	Feb-02	116.95	116.95	· · · · ·	•
		• • • • • • • • • • • • • • • • • • • •	Software		511.00	511.00		
	•			2/26/2002	356.06	328,93		

# Animal Adoption Reimbursement Claims

## IT Hardware & Software Expenditures Sorted by Date

•	PO#	Vendor	Description	Date	Involced <u>Amount</u>	Actual Pald <u>Amount</u>		Amount Fiscal Year <u>Sub-Totais</u>
Fax:213-473-7511 Jan 12 2004 10.20	166065 175698 179626 <u>Y 2001-02 Web</u> Credit Card 82415 89751 92914 101409 101431 102621 106923 118690 131551 131584 131616	Various Various Various En Pointe Technologies En Pointe Technologies En Pointe Technologies Project SecretAgents.com Bookpool.com Compucom En Pointe Technologies Dell Corporation En Pointe Technologies En Pointe Technologies En Pointe Technologies HLP En Pointe Technologies Compucom Compucom En Pointe Technologies	Miscellaneous Computer Accessories Miscellaneous Computer Accessories Miscellaneous Computer Accessories LaserJet Transfer Kit 2 File Servers PCs and Monitors Software Cold Fusion Manuel Software File Server & Rack Warranty Service Agreemenent CDRW, SanJet,Cameras & LCD Projector Laptop Computer PCs ChamCam Licenses PCs, Monitors and Color LaserJet Printers Software Digital Cameras	Mar-02 Apr-02 May-02 5/28/2002 6/25/2002 9/11/2001 9/19/2001 11/27/2001 11/27/2001 12/4/2001 12/27/2001 12/27/2001 12/27/2001 12/27/2001 12/27/2001 12/27/2001 12/27/2002 3/13/2002 3/13/2002	76.29 22.74 507.56 780.66 21,401.04 18,348.38 10.00 39.79 599.40 15,985.08 500.00 6,373.16 2,948.40 10,497.60 14,586.00 48,320.90 6,352.56 139.76 380.04	76.29 22.74 507.56 721.16 19,770.00 16,950.00 16,950.00 39.79 561.72 14,801.00 500.00 5,901.07 2,730.00 9,720.00 14,430.00 14,430.00 44,638.25 5,868.42 129.11 351.08	[ Web Sub Total =>	<u>125,844.14</u> 99,680.44
ш <u> </u>					590,955 00	572 797 04	· · · · · · · · · · · · · · · · · · ·	

590,955.00 573,787.04 573,787.04 -99,680.44

Total Actual Amount Paid Less Web Related Expenditures ==> 474,106.60

75% of all Department Computer Equipment is located at shelter locations.

474,106.60

75% of total amount paid attributable exculsivley to shelter operations ==> \$355,579.95

Actual Paid

L. A. ANIMAL SERVICES

## Shelter Population for Training

		er i opun				
Fiscal Year	Classification	Employee Census	Salary	Training Hours	Total Training Per Class	Expense
1998/99	Clerk Typist	28	\$	3	84	\$1,170.12
	Sr. Clerk Typist	8	\$ 17.25	3	24	\$414.00
	Veterinarian	2	\$ 28.64	3	6	\$171.84
	Veterinary Assistant	12	\$ 17.05	3	36	\$613.80
	Animal Care Technician	42	\$ 14.76	3	126	\$1,859.76
	Animal Care Technician Supervisor	5	\$ 17.53	3	15	\$262.95
	Animal Control Officer I	29	\$ 15.73	3	87	\$1,368.51
	Animal Control Officer II	23	\$ 18.46	3	69	\$1,273.74
	Sr. Animal Control Officer I	6	\$ 19.91	3	18	\$358.38
	Sr. Animal Control Officer II	9	\$ 21.36	3	27	\$576.72
	Training Officer	1	\$ 19.91	3	- 3	\$59.73
	Total	165			495	\$8,129.55

New Hires

		New mines					
1999/00	Clerk Typist	7	\$	13.44	3	21	\$282.24
	Sr. Clerk Typist	3	\$	17.19	3	9	\$154.71
	Veterinarian	2	S	27.17	3	6	\$163.02
	Veterinary Assistant	12	\$	19.01	3	36	\$684.36
	Animal Care Technician	24	\$	15.08	3	72	
	Animal Care Technician Supervisor	2	\$	18.92	3	6	\$113.52
	Animal Control Officer I	16	s	16.52	3	48	\$792.96
	Animal Control Officer II	10	\$	19.20	3	30	\$576.00
	Sr. Animal Control Officer I	5	\$	20.55	3	15	\$308.25
	Sr. Animal Control Officer II	1	\$	22.34	3	3	\$67.02
	Training Officer	1	\$	20.55	3	3	\$61.65
	Total	83				249	\$4,289.49

		New Hires					
2000/01	Clerk Typist	7	5	14.75	3	21	\$309.75
	Sr. Clerk Typist	2	S	19.09	3	6	\$114.54
	Veterinarian	4	\$	30.08	3	12	\$360,96
	Veterinary Assistant	7	\$	19.75	3	21	\$414.75
	Animal Care Technician	5	\$	15.48	3	15	\$232.20
	Animal Care Technician Supervisor	0	5	18.97	3	0	\$0.00
	Animal Control Officer I	17	\$	17.25	3	51	\$879.75
	Animal Control Officer II	6	\$	20,18	3	18	\$363.24
	Sr. Animal Control Officer	1	\$	21.54	3	3	\$64.62
	Sr. Animal Control Officer II	0	\$	23.43	3	0	\$0.00
	Training Officer	1	\$	21.54	3	3	\$64.62
	Total	50		1		150	\$2,804.43

	· · · · · · · · · · · · · · · · · · ·	New Hires				
2001/02	Clerk Typist	0	\$ 14.75	3	0	\$0.00
	Sr. Clerk Typist	3	\$ 19.09	3	9	\$171.81
	Veterinarian	1	\$ 30.08	3	3	\$90.24
	Veterinary Assistant	3	\$ 19.75	3	9	\$177.75
	Animal Care Technician	37	\$ 15.48	3	111	\$1,718.28
	Animal Care Technician Supervisor	0	\$ 18.97	3	0	\$0.00
	Animal Control Officer I	1	\$ 17.25	3	3	\$51.75
	Animal Control Officer II	1	\$ 20.18	3	3	\$60.54
	Sr. Animal Control Officer I	1	\$ 21.54	3	3	\$64.62
	Sr. Animal Control Officer II	1	\$ 23.43	3	3	\$70.29
	Training Officer	1	\$ 21.54	3	3	\$64.62
	Total	49			147	\$2,469.90

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F" B" BNIMBE SERVICES Fax:213-473-7511

DEV-10P + PUR > 93

SYS	TEMS DE					
Fiscal Year	Eligible Hours	Project Hours	Hc	ourly Rate	Labor Expense	
1998-99	1044	52.2	\$	30.51	\$ 1,592.62	52 545 ANALI
1999-00	2096	104.8	\$	40.01	\$ 4,193.05	2R-545 ANAL II
2000-01	2080	104	\$	35.65	\$ 3,707.60	CRESSANA' #
2001-02	2080	104	\$	42.18	\$ 4,386.72	SR 545 ADACI

T +007 CT HPC

Hax:216-416-1011

**L.A. ANIMAL SERVICES** 

INVITI VOUV 136

Contract:

57390

## INVOICE

Invoice Number :	LACT0401ann	BID No :	F9287	
Invoice Date :	April 01, 2001	Terms:	NET 30	

Bill To :

City of Los Angeles Department of Animal Regulation Attn: Bob Parino (213-473-7510) 419 S. Spring Street, Suite 1400 Los Angeles, CA 90013 Pay Vendor HLP, INC. 3271 Falkland Circle Huntington Beach, CA 92649-2812 BTRC 965260-22-Q190 FEIN 86-0487620

DESCRIPTION

\$ AMOUNT

\$24,000.00

Chameleon/CMS Software annual Maintenance & Support \* Unlimited User License on single Server database \* Period of 04/01/01 through 03/31/02 (one year)

For questions concerning this Invoice please call : Diane Hoover 562-592-9899

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FILE COPY



Chameleon/CMS Software 3271 Falkland Circle, Huntington Beach, CA 92649-2812 562-592-9899 e-mail dianecfo@primenet.com fax 592-9859 www.ChameleonBeach.com

HLP, INC.



101 TO TOOH TO

L. R. ANIMAL SERVICES Fax:213-4/5-/511

		CALCULATIONS FOR ANIMALS WHO DIE OR ARE EUTHANIZED
Fiscal Year FY 2000-01	*Formula: 322,295	Cersus (883) x 365 = Yearly Census
	\$ 15.17	Shelter Budget (\$4,890,106) / Yearly Census (322,295) = Cost Per Animal
	\$ 463,534.52	Daily Cost Per Animal (\$15.17) x # Of Impounded Strays or Abandoned Dogs and Cats that die or are euthanized during the increased holding period (15,278) x the reimbursable days (2).
	\$ 13,106.88	Daily Cost Per Animal (\$15.17) x # Of Impounded Strays or Abandoned birds, snaket, turtles, etc.that die or are _euthanized during the increased holding period (216) x the reimbursable days (4).
	\$ 476,641.40	Total
Fiscal Year FY 2001-02	•Formula: 272,290	Census (746) x 365 = Yearly Census
	\$ 25.34	Shelter Budget (\$6,899,953) / Yearly Census (272,290) = Cost Per Animal
	\$ 686,105.84	Daily Cost Per Animal (\$25.34) x # Of Impounded Strays or Abandoned Dogs and Cats that die or are euthanized during the increased holding period (13,538) x the reimbursable days (2).
	\$ 21,184.24	Daily Cost Per Animal (\$25.34) x # Of Impounded Strays or Abandoned birds, snaket, turtles, etc.that die or are euthanized during the increased holding period (209) x the reimbursable days (4).
	\$ 707,290.08	
	*Formula	Figures through Chameleon

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Fax:213-473-7511 L. A. ANIMAL SERVICES

## MAXIMUS-LOST AND FOUND LIST CALCULATIONS

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						VALUULAI				
Fiscal Year	SHELTER		•		HOURS	DAYS PER	Eligible	Eligible		TOTAL
FY 1998-99	North Central Shelter	CLASSIFICATION		ALARY			Weeks	Hours	:	BALARY
1 1000-33	South Central Sheiter	Clerk Typist	\$	13.93	1	5	26	130	\$	1,810.90
	South Central Annex	Clerk Typist	\$	13.93	1	5	26	130	\$	1,810.90
	East Valley Sheiter	Clerk Typist	\$	13.93	1		26	130		1,810.90
	West Valley Shelter	Clerk Typist	\$	13.93	1		26	130		1,810.90
	West Los Angeles Shelter	Clerk Typist	\$	13.93	1		26			1,810.90
	Harbor Shelter	Clerk Typist	\$	13.93	1	-	26			1,810.90
	Total									10,865.40
FY 1999-00	North Central Shelter South Central Shelter	Clerk Typist	\$	13.44	1	5	52	260	\$	3,494.40
	South Central Annex	Clerk Typist	\$	13.44	1	5	52	260	\$	3,494.40
	East Valley Shelter	Clerk Typist	\$	13.44	1		52			3,494.40
	West Valley Sheiter	Clerk Typist	\$	13.44	1		52	260	\$	
	West Los Angeles Shelter		\$	13.44	1		52	260	-	3,494.40
•	Harbor Shelter	Clerk Typist	\$	13.44	1		52			3,494.40
	Total							1560	\$	20,966.40
FY 2000-01	North Central Shelter	Clerk Typist	æ	44.75		-		<u>~</u> 2		
	South Central Shelter	Clerk Typist	\$ \$	14.75 14.75	1	-	26		\$	3,835.00
	South Central Annex	Clerk Typist	₽ \$	14.75	1	5	16 20	ch 80	\$	1,180.00
	East Valley Shelter	Clerk Typist	э \$	14.75	1	5	26 26	260	\$	3,835.00
	West Valley Shelter	Clerk Typist	ф \$	14.75	1	Ŷ	26	260	\$	3,835.00
	West Los Angeles Sheller	Clerk Typist	\$	14.75	1	5 5	26		\$	3,835.00
	Harbor Shelter	Clerk Typist	\$	14.75	1	ว 5	26	52 260 260	\$	3,835.00
	Total		Ψ	14.70		J	<b>0</b>	<u>260</u> 1640		3,835.00 24,190.00
r v 2001-02	North Central Shelter	Clerk Typist	\$	15.36	1	5	52	260	\$	3,993.60
	South Central Shelter	Clerk Typist	\$	15.36	1	5	52	260	\$	3,993.60
	South Central Annex	Clerk Typist	\$	15.36	1	5	52	260	\$	3,993.60
	East Valley Shelter	Clerk Typist	\$	15.36	1	5	52	260	\$	3,993.60
	West Valley Shelter	Clerk Typist	\$	15.36	1	5	52	260	\$	3,993.60
	West Los Angeles Shelter	Clerk Typist	\$	15.36	1	5	52	260	\$	3,993.60
	Harbor Shelter	Clerk Typist	\$ .	15.36	1	5	52	260		3,993.60

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L. A. ANIMAL SERVICES Fax:213-473-7511

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WEBSITE LABOR EXPENDITURE UNDER SB 1785												
Name	Classification	Website Hours	SB 1785 Hours (.25)	Average Hourly Rate	Website Labor Expenditure							
Bob Perino	Sr. System Analyst II	40	10	\$42.18	\$421.80							
Donyielle Holly	Sr. System Analyst I	1649	412.25	\$34.06	\$14,041.24							
Napa Dumriwat	Systems Analyst II	53	13.25	\$25.84	\$342.38							
Various Staff	ACT Supervisor	30	7.5	\$20.68	\$155.10							
Various Staff Support	Animal Care Technician	85	21.25	\$15.80	\$335.75							
Various Staff Support	Sr Animal Contrrol Officer II	18	4.5	\$24.89	\$112.01							
Various Staff Support	Sr Animal Contrrol Officer I	17	4.25	\$22.97	\$97.62							
Various Staff Support	Animal Control Officer II	37	9.25	\$21.33	\$197.30							
Various Staff Support	Animal Control Officer I	47	11.75	\$17.67	\$207.62							
	Total	1976	494		\$15,910.82							

## acoption Reimbursement Claims

## ardware & Software Expenditures

Sorted by Date

> > -	PO#	Vendor	Description	Date	Involced <u>Amount</u>	Actual Paid <u>Amount</u>	Amount Invoice Fiscal Year <u>Number Sub-Totals</u>
		Various	Miscellaneous Computer Accessories	Mar-02	76,29	76.29	•
1		Various	Miscellaneous Computer Accessories	Apr-02	22.74	22.74	· ·
	•	Various	Miscellaneous Computer Accessories	May-02	507.56	507.56	
	166065	En Pointe Technologies	LaserJet Transfer Kit	5/28/2002	780.66	721.16	•
	175698	En Pointe Technologies	2 File Servers	6/25/2002	21,401.04	19,770.00	
	179626	En Pointe Technologies	PCs and Monitors	6/25/2002	18,348.38	16,950.00	125,844.14
FY 2	2001-02 Web		9 ° 6 m				المواد الشعبي والمتعالي والمتعالي والمتعالي والمتعالي والمتعالي والمتعالي والمتعالي والمتعالي والمتعالي والمتعا
	Credit Card	SecretAgents.com	Software	9/11/2001	10.00	10.00	
	Credit Card	Bookpool.com	Cold Fusion Manuel	9/19/2001	39.79	39.79	
	82415	Compucom	Software	11/27/2001	599.40	561.72	
	89751	En Pointe Technologies	File Server & Rack	11/7/2001	15,985.08	14,801.00	•
	<b>92914</b>	Dell Corporation	Warranty Service Agreemenent	1 <b>1/7/200</b> 1	500.00	500.00	
	101409	En Pointe Technologies	CDRW, SanJet, Cameras & LCD Projector	12/7/2001	6,373.16	5,901.07	
	101431	En Pointe Technologies	Laptop Computer	12/4/2001	2,948.40	2,730.00	
	102621	En Pointe Technologies	PCs	11/27/2001	10,497.60	9,720.00	
	106923	HLP	ChamCam Licenses	12/27/2001	14,586.00	14,430.00	
	118690	En Pointe Technologies	PCs, Monitors and Color LaserJet Printers	1/28/2002	48,320.90	44,638.25	25% 0+
	131551	Compucom	Software Licenses	3/13/2002	6,352.56	5,868.42	$\mathbf{N}_{\mathbf{r}}$
	131584	Compucom	Software	3/13/2002	139.76	129.11	8
	131616	En Pointe Technologies	Digital Cameras	2/20/2002	380.04	351.08	Web Sub Total => 99,680.44

590,955.00 573,787.04

Total Actual Amount Paid Less Web Related Expenditures ==> 474,106.60

75% of all Department Computer Equipment is located at shelter locations.

474,106.60 0.75 Actual Paid

573,787.04 -99,680.44

75% of total amount paid attributable exculsivley to shelter operations ==> \$355,579.95

Necessary and Prompt Medica	Necessary and Prompt Medical Care July 2001 Wider											
	<u>Totals</u>	Price	Total Cost									
Treatments	50	\$30.00	\$1,500.00									
ANESTHS IM	117	\$30.00	\$3,510.00									
ANESTHS IV	2	\$12.00	\$24.00									
ANESTHS LOCAL	120	\$20.00	\$2,400.00									
ANESTHS TQ	29	\$7.00	\$203.00									
ANTHELMIN INJ	762	\$5.00	\$3,810.00									
ANTHELMINT OR		\$5.00	\$335.00									
AURICULAR CLN	67	\$5.00	\$1,605.00									
AURICULAR MED	321	\$5.00	\$50.00									
BATHING	10	\$8.00	\$55,000.00									
BORDETELLA	6875	\$6.00	\$1,908.00									
CLP/CLN WOUND	318	\$5.00 \$5.00	\$1,510.00									
DEWORM	302		\$55,112.00									
DHLPP	6889	\$8.00 \$16.00	\$96.00									
DIP	6		/ <b>\$204.00</b>									
DRAIN PLACEME	34	\$6.00	\$45.00									
ENUCLEATION	1	\$45.00 <sup>7</sup> \$0.00	\$0.00									
EVALUATION	399		\$117,000.00									
EXAM	11700	\$10.00 \$10.00	\$30.00									
FECAL EXAM	3		\$756.00									
FLEA POWDER	216	\$3.50	\$15,770.00									
FLEA SPRAY	3154	\$5.00	\$18.00									
FRGN BODY RMV	3	\$6.00	\$90.00									
FUNGAL CUL	6	\$15.00										
FVRCP	1351	\$8.00	\$10,808.00 \$105.00									
HAND SCALING	7	\$15.00										
HEMATOMA	9	\$40.00	\$360.00									
HOSP INTEN CR	2	\$15.00	\$30.00 \$312.00									
INJECTION IV	26	\$12.00										
INJECTION SQ	2419	\$10.00	\$24,190.00									
IV CATHETER	11	\$10.00										
IV FLUIDS	15	\$10.00										
MED BATH	20	\$9.00										
MEDICATION	435	\$0.00										
MISC MEDICAL	11	\$40.00										
NAIL TRIM	1	\$3.50										
OPTHALMIC MED	654	\$5.00										
ORAL	13820	\$4.00										
PARVO CITETST	117	\$15.00										
PENG	38	\$10.00										
RJS BANDAGE	45	\$25.00										
SKIN SCRAPE	40	\$10.0										
SPLINT APPLIC	34	\$25.0										
SQ FLUID	30	\$10.0										
SUB Q FLUID	1	\$10.0	•									
SUTURING	· 67	\$10.0										
TOOTH EXTRACT	4	\$7.5										
TOPICAL	421	\$5.0										
TREATMENT	2											
VITAMINS	204											
WOODSLAMP	10		0 <u>\$70.00</u>									
•••	51,178.00	)	\$364,623.50									
			•									

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The rates below are to be used to prepare grant applications, contracts and billings for grant activities, and to compute Fees for Special Services, during 2001-02. They are to be applied only to straight time, gross salaries (with CTO). When only net salaries (without CTO) are available, convert net salaries to gross salaries using the CTO rate. For rates applicable to part time or overtime salaries, please contact CAP staff. Note: You MUST adjust rates to deduct directly billed costs. See list-Attachment C and Instructions-Attachment B.

	Fringe	Central	Department Administration	Division	070
DEPARTMENT/Cost Center	Benefits	Services	& Support	Overhead	СТО
AGING:					
Balance of Department	17.73%	42.52%	na	* .	18.52%
Title V	4.22%	3.09%	na	*	3.11%
ANIMAL SERVICES	24.31%	45.80%	35.36%	*	17.01%
ANIMAL SERVICES	24.31%	45.60%	55.50%		17.0170
BUILDING & SAFETY	21.39%	22.43%	23.32%	*	18.28%
CITY ADMINISTRATIVE OFFICER (OARS):	•				
CRA, Petroleum Admin., Proprietary,					
Capital Projects (Phy. Plant)	14.16%	20.83%	46.30%	*	18.50%
Disaster Grants Coordination	9.45%	49.12%	27.85%	*	18.50%
CITY ATTORNEY:					
Criminal	17.93%	21.88%	17.27%	*	17.83%
Direct Billed - User's Site (Proprietary Depts.)	13.44%	1.64%	5.79%	*	17.83%
Direct Billed - In City Space	13.26%	7.14%	10.16%	*	17.83%
CITY CLERK:					
Elections	36.10%	127.43%	9.20%	*	0.97%
Land Records	18.58%	80.47%	15.75%	*	18.91%
COMMISSION FOR CHILDREN, YOUTH AND THEIR FAMILIES	13.53%	57.12%	18.17%	*	20.78%
COMMISSION ON STATUS OF WOMEN	17.32%	152.24%	33.94%	*	24.12%
COMMUNITY DEVELOPMENT:					•
Balance of Department	18.75%	26.65%	na	*	17.94%
Summer Youth Employment Program	13.14%	0.32%	na	*	0.00%
CONTROLLER:					
Direct Billed (at User's site)	29.92%	12.68%	48.22%		19.56%
Direct Billed (in City space)	29.88%	78.64%	63.13%	*	19.56%
Direct Direct (in City space)	23.0070	10.0470	00.10%		10.0070
CULTURAL AFFAIRS	23.99%	70.27%	54.59%	*	17.87%
DEPARTMENT on DISABILITY	18.33%	68.06%	32.52%		17.71%
EL PUEBLO	14.56%	43.41%	25.34%	*	19.32%
EMERGENCY PREPAREDNESS DEPT Em. Prep. Ploicy & Public info.	17.06%	61.47%	n/a		n/a
ENVIRONMENTAL AFFAIRS: Policy/Public Information	15.91%	29.42%	22.80%	*	18.20%

### GUOLALLOVATION FLAM & GALAGE MUTLEVI VOVETRALEY THE VALUE I VALUE I VALAGE AND AND A VALAGE AND

The rates below are to be used to prepare grant applications, contracts and billings for grant activities, and to compute Fees for Special Services, during 2001-02. They are to be applied only to straight time, gross salaries (with CTO). When only net salaries (without CTO) are available, convert net salaries to gross salaries using the CTO rate. For rates applicable to **part time** or **overtime** salaries, please contact CAP staff. **Note: You MUST adjust rates to deduct directly billed costs**. See list-Attachment C and Instructions-Attachment B.

DEPARTMENT/Cost Center	Fringe Benefits	Central Services	Department Administration & Support	Division Overhead	сто
FINANCE, OFFICE OF		and the second secon			
Tax & Permit	23.86%	51.12%	15.85%		15.77
Cash Management & Street Bonds	22.42%	92.20%	63.19%		15.77
FIRE:					
Civilian	21.64%	28.05%	42.01%	*	19.94%
Sworn (Firefighters)	27.94%	25.38%	9.13%	,] *	27.16%
	ombined Dept. Admi cluding Field Suppor		22.43% 0		
GENERAL SERVICES:					
Materials Testing	21.56%	34.20%	10.90%	*	18.01%
Print Shop	22.87%	41.65%	2.68%	*	21.38%
HOUSING:					
Housing	17.76%	19.25%	na	*	17.76%
Rent Control	19.13%	15.25%	na	*	17.76%
Internal Administration	12.23%	24.85%	na	*	17.76%
HUMAN RELATIONS COMMISSION	18.52%	56.62%	40.72%	*	16.13%
LIBRARY	22.49%	27.51%	22.00%	*	18.33%
LOS ANGELES CONVENTION CENTER	20.56%	21.15%	36.75%	*	19.15%
MAYOR:					
Executive/Policy	17.74%	65.97%	37.30%	*	18.86%
Mayor Grant Funded/Spec. Programs	16.34%	47.57%	43.69%	•	23.50%
NEIGHBORHOOD EMPOWERMENT	(no rates ca	Iculated - insuffi	cient base year da	ata)	
PERSONNEL:					
Custody Care (Jails)	21.93%	13.87%	11.37%	*	18.04%
Personnel Grant Funded/Spec. Program	ns 15.78%	32.13%	13.62%	*	18.04%
PLANNING	21.33%	18.66%	24.40%	*	18.53%
POLICE:					•
Civilian	25.56%	14.02%	15.43%	*	22.59%
Sworn	29.96%	18.08%	21.54% a	ı. *	23.35%
٦	Combined Dept. Adm	in & Support Rata	<u>20.61%</u> t	Field Sup	port Rate,
	cluding Field Suppo		42.15% c	:. Sworn on	ly **
	iciu ouppo			<u></u>	

\*\*NOTE: For Fire and Police, the Field Support rate (line b.) captures overhead costs that are in addition to other Administrative and Support Costs. It has been added to the Department Administration rate on this schedule. Please use this combined rate (line c.) for sworn positions in field operations. For other, non-field sworn positions, do NOT use the Field Support rate; use only the regular Department Administration rate (line a.), together with the other (Fringe, Central Service and CTO) rates.

The rates below are to be used to prepare grant applications, contracts and billings for grant activities, and to compute Fees for Special Services, during 2001-02. They are to be applied only to straight time, gross salaries (with CTO). When only net salaries (without CTO) are available, convert net salaries to gross salaries using the CTO rate. For rates applicable to part time or overtime salaries, please contact CAP staff. Note: You MUST adjust rates to deduct directly billed costs. See list-Attachment C and Instructions-Attachment B.

			Department		
	Fringe	Central	Administration	Division	
DEPARTMENT/Cost Center	Benefits	Services	& Support	Overhead	СТО
PUBLIC WORKS, Board Office:					
Public Services	28.55%	44.94%	21.49%	*	18.34%
PW - Contract Administration:				•	
Construction Inspection	17.64%	16.83%	15.16%	61.96%	17.58%
		· · · ·			
PW - Engineering:		10 570/	00.449/	73.82%	18.67%
Stormwater Facilities Engineering	11.29%	43.57%	28.44%	45.84%	18.67%
Wastewater Facilities Engineering	19.25%	24.58%	25.47%		18.67%
Privately Financed & Assessment	18.35%	8.95%	24.77%	93.55%	
Street Improvements	13.55%	22.97%	26.09%	51.00%	18.67%
Municipal Facilities	18.96%	13.17%	25.10%	61.09%	18.67%
General Mapping & Survey	15.94%	25.66%	26.27%	38.09%	18.67%
PW - Sanitation Solid Waste Program	29.05%	98.01%	3.43%	<b>*</b>	20.73%
Wastewater/Stormwater Division	20.60%	26.82%	7.97%	*	20.73%
Wastewater/Stornwater Division	20.00 %	20.0270			
PW - Street Lighting	16.15%	49.74%	29.34%	* +	18.80%
PW - Street Services	22.47%	99.00%	26.97%	*	26.22%
St. Maintenance		ese five Division (		( Not avail	25.88%
Lot Cleaning	cal	culated by St. Se	rvices, assume that	Not avail	28.04%
Street Use	Eq	uipment is billed a	as a direct cost. When	Not avail	21.98%
Street Tree	suc	ch is done, the Ce	entral Services rate	Not avail	28.86%
	1	I be reduced to ex ed equipment.	clude the directly	Not avail	
Street Improvement				(	
RECREATION & PARKS	28.51%	29.53%	11.74%	*	25.09%
TRANSPORTATION	22.02%	40.57%	13.29%	*	20.57%
Zoo Department	24.11%	17.57%	19.37%	*	23.15%

Notes:

\* Division Overhead includes costs of division heads, section supervisors, clerical and other support staff within divisions or sections. These costs are not part of the Department Administration rate, but are legitimate costs which should be recovered if allowed by your grantor. If these costs are not charged directly to a grant, a Division Overhead indirect cost rate should be calculated. To maintain consistency and insure that Division Overhead costs do not overlap with Department Administration costs, please contact CAP staff for assistance in calculating these rates. Public Works Division Overhead rates are computed by Public Works staff and published herein as a courtesy.

	CLAIM F' PAYM	ENT		F ate Controller Use Only	
	t to Government Coo ANIMAL ADOPT			(19) Program Number 00213 (20) Date Filed <u>1 1 5 - 1</u> (21) LRS Input/	Program 213
(01) Claimant Identification 9819487	Number			Reimbursement C	Claim Data
(02) Claimant Name City of Los Angele	es	JR	IGINAL	(22) AA-1, (04)(A)(1)(g)	
County of Location	<b>RECEIVED</b> May 19, 2014			(23) AA-1, (04)(A)(2)(g)	1,130
Street Address of P.C 419 S. Spring Street	D. Box Commission on	J	Suite Room 1400	(24) AA-1, (04)(A)(3)(g)	58,826
City Los Angeles	State CA		Zip Code 90013	(25) AA-1, (04)(B)(1)(g)	
Type of Claim	Estimated Claim	R	eimbursement Claim	(26) AA-1, (04)(B)(2)(g)	
	(03) Estimated	(09)	Reimbursement X	(27) AA-1, (04)(B)(3)(g)	291,737
	(04) Combined	(10)	Combined	(28) AA-1, (04)(B)(4)(g)	12,018
	(05) Amended	(11)	Amended	(29) AA-1, (04)(B)(5)(g)	115,785
Fiscal Year of Cost	(06)	(12)	2002-2003	(30) AA-1, (04)(B)(6)(g)	
Total Claimed Amount	(07)	(13)	\$978,114	(31) AA-1, (04)(B)(7)(g)	9,372
LESS: 10% Late Penalty	· · · · · · · · · · · · · · · · · · ·	(14)	)	(32) AA-1, (04)(B)(8)(g)	23,920
LESS: Prior Claim Paym	nent Received	(15)	· · · · · · · · · · · · · · · · · · ·	(33) AA-1, (04)(B)(9)(g)	226,389
Net Claimed Amount		(16)	\$978,114	(34) AA-1, (04)(B)(10)(g)	78,179
Due from State	(08)	(17)	\$978,114	(35) <b>AA-1, (06)</b>	59
Due to State		(18)	)	(36)	

### (37) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Govenment Code Sections 1090 to 1098, inclusive.

I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.

The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Officer

Jerry Gree ńwalt

Type or Print Name

(38) Name of Contact Person for Claim

**Ginger Wilhite, MAXIMUS** 

Date

General Manager

Title Telephone Number 916-485-8102

E-mail Address gingerwilhite@maximus.com

Program 213		C	A	MANDA NIMAL ENT/AC	ADOP	TION	ETAIL				FORM AA-2
(01) Claima	nt: City of	Los Ange	les	(02) Fisc	al year co	sts were i	ncurred:			2002-200	)3
(03) Reimbu One-Time	ursable Components: C			er form to X	identify t	he compo	nent beir	ng claime	1	er Software	Э
Ongoing	Acquiring Sp	bace/Facilitie	es		Renovat	ing Facilitie	es	· · · · ·	Care of [	Dogs & Ca	its
	Care of Othe	er Animals			Holding	Period			Feral Ca	ts	
	Lost and Fo	und Lists			Non-Med	dical Recor	ds		Veterina	ry Care	
	Procuring Ed	quipment									
(04) Descrip	otion of Expenses	•					Ot	ject Acco	ounts	-	
Emple	(a) oyee Names, Job	(b) Hourty	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	
Classification	ns, Functions Performed scription of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Bei
reimbursabl (one-time per e Animal Cont Senior Clerk Clerk Typist	employee) trol Officers (5) t Typist (1)	\$21.84 \$24.86 \$18.99	22.89% 22.89% 22.89%	3.00					\$218 \$75 \$627	\$50 \$17 \$143	\$26 \$9 \$77
əach.	ved 2 hours of training s received 3 hours of										
.`				· · · ·				-			

<b>با</b> بر مراجع	<b>`</b>										
Program 213				ANIMA	ATED CO L ADOP CTIVITY C	TION	DETAIL				FORM AA-2
(01) Claimai	City of	f Los Ange			al year cos					2002-200	3
(03) Reimbu One-Time	Policies and	Check only	one box p	per form to		ne compo	nent bein		1		
		· · · ·	······		Training			X	Computer	Software	
Ongoing	Acquiring Sp	es		Renovatir	ng Facilitie	S		Care of D	ogs & Cats	5	
	Care of Othe				Holding F	'eriod			Feral Cate	3	
	Lost and Fo				Non-Med	ical Record	ds		Veterinary	/ Care	
	Procuring Ed	quipment									
(04) Descrip	(a)	(h)	1 (-)					bject Acco	ounts		· · · ·
Emplo Classification	oyee Names, Job ns, Functions Performed	(b) Hourly Rate or	(c) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	
and Des	cription of Expenses	Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.
maintenanco animal recol	oftware for the e of non-medical				\$24,000						
Prepare and requisitions orders. <u>Sr. Systems</u> 25% Maintenance	of annual salary I monitor purchase and purchase <u>s Analyst I</u> of annual salary								\$9,388 \$18,951	\$2,149 \$4,338	\$11,537 \$23,289
*Benefit rate											
(05) Total (	( ) Subtotal ( )	Page:	of		\$24,000				\$28,339	\$6,487	\$34,826

Program 213	C		ANIMÀL	TED COS ADOPTI TIVITY CO	ON	ΓAIL				FORM AA-2
(01) Claimant: City of	Los Ange	les	(02) Fisc	al year cost	s were inc	urred:			2002-20	)3
(03) Reimbursable Components: Cl One-Time Policies and P		ne box pe	r form to i	dentify the c	omponen	t being cla	aimed.	Comput	er Softwar	Э
Ongoing Acquiring Spa	Animals	als Holding Period Feral Cats s Non-Medical Records Veterinary C								
Procuring Equ	uipment									
(04) Description of Expenses (a)	(b)	(c)	(d)	(e)	(f)	(g)	ect Accou (h)	Ints	(i)	
Employee Names, Job Classifications, Functions Performed and Description of Expenses	Hourly Rate or Unit Cost	Benefit Rate	Hours Worked or Quantity	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Salaries	Benefits	Total Sal. & Ben.
Care and maintenance for impounded stray or abandon- ed dogs and cats that die or are ultimately euthanized during the increased holding period. <i>Please see attached calculations and detailed operating expenses.</i> Total Shelter Cost for all animals: \$6,257,289 Yearly census 449,730 Number Euthanized Reimbursable days 2				\$291,737						
(05) Total ( ) Subtotal ( )	Page:	of		\$291,737						

Revised 09/03

• \*

Program 213	MANDATED COSTS ANIMAL ADOPTION COMPONENT/ACTIVITY COSTS DETAIL									FORM AA-2			
(01) Claima	int: City of	Los Ange	eles	(02) Fisc	al year cos	ts were in	curred:			2002-20	03		
(03) Reimb One-Time	ursable Components: Ch Policies and F		ne box pe	er form to i	<b>identify the</b> Training	compone	ent being	claimed.	Comput	er Softwar	e		
Ongoing		Acquiring Space/Facilities			Renovating Facilities						Care of Dogs & Cats		
	X Care of Other Animals			Holding Period						Feral Cats Veterinary Care			
	Procuring Equ												
(04) Descri	ption of Expenses						Obj	ect Accou	unts				
Em	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)				
Employee Names, Job Classifications, Functions Performed and Description of Expenses		Hourly Rate or Unit Cost	Benefit Rate	Hours Worked or Quantity	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Salaries	Benefits	Total Sal. & Ben.		
impounded ed "Other" a are ultimate during the in period. <i>Please see a</i> <i>and detailed</i>	449,730 nanized				\$12,018								

Revised 09/03

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### CARE OF OTHER ANIMALS

### **DESCRIPTION:**

Provide care and maintenance for other animals, including but not limited to rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles and/or tortoises, that were ultimately euthanized during the increased holding period.

449,730

### FORMULA:

Total Shelter cost for all animals: \$6,257,289

Yearly census:

Number euthanized during increased holding period: 216

Number of reimbursable days: 4

### **COMPUTATION:**

Annual shelter cost / yearly census = Daily cost per animal

Daily cost per animal x number of other animals that are euthanized x number of reimbursable days = reimbursable expense

OR

\$6,257,289 / 449,730 = \$13.91

 $13.91 \times 216 \times 4 = 12,018$ 

**EXPENSE TOTAL:** 

<u>\$12,018</u>

Program 213 MANDATED COSTS ANIMAL ADOPTION COMPONENT/ACTIVITY COSTS DETAIL										FORM AA-2								
(01) Claimant:	City of	Los Ang	eles	(02) Fiscal year costs were incurred: 2002-2003														
	e Components: C			ber form to	dentify	the com	ponent be	ing claim	ed.									
One-Time	One-Time Policies and Procedures								Compute	r Software								
Ongoing	Dngoing       Acquiring Space/Facilities         Care of Other Animals				Renovat	ing Facil	Care of Dogs & Cats											
				X Holding Period					Feral Cats									
	Lost and Found Lists				Non-Me	dical Rec	cords	Veterinary Care										
(04) Description of	······································							Object Acc	counts	(i) Benefits Total Sal. & Ben								
3)	a)	(b)	(c)	(d)	(e)	(f)	(g)	_ (h)		(i)								
Employee N Classifications, Fur and Descriptio		Hourly Rate or Unit Cost	Benefit Rate	Hours Worked or Quantity	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Salaries	Benefits	Total Sal. & Ben.							
on Sundays to ma available for own as mandated. <u>Animal Care Techn</u> <u>Clerk Typist</u> <u>Clerk Typist (as no Senior Clerk Typis</u>	er redemption <u>nician</u> eeded)		22.89% 22.89% 22.89%						\$73,564 \$2,507 \$21,377 \$752	\$16,839 \$574 \$172	\$90,403 \$3,081 \$21,377 \$925							
(05) Total ( )	Subtotal ( )	Page:_	of								\$115,785							

с. <b>Х</b>							. •						
Program 213 COMPON					TED CO ADOP TIVITY C	TION	ETAIL				FORM AA-2		
(01) Claimant: City of Los Angeles					al year co	sts were i		2002-2003					
(03) Reimbur One-Time	sable Components: 0 Policies and	Check only Procedures	one box p	per form to	<b>identify</b> f	the compo	onent bei	ng claime	7	er Softwar			
Ongoing					Renovating Facilities				Care of Dogs & Ca				
	Acquiring Space/Facilities			L	1	-	es	[	ats				
	X Lost and Fo			[	Holding Period Feral Non-Medical Records Veteri								
Γ	Procuring Equipment				Non-Medical Records Veterinary Care								
(04) Descripti	ion of Expenses			·····	[		Oł	oject Acco	ounts		· · · · · · · · · · · · · · · · · · ·		
	(a) vee Names, Job	(b) Hourty	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel					
Classifications	, Functions Performed ription of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and	Salaries	Benefits	Totai Sal. & Ben.		
		\$18.99	22.89%	401.50					\$7,626	\$1,746	\$9,372		
(05) Total (	) Subtotal ( )	Page:_	of						\$7.626	\$1,746	\$9,372		

Program			MANDA	TED CC	NCTC	<u></u>				
			ANIMAL							FORM
213	C	COMPON	IENT/AC	τινιτγ ο	OSTS D	DETAIL				AA-2
(01) Claimant: City	of Los Ang	jeles	(02) Fisc	al year co	sts were i	ncurred:			2002-200	3
(03) Reimbursable Component	: Check <u>only</u>	one box p	per form to	identify f	he compo	onent beir	ng claime	d.		
One-Time Policies	and Procedure	s 		Training				7	r Software	
Ongoing Acquirin	) Space/Faciliti	es		Renovat	ing Faciliti	es		Care of D	ogs & Cat	S
Care of	Other Animals			Holding	Period			Feral Cat	8	
Lost and	Found Lists		X	Non-Me	dical Reco	rds		Veterinar	y Care	
Procurin	g Equipment									
(04) Description of Expenses						0	bject Acc	ounts		
(a) Employee Names, Job	(b) Hourly	(c) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h)		(i)	
Classifications, Functions Perform and Description of Expenses	ed Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	Travel and Training	Salaries	Benefits	Total Sal. & Ben.
Maintain non-medical records on animals that are taken up, euthanized after the holding period, or impounded. Minutes per Record Number of Records 11,90 Animal Care Technician		22.89%	996.67					\$19,465	\$4,456	\$23,920
(05) Total ( ) Subtotal (	) Page:_	of						\$19,465	\$4,456	\$23,920

k.

Program 213			СОМРО	ANIMA	ATED CO L ADOF CTIVITY (	TION	DETAIL				FOR AA-2
(01) Claimant:	City of	Los Ang	eles	(02) Fisc	al year cos	ts were in	curred:			2002-200	3
(03) Reimbursable				per form to	o identify t	he compo	nent beir	ng claimed	7		
One-Time	Policies and	Procedure	s		Training			L.	Compute	r Software	
Ongoing	Acquiring S	pace/Faciliti	es		Renovati	ng Facilitie	es		Care of D	ogs & Cats	
	Care of Oth	er Animals			Holding F	Period			Feral Cat	s	
	Lost and Fo	und Lists			Non-Med	ical Recor	ds	X	Veterinar	y Care	
	Procuring E	quipment									
(04) Description o	f Expenses						C	bject Acc	ounts		
(a) Employee Na	mes, Job	(b) Hourly	(c) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	
Classifications, Fundand Description		Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Tota Sal. & I
Average time (min emergency treater <u>Veterinarian</u> Veterinary Techn Animal Medical Su	ician			1836.60 1836.60	\$83,002				\$71,774 \$44,905		\$88,2 \$55,1

Program 213			MANDA ANIMAL NENT/AC		TION	DETAIL				FORM AA-2
(01) Claimant: City	of Los Ang	eles	(02) Fisc	al year co	sts were	incurred:			2002-200	03
(03) Reimbursable Components: One-Time Policies and	Check only nd Procedures		per form to	<b>identify</b> f	he compo	onent being	claimed.	1	er Software	9
	Space/Faciliti	es		Renovat Holding	ing Faciliti Period	es		Care of Feral Ca	Dogs & Ca ts	ts
	Found Lists Equipment			Non-Me	dical Reco	rds		Veterina	ry Care	
(04) Description of Expenses						Obj	ject Acco	unts		
(a) Employee Names, Job	(b) Hourly	(c) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	5
Classifications, Functions Performed and Description of Expenses		Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.
Procure medical, kennel, and computer equipment necessary to comply with the mandate. Hardware and Software Expenditures						\$78,179				
(05) Total ( ) Subtotal ( )	Page:_	of				\$78,179				

### **TRAINING EXPENSES**

## **DESCRIPTION:**

Training employees (new hires) on the mandated activities

## **EXPENSE:**

Animal Control Officers 2 hours per employee: Annual salary / 1,800 x number of employees x number of hours.

Senior Clerk Typist 3 hours per employee: Annual salary / 1,800 x number of employees x number of hours.

Clerk Typist 3 hours per employee: Annual salary / 1,800 x number of employees x number of hours.

## CALCULATION:

Animal Control Officers:  $39,318 / 1,800 = 21.84 \times 5$  New ACO Employees x 2 hours each = 393.

Senior Clerk Typist: \$44,744 / 1,800 = \$24.86 x 1 New Senior Clerk Typist Employee x 3 hours each = \$74.

Clerk Typist:  $34,190 / 1,800 = 18.99 \times 11$  New Clerk Typist Employees x 3 hours each = 626.

**OR** 

EXPENSE TOTAL:	<u>\$020</u> \$886
Senior Clerk Typist Clerk Typists	\$ 74 \$626
Animal Control Officers:	\$393

Attachment: 1

## SYSTEMS EXPENSES

## **DESCRIPTION:**

Develop or purchase computer software to maintain non-medical animal records as mandated.

## **EXPENSE:**

Chameleon Licensing Expense:	\$ 24,000
Prepare and monitor purchase requisitions, Purchase Orders, etc.: 10% of Sr. Systems Analyst II time. Annual salary is \$93,880	\$ 9,388
Maintenance of animal information on Website: 25% of Sr. Systems Analyst I time. Annual salary is \$75,805	\$ 18,951
Annual adoption reimbursement claim for hardware and software Expenditures	<u>\$78,179</u>

**EXPENSE TOTAL:** 

## <u>\$130,518</u>

#### SHELTER OPERATING EXPENSES FISCAL YEAR 2002-03

CLASSIFICATION / ACCOUNT	ANIMAL CARE	VETERINARY CARE	SHELTER OPERATIONS	ADOPTION / REDEMPTIONS	TOTAL	ANNUAL SALARY/ EXPENSES	то	TAL ALLOWABLE EXPENSE	G	RAND TOTAL
PERSONNEL CLASS										
ANIMAL CARE TECHNICIAN	42			14	56	\$ 35,155.00	\$	1,968,680.00		
ANIMAL CARE TECHNICIAN (N)	28				28	\$ 35,155.00	\$	984,340.00		
ANIMAL CAE TECHNICIAN SUPERVISOR	6				6	\$ 46,016.00	\$	276,096.00		
VETERINARIAN		5			5	\$ 70,335.00	\$	351,675.00		
VETERINARY ASSISTANTS		10		4	14	\$ 44,017.00	\$	616,238.00		
VETERINARY ASSISTANTS (N)		10			10	\$ 44,017.00	\$	440,170.00		
CLERK TYPIST			6	8	14	\$ 34,190.00	\$	478,660.00		
SR. CLERK TYPIST			3	3	6	\$ 44,744.00	\$	268,464.00		
SR. ANIMAL CONTROL OFFICER II			4		4	\$ 55,385.00	\$	221,540.00		
SR. ANIMAL CONTROL OFFICER II (N)			1		1	\$ 55,385.00	\$	55,385.00		
SR. ANIMAL CONTROL OFFICER I			1		1	\$ 51,117.00	\$	51,117.00		
MANAGEMENT ANALYST I				1	1	\$ 57,440.00	\$	57,440.00		
SUB-TOTAL	76	25	15	30	146				\$	5,769,805.00
ACCOUNT										
2120 - PRINTING AND BINDING *						\$ 62,296.00	\$	29,482.00		
3040 - CONTRACTUAL SERVICES *						\$ 76,672.00	\$	36,286.00		
3190 - MEDICAL SUPPLIES						\$ 214,880.00	\$	214,879.00		
3310 - TRANSPORTATION EXPENSE **						\$ 5,682.00	\$	4,550.00		
4430 - UNIFORMS ***						\$ 11,474.00	\$	656.00		
4580 - ANIMAL FOOD / FEED AND GRAIN						\$ 79,205.00	\$	79,205.00		
6010 - OFFICE & ADMINISTRATIVE EXPENSE*	÷					\$ 125,637.00	\$	59,459.00		
6020 - OPERATING SUPPLIES****						\$ 133,541.00	\$	62,967.00		
		·····			<u></u>			<u></u>	\$	487,484.00
Total Shelter Operating Expense								=	\$	6,257,289.00

\* Total Allowable Expense computed by dividing the Annual Salary Expense by the number of Authorized Positions of 308.5 and multiplying the number of eligible employees who worked on SB 1785.

\*\* The Transportation Expense was computed using the mileage paid to the Management Analyst I who acts as the Departments Adoption Coordinator.

\*\*\* The Uniform Expense was computed by dividing the Annual Uniform Expense by the number of Employees authorized a Uniform Allowance times the number of employees receiving Uninform Allowances who worked on SB 1785.

\*\*\*\* More Operating Supplies are used by Shelter and Field Operations. Therefore 83% of the Operating Expense was assigned to Shelter and Field Operations. The Formula is now \$133,541 x 83% = \$110,839. \$110,839 / 257 Field and Shelter Operating Employees x 146 SB 1785 Employees = \$62,967.

## Animals that Died during the Extended Holding Period or Were Ultimately Euthanized July 1, 2002 to June 30, 2003

Died		Euthan	ized	
Cats/Dogs Others	91 36	Cats/Dogs Others	10,484 216	10,575 252
	127		10,700	10,827

Total Animals: 10,827

Sunday Uperations

· · · · · · · · · · · · · · · · · · ·						<b></b>						20	02										
NAMES		ļ	JUL				AUG			SEP				ОСТ				NOV			DE	C	
		P/H	1		MONTHLY	P/H		MONTHL			N	NONTHLY	P/H		MONT		P/H		MONTHLY	P/H			MONTLY
	CLASS	SALARY	HOURS		TOTAL	SALARY	HOURS	TOTAL	SALARY			TOTAL	SALARY	HOURS	тот	AL	SALARY	HOURS	TOTAL	SALARY	HOUR	s	TOTAL
rcon, Carlos	ACT	\$18.58	20	\$	371.60	\$18.58	15	<u>\$ 278.7</u>	0 \$18.58	15		278.70			<u>\$</u>	-			<u>\$ -</u>			\$	-
ry, Jason	ACT			\$				<u>\$</u> -			\$	-			\$	-			<u>\$ -</u>	\$15.79		0 \$	
drige, Amanda	ACT	\$15.79	10	\$	157.90	\$15.79	15	\$ 236.8	5 \$15.79	25	<u> </u>	394.75			\$	-	\$15.79	15	\$ 236.85	\$15.79	2	0\$	315.80
itista, Juan	ACT			\$	-			<del>\$ -</del>			\$	-			\$	-			<u>\$</u> -			\$	-
ancourt, D	ACT			\$	-			<u>\$</u> -	\$15.79	5	\$	78.95			\$	-	\$15.79	15	\$ 236.85	\$15.79		5 \$	78.95
ntero, D	ACT			\$	-			\$-			\$	-			\$	-			\$ -			\$	-
r, Christine	ACT			\$	-	\$16.67	15	\$ 250.0	5 \$16.67	25	\$	416.75	\$16.67	20	\$ 33	3.40	\$16.67	20	\$ 333.40			\$	+
ter, Larry	ACT	\$16.67	15	\$	250.05			\$ -	\$16.67	25	\$	416.75	\$16.67	10	\$ 16	6.70	\$16.67	15	\$ 250.05	\$ 16.67	2	0 \$	333.40
on, Fernindad	ACT			\$	-			\$-			\$	-			\$	-			\$-			\$	-
on, S	ACT	\$18.58	20	\$	371.60	\$18.58	10	\$ 185.8	0 \$18.58	25	\$	464.50	\$18.58	20	\$ 37	1.60			\$-			\$	-
ea, Leslie	ACT	\$16.67	10	\$	166.70			\$ -			\$	-			\$	•	\$16.67	15	\$ 250.05	\$16.67	2	0 \$	333.40
tes, Marisol	ACT	\$17.60	20	\$	352.00			\$ -			\$	-			\$	-			\$ -			\$	-
nis, Tse	ACT			\$	-			\$ -	\$15.79	15	\$	236.85			\$	-			\$ -	\$15.79	1	5 \$	236.85
ticos, Leslie	ACT			\$	-			\$ -			\$	-			\$	-			\$ -	\$15.79	1	0 \$	157.90
stman, S	ACT	\$18.58	5	\$	92.90			\$ -	\$18.58	20	\$	371.60	\$18.58	5	\$ 9	2.90	\$18.58	20	\$ 371.60	\$18.58	2	0 \$	371.60
es, Charla	ACT			\$	-	\$18.58	10	\$ 185.8	3 \$18.58	25	\$	464.50	\$18.58	20	\$ 37	1.60			\$ -			\$	-
patrick, Maria	ACT	\$15,79	10	\$	157.90	\$15.79	20	\$ 315.8	D		\$	÷			\$	•			\$ -	\$15.79	1	0 \$	157.90
nklin, Kevin	ACT	\$15.79	10	\$	157.90			\$ -			\$	-			\$	-			\$ -	\$15.79	1	0 \$	157.90
rdoce, N	ACT			\$	-			\$ -			\$	-			\$	-			\$ -			\$	
on, Oliver	ACT	\$17.60	5	\$	88.00	\$17.60	10	\$ 176.0	0 \$17.60	20	\$	352.00	\$17.60	5	\$ 8	8.00			\$ -			\$	
nzalez, L	ACT	1	1	\$	-	\$17.60	5	\$ 88.0	0		\$	-			\$	-			\$ -		1	\$	
rrison, V	ACT	1		\$	-	[		\$ -	\$18.58	5	\$	92.90	\$18.58	5	\$ 9	2.90			\$ -	\$18.58		5 \$	92.90
uck, Christy	ACT		1	\$	-			\$ -			\$	-			\$	-	\$15.79	5	\$ 78.95	\$15.79	1	0 \$	157.90
rskovic, L	ACT			\$	-		·	\$-			\$	-	\$16.67	5	\$8	3.35			\$ -			\$	-
well, C	ACT			\$	-	\$15.79	10	\$ 157.9	0		\$	-			\$	-	\$15.79	5	\$ 78.95			\$	-
enez, Armando	ACT	1	T	\$	-			\$ -			\$	-			\$	-			\$ -	\$ 18.58		5 \$	92.90
nes, M	ACT	\$17.60	20	\$	352.00	\$17.60	20	\$ 352.0	0		\$	-	\$17.60	10	\$ 17	6.00	\$17.60	10	\$ 176.00	\$17.60		5 \$	88.00
e,Michael	ACT		1	\$	-	\$18.58	20	\$ 371.6	0		\$	-			\$	-			\$ -	1		\$	-
near, Andre	ACT	\$16.67	5	\$	83.35			\$ -			\$	-			\$	-			\$ -	1		19	, –
bez, J	ACT	\$19.09	10	\$ 1	190.90	\$19.09	20	\$ 381.8	0 \$ 19.09	25	\$	477.25	\$19.09	15	\$ 28	6.35	\$19.09	15	\$ 286.35	\$ 19.09	2	0 \$	381.80
llet, D	ACT	1		\$	-	1		\$ -			\$	-			\$	-			\$ -	\$15.79		5 \$	78.95
rino. Christine	ACT	\$17.60	15	5 \$	264.00	\$17.60	20	\$ 352.0	0 \$17.60	10	\$	176.00	\$17.60	5	\$ 8	8.00	\$17.60	10	\$ 176.00		1	15	
rquez, O	ACT	\$15.79	15	5 \$		\$15.79	20		0 \$15.79	20	\$	315.80	\$15.79	15			\$15.79	20			2	0 \$	315.80
rtinez, Maria	ACT	+		†ŝ	-			\$ -	1		\$	-			\$	-			\$ -	\$ 19.09		5 \$	
intyre, Julie	ACT	\$15.79	15	5 \$	236.85	\$15.79	15	\$ 236.8	5 \$ 15.79	25	<u> </u>	394.75	\$15.79	15	<u> </u>	6.85	\$15.79	20	<b>.</b>			0 \$	
		1 # 10.10		ĽΨ		L	1	÷ 200.0	<u> </u>		ι. <u>Ψ</u> .		<u>,,,,,,</u>	1 10	<u> </u>	0.00	<b>\$10.70</b>	201	φ 010.00	1 4 10.70	<u>^</u>	<u>~_</u>	0.00

				 							20	02											
NAMES			JUL			AUG				SEP			OCT				NOV				DEC		
indoza, S	ACT			\$ -			\$	-	\$15.79	5	\$ 78.95			\$	-	\$15.79	20	\$	315.80	\$15.79	15	<b>\$</b> .	85
chael Lee	ACT	\$18.58	20	\$ 371.60			\$	-			\$ -			\$	-			\$	-			\$	-
lena, R	ACT	\$16.67	15	\$ 250.05	\$16.67	15	<u> </u>	250.05	\$16.67	25	 416.75	\$16.67	10			\$16.67	20	\$	333.40	\$16.67	25	\$	416.75
ller, Jacob	ACT			\$ -		15	\$	-	\$15.79	15	\$ 236.85	\$15.79	10	\$	157.90	\$15.79	10	\$	157.90			\$	- 1
ondragon, Salvador	ACT	\$16.67	15	\$ 250.05			\$	-	\$16.67	5	\$ 83.35	\$16.67	15	· · · · · ·	250.05	\$16.67	15	\$	250.05	\$17.60	15	\$ 2	264.00
preno, Michelle	ACT	\$15.79	5	\$ 78.95	\$15.79	15	\$	236.85			\$ -	\$15.79	15	\$	236.85	\$15.79	20	\$	315.80	\$15.79	10	<b>\$</b>	157.90
varro, Kristi	ACT	\$15.79	10	\$ 157.90	\$15.79	5	\$	78.95	\$15.79	20	\$ 315.80			\$	-	\$15.79	5	\$	78.95			\$	-
hoa, Mario	ACT	\$15.79	15	\$ 236.85			\$	-	\$15.79	20	\$ 315.80	\$15.79	15	\$	236.85			\$	-	\$15.79	25	\$ :	394.75
tiz-Luis, Alex	ACT	\$15.79	15	\$ 236.85			\$	-			\$ -	\$15.79	15	\$	236.85			\$	-			\$	-
ven, Aaron	ACT			\$ -			\$	-			\$ -			\$	-			\$	-			\$	-
tten, Grafton	ACT			\$ -	\$16.67	15	\$	250.05			\$ -			\$	-			\$	-			\$	-
iul, D	ACT	\$16.67	20	\$ 333.40			\$	· -			\$ -			\$	-	\$16.67	10	\$	166.70			\$	-
parip, V	ACT	\$18.58	10	\$ 185.80	\$18.58	20	\$	371.60			\$ -			\$	-			\$	-			\$	-
odrick, Joseph	ACT	\$15.79	15	\$ 236.85	\$15.79	15	\$	236.85	\$15.79	20	\$ 315.80	\$15.79	5	\$	78.95	\$15.79	20	\$	315.80	\$15.79	20	\$ 3	315.80
imudio, Josh	ACT			\$ -			\$	-			\$ -			\$	-			\$	-			\$	-
indoval, M	ACT			\$ -			\$	-			\$ -			\$	-			\$	-			\$	-
monson, Dean	ACT	\$15.79	15	\$ 236.85			\$	-	\$16.67	5	\$ 83.35			\$	-	\$16.67	10	\$	166.70			\$	-
immers, R	ACT	\$18.58	5	\$ 92.90			\$	-			\$ -			\$	-			\$	-	\$18.58	5	\$	92.90
e, Dannis	ACT	\$15.79	15	\$ 236.85			\$	-	\$15.79	5	\$ 78.95	\$15.79	15	\$	236.85	\$15.79	20	\$	315.80			\$	-
ilencia, Yadira	ACT			\$ -			\$	-			\$ 	\$15.79	5	<u> </u>	78.95			\$	-	\$15.79	15	\$	236.85
hite, M	ACT	\$16.67	10	\$ 166.70	\$16.67	15	\$	250.05	\$16.67	25	\$ 416.75	\$16.67	10	\$	166.70	\$16.67	13			\$16.67	10	<u>\$</u> _1	ຳ ົີ.70
illis, D	ACT			\$ -	\$15.79	15	\$	236.85			\$ -			\$	-	\$15.79	10	\$	157.90	\$15.79	20	\$	.80
yrozumski, Travis	ACT			\$ -			\$	-			\$ •			\$	-			\$	-			\$	-
ang, Angie	ACT			\$ -			\$	-	\$15.79	15	\$ 236.85	\$15.79	10	\$	157.90			\$	-			\$	-
oung, S	ACT			\$ -			\$	-			\$ -			\$	-	\$18.58	20	_	371.60			\$	-
JB TOTAL			390	\$ 6,602.10		355	\$5	5,796.20		445	\$ 7,511.25		275	\$4	4,629.05		378	\$6,	,269.76		405	\$6,	710.30

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NAMES		1	JAN		Τ	FEB		1	MAR			APR			MAY		1	JUN	<u> </u>
		P/H		MONTHLY	P/H		MONTHLY	P/H		MONTHLY	P/H	1	MONTHLY	P/H		MONTHLY	P/H	r r	MONTHLY
	CLASS		HOURS		1	HOURS	TOTAL	SALARY	HOURS	TOTAL	SALARY	HOURS	TOTAL	SALARY	HOURS	TOTAL	SALARY	HOURS	TOTAL
rcon, Carlos	ACT	\$18.95	5	\$ 94.75	1		\$ -			\$ -			\$-			\$ -	\$18.95	20	
ery, Jason	ACT			\$ -	\$16.10	15	\$ 241.50	\$16.10	25	\$ 402.50	\$16.10	20	\$ 322.00			\$ -	\$16.10	5	
Idrige, Amanda	ACT			\$ -			\$ -			\$ -			\$ -			\$ -			<u> </u>
utista, Juan	ACT	1		\$ -	\$17.00	15	\$ 255.00	\$17.00	25	\$ 425.00	\$17.00	15	\$ 255.00	\$17.95	10	\$ 179.50			\$ -
tancourt, D	ACT	\$16.10	5	\$ 80.50			\$ -			\$ -	\$17.00	10	\$ 170.00	\$17.00	10	\$ 170.00			\$ -
ntero, D	ACT	\$17.95	5	\$ 89.75	\$17.95	10	\$ 179.50			\$ -	\$18.95	15	\$ 284.25	\$18.95	20	\$ 379.00	\$18.95	10	\$ 189.50
rr, Christine	ACT	\$17.00	20	\$ 340.00	\$17.00	10	\$ 170.00	\$17.00	20	\$ 340.00	\$17.00	5	\$ 85.00	\$17.00	10	\$ 170.00	\$17.95	10	\$ 179.50
rter, Larry	ACT	\$17.00	20	\$ 340.00	\$17.00	20	\$ 340.00	\$17.00	20	\$ 340.00	\$17.00	20	\$ 340.00	\$17.00	10	\$ 170.00			\$ -
lon, Fernindad	ACT	\$19.47	10	\$ 194.70	\$19.47	10	\$ 194.70	\$19.47	15	\$ 292.05			\$-			\$ -			\$ -
lon, S	ACT	1		\$ -	1		\$ -	\$18.95	25	\$ 473.75	\$18.95	5	\$ 94.75	\$18.95	5	\$ 94.75	\$18.95	15	\$ 284.25
rea, Leslie	ACT	\$17.00	15	\$ 255.00	\$17.00	20	\$ 340.00	\$17.00	25	\$ 425.00	\$17.00	20	\$ 340.00	\$17.00	20	\$ 340.00	\$17.95	10	\$ 179.50
rtes, Marisol	ACT			\$-			\$ -			\$ -	\$17.95	5	\$ 89.75			\$ -		Ť	\$ -
nnis, Tse	ACT			\$-			\$ -			\$ -			\$ -			\$ -			\$ -
rticos, Leslie	ACT			\$ -			\$ -			\$ -			\$-			\$ -			\$ -
stman, S	ACT	\$18.95	15	\$ 284.25	\$18.95	20	\$ 379.00	\$18.95	20	\$ 379.00	\$18.95	15	\$ 284.25			\$ -	\$18.95	15	\$ 284.25
les, Charla	ACT			\$-			\$ -			\$ -			\$-			\$-			\$ -
zpatrick, Maria	ACT	\$16.10	20	\$ 322.00	\$17.00	20	\$ 340.00	\$17.00	25	\$ 425.00	\$17.00	10	\$ 170.00	\$17.00	10	\$ 170.00			\$ -
anklin, Kevin	ACT	\$16.10	10	\$ 161.00	\$16.10	10	\$ 161.00			\$-			\$~			\$ -			\$ -
irdoce, N	ACT			\$-			\$ -	\$17.00	5	\$ 85.00			\$ -	\$17.00	10	\$ 170.00	\$17.00	5	\$ 70
Ion, Oliver	ACT			\$-			<u>\$                                    </u>			\$ -			\$-			\$ -			\$
nzalez, L	ACT	\$17.95	5	\$ 89.75			\$-			\$-			\$ -			\$ -			\$ -
irrison, V	ACT			\$-	\$18.95	5	<b>\$</b> 94.75			\$-			\$-			\$-			\$ -
uck, Christy	ACT			\$-			\$-			<b>\$</b> -	\$17.00	5	\$ 85.00			\$ -	\$17.00	5	\$ 85.00
rskovic, L	ACT			\$-	\$17.00	5				<b>\$</b> -			\$-			\$-	\$17.00	5	\$ 85.00
well, C	ACT			\$-	\$16.10	10	\$ 161.00			<b>\$</b> -			\$-	\$17.00	20	\$ 340.00	\$17.00	20	\$ 340.00
nenez, Armando	ACT			\$-			\$ -	\$18.95	10	\$ 189.50	\$18.95	15	\$ 284.25	\$18.95	15	\$ 284.25	\$18.95	10	\$ 189.50
nes, M	ACT	\$17.95	20	\$ 359.00			\$-	\$17.95	5	\$ 89.75	\$17.95	15	\$ 269.25	\$17.95	10	\$ 179.50			\$ -
e,Michael	ACT			\$-			\$ -			<b>\$</b> -	\$18.95	5	\$ 94.75			\$-			\$ -
nnear, Andre	ACT			\$-			\$ -	\$17.95	10	\$ 179.50			\$-	\$17.95	5	\$ 89.75			\$ -
pez, J	ACT	\$19.47	10	\$ 194.70	\$19.47	10		\$19.47	15	\$ 292.05	\$ 19.47	10	\$ 194.70	\$19.47	15	\$ 292.05	\$19.47	20	\$ 389.40
allet, D	ACT			\$ -	\$17.00	5	\$ 85.00			\$-			\$ -	\$17.00	5	\$ 85.00	\$17.00	20	\$ 340.00
arino, Christine	ACT			\$ -			\$-			\$-			\$ -			\$-			\$ -
arquez, O	ACT	\$16.10	15	\$ 241.50	\$16.10	5	\$ 80.50			\$ -			\$-	\$16.10	5	\$ 80.50			\$ -
artinez, Maria	ACT	\$19.47	5	\$ 97.35			\$ -			\$ -			\$ -			<b>\$</b> -			\$ -
cintyre, Julie	ACT	\$16.10	5	\$ 80.50	\$16.10	20	\$ 322.00	\$16.10	25	\$ 402.50	\$16.10	20	\$ 322.00	\$16.10	20	\$ 322.00	\$17.00	10	\$ 170.00

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NAMES			JAN			FEB			MAR			APR			MAY			JUN		
ndoza, S	ACT			\$ -	\$16.10	5	\$ 80.50			\$-			\$ ·			\$ - <b>\$</b>			\$	
hael Lee	ACT			\$ -			\$-			\$.			\$			ş <u> </u>			\$	-
ena, R	ACT	\$17.00	20	\$ 340.00	\$17.00	15	\$ 255.00	\$17.00	25	\$ 425.	00 \$17.00	20	\$ 340	00 \$17.00	15	\$ 255.00	\$17.00	10	\$ 17	70.00
er, Jacob	ACT	\$17.00	20	\$ 340.00	\$17.00	5	\$ 85.00	\$17.00	10	\$ 170.	00 \$17.00	20	\$ 340	00 \$17.00	20	\$ 340.00			\$	-
ndragon, Salvador	ACT			\$-	\$17.95	15	\$ 269.25	\$17.95	15	\$ 269.	25 \$17.9	5 20	\$ 359	00 \$17.95	20	\$ 359.00	\$17.95	20	\$ 35	59.00
reno, Michelle	ACT	\$16.10	5	\$ 80.50			\$-			\$-	\$17.00	20	\$ 340	00 \$17.00	20 5	\$ 340.00	\$17.00	5	\$ 8	35.00
varro, Kristi	ACT			\$ -			\$ -			\$ -			\$			<b>5</b> -			\$	-
hoa, Mario	ACT	\$16.10	20	\$ 322.00	\$17.00	10	\$ 170.00	\$17.00	5	\$ 85.	00		\$ .	\$17.00	5 5	\$ 85.00	\$17.00	25	\$ 42	25.00
iz-Luis, Alex	ACT	\$16.10	15	\$ 241.50			\$-	\$17.00	15	\$ 255.	00 \$17.00	15	\$ 255.	00	1 1	5 -			\$	-
en, Aaron	ACT			\$ -			\$-	\$15.24	15	\$ 228.	60 \$15.24	10	\$ 152.	40 \$15.24	15 5	228.60			\$	-
ten, Grafton	ACT			\$ -			\$-			\$ -			\$ -			<u> </u>			\$	-
il, D	ACT			\$ -			\$-	\$17.95	10	\$ 179.	50		\$.	\$17.95	15 9	269.25	\$17.95	20	\$ 35	59.00
arip, V	ACT			\$ -			\$-			\$ -			\$-		1	5 -			\$	-
drick, Joseph	ACT			\$ -	\$17.00	15	\$ 255.00	\$17.00	25	\$ 425.	00		\$ .	\$17.00	5 5	\$ 85.00	\$17.00	5	\$ 8	35.00
mudio, Josh	ACT			\$ -	\$18.95	10	\$ 189.50			\$ -	\$ 18.95	5	\$ 94	75	1 5	- 6			\$	-
ndoval, M	ACT			\$ -	\$17.00	10	\$ 170.00			\$-			\$.		1	<u> </u>			\$	-
nonson, Dean	ACT	\$17.00	20	\$ 340.00			\$-			\$ -	\$17.00	15	\$ 255	00 \$17.00	10 5	5 170.00	\$17.00	10	\$ 17	70.00
mmers, R	ACT			\$ -			\$ -	\$18.95	10	\$ 189.	50		\$.		1	6 -			\$	-
e, Dannis	ACT			\$ -			\$-			\$-			\$.			- 6			\$	- 1
encia, Yadira	ACT			\$ -			\$ -			\$-			\$.			5 -			\$	-
ite, M	ACT	\$17.95	5	\$ 89.75	\$17.95	15	\$ 269.25	\$17.95	25	\$ 448.	75 \$17.98	5 15	\$ 269	25 \$17.95	20 5	\$ 359.00	\$17.95	20	\$	00
lis, D	ACT	\$16.10	5	\$ 80.50	\$16.10	20	\$ 322.00			\$-	\$16.10	) 5	\$ 80	50 \$16.10	10 5	6 161.00			\$	
rozumski, Travis	ACT	\$17.95	5	\$ 89.75			\$-			\$ -			\$.			5 -			\$	-
ng, Angie	ACT			\$ -			\$-			\$.	\$17.00	) 5	\$ 85	00		5 -			\$	-
ung, S	ACT			\$ -			\$ -			\$.			\$	\$ 18.95	5	§ 94.75			\$	-
B TOTAL			300	\$5,148.75		330	\$ 5,689.15		425	\$7,416	20	360	\$6,255	85	360	\$6,262.90		295	\$ 5,27	/2.40

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NAMES	•		JUL			AUG			SEP	 		OCT			NOV				DEC	 
rley, Danielle	C/T	\$13.85	5\$	69.25			\$-			\$ -			\$ -	\$14.70	5	\$ 7	73.50			\$ 
ijucom, A	C/T		\$	-	\$17.30	5 5	\$ 86.	50		\$ -			\$ -			\$	-			\$ -
losco, Priscilla	C/T		\$	-		5	5-	\$17.30	5	\$ 86.50			\$ -	\$17.30	8	\$ 13	38.40	\$17.30	5	\$ 86.50
odinez, Maria	С/Т		\$	-		5	5 -			\$ -			\$ +			\$	-			\$ -
nderson, S	C/T		\$	-			<u> </u>			\$ -			\$ -			\$	-			\$ -
olbert, Davina	C/T		\$	-		5	<u> </u>	\$13.92	4	\$ 55.68			\$ -			\$	-			\$ -
na, Daniel	СЛ		\$	-		8	<u> </u>			\$ -			\$ -			\$	-			\$ -
elchor, R	C/T		\$	-			<u> </u>			\$ -			\$ -			\$	-	\$16.84	10	\$ 168.40
ujjote, Rowena	С/Т		\$	-			<u> </u>	\$ 15.52		 	\$15.52	5	\$ 77.60			\$	-			\$ -
JB TOTAL			5\$	69.25		5 5	<b>86</b> .	50	17	\$ 266.34		5	\$ 77.60		13	\$ 21	11.90		15	\$ 254.90

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NAMES			JAN			FEB			MAR			APR			MAY		·	JUN	
ley, Danielle	C/T	\$15.00	4 \$	60.00		9	5 -			\$ -			\$ -			\$ -	\$15.84	4	\$ .36
Jcom, A	C/T		\$	-		9	; -			\$ -			\$ -			\$ -			\$ -
osco, Priscilla	C/T	\$17.65	8 \$	141.20	\$17.65	8 9	5 141.20			\$ -			\$ 1			\$ 			\$ -
linez, Maria	C/T	\$17.65	4 \$	70.60	\$17.65	and the second se	<b>70.6</b> 0			\$ -	\$17.65	4	\$ 70.60	\$17.65	5	\$ 88.25	\$17.65	4	\$ 70.60
iderson, S	С/Т		\$	-	\$16.72	8 \$	133.76			\$ -			\$ -			\$ -			\$ -
bert, Davina	C/T		\$	-		\$	; -			\$ ~			\$ -			\$ -			\$ -
a, Daniel	C/T		\$	-	\$15.84	8 \$	126.72			\$ -			\$ -			\$ -			\$ -
chor, R	C/T		\$	-		\$	-	\$18.14	8	\$ 145.12			\$ -	\$18.14	5	\$ 90.70			\$ -
iote, Rowena	C/T	\$16.72	8\$	133.76		\$	-			\$ -			\$ -	\$16.72	8	\$ 133.76			\$ -
3 TOTAL	,		24 \$	405.56		28 \$	472.28		. 8	\$ 145.12		4	\$ 70.60		18	\$ 312.71		8	\$ 133.96

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	No	(/·)-*													
	AGU	NOPCIE	SB 1	785 PER					AY OPE	RATIONS					
· · · · · · · · · · · · · · · · · · ·	/	l			FOR FIS		:AR 20	20	02						
NAMES			JUL	1	AUG		SEP	20	02	ОСТ	[	NOV	1	DEC	
njamin, A	C/T (AN)	\$13.14	15 \$ 197.10	\$13.14	20 \$ 262.80	\$13.14	16 \$	210.24	\$13.14	15 \$ 197.10	\$13.14	20 \$ 262.80	\$13.14	28 \$	.92
rnard, Mary	C/T (AN)	\$13.14	5 \$ 65.70	\$13.14	5 \$ 65.70		\$	-	\$13.14	10 \$ 131.40		\$ -	\$13.14	20 \$	262.80
vila, Betty	C/T (AN)		\$ -		\$ -	\$13.14	4 \$	52.56		\$ -		\$ -	\$13.14	20 \$	262.80
ivis, Debra	C/T (AN)	\$13.14	16 \$ 210.24			\$13.14	20 \$	the second s			\$13.14	20 \$ 262.80	\$13.14	20 \$	262.80
ley, Jeanie	C/T (AN)		\$ -	\$13.14	the second s	\$13.14	20 \$			20 \$ 262.80		\$ -	\$13.14	15 \$	197.10
medez, Catherine	C/T (AN)	\$13.14	14 \$ 183.96		16 \$ 210.24		5\$		\$13.14	18 \$ 236.52		and the second sec	\$13.14	4 \$	52.56
ampo, Andrea	C/T (AN)	\$13.14	15 \$ 197.10	\$13.14	the second se	\$13.14	25 \$	328.50	<u>\$13.14</u>	10 \$ 131.40	\$13.14	25 \$ 328.50	\$13.14	15 \$	197.10
suna, C	C/T (AN)		\$ -		\$ -		\$	·		\$ -		\$ -		\$	-
ioades, J	C/T (AN)	\$13.14	11 \$ 144.54		and the second s	the second se	23 \$		\$13.14	20 \$ 262.80		\$ -		\$	-
ilazar, Luisa	C/T (AN)	\$13.14	20 \$ 262.80		and the second se	\$13.14	15 \$	197.10			\$13.14	10 \$ 131.40		\$	-
inders, O	C/T (AN)	\$13.14	and the second se	\$13.14	20 \$ 262.80	\$13.14	20 \$	262.80	\$13.14	17 \$ 223.38	\$13.14	20 \$ 262.80	\$13.14	28 \$	367.92
ala, Erika	C/T (AN)	\$13.14	12 \$ 157.68	and the second sec	16 \$ 210.24		\$	-		\$ -		\$ -	\$13.14	4 \$	52.56
JB TOTAL			123 \$1,616.22		163 \$2,141.82		148 \$	1,944.72		135 \$1,773.90		105 \$1,379.70		154 \$2	,023.56

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NAMES			JAN			FEB			MAR			APR			MAY		1	JUN	
ijamin, A	C/T (AN)	\$13.14	15	\$ 197.10	\$14.22	21	\$ 298.62	\$14.22	20	\$ 284.40	\$14.22	15 \$	\$ 213.30	\$14.22	10	\$ 142.20	\$14.22	22 \$	2.84
nard, Mary	C/T (AN)	\$13.14	15	<b>\$ 197.10</b>			\$-	\$14.22	25	\$ 355.50	\$14.22	20 \$	\$ 284.40	\$14.22	20	\$ 284.40	\$14.22	5 \$	5 71.10
/ila, Betty	C/T (AN)	\$13.14	15	\$ 197.10	\$14.22	8	\$ 113.76	\$14.22	12	\$ 170.64	\$14.22	8	§ 113.76	\$14.22	16	\$ 227.52	\$14.22	7 \$	99.54
/is, Debra	C/T (AN)	\$13.14	20	\$ 262.80	\$14.22	20	\$ 284.40	\$14.22	25	\$ 355.50	\$14.22	20 \$	284.40	\$14.22	10	\$ 142.20		\$	-
ey, Jeanie	C/T (AN)	\$13.14	15	\$ 197.10			\$ -	\$14.22	20	\$ 284.40	\$14.22	20	\$ 284.40	\$14.22	20	\$ 284.40	\$14.22	10 \$	142.20
nedez, Catherine	C/T (AN)			\$-			\$-			\$-		9	<b>-</b>			\$-		\$	-
ampo, Andrea	C/T (AN)	\$13.14	10	\$ 131.40	\$14.22	15	\$ 213.30			\$ -		9	<u> </u>	\$14.22	5	\$ 71.10	\$14.22	15 \$	213.30
una, C	C/T (AN)			\$-	\$14.22	4	\$ 56.88			\$ -		9	6 -			\$-		\$	-
oades, J	C/T (AN)	\$13.14	20	\$ 262.80	\$14.22	15	\$ 213.30	\$14.22	15	\$ 213.30	\$14.22	15 \$	§ 213.30	\$14.22	15	\$ 213.30	\$14.22	15 \$	213.30
azar, Luisa	C/T (AN)			\$-			\$ -			\$-		9	5 -			\$ -		\$	-
nders, O	C/T (AN)	\$13.14	11	\$ 144.54	\$14.22	6		\$14.22	25		\$14.22	15 \$		\$14.22	22		\$14.22	17 \$	241.74
a, Erika	C/T (AN)	\$13.14	8	\$ 105.12	\$14.22	12	\$ 170.64	\$14.22	20	\$ 284.40	\$14.22	16 \$	5 227.52	\$14.22	10	\$ 142.20	\$14.22	8 \$	113.76
B TOTAL			129	\$1,695.06		101	\$1,436.22		162	\$2,303.64		129 \$	51,834.38		128	\$1,820.16		99 \$	1,407.78

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NAMES		JUL		AUC	}		SEF	)			ОСТ			NOV			DEC	
own, P	Sr. C/T	\$			\$	-		\$	-		\$	-			; -		\$	1.1.1
eid, Gwen	Sr. C/T	\$	-		\$	-		\$	-	\$18.61	16 \$	297.76	\$18.61	6	5 111.66	\$18.61	5 \$	93.05
JB TOTAL				-							16 \$	297.76		6 \$	5 111.66		5\$	93.05

	T								2003									
NAMES		JAN			FEB		MAR			APF	2		MA)	1			JUN	_
own, P	Sr. C/T	\$	-		\$	-	\$	-			\$	-		\$	-	\$21.75	8 \$	.00
eid, Gwen	Sr. C/T	\$	-	\$18.99	4 \$	75.96	\$	-			\$	-	1	\$	-		\$	-
JB TOTAL					4\$	75.96	\$	-			\$	-		\$	-		8\$	174.00

					2002		-				
NAMES	JUL	AUG		SEP		OCT		NO	V	DEC	
TAL HOURS	518	523		610		431		50	2	579	
TAL SALARIES	\$8,2	87.57	\$8,024.52		\$9,722.31		\$6,778.31		\$7,973.02	\$	9,081.81

RAND TOTAL HOURS 5,118 RAND TOTAL SALARIES \$ 98,200.22

			20	003		
NAMES	JAN	FEB	MAR	APR	MAY	JUN
OTAL HOURS	453	463	595	493	506	410
OTAL SALARIES	\$7,249.37	\$ 7,673.61	\$9,864.96	\$ 8,160.83	\$ 8,395.77	\$6,988.14

RAND TOTAL HOURS 5,118 RAND TOTAL SALARIES \$ 98,200.22

### LOST AND FOUND LIST

#### **DESCRIPTION:**

Provide lost and found lists for owners and rescuers of lost animals. The list includes type of animal, referrals, shelter contact information, advice on how to publish and disseminate lost animal information.

#### FORMULA:

Six Shelters

North Central Shelter South Central Shelter East Valley Shelter West Valley Shelter West Los Angeles Shelter Harbor Shelter

Personnel:

Six Clerk Typist

Time Spent to Prepare List:

Eleven minutes per day to prepare Stray Summary Sheet for each Shelter for 365 days per year

Salary:

Clerk Typist Average Salary for FY 2002-03 = \$34,190. Work Hours = 1,800 Clerk Typist Average Hourly Salary (\$34,190 / 1,800) = \$18.99

#### **COMPUTATION:**

Number of Shelters x clerk x number of days x preparation time / 1 hour (60 minutes) x hourly salary = Expense

#### OR

6 Shelters (x) 1 Clerk Typist Each (x) 365 days x 11 minutes = 24,090 minutes per year to prepare list / 60 minutes = 67 hours per year x \$18.99 average hourly salary = 7,624 per year to prepare lost and found list.

EXPENSE TOTAL: <u>\$7,624</u>

# Stray Sheet Summary Sheet

	Average		
<u>Sheet#</u>	<u>Minutes</u>	Record Count	<u>Shelter</u>
1	10	9	WV
2	12	6	EV
3	7	10	Harbor
4	11	6	WLA .
5	13	8	NC
6	0		
7	0		
8	0		
9	0		
10	0		
11	0		
12	0		
13	0		
14	0		
15			
Total	53	39	
Overall			
Overall	44		
Average ==>	11		

#### Attachment: 3

## MAINTAINING NON MEDICAL RECORDS

## **DESCRIPTION:**

Maintaining non-medical records on animals that are taken up, euthanized after the holding period or impounded.

### FORMULA:

Time required to input non-medical records: five (5) minutes per record

Number of animals: 11,960

#### **COMPUTATION:**

Time required to input individual record x number of records / 60 minutes = 997 total hours required to input non-medical records.

Hours to input non-medical records x hourly rate for Animal Care Technician = Total cost.

Average salary for an Animal Care Technician is \$35,155 / 1,800 annual hours = Hourly rate.

#### OR

5 minutes x 11,960 / 60 minutes = 997 hours

35,155 / 1,800 work hours = 19.53

\$19.53 x 997 hours = \$19,471

**EXPENSE TOTAL:** 

<u>\$19,471</u>

## Summary Animal Counts for Non-Medical Records for July 1, 2002 to June 30, 2003

Adopted Anima	als	Non-Adopted A	Animals
Cats/Dogs Others	10,757 <u>311</u> <b>11,068</b>	Cats/Dogs Others	10,673 <u>1,287</u> <b>11,960</b>

Total Animals: 23,028

#### VETERINARY CARE

#### **DESCRIPTION:**

Providing necessary and prompt veterinary care for stray and abandoned animals that died during the increased holding period or were ultimately euthanized.

## FORMULA:

Veterinarian annual and hourly rate:	\$70,335 / 1,800 = \$39.08
Veterinary Technician annual and hourly rate:	\$44,017 / 1,800 = \$24.45

Average time to provide emergency medical treatment: 12 minutes

Cost of providing Veterinarian emergency medical treatment per animal: 39.08 / 60 minutes x 12 minutes = 7.82

Cost of a Veterinary Technician assisting a Veterinarian in an emergency medical treatment per animal: \$24.45 / 60 minutes x 12 minutes = \$4.89

Number of animals requiring prompt medical care: 9,183

#### **COMPUTATION:**

Cost of providing emergency medical treatment x number of animals requiring prompt medical care = Total Expense

Medical supply use was based on a comparison between FY 1997-98, the last full fiscal year before SB 1785 and FY 2002-03 a post SB 1785 year.

In FY 2002-03 there were 6 Veterinarians and 24 Veterinarian Assistants. Expenses for Account 3190 – Animal Medical Supplies was \$214,880.

In FY 1997-98 there were 2 Veterinarians and 12 Veterinarian Assistants. Expenses for Account 3190 – Animal Medical Supplies was \$131,878.

Therefore \$214,880 - \$131,878 = \$83,002 in expenditure of Animal Medical Supplies to support additional Veterinary Care under SB 1785.

#### OR

Veterinarian:	$7.82 \times 9.183 = 71.811$
Veterinary Technician:	$4.89 \times 9,183 = 44,904$
Animal Medical Supplies:	= \$ 83,002
Total	\$199,717
EXPENSE TOTAL:	

#### <u>\$199,717</u>

<u>Treatment for Stray or</u> Animals Who Die or are E <u>1, 2002 to June 3</u>	uthanized - July
Cats/Dogs	9,081
Others	<u>102</u>
Totals	<b>9,183</b>

#### Department of Animal Services 2002-2003 Salaries For New Positions With Wages and Count

	*	2002-03 Gross	2% Salary	2002-03 Net
Code	Title	Salary	Savings	Salary
0101-1	Commissioner	\$0.00	\$0.00	\$0.00
1117-1	Executive Secretary I	\$53,3 <b>96</b>	\$1,068	\$52,328
1117-3	Executive Secretary III	\$63,004	\$1,260	\$61,744
1517	Auditor	\$47,815	\$956	\$46,859
1223-2	Accounting Clerk	\$37,647	\$753	\$36,894
1223-2	Accounting Clerk II	\$48,749	\$975	\$47,774
1358	Clerk Typist	\$34,190	\$684	\$33.506
1368	Sr. Clerk Typist	\$44,744	\$895	\$43,849 \$22,072
<b>1461</b> -1	Communications Operator I	\$33,748	\$675	\$33,073
1502	Student Professional Worker	\$24,346	\$487	\$23,859
1513-1	Accountant I	\$37,991	\$760	\$37,231
1513-2	Accountant II	\$48,713	\$974	\$47,739
1523-2	Sr. Accountant II	\$61,593	\$1,232	\$60,361 \$60,770
1538	Sr. Project Coordinator	\$71,203	\$1,424	\$69,779 \$40,594
1539	Management Assistant	\$41,422	\$828	\$40,594
1596-2	Systems Analyst II	\$57,507	\$1, <b>1</b> 50	\$56,357
<u>1597-1</u>	Sr. Systems Analyst I	\$75,805	\$1,516	\$74,289 \$92,002
1597-2	Sr. Systems Analyst II	\$93,880	\$1,878	\$78,318
1702-1	Emergency Preparedness Coord I	\$79,916	\$1,598 5022	\$45,222
1785-2	Public Relations Spec II	\$46,145	\$923	\$53,898
1786	Pr. Public Relations Rep	\$54,998	\$1,100	\$82,325
1800	Public Information Director	\$84,005	\$1,680 \$4,734	
2360	Chief Veterinarian	\$86,685	\$1,734 51,407	\$84,951 \$68,928
2365	Veterinarian	\$70,335	\$1,407 \$880	\$43,137
2369	Veterinary Assistant	\$44,017		\$43,137
2369N	Veterinary Assistant	\$44,017 \$25,155	\$703	\$34,452
4310	Animal Care Technician	\$35,155	\$703	\$34,452
4310N	Animal Care Technician	\$35,155	\$786	\$38,532
4311-1	Animal Control Officer 1	\$39,318 \$47,477		\$46,527
4311-2	Animal Control Officer II	\$46,016	\$920	\$45,096
4313	Animal Care Technician Supervisor	\$51,117	\$1,022	\$50,095
4316-1	Sr. Animal Control Officer I	\$55,385		\$54,277
4316-2	Sr. Animal Control Officer II	\$63,204	\$1,264	\$61,940
4320	District Supv Animal Reg	\$83,759	\$1,675	\$82,084
4321	Director of Field Operations	\$65,908	\$1,318	\$64,590
9167-1	Sr. Personnel Analyst I	\$88,919	\$1,778	\$87,141
9167-2	Sr. Personnel Analyst II		\$1,341	\$65,725
9171-1	Sr. Management Analyst 1	\$67,067 \$99.018	\$1,980	\$97,038
9171-2	Sr. Management Analyst II	\$99,018 \$119,170	\$2,383	\$116,787
9182	Chief Management Analyst	\$119,170 \$57,440	\$2,383 \$1,149	\$56,291
9184-1	Management Analyst I	\$57,440	\$1,318	\$64,590
9184-2	Management Analyst II	\$65,908 \$119,170	\$2,383	\$116,787
9244 9245	Asst General Manager Animal Reg General Manager Dept of Animal Reg	\$119,170 \$137,557	\$2,751	\$134,806

Established: August 30, 2001

Revised: November 3, 2001

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Attachment A

## COST ALLOCATION PLAN 2.3 (CAP 25) - INDIRECT COST RATES ...TH CARRY FORWARD

The rates below are to be used to prepare grant applications, contracts and billings for grant activities, and to compute Fees for Special Services, during 2002-03. They are to be applied only to straight time, gross salaries (with CTO). When only net salaries (without CTO) are available, convert net salaries to gross salaries using the CTO rate. For rates applicable to **part time** or **overtime** salaries, please contact CAP staff. **Note: You MUST adjust rates to deduct directly billed costs.** See list-Attachment C and Instructions-Attachment B.

			Department		
	Fringe	Central	Administration	Division	СТО
DEPARTMENT/Cost Center	Benefits	Services	& Support	Overhead*	010
AGING:					
Balance of Department	16.24%	66.05%	na	*	22.31%
Title V	17.81%	3.85%	na	*	1.88%
			$\mathbf{i}$		
ANIMAL SERVICES	22.89%	24.98% 🦾	→ 34.29%52	27%	15.89%
		10 500/	59,	27 1	18.20%
BUILDING & SAFETY	15.29%	19.53%	20.91%		10.2070
CITY ADMINISTRATIVE OFFICER (OARS):					
CRA, Petroleum Admin., Proprietary,					
Capital Projects (Phy. Plant)	11.12%	23.91%		*	17.43%
Disaster Grants Coordination	7.47%	36.15%	10.98%	*	17.43%
CITY ATTORNEY: Criminal	12.59%	20.61%	17.09%	*	17.37%
Direct Billed - User's Site (Proprietary Depts.)	9.96%	2.14%	5.58%	*	17.37%
Direct Billed - In City Space	11.26%	5.40%	14.02%	*	17.37%
CITY CLERK:			0.000/	*	2.49%
Elections	40.83%		+	*	2.49 <i>%</i> 16.44%
Land Records	20.10%	50.12%	40.04%		10.4470
COMMISSION FOR CHILDREN, YOUTH					
AND THEIR FAMILIES	13.68%	75.99%	21.99%	*	20.00%
	10.000/	400.05%	24 5 49/	*	15.29%
COMMISSION ON STATUS OF WOMEN	16.03%	139.85%	31.54%		10.2970
COMMUNITY DEVELOPMENT:					
Balance of Department	14.75%	24.90%	na	*	16.73%
As Needed Employees	20.04%	13.31%	na	*	n/a
CONTROLLER:	40.070/	5 000/	45.44%	*	20.65%
Direct Billed (at User's site)	16.87%	5.93% 58.50%	45.44% 44.40%	*	20.65%
Direct Billed (in City space)	18.77%	56.50%	44.40 /0		20.0070
CULTURAL AFFAIRS	25.19%	136.29%	97.77%	*	17.23%
			0.000/		10.050/
DEPARTMENT on DISABILITY	16.17%	35.15%	6.38%		19.25%
EL PUEBLO	13.68%	25.34%	26.95%	*	20.99%
EL POEBLO	13.00 /0	20.0470	20.0070		
EMERGENCY PREPAREDNESS DEPT					
Em. Prep. Ploicy & Public info.	17.40%	67.36%	34.60%		n/a
ENVIRONMENTAL AFFAIRS:					
Policy/Public Information	14.48%	21.06%	32.91%	*	18.43%
•					

Attachment A

## COST ALLOCATION PLAN 2. (CAP 25) - INDIRECT COST RATES ... TH CARRY FORWARD

The rates below are to be used to prepare grant applications, contracts and billings for grant activities, and to compute Fees for Special Services, during 2002-03. They are to be applied only to straight time, gross salaries (with CTO). When only net salaries (without CTO) are available, convert net salaries to gross salaries using the CTO rate. For rates applicable to part time or overtime salaries, please contact CAP staff. Note: You MUST adjust rates to deduct directly billed costs. See list-Attachment C and Instructions-Attachment B.

DEPARTMENT/Cost Center	Fringe Benefits	Central Services	Department Administration & Support	Division Overhead*	COMP TIME Off CTO
FINANCE, OFFICE OF					
Tax & Permit	13.81%	27.84%	5.20%		18.8
Cash Management & Street Bonds	16.62%	56.08%	5.40%		18.8
FIRE:					
Civilian	19.11%	15.52%	16.93%	*	20.86%
Sworn (Firefighters)	27.45%	27.33%	10.78% a	. <b>*</b>	25.82%
, , , , , , , , , , , , , , , , , , ,	Combined Dept. Admi		<u>11.96%</u> E		oort Rate,
	including Field Suppor		22.74% c	. Sworn onl	y **
GENERAL SERVICES:	8 <i>II</i>				
Materials Testing	14.93%	23.98%	7.99%	*	20.38%
Print Shop	20.56%	36.00%	6.93%	*	24.21%
HOUSING:					
Grant-Funded Housing	12.58%	20.76%	na	*	18.14%
Rent Control	10.64%	7.79%	na	*	18.14%
Internal Administration	8.28%	17.77%	na	*	18.14%
HUMAN RELATIONS COMMISSION	17.04%	50.47%	35.05%	*	19.45%
LIBRARY	20.12%	27.07%	20.72%	*	18.67%
LOS ANGELES CONVENTION CENTER	R 18.46%	22.19%	46.99%	*	20.84%
MAYOR:					
Executive/Policy	19.89%	70.54%	35.91%	*	19.76%
Grant Funded/Spec. Programs	19.65%	49.83%	35.60%	*	21.10%
Direct in City Space	19.25%	59.64%	35.95%	*	19.76%
NEIGHBORHOOD EMPOWERMENT	15.30%	87.03%	385.58%		
PERSONNEL:					
Custody Care (Jails)	17.44%	13.53%	12.38%	*	17.50%
Personnel Grant Funded/Spec. Progr		43.47%	8.84%	*	17.50%
PLANNING	13.25%	28.00%	29.60%	*	18.80%
POLICE:					
Civilian	★ 23.25%	13.93% 🦾	+> 26.41% 4	0.34 *	22.89%
Sworn	★ 28.12%		+ →33.15% d		25.04%
	Combined Dept. Adm including Field Suppo		<u>17.43%</u> t 50.58% d	5. Field Supp C. Sworn onl	

\*\*NOTE: For Fire and Police, the Field Support rate (line b.) captures overhead costs that are in addition to other Administrative and Support Costs. It has been added to the Department Administration rate on this schedule. Please use this combined rate (line c.) for sworn positions in field operations. For other, non-field sworn positions, do NOT use the Field Support rate; use only the regular Department Administration rate (line a.), together with the other (Fringe, Central Service and CTO) rates.

PUBLIC WORKS, Board Office:

**Public Services** 

15.88%

74.10%

#### COST ALLOCATION PLAN 2. (CAP 25) - INDIRECT COST RATES ... (H CARRY FORWARD

The rates below are to be used to prepare grant applications, contracts and billings for grant activities, and to compute Fees for Special Services, during 2002-03. They are to be applied only to straight time, gross salaries (with CTO). When only net salaries (without CTO) are available, convert net salaries to gross salaries using the CTO rate. For rates applicable to **part time** or **overtime** salaries, please contact CAP staff. **Note: You MUST adjust rates to deduct directly billed costs.** See list-Attachment C and Instructions-Attachment B.

			Department		
	Fringe	Central	Administration	Division	070
DEPARTMENT/Cost Center	Benefits	Services	& Support	Overhead*	СТО
PW - Contract Administration:					
Construction Inspection	15.15%	12.93%	16.93%	72.94%	17.53%
PW - Engineering:					
Stormwater Facilities Engineering	13.93%	23.13%	24.14%	50.78%	18.57%
Wastewater Facilities Engineering	13.95%	29.05%	24.11%	54.29%	18.57%
Privately Financed & Assessment	15.06%	29.97%	24.13%	54.35%	18.57%
Street Improvements	16.33%	31.63%	23.89%	52.04%	18.57%
Municipal Facilities	13.79%		24.09%	42.39%	18.57%
General Mapping & Survey	15.64%		24.16%	157.73%	18.57%
PW - Sanitation Solid Waste Program	23.42%	97.84%	6.79%	*	21.05%
Wastewater/Stormwater Division	17.20%		5.80%	*	21.05%
Wastewater/Stornwater Division	17.2076	20.94 //	5.00 %		21.0070
PW - Street Lighting	13.31%	37.16%	18.30%	*	18.83%
PW - Street Services	18.86%	68.95%	16.07%	*	26.51%
Street Maint General				( 95.71%	29.32%
Street Use Inspection		These seven Division		44.83%	19.90%
Lot Cleaning		calculated by St. Ser Equipment is billed a		199.77%	27.29%
Street Tree Division		that rental costs are		80.65%	30.07%
Resurf & Reconstr Div			-	108.33%	25.25%
Special Proj Constr Div				59.47%	24.50%
Engineering (St. Improvement) Div		L		62.50%	20.84%
RECREATION & PARKS	26.80%	25.07%	10.30%	*	24.58%
TRANSPORTATION	20.94%	30.35%	15.40%	*	21.68%
Zoo Department	21.48%	16.88%	22.06%	*	23.87%

Notes:

\* Division Overhead includes costs of division heads, section supervisors, clerical and other support staff within divisions or sections. These costs are not part of the Department Administration rate, but are legitimate costs which should be recovered if allowed by your grantor. If these costs are not charged directly to a grant, a Division Overhead indirect cost rate should be calculated. To maintain consistency and insure that Division Overhead costs do not overlap with Department Administration costs, please contact CAP staff for assistance in calculating these rates. Public Works Division Overhead rates are computed by Public Works staff and published herein as a courtesy.

## Instructions for Using Indirect Cost Rates

Modifying the rates. Usually departments use the CAP rates as published; however, situations may arise necessitating revision of the rates. Your Department's CAP rate should be modified if your Department directly charges to a grant or fee payer any of the indirect costs, or if the grantor or fee payer directly provides any of the services listed on Attachment C. This list includes charge back items. For example, if you include postage (a charge back item) as a direct cost; or if you purchase a computer and the total cost is paid directly by a fee payer or grantor, your CAP rate must be reduced to avoid double billing for the directly charged item(s). This means: if the entity you are billing provides office space, telephone service, computers, vehicles, or any other item listed on Attachment C, your rates must be adjusted to exclude those items.

An example of the necessity for rate modification is the Police Department's bill to the Airports Department. Airports provides space, utilities, telephones and equipment for Police Department staff at the Airport substation. To properly bill the Airports Department for law enforcement services at this site, the Police Department indirect cost rates are revised to exclude the building use, building lease, equipment use, and telephone line items.

Also, please see Attachment D for further explanation of using CAP rates in conjunction with charge back costs. Contact the CAP Office for adjusted rates if any cost listed in Attachment C is directly billed to grants or fees, or if any of the listed services are provided by your client.

**Using the rates as published.** The CAP indirect cost rates are computed based on "gross annual salaries" **excluding** overtime. (For rates applicable to overtime salaries, please contact the CAP office.) Compensated time off (CTO) is included in this gross salaries base. (See Attachment C paragraph 5 for a definition of CTO.) The CAP Fringe Benefits, Central Services, and Department Administration indirect cost rates, therefore, must be applied to salaries which include CTO and exclude overtime. Please refer to the example below, where:

Fringe	Benefits Ra	te = 28.10% of Gross Salaries
Central	Services Ra	te = 39.77% of Gross Salaries
Department Administration &	Support Ra	te = 18.87% of Gross Salaries
Compensated	Time Off Ra	te = 16.26% of Net Salaries
		(C. C. L. i. and the statistic for the statistic
1. Assume Gross Salaries =	\$ 1,000.0	
		worked plus Compensated Time Off.)
Given the above-listed indirect	t cost rates,	and assuming your CTO costs are included in your
salaries as billed, total indirect	costs are c	alculated below:
a. \$ 1,000 x 28.10% =	\$ 281.0	00 Fringe Benefit Cost
b. \$ 1,000 x 39.77% =	•	70 Central Service Cost
c. \$ 1,000 x 18.87% =	•	70 Department Administration & Support Cost
	····	
Sum of (a + b + c) =	\$ 867.4	fU
O Assume Net Oslavia	<b>*</b> • • • • •	4 (Net Salaries are salaries for straight time worked, not
2. Assume Net Salaries =	\$ 860.	
		including Compensated Time Off. Such net salaries would
		typically be accumulated through direct charges in a cost
		accounting system.)
Convert net salaries to gross sa	alaries by ac	ding CTO % of Net:

b. Net Salary plus CTO amt: \$ 860.14 + \$ 139.86 = \$ 1,000.00 = Gross Salaries

The rest of the calculation proceeds as in 1, above, using the calculated Gross Salaries figure and applying the indirect cost rates. In order to recover the CTO cost, you must either report the gross salaries that result from the computation in #2 above, or you must separately bill your CTO costs.

**REMINDER:** CTO rates are to be used only when paid time off such as sick and vacation time are not directly charged to a special service or grant project. Please see Attachment C, paragraph 5 for further information.

ATTACHMENT C (Page 1 of 2)

## COST ALLOCATION PLAN 25 INDIRECT COSTS INCLUDED IN RATE CALCULATIONS

#### 1. Fringe Benefits Rate includes the department's share of the Citywide costs of: Union Sponsored Benefits **Employee Assistance** Retirement (Civilians) **Unused Sick/Vacation Payout** Ordinance Life Insurance Pensions (Fire/Police Sworn) Unemployment Insurance Medicare **FLEX Benefit Program** Workers' Compensation Social Security - Health Insurance **Hiring Hall Fringe** Part Time/Seasonal/Temporary - Dental Insurance (PST) 457 Retirement Plan - Basic Life Insurance 2. Central Services Rate includes the department's share of the Citywide costs of: Equipment Use Allowance (items costing \$5,000 & above) Building Leases [GSD & Spec. Funds] Equipment Exp. Under \$5,000 (computers & equ. Costing under \$5,000) **Building Use Allowance Liability Claims** Gas (Natural Gas Utility) [GSD] **Computer Assets Depreciation** Petroleum Products [GSD] Insurance on bond-financed assets (items costing \$5,000 & above) General City Purposes [League Vehicle Depreciation **Communications Lease** Water & Electricity (Telephone bill) Dues and audits] **GENERAL SERVICES** COUNCIL & CLA City Administrative Officer **Building Services** (CAO, formerly OARS) **Construction Division** Budget Fleet Services EMPLOYEE RELATIONS BOARD Employee Relations & Living Wage Assets Management Gen. Support (Finance, Systems, (Leasing & Real Estate) Productivity) Mail & Messenger ENVIRONMENTAL AFFAIRS Dept Liaison/ Mgt. Analysis **Parking Services Environmental Coordination Municipal Facilities Projects Purchasing Services** INFORMATION TECHNOLOGY CITY ATTORNEY FINANCE (formerly TREASURER) AGENCY (ITA) **Civil Liability** Custody & Disbursement **Employee Relations** IT Services & Debt Administration **Communications Division** General Counsel / Legis. Svcs. **Risk Management & Safety Telecommunications (PPEB)** Land Use **Police Division** PENSIONS: OVERHEADS ALLOCATED MAYOR TO PENSIONS. (Other Pension Department Liaison & costs included in Fringe Benefits) Grants Citywide Coordinator CITY CLERK **Council and Public Services Records Management** CERS: OVERHEADS ALLOCATED PERSONNEL TO CERS. (Other CERS Workers' Compensation costs included in Fringe Benefits) CITY ETHICS COMMISSION Personnel Balance of Dept. CONTROLLER **EMERGENCY OPERATIONS** PUBLIC WORKS **Accounts Payable** ORGANIZATION Accounting Budget & General Acctg. **Board Office** CAP Management Employee Services FMIS Contract Admin: Off of Contr. Compl. Internal Audit Engineering: General Engineering Payroll (incl. Fiscal Systems)

Single Audit

Workers' Compensation

ATTACHMENT C (Page 2 of 2)

## INDIRECT COSTS INCLUDED IN CAP 25 RATE CALCULATIONS (continued)

#### 3. Department Administration and Support Rate includes costs of support functions within a department:

The rate includes expenditures which: --- benefit the department as a whole

	are NOT directly charged to a grant or fee program
	are NOT line operations.
Expenditures include those of:	
Accounting staff	Department Management (Gen. Mgr. & Asst. Gen. Mgrs)
Budget staff	Clerical Staff/word processing staff serving the entire department.
Payroll staff	Systems Staff (if serving the whole department, not a special project)
Personnel & training staff	Warehouse/inventory/stores staff
Inventory staff	Vehicle maintenance staff (Police & Fire only)

NOTE: The support costs discussed here must conform to Federal definitions of allowable overhead costs and are not necessarily the same as the City's General Administration and Support Program (GASP) in a departmental budget.

#### 4. Division Overhead Rates include the costs of support functions within divisions:

The rate includes the salary and expenses of division heads, section supervisors, and other support within divisions which are not included in the Department Administration costs discussed above. For example, within the Bureau of Engineering, the City Engineer, Deputies, their secretaries and the Administration Division are included in the Department Administration indirect cost rate. Within operating divisions, division heads, assistant division heads, and their secretaries and division support staff are NOT included in the Department Administration rate.

To recover the overhead costs within a division, a department or bureau should directly charge the time of the division head, secretary, assistant division head, and other division support services to a project, or calculate an indirect cost rate to recover their costs. Please work with the CAP office when calculating such rates, to insure that Division Overhead costs do not overlap Department Administration costs.

#### 5. <u>Compensated Time Off Rate includes the salary paid to employees who are on paid leave such as:</u>

Sick Leave	Jury Duty	Floating Holiday
Vacation	Bereavement leave	Injury on Duty
Holiday	Preventive Medicine	
Military Leave	Workers' Compensation (salary c	ontinuance
Family Illness	paid by the employing departr	nent.)

#### Special Note regarding CTO:

CTO rates are to be used only when sick, vacation, and other CTO hours are not directly charged to a fee or grant project. For employees who charge only part of their hours worked to a grant, their time off is usually not being charged to the project, so the cost of that time off must be recovered using the CTO Rate. For employees whose entire annual salary is charged to a fee or grant, CTO is recovered as they take their time off, and the CTO Rate is not to be used. When applicable, CTO costs should be billed to granting agencies or recipients of special services, either as a separate line item, or as an adjustment to salaries, increasing net salaries to gross salaries. When the CTO Rate is applied to net salaries, the amount derived is added to net salaries to create gross salaries. The derived gross salaries becomes the base against which the fringe benefit rate and other indirect cost rates described above are applied.

#### 6. OTHER DEFINITIONS

a. Gross Salaries - Total annual salaries, which include pay for time worked AND compensated time off.

b. Net Salaries - Pay for time worked only, not including compensated time off.

## USING INDIRECT COST RATES IN CONJUNCTION WITH CHARGE BACK

Charge back items are included in the CAP Central Services Indirect cost rates. Once a charge back cost is paid directly by a department, theoretically it would no longer need to be included with Central Services indirect cost rates. However, since most departments do not directly bill charge back costs to grants or fee payers, the charge back costs must be included in indirect cost rates.

Some departments or bureaus may need to pay some of their charge back items directly out of special funds such as the Community Development Block Grant, the Street Lighting Assessment Fund or the Sewer Construction and Maintenance Fund. This may be done, even if CAP rates still include all charge back items. When departments pay charge back items out of special funds or grants, they will adjust their CAP rates so that overheads already paid for in charge back are not double billed. CAP rates are available with sufficient detail for departments to perform this calculation.

Fee-charging departments will make similar adjustments when computing their fees for special services. Fees are determined based on anticipated direct cost plus overheads. Fee-charging departments may include some or all charge back costs among their total direct costs of services when they compute their fees. If they do, they will have to adjust their CAP rates to subtract such directly paid items. The choice of whether to include them as direct or indirect costs will depend on each department's method of computing fees. To the extent that charge back costs, or other costs listed on Attachment C, are included in direct charges for fees, the indirect cost rates must be adjusted accordingly. The simplest approach in computing fees would be to omit the charge back items from the direct cost portion of fee computation, and use the unadjusted CAP rate (which includes charge back costs) to recover the cost of charge back items.

#1 ·

### TE RUN: 12/08/2003

## LOS ANGELES POLICE DEPARTMENT WEIGHTED AVERAGE OF BI-WEEKLY COST FOR CLERK TYPIST

#### FISCAL YEAR 2002-2003

:LASS/ ;RADE	CLASS TITLE	CLASS/GRADE/BONUS	WEIGHTED_AVERAGE
.358	CLERK TYPIST	CLASS: 1358 GRADE: BONUS: CLASS: 1358 GRADE: BONUS: B	1,361.66 1,241.60

## LOS ANGELES POLICE DEPARTMENT WEIGHTED AVERAGE OF BI-WEEKLY COST FOR SENIOR CLERK TYPIST

### FISCAL YEAR 2002-2003

.

CLASS∕ €RADE	CLASS TITLE	CLASS/GRADE/BONUS	WEIGHTED_AVERAGE
1368	SENIOR CLERK TYPIST	CLASS: 1368 GRADE: BONUS: CLASS: 1368 GRADE: BONUS: N CLASS: 1368 GRADE: BONUS: W	1,693.96 1,769.87 1,801.07

### ATE RUN: 12/08/2003

## LOS ANGELES POLICE DEPARTMENT WEIGHTED AVERAGE OF BI-WEEKLY COST FOR POLICE SERVICE REP

## FISCAL YEAR 2002-2003

CLASS/ RADE	CLASS TITLE	CLASS/GRADE/BONUS	WEIGHTED_AVERAGE
<u>207</u>	POLICE SERVICE REP	CLASS: 2207 GRADE: BONUS: CLASS: 2207 GRADE: BONUS: B CLASS: 2207 GRADE: BONUS: N CLASS: 2207 GRADE: BONUS: R CLASS: 2207 GRADE: BONUS: W CLASS: 2207 GRADE: BONUS: Z	1,831.75 2,242.21 2,025.39 2,120.34 2,109.07 2,249.29

#### TE RUN: 12/08/2003

#### LOS ANGELES POLICE DEPARTMENT WEIGHTED AVERAGE OF BI-WEEKLY COST FOR POLICE OFFICER

#### FISCAL YEAR 2002-2003

CLASS∕ €RADE	CLASS TITLE	CLASS/GRADE/BONUS	WEIGHTED_AVERAGE
2214-2	POLICE OFFICER	CLASS: 2214 GRADE: 2 BONUS: CLASS: 2214 GRADE: 2 BONUS: G CLASS: 2214 GRADE: 2 BONUS: H CLASS: 2214 GRADE: 2 BONUS: L CLASS: 2214 GRADE: 2 BONUS: M	2,568.98 2,843.21 3,902.79 3,075.91 3,110.99

#### DIVISION OF ACCOUNTING AND REPORTING BUREAU OF LOCAL REIMBURSEMENTS MODIFY CLAIM INFORMATION

05/13/14 09:27:28

PAYEE NUMBER: PROGRAM NUMBER: CHAPTER NUMBER:	213 ANIMAL ADOPTION	: 752/98-L
FISCAL YEAR:		RECEIVED
CLAIM TYPE =======>		May 19, 2014
CLAIM FILED DATE======>		Commission on
CLAIMED AMOUNT ======>	1,463,827.00	State Mandates
CONTACT NAME =======>	MAXIMUS	
CONTACT PHONE NUMBER ===>	916 485-8102 EX	
MANUAL PAY ========>		
ADJ LETTER DATE ======>	04/29/2011 (MM/DD/CCYY)	
CLAIM BLOCK IND ======>	U (B/U)	
PAYMENT TYPE CODE =====>	A (E/A/F/L/D/I)	
CLAIM STATUS =======>>	3 (0-6) FINAL APPROVED	
ACTIVE CLAIM IND =====>	A (A/I)	
CLAIM AUDITED IND =====>	Y (Y/N)	
INTEREST PAID IND =====>	N (Y/N)	

PAYEE NBR: 9819487 PGM NBR: 213 FY: 2005/2006 ENTER= MOD CLM PF4= ADD CLM PF6= DEL CLM PF10= CLAIMS FOR PGM/FY

#### LRSF081

#### DIVISION OF ACCOUNTING AND REPORTING BUREAU OF LOCAL REIMBURSEMENTS CLAIM ADJUSTMENT DETAIL LIST

05/13/14 09:28:03

PAYEE NBR: 9819487	CITY OF LOS ANGELES	
PGM NBR: 213	ANIMAL ADOPTION	: 752/98-L
CHAPTER: CH 752/98 FY:	2005/2006 CLAIMED	AMOUNT: 1,463,827.00
FINAL APRVD DATE: 04/20/2011	TOTAL ADJUSTMENTS	AMOUNT: -1,784,178.00
ADJUSTMENT LETTER DATE: 04/29/20:	11 FINAL APRVD CLA	AIM AMT: -320,351.00

ADJ DATE FNL APR DATE LTR DATE TYPE ADJUSTOR AMOUNT REASON

\_ 04/20/2011 04/20/2011 04/29/2011 D COACSPP -1,463,827.00 PRIOR PAYMENTS

\_ 04/20/2011 04/20/2011 04/29/2011 D COACSPP -320,351.00 FIELD AUDIT FINDINGS

PROJECTED APPROVED AMOUNT=> 1,143,476.00

DC982050 First page...

PAYEE NBR: 9819487 PGM NBR: 213 FY: 2005/2006 PF4= ADD ADJ PF5= MODIFY ADJ PF6= DELETE ADJ PF10= CLMS FOR A PGM/FY LRSF081

#### DIVISION OF ACCOUNTING AND REPORTING BUREAU OF LOCAL REIMBURSEMENTS CLAIM ADJUSTMENT DETAIL LIST

05/13/14 09:28:16

PAYEE NBR: 9819487CITY OF LOS ANGELESPGM NBR: 213ANIMAL ADOPTION: 752/98-LCHAPTER: CH 752/98FY: 2005/2006CLAIMED AMOUNT:1,463,827.00FINAL APRVD DATE: 04/20/2011TOTAL ADJUSTMENTS AMOUNT:-1,784,178.00ADJUSTMENT LETTER DATE: 04/29/2011FINAL APRVD CLAIM AMT:-320,351.00

ADJ DATE FNL APR DATE LTR DATE TYPE ADJUSTOR AMOUNT REASON

\_ 01/30/2007 03/05/2007 00/00/0000 D COACEYA -199,144.00 PRIOR PAYMENTS

PROJECTED APPROVED AMOUNT=> 1,143,476.00

DC982051 Last page...

PAYEE NBR: 9819487 PGM NBR: 213 FY: 2005/2006 PF4= ADD ADJ PF5= MODIFY ADJ PF6= DELETE ADJ PF10= CLMS FOR A PGM/FY

State Controller's Office						Mandated Cost Manual
		CLAIM FOR PAYM	IENT		For State Controller Use Only	Program
Pursuan	t to	Government Co	de So	ection 17561	(19) Program Number 00213	
	Α	NIMAL ADOPT	ION		(20) Date Filed // (21) LRS Input //	_  213
(01) Claimant Identificatio	on Nur	mber				
9819487		RECEIVED			Reimbursemen	t Claim Data
(02) Claimant Name		May 19, 2014		1 11	(22) AA-1, (04)(A)(1)(g)	0
City of Los Angele	es	Commission on		. 10/10 ·		~
County of Location		State Mandates		KAN B.	(23) AA-1, (04)(A)(2)(g)	2,736
Los Angeles Street Address of P.	O Ro	·····		и О. Ч.:		
221 North Figuero				Suite 500	(24) AA-1, (04)(A)(3)(g)	30,522
Citv	a Ju	State		Zip Code		
Los Angeles		CA		90012	(25) AA-1, (04)(B)(1)(g)	0
Type of Claim		Estimated Claim	R	eimbursement Claim	(26) <b>AA-1, (04)(B)(2)(g)</b>	0
	(03)	Estimated	(09)	Reimbursement X	(27) AA-1, (04)(B)(3)(g)	244,197
	(04)	Combined	(10)	Combined	(28) AA-1, (04)(B)(4)(g)	37,227
ang taggéta Anti-ang taggéta Anti-ang taggéta	(05)	Amended	(11)	Amended	(29) <b>AA-1, (04)(B)(5)(g)</b>	246,783
Fiscal Year of Cost	(06)	2006-2007	(12)	2005-2006	(30) <b>AA-1, (04)(B)(6)(g)</b>	0
Total Claimed Amount	(07)	\$1,171,062	(13)	\$1,463,827	(31) <b>AA-1, (04)(B)(7)(g)</b>	12,238
LESS: 10% Late Penal	ty, no	t to exceed \$1,000	(14)		(32) <b>AA-1, (04)(B)(8)(g)</b>	30,738
LESS: Prior Claim Pay	/ment	Received	(15)		(33) <b>AA-1, (04)(B)(9)(g)</b>	379,917
Net Claimed Amount			(16)		(34) <b>AA-1, (04)(B)(10)(g)</b>	0
Due from State	(08)	\$1,171,062	(17)	\$1,463,827	(35) <b>AA-1, (06)</b>	98
Due to State			(18)		(36)	
(37) CERTIFICATIO	N OF	F CLAIM	1		ما <u>لىمى م</u> ىرىمى م	L
			do 175	61 Loortify that I am the of	fficer authorized by the local a	consulto filo mandated
in accordance with the	piovia	Sions of Government Col			incer authorized by the local a	gency to me manuated

In accordance with the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.

I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.

The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Officer		Date		
Edward A. Boks		General Manager		
Type or Print Name		Title		
(38) Name of Contact Person for Claim	Telephone Number	(916) 485-8102	X 112	
Ginger Bernard (MAXIMUS)	E-mail Address	gingerbernard@maxir	nus.com	

Form FAM-27 (Revised 09/03)

State Controller's Office

Mandated Cost Manual

# Program **213**

## MANDATED COSTS ANIMAL ADOPTION CLAIM SUMMARY

FORM AA-1

(01) Claimant: City of Lo	s Angeles		(02) Fiscal y	200	05-2006						
(03) Department											
Direct Costs	Object Accounts										
<ul> <li>(04) Reimbursable Components</li> <li>A. One-Time Costs         <ol> <li>Policies and Procedures</li> </ol> </li> </ul>	(a) Salaries	(b) Benefits	(c) Materials & Supplies	(d) Contract Services	(e) Travel & Training	(f) Fixed Assets	(g) Total				
2. Training	\$1,908	\$828					\$2,736				
3. Computer Software	\$21,286	\$9,236					\$30,522				
<ul> <li>B. Ongoing Costs</li> <li>1. Acquiring Space/Facilities</li> <li>2. Renovating Facilities</li> </ul>											
3. Care of Dogs & Cats			\$244,197			+	\$244,197				
4. Care of Other Animals			\$37,227			<u> </u>	\$37,227				
5. Holding Period	\$172,106	\$74,677	+				\$246,783				
6. Feral Cats											
7. Lost and Found Lists	\$8,534	\$3,703					\$12,238				
8. Non-Medical Records	\$21,437	\$9,301					\$30,738				
9. Veterinary Care	\$262,639		\$117,278				\$379,917				
10. Procuring Equipment											
(05) Total Direct Costs	\$487,911	\$97,745	\$398,702				\$984,358				
Indirect Costs											
(06) Indirect Cost Rate		[From	CRP]	Salary and	Nages		98.27				
(07) Total Indirect Costs	[Line (06)(a)	) x line(05)(a	))]or [{Line(06	5) x line (05)(a	a)} + line (05)(l	b)}]	\$479,470				
(08) Total Direct and Indirect Co	osts	[Line(	05)(g) + line((	)7)]			\$1,463,82				
Cost Reduction											
(09) Less: Offsetting Savings											
(10) Less: Other Reimbursemen	ts										
(11) Total Claimed Amount	{	Line(08) - {L	ine (09) + Line	≥(10)}]			\$1,463,82				

Revised 09/03

State Controller's Office

Program

# MANDATED COSTS ANIMAL ADOPTION

Mandated Cost Manual

213	ANIMAL ADOPTION COMPONENT/ACTIVITY COSTS DETAIL									FORM AA-2	
(01) Claimant:	City of	f Los Angeles (02) Fiscal year costs were incurred: 2005						2005-200	5-2006		
(03) Reimbursab One-Time	le Components: C			ber form to	<b>identify</b> Training		onent bei	ng claime	1	er Software	9
Ongoing	Acquiring Sp		es		Renovat Holding	ing Faciliti Period	es	[	Care of I	Dogs & Ca its	ats
	Lost and Fo				Non-Med	dical Reco	rds		] Veterina	ry Care	
(04) Description	of Expenses						Ot	ject Acco	ounts		
Employee N Classifications, Fu	a) Names, Job Inctions Performed on of Expenses	(b) Hourly Rate or Unit Cost	(c) Benefit Rate	(d) Hours Worked or Quantity	(e) Materials and	(f) Contract Services	(g) Fixed Assets	(h) Travel and	Salaries	(i) Benefits	Total Sal. & Ben.
Animal Control Off Animal Care Tech Veterinarian (1) Veterinary Technic Each new employe 2 hours of training mandated activitie	nicians (29) cians (2) ee received on the	\$25.35 \$22.42 \$43.49 \$28.78	43.39% 43.39% 43.39%	58.00 2.00					\$406 \$1,300 \$87 \$115	\$176 \$564 \$38 \$50	\$582 \$1,865 \$125 \$165
(05) Total ()	Subtotal ( )	Page:_	of						\$1,908	\$828	\$2,730

State Controller's Uffice

Program

213

# MANDATED COSTS ANIMAL ADOPTION

FORM
AA-2

Lauren and the second s											
(01) Claimant: City of Los Angeles			(02) Fisc	al year co	sts were i	2005-2006					
(03) Reimbursable (	Components: C	Check <u>only</u>	one box	per form to	o identify	the comp	onent bei	ng claime	d.	*******	**************************************
One-Time	Policies and	Procedures	5		Training			Computer Software			
Ongoing	Acquiring Sp	bace/Faciliti	es		Renovat	ing Faciliti	es		Care of I	Dogs & Ca	ats
	Care of Other Animals				Holding	Period			Feral Ca	ts	
	Lost and Fo	und Lists			Non-Med	dical Reco	rds		Veterina	ry Care	
	Procuring E	quipment									
(04) Description of I	Expenses			101 E W. <del>M.</del> W.			O	oject Acco	ounts		
(a) Employee Nam	as lob	(b) Hourby	(c) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	
Classifications, Funct and Description	ions Performed	Hourly Rate or Unit Cost	Rate	Worked or Quantity		Services	Fixed Assets	and	Salaries	Benefits	Total Sal. & Ben.
Develop and/or procu computer software for maintenance of non-r animal records. Sr. System Analyst 25% of the Sr. Analyst time is spent on main of animal information systems and the Dep website.	r the nedical st's tenance								\$21,286	\$9,236	\$30,522
(05) Total ( ) S	ubtotal ( )	Page:_	of _						\$21,286	\$9,236	\$30,522

State Controlle	r's Uπice									Mandated	Cost Manual
Program				MANDA	FED COST	S					
	ANIMAL ADOPTION										FORM
213	COMPONENT/ACTIVITY COSTS DETAIL										AA-2
e e e		-									
(01) Claima	nt: City of L	os Angel	es	(02) Fisc	al year costs	were incu	urred:		2	2005-200	)6
(03) Reimbu	ursable Components: Chec	k <u>only</u> one	box per f	orm to ide	ntify the con	nponent b	eing clain	ned.			
One-Time	Policies and Pro	cedures			Training				Compute	er Software	9
Ongoing	Acquiring Space		Renovating	Facilities		X	Care of I	Dogs & Ca	ts		
	Care of Other Animals				Holding Per	iod			Feral Ca	ts	
	Lost and Found	Lists			Non-Medica	al Records			Veterina	ry Care	
	Procuring Equip	ment									
(04) Descrip	otion of Expenses						Obje	ect Accou	nts		
Em	(a) ployee Names, Job	(b) Hourly	(c) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	
Classificat	ions, Functions Performed escription of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.
impounded s ed dogs and or are ultima during the inc period. Total Shelter Yearly Censu Number Euth Reimbursabl Cost Per Ani	tely euthanized creased holding • Cost for all animals \$10,487,509 us 509,248 nanized 5,930 le days 2				\$244,197						
(05) Total	( ) Subtotal ( )	Page:	of		\$244,197						

State Controller	r's Unice									Mandated	i Cost Manual
Program	ram MANDATED COSTS										
	ANIMAL ADOPTION									FORM	
213	COMPONENT/ACTIVITY COSTS DETAIL									AA-2	
(01) Claimar	nt: City of L	.os Ange	les	(02) Fisc	al year co	sts were	incurred:			2005-200	06
(03) Reimbu	rsable Components: Che	ck <u>only</u> on	e box per	form to id	entify the	compone	nt being	claimed.			
One-Time	Policies and Pro	ocedures			Training			L	Compute	er Software	Э
Ongoing	Acquiring Space/Facilities				Renovat	ing Faciliti	es		Care of	Dogs & Ca	ats
	X Care of Other Animals				Holding	Period			Feral Ca	its	
	Lost and Found	Lists			Non-Med	dical Reco	rds		Veterina	ry Care	
	Procuring Equip	oment									
(04) Descrip	tion of Expenses						Ok	oject Acco	unts		
Emr	(a) bloyee Names, Job	(b) Hourly	(c) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	
Classificatio	ons, Functions Performed	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.
					Cupplied			inaning			
Care and mai											
	tray or abandon-										
	imals that die or										
are ultimately											
	reased holding										
period.											
Total Shelter	Cost for all animals				\$37,227						
	\$10,487,509				Ψ01,221						
Yearly Censu											
	509,248										
Number Euth	anized										
	452										
Reimbursable											
Cost Per Anir	4										
COSLI ELAIN	\$20.59							[			
\$20.59 x 452	x 4 = \$37,226.72										
	, , , , , , , , , , , , , , , , , , ,										
							,				
(05) Total	( ) Subtotal ( )	Page:	_of	_	\$37,227						

State Controller's Office

State Controlle	r's Uffice									mandated	Cost Manual	
Program <b>213</b>								FORM AA-2				
(01) Claima	nt: City of L	_os Angel	es	(02) Fisc	al year co	sts were i	incurred:		2	005-200	6	
(03) Reimbu One-Time	me Policies and Procedures			form to id	form to identify the component being claimed. Training					Computer Software		
Ongoing	Acquiring Space/Facilities         Care of Other Animals		X	Renovating Facilities     X     Holding Period				Care of Dogs & Cats Feral Cats				
	Lost and Found Procuring Equip				Non-Medical Records				Veterinary Care			
(04) Descrip	otion of Expenses						0	bject Acc	ounts			
	(a) ployee Names, Job	(b) Hourly	(c) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)		
2	ons, Functions Performed escription of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.	
on Sundays I	Technician	\$22.42 \$21.23 \$15.24	43.39%	4680.00 1560.00 2235.00					\$104,926 \$33,119 \$34,061	1	\$150,453 \$47,489 \$48,841	
(05) Total	( ) Subtotal ( )	Page:	_ of						\$172,106	\$74,677	\$246,783	

State Controller's Uffice

#### Mandated Cost Manual

Program 213	MANDATED COSTS ANIMAL ADOPTION COMPONENT/ACTIVITY COSTS DETAIL							FORM AA-2				
(01) Claimant:	City of	Los Ange	eles	(02) Fisc	scal year costs were incurred: 2005-200					)6		
(03) Reimbursable Co One-Time	<b>pmponents: (</b> Policies and		-	per form to	<b>identify</b> Training	the compo	onent bei	ng claime	1	d. Computer Software		
Ongoing	Acquiring Space/Facilities			Renovat Holding	ing Faciliti	es	[	Care of Dogs & Cats				
x	Care of Othe					dical Reco	rds		Feral Ca			
	Procuring E	quipment										
(04) Description of E (a)		(b)	(c)	(d)	(e)	(f)	(g)	bject Acco	ounts	(i)		
Employee Name Classifications, Functio and Description o	ons Performed	Hourly Rate or Unit Cost	Benefit Rate	Hours Worked or Quantity	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Salaries	Benefits	Total Sal. & Ben.	
Provide various inform to owners of lost anima those who have found animals. The lists inclu type of animal, referral contact info, advice on publish and disseminar animal information. Six Shelters: North Central Shelter South Central Shelter East Valley Shelter West Valley Shelter West Los Angeles She Harbor Shelter Clerk Typist (6) 11 minutes per day pe to prepare stray summ each shelter for 365 da	Is and lost de the s, shelter how to te los liter	\$21.23	43.39%	402.00					\$8,534 \$ <b>8,53</b> 4	\$3,703	\$12,238	

Program 213

# MANDATED COSTS **ANIMAL ADOPTION**

COMPONENT/ACTIVITY COSTS DETAIL

FORM

AA-2	

(01) Claimant: City of Los Angeles			(02) Fiscal year costs were incurred:					2005-2006		
(03) Reimbursable Components:	Check only	one box	per form to	o identify	the comp	onent bei	ng claime	d.		
One-Time Policies a	nd Procedure	s		Training			[	Compute	er Software	Э
Ongoing Acquiring	Space/Facilit	ies		Renovat	ing Faciliti	es		Care of	Dogs & Ca	ıts
Care of Of	her Animals			Holding	Period			Feral Ca	Its	
Lost and F	ound Lists		X	Non-Mee	dical Reco	rds		] Veterina	ry Care	
Procuring	Equipment									
(04) Description of Expenses		••••••••••••••••••••••••••••••••••••••				Ot	oject Acco	ounts		
(a) Employee Names, Job	(b) Hourly	(c) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	
Classifications, Functions Performer and Description of Expenses	I Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.
Maintain non-medical records on animals that are taken up, euthanized after the holding period, or impounded. Minutes per Record Number of Records 11,135 Animal Care Technician		43.39%	928.00					\$21,437 \$21,437	\$9,301 \$9,301	\$30,738

Program <b>213</b>	MANDATED COSTS ANIMAL ADOPTION COMPONENT/ACTIVITY COSTS DETAIL							FORM AA-2			
(01) Claimar	<sup>nt:</sup> City of	(02) Fisc	al year costs	were inc	urred:		2	005-200	6		
(03) Reimbu One-Time	rsable Components: C			per form to	<b>identify the</b> Training	compone	ent being	claimed.	Computer	Software	
Ongoing	Acquiring Sp		es		Renovating			[	Care of Do	igs & Cats	
	Care of Othe				Holding Per Non-Medica			x	Feral Cats	Care	
	Procuring E	quipment									
(04) Descrip	tion of Expenses						Ob	ject Acco	unts		
	(a) byee Names, Job	(b) Hourly	(c) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel	(i)		1
	s, Functions Performed cription of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.
Average time emergency tr	Indoned animals. (min.) to provide eatment. 12 Ils requiring care.				\$117,278						
	narian treatment				φ117,270				\$159,203		\$159,203
per animal is									φ139,203		φ109,200
Cost of Veter treatment per	narian Tech · animal is \$5.75								\$103,437		\$103,437
(05) Total	( ) Subtotal ( )	Page:_	of		\$117,278				\$262,639		\$262,639

## TRAINING EXPENSE

## **DESCRIPTION:**

Training employees (new hires) on the mandated activities

## **EXPENSE:**

Animal Control Officer, two (2) hours per employee: Annual Salary / 1,800 x number of employees x number of hours. Eight (8) new hires

Animal Care Technicians, two (2) hours per employee: Annual Salary / 1,800 x number of employees x number of hours. Twenty-nine (29) new hires.

Veterinarian, two (2) hours per employee: Annual Salary / 1,800 x number of employees x number of hours. One (1) new hires.

Veterinary Technicians, two (2) hours per employee: Annual Salary / 1,800 x number of employees x number of hours. Two (2) new hires.

## CALCULATION:

Animal Control Officer: 45,637 / 1,800 = 25.35 x eight (8) new ACO's employees x 2 hours each = 406

Animal Care Technician: 40,351 / 1,800 = 22.42 x twenty-nine (29) new ACT's x 2 hours each = 1,300

Veterinarian:  $\frac{78,273}{1,800} = 43.49 \text{ x one (1)}$  new Veterinarian x 2 hours each = 87

Veterinary Technician:  $51,796 / 1,800 = 28.78 \times 100$  (2) new Veterinary Technicians x 2 hours each = 115

## OR

Title	Expense
Animal Control Officer	\$ 406
Animal Care Technician	\$1,300
Veterinarian	\$87
Veterinary Technician	<u>\$ 115</u>
EXPENSE TOTAL	\$1,908

## **COMPUTER SOFTWARE**

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## **DESCRIPTION:**

Develop and / or procure computer software for the maintenance of non-medical animal records

## **EXPENSE:**

Sr. Systems Analyst I. Twenty-five (25) percent of Sr. Systems Analyst I annual salary for the maintenance of animal information systems and the Department's website.

## CALCULATION:

Sr. System analyst I: \$85,144 x twenty-five (25) percent = \$21,286

OR

Sr. Systems Analyst I	<u>\$21,286</u>
EXPENSE TOTAL	\$21,286

## **CARE OF DOGS AND CATS**

## **DESCRIPTION:**

•

Provide care and maintenance for dogs and cats that die during the increased holding period or were ultimately euthanized.

## FORMULA:

Total shelter cost for all animals:	\$10,487,509
Yearly Census (Total animal days):	509,248
Number that died during increased holding period or were euthanized:	5,930
Number of reimbursable days:	2

## **CALCULATION:**

Annual shelter cost / yearly census = daily cost per animal

Daily cost per animal x number of dogs and cats that die or are euthanized x number of reimbursable days = reimbursable expense

## OR

\$10,487,509 / 509,248 = \$20.59

\$20.59 x 5,930 x 2 = \$244,197.40

## **EXPENSE TOTAL**

\$244,197.40

## **CARE OF OTHER ANIMALS**

## **DESCRIPTION:**

Provide care and maintenance for other animals, including but not limited to rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles and/or tortoises that die during the increased holding period or were ultimately euthanized.

## FORMULA:

Total shelter cost for all animals:	\$10,487,509
Yearly Census (Total animal days):	509,248
Number that died during increased holding period or were euthanized:	452
Number of reimbursable days:	4
CALCULATION:	

Annual shelter cost / yearly census = daily cost per animal

Daily cost per animal x number of other animals that die or are euthanized x number of reimbursable days = reimbursable expense

## OR

\$10,487,509 / 509,248 = \$20.59

\$20.59 x 452 x 4 = \$37,226.72

**EXPENSE TOTAL** 

\$37,226.72

## **HOLDING PERIOD**

#### **DESCRIPTION:**

The Shelter are open for five (5) hours on Sunday to make animals available for owner redemption as mandated.

## FORMULA:

Animal Care Technician: Annual Salary / 1,800 x number of hours = Expense for keeping shelters open on Sunday, Total hours worked = 7,488 / 8 hour day x 5 hours shelters are open. 7,488 HRS worked on Sunday /B = 936 B HR Sundays worked X Selicible HRS

Clerk Typist: Annual Salary / 1,800 x number of hours = Expense for keeping shelters open on Sunday, Total hours worked = 2,496 / 8 hour day x 5 hours shelters are open.

Clerk Typist (As Needed): Hourly rate x number of hours = Expense for keeping shelters open on Sunday, Total hours worked =  $2,235 \times 5$  hours shelters are open.

## **CALCULATION:**

Animal Care Technician: \$40,351 / 1,800 = \$22.42.Total hours worked = 7,488 / 8 x 5 = \$104,925.60

Clerk Typist: 38,215 / 1,800 = 21.23. Total hours worked = 2,496 / 8 hour day x 5 33,188.80.

Clerk Typist (As Needed): \$15.24 x 2,235 = \$34,061.40

## OR

Animal Control Officer	\$104,925.60
Clerk Typist	33,188.80
Clerk Typist (As Needed)	34,061.40
	\$172,175.80

#### **EXPENSE TOTAL**

\$172,175.80

#### LOST AND FOUND LIST

## **DESCRIPTION:**

Provide lost and found lists for owners and rescuers of lost animals. The list includes type of animal, referrals, shelter contact information, advice on how to publish and disseminate lost animal information.

## FORMULA:

#### Six Shelters:

North Central Shelter South Los Angeles Shelter East Valley Shelter West Valley Shelter West Los Angeles Shelter Harbor Shelter

## **CALCULATION:**

Personnel:

Six Clerk Typist

Time Spent to Prepare List:

Eleven minutes per day to prepare Summary Sheet for each shelter for 365 days per year.

#### Salary:

Clerk Typist Salary for Fiscal Year 2005-06 = \$38,215 Clerk Typist Average Hourly Salary (\$38,215 / 1,800) = \$21.23

#### **COMPUTATION:**

Number of shelters x clerk typist x number of days x preparation time / 1hour (60 minutes) x hourly salary = Expense

#### Or

Six (6) shelters (x) 1 Clerk Typist each (x) 365 days (x) 11 minutes = 24090 minutes per year to prepare list / 60 minutes = 402 hours per year (x) \$21.23 average hourly salary = \$8,534.46 per year to prepare lost and found list.

### **EXPENSE TOTAL:**

\$8,534.46

## MAINTAINING NON-MEDICAL RECORDS

## **DESCRIPTION:**

Maintaining non-medical records on animals that are taken up, euthanized after the holding period or impound.

#### FORMULA:

Time required to input non-medical records = five (5) minutes per record.

Number of records: 11,135.

## CALCULATION:

Time required to input individual record (x) number of records / 1hour (60 minutes) = total hours required to input non-medical records.

Average salary for animal Care Technician is 41,572 / 1,800 annual hours = Hourly Rate.

Hours to input non-medical records (x) hourly rate for Animal Care Technician = Total cost.

#### OR

Five (5) minutes x 11,135 / 60 minutes – 928 hours

\$41,572 / 1800 work hours = \$23.10

928 x \$23.10 = \$21,436

#### **EXPENSE TOTAL**

\$21,436.80

## VETERINARY CARE

## **DESCRIPTION:**

Providing necessary and prompt veterinary care for stray and abandoned animals that die during the increased holding period or were ultimately euthanized.

## FORMULA:

Veterinarian annual and hourly rate:	\$79,636 / 1,800 = \$44.24.
Veterinarian Technician annual and hourly rate:	\$51,725 / 1,800 = \$28.74.

Average time to provide medical treatment: 12 minutes.

Cost of providing Veterinarian medical treatment per animal: \$44.24 / 60 minutes x 12 minutes = \$8.85

Cost of a Veterinary Technician assisting Veterinarians in medical treatment per animal: \$28.74 / 60 minutes x 12 minutes = \$5.75

Number of animals requiring prompt medical care: 17,989

## CALCULATION:

Cost of providing medical treatment x number of animals requiring prompt medical care = Total Expense.

Medical supply use was based on a comparison between FY 1997-98, the last full fiscal year before SB 1785 and FY 2005-06, the current reporting year.

- In FY 1997-98 there were 2 Veterinarians and 12 Veterinary Technicinas. Expenses for Account 3190 Animal Medical Supplies was \$131,878.
- In FY 2005-06 there were 5 Veterinarians and 22 Veterinary Technicians. Expenses for Account 3190 Animal Medical Supplies was \$249,156

Therefore \$249,156 - \$131,878 = \$117,278 in expenditure of Animal Medical Supplies to support additional Veterinary Care under SB 1785.

OR

Veterinarinan:	\$8.85 x 17,989 = \$159,202.65
Veterinary Technicians:	\$5.75 x 17,989 = \$103,436.75
Animal Medical Supplies	= \$117,278.00
Expense Total	\$379,917.40

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## **CITY OF LOS ANGELES** INTER-DEPARTMENTAL CORRESPONDENCE

DATE: October 11, 2006

MEMORANDUM NO. 06-037

TO: All City Office/Department Heads

Rushmore D. Cervantes, Chief Deputy Controller KD FROM:

SUBJECT: 2005-06 INDIRECT COST RATES COST ALLOCATION PLAN (CAP) 28

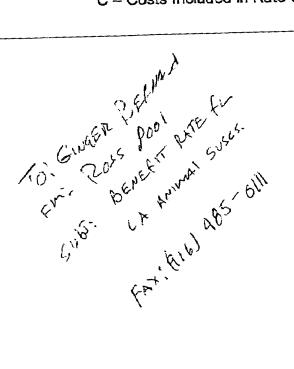
Attached are the approved Cost Allocation Plan (CAP) 28 indirect cost rates and instructions on their use. The only changes from the interim rates distributed on October 11, 2005, were Administration rates for the City Administrative Officer and Office of the Treasurer.

The rates were approved by the U.S. Department of Health and Human Services under contract with the City's cognizant federal agency, the U.S. Department of Housing and Urban Development. These rates must be used in all new applications, contracts, and billings for grant activities and to compute overhead amounts to be included with fees for special services during 2005-06.

Questions regarding the Cost Allocation Plan or indirect cost rates may be directed to the CAP staff, Lillian Sedlak at 978-7326, or Achilles Gonzales at 978-7327.

Attachments: A – Indirect Cost Rates B – Instructions

C - Costs Included in Rate Calculations



#### COST ALLOCATION PLAN 28 (CAP 28) - INDIRECT COST RATES WITH CARRY FORWARD

The rates below are to be used to prepare grant applications, contracts and billings for grant activities, and to compute Fees for Special Services, during 2005-06. They are to be applied only to straight time, gross salaries (with CTO). When only net salaries (without CTO) are available, convert net salaries to gross salaries using the CTO rate. For rates applicable to **part time** or **overtime** salaries, please contact CAP staff. **Note: You MUST adjust rates to deduct directly billed costs**. See list-Attachment C and Instructions-Attachment B.

DEPARTMENT/Cost Center	Fringe Benefits	Central Services	Department Administration & Support	Division Overhead*	СТО
AGING:					
Balance of Department	34.22%	58.63%	na	*	25.76%
Title V	6.94%	2.40%	na	*	10.90%
				(- 0)	
, ANIMAL SERVICES	43.39%	39.43%	<b>58.84%</b> (0	8.77%)	20.62%
BUILDING & SAFETY	32.78%	19.60%	22.79%	*	19.48%
CITY ADMINISTRATIVE OFFICER (OARS): CRA, Petroleum Admin., Proprietary, Capital Projects (Phy. Plant)	31.04%	45.24%	34.69%	÷	19.83%
Disaster Grants Coordination	22.48%	267.83%	14.04%	*	1 <b>9.83%</b>
CITY ATTORNEY:					
Criminal	30.27%	12.94%	13.97%	*	24.76%
Direct Billed - User's Site (Proprietary Depts.)	26.59%	0.81%	8.38%	*	24.76%
Direct Billed - In City Space	29.46%	12.27%	14.71%	*	24.76%
CITY CLERK:					
Elections	108.79%	81.18%	56,94%	+	18.55%
Land Records	38.85%	28.98%	63.72%	*	6.26%
					-
COMMISSION FOR CHILDREN, YOUTH AND THEIR FAMILIES	35.93%	121.62%	45,35%	*	24.58%
	00.0070	121.0270	40.0074		24.00 %
	32.83%		<del></del>		-29.51%
COMMUNITY DEVELOPMENT:					
Balance of Department	30.58%	18.08%	na	*	19.64%
As Needed Employees	5.78%	6.09%	na	*	n/a
CONTROLLER:	00 75%	4.000/			00 000/
Direct Billed (at User's site)	30.75%	4.88%	23.26%	-	22.30%
Direct Billed (in City space)	31.55%	86.84%	0.00%		22.30%
CULTURAL AFFAIRS	38.56%	54.13%	0.00%	*	18.11%
DEPARTMENT on DISABILITY	30.22%	79.10%	44.50%		19.72%
EL PUEBLO	23.38%	64.95%	44.44%	*	22.63%
EMERGENCY PREPAREDNESS DEPT Em. Prep. Policy & Public info.	31.58%	58.65%	74.47%		26.63
ENVIRONMENTAL AFFAIRS: Policy/Public Information	29.34%	15.11%	21.02%	÷	24.19%

#### Attachment A

#### COST ALLOCATION PLAN 28 (CAP 28) - INDIRECT COST RATES WITH CARRY FORWARD

The rates below are to be used to prepare grant applications, contracts and billings for grant activities, and to compute Fees for Special Services, during 2005-06. They are to be applied only to straight time, gross salaries (with CTO). When only net salaries (without CTO) are available, convert net salaries to gross salaries using the CTO rate. For rates applicable to part time or overtime salaries, please contact CAP staff. Note: You MUST adjust rates to deduct directly billed costs. See list-Attachment C and Instructions-Attachment B.

DEPARTMENT/Cost Center	Fringe Benefits	Central Services	Department Administration & Support	Division Overhead*	СТО
FINANCE, OFFICE OF Revenue Collections	33.14%	87.31%	14.13%		21.20%
FIRE: Civilian Sworn (Firefighters)	36.45% 36.64% Combined Dept. Admin		24.59% 16.28% a <u>12.61%</u> b 28.89% a	Field Supp	
GENERAL SERVICES: Materials Testing Print Shop	<i>including Field Support</i> 30.82% 37.96%	26.65% 55.85%	7.77% 7.82%	* *	20.64% 21.15%
HOUSING: Grant-Funded Housing Rent Control Internal Administration	31.66% 31.64% 30.38%	3.60% 8.12% 39.53%	na na na	* * *	18.25% 18.25% 18.25%
HUMAN RELATIONS COMMISSION	29.42%	45.13%	23.76%	*	16.76%
LIBRARY LOS ANGELES CONVENTION CENTI	39.47% ER 33.99%	15.55% 32.28%	20.01% 34.85%	* *	19.40% 22.79%
MAYOR: Executive/Policy Grant Funded/Spec. Programs	30.58% 32.97%	80.44% 9 <b>9.4</b> 3%	46.24% 46.59%	*	20.70% 18.30%
Direct in City Space	25.97% 30.18%	60.94% 30.80%	65.86% 32.72%	*	20.70% 13.24%
PERSONNEL: Custody Care (Jails) Personnel Grant Funded/Spec. Prog PLANN/NG	33.36%	10.05% 46.26% 28.80%	8.60% 5.82% 20.83%	*	20.45% 20.45% 18.39%
POLICE: Civilian Sworn	38.51% 38.43% Combined Dept. Admi including Field Suppor	11.86% 18.01% n. & Support Rate,	17.48% 33.66% a 28.44% b 62.10% c	Field Supp	24.86% 27.57% port Rate,

\*\*NOTE: For Fire and Police, the Field Support rate (line b.) captures overhead costs that are in addition to other Administrative and Support Costs. It has been added to the Department Administration rate on this schedule. Please use this combined rate (line c.) for sworn positions in field operations. For other, non-field sworn positions, do NOT use the Field Support rate; use only the regular Department Administration rate (line a.), together with the other (Fringe, Central Service and CTO) rates.

Attachment A

#### COST ALLOCATION PLAN 28 (CAP 28) - INDIRECT COST RATES WITH CARRY FORWARD

The rates below are to be used to prepare grant applications, contracts and billings for grant activities, and to compute Fees for Special Services, during 2005-06. They are to be applied only to straight time, gross salaries (with CTO). When only net salaries (without CTO) are available, convert net salaries to gross salaries using the CTO rate. For rates applicable to part time or overtime salaries, please contact CAP staff. Note: You MUST adjust rates to deduct directly billed costs. See list-Attachment C and Instructions-Attachment B.

DEPARTMENT/Cost Center	Fringe Benefits	Central Services	Department Administration & Support	Division Overhead*	сто
PUBLIC WORKS, Board Office: Public Services	32.19%	34.44%	4.65%		20.60%
PW - Contract Administration: Construction Inspection	31.96%	11.64%	16.50%	62.49%	18.05%
PW - Engineering: Stormwater Facilities Engineering Wastewater Facilities Engineering Privately Financed & Assessment Street Improvements Municipal Facilities General Mapping & Survey	29.70% 30.83% 28.97% 19.07% 27.12% 31.66%	16.36% 15.43% 16.74% -0.65% 1.38% 16.17%	13.47% 13.65% 13.41% 13.05% 12.92% 13.85%	44.20% 48.78% 6.25% 44.09% 31.72% 150.22%	19.60% 19.60% 19.60% 19.60% 19.60% 19.60%
PW - Sanitation Solid Waste Program Wastewater/Stormwater Division	39.55% 31.89%	123.79% 21.22%	7.30% 5.38%	*	20.99% 20.99%
PW - Street Lighting PW - Street Services Street Maint General Street Use Inspection Lot Cleaning Street Tree Division	34.13% 39.72%	36.30% 79.10%	27.71% 19.71%	* 116.00% 42.65% 225.99% 142.79%	19.98% 29.63% 31.64% 25.62% 31.14% 30.36%
Street Maint Administration ST MNT Facilities Maintenance Street Maint Executive Resurf & Reconstr Div Special Proj Constr Div Street Improvement Div	c E s	These ten Division Over alculated by St. Servin iquipment is billed as a uch is done, the Centr rill be reduced to exclu illed equipment.	ces, assume that a direct cost. When ral Services rate	97.93% 78.18% 45.20%	29.54% 28.55% 30.20% 30.44% 29.40% 26.54%
RECREATION & PARKS	53.25%	32.90%	15.62%	+	20.95%
TRANSPORTATION	40.85%	26.38%	8.04%	*	23.04%
TREASURER Cash Management & Street Bonds	27.82%	206.44%	73.70%	*	19.15%
Zoo Department	44.57%	18.84%	31.13%	*	27.29%

#### Notes:

\* Division Overhead includes costs of division heads, section supervisors, clerical and other support staff within divisions or sections. These costs are not part of the Department Administration rate, but are legitimate costs which should be recovered if allowed by your grantor. If these costs are not charged directly to a grant, a Division Overhead indirect cost rate should be calculated. To maintain consistency and insure that Division Overhead costs do not overlap with Department Administration costs, please contact CAP staff for assistance in calculating these rates. Public Works Division Overhead rates are computed by Public Works staff and published herein as a courtesy.

#### Instructions for Using Indirect Cost Rates

Modifying the rates. Usually departments use the CAP rates as published; however, situations may arise necessitating revision of the rates. Your Department's CAP rate should be modified if your Department directly charges to a grant or fee payer any of the indirect costs, or if the grantor or fee payer directly provides any of the services listed on Attachment C. For example, if you purchase a computer and the total cost is paid directly by a fee payer or grantor, your CAP rate must be reduced to avoid double billing for the directly charged item(s). This means: if the entity you are billing provides office space, telephone service, computers, vehicles, or any other item listed on Attachment C, your rates must be adjusted to exclude those items.

An example of the necessity for rate modification is the Police Department's bill to the Airports Department. Airports provides space, utilities, telephones and equipment for Police Department staff at the Airport substation. To properly bill the Airports Department for law enforcement services at this site, the Police Department indirect cost rates are revised to exclude the building use, building lease, equipment use, and telephone line items.

Contact the CAP Office for adjusted rates if any cost listed in Attachment C is directly billed to grants or fees, or if any of the listed services are provided by your client.

Using the rates as published. The CAP indirect cost rates are computed based on "gross annual salaries" excluding overtime. (For rates applicable to overtime salaries, please contact the CAP office.) Compensated time off (CTO) is included in this gross salaries base. (See Attachment C paragraph 5 for a definition of CTO.) The CAP Fringe Benefits, Central Services, and Department Administration indirect cost rates, therefore, must be applied to salaries which include CTO and exclude overtime. Please refer to the example below, where:

Central Servic Department Administration & Supp Compensated Time (	Off Rate = 16.26% of Net Salaries
1. Assume Gross Salaries = \$ 1	1,000.00 (Gross Salaries are salaries for straight time worked plus Compensated Time Off.)
	st rates, and assuming your CTO costs are included in your
salaries as billed, total indirect costs	ts are calculated below:
a. <b>\$   1,00</b> 0 x    28.10% =  \$	5
b. \$ 1,000 x 39.77% = \$	
c. \$ 1,000 x 18.87% = <u>\$</u>	188.70 Department Administration & Support Cost
Sum of $(a + b + c) = $ \$	867.40
2. Assume Net Salaries = \$	860.14 (Net Salaries are salaries for straight time worked, not including Compensated Time Off. Such net salaries would typically be accumulated through direct charges in a cost accounting system.)
Convert net salaries to gross salaries	es by adding CTO % of Net:
a. Net Salary times CTO %: \$	860.14 x 16.26% = \$ 139.86 = CTO Amount
<ul> <li>b. Net Salary plus CTO amt: \$</li> </ul>	860.14 + \$ 139.86 = \$ 1,000.00 = Gross Salaries
c. $1,000 \times 28.10\% = $ d. $1,000 \times 39.77\% = $ e. $1,000 \times 18.87\% = $ Sum of $(a + b + c) = $	397.70 Central Service Cost

**REMINDER:** CTO rates are to be used only when paid time off such as sick and vacation time are not directly charged to a special service or grant project. Please see Attachment C, paragraph 5 for further information.

ATTACHMENT C (Page 1 of 2)

## COST ALLOCATION PLAN 28 INDIRECT COSTS INCLUDED IN RATE CALCULATIONS

## ------ Denatio Data includes the denormant's chars of the Citeruide

1.	Fringe Benefits Rate includes the de	epartment's snare of the Litywide costs of	<u>DT:</u>
	Retirement (Civilians)	Employee Assistance	Union Sponsored Benefits
	Pensions (Fire/Police Sworn)	Ordinance Life Insurance	Unused Sick/Vacation Payout
	FLEX Benefit Program	Medicare	Unemployment Insurance
	- Health Insurance	Social Security	Workers' Compensation
	- Dental Insurance	Part Time/Seasonal/Temporary	Hiring Hall Fringe
	- Basic Life Insurance	(PST) 457 Retirement Plan	
			_
2.		lepartment's share of the Citywide costs	
	Building Leases	Equipment Use Allowance	General City Purposes [League
	[GSD & Spec. Funds]	(Equipment costing \$5,000 & above)	Dues and audits]
	Building Depreciation	Equipment Exp. Under \$5,000	Liability Claims
	Computer Assets Depreciation	(Equipment Costing under \$5,000)	Petroleum Products [GSD]
	(items costing \$5,000 & above)	Gas (Natural Gas Utility) [GSD]	Vehicle Depreciation
	Communications Lease	Insurance on bond-financed assets	Water & Electricity
	(Telephone bill)		Emergency Operations Organization
	City Administrative Officer	COUNCIL & CLA	MAYOR
	City Administrative Officer		
	(CAO, formerly OARS)		Department Liaison & Grants Citywide Coordinator
	Budget	EMPLOYEE RELATIONS BOARD	Grants Citywide Cooldinator
	Employee Relations & Living Wage Gen. Support (Finance, Systems,	EMPLOTEE RELATIONS BOARD	
	Productivity & Risk Management)		PERSONNEL
		ENVIRONMENTAL AFFAIRS	Workers' Compensation & Safety
	Dept Liaison/ Mgt. Analysis Municipal Facilities Projects	Environmental Coordination	Personnel Balance of Dept.
	Municipal Facilities Flujects	Ethionmental Coordination	reisonnel balance of Dept.
	CITY ATTORNEY	EMERGENCY PREPAREDNESS	PUBLIC WORKS
	CITY ATTORNEY Civil Liability	EMERGENCY PREPAREDNESS Emergency Preparedness Coordination	
	Civil Liability		Board Office
	Civil Liability Employee Relations		Board Office Contract Admin:
	Civil Liability Employee Relations Municipal Counse! / Legis. Svcs.	Emergency Preparedness Coordination	Board Office <u>Contract Admin:</u> Office of Contract Compliance
	Civil Liability Employee Relations Municipal Counsel / Legis. Svcs. Land Use	Emergency Preparedness Coordination	Board Office <u>Contract Admin:</u> Office of Contract Compliance
	Civil Liability Employee Relations Municipal Counsel / Legis. Svcs. Land Use Police Division	Emergency Preparedness Coordination FINANCE Citywide Collections GENERAL SERVICES	Board Office Contract Admin: Office of Contract Compliance Engineering: General Engineering TREASURER
	Civil Liability Employee Relations Municipal Counsel / Legis. Svcs. Land Use Police Division CITY CLERK Council and Public Services	Emergency Preparedness Coordination FINANCE Citywide Collections GENERAL SERVICES Building Services	Board Office <u>Contract Admin:</u> Office of Contract Compliance Engineering: General Engineering TREASURER Custody & Disbursement
	Civil Liability Employee Relations Municipal Counsel / Legis. Svcs. Land Use Police Division	Emergency Preparedness Coordination FINANCE Citywide Collections GENERAL SERVICES Building Services Construction Division	Board Office Contract Admin: Office of Contract Compliance Engineering: General Engineering TREASURER
	Civil Liability Employee Relations Municipal Counsel / Legis. Svcs. Land Use Police Division CITY CLERK Council and Public Services	Emergency Preparedness Coordination FINANCE Citywide Collections GENERAL SERVICES Building Services Construction Division Fleet Services	Board Office Contract Admin: Office of Contract Compliance Engineering: General Engineering TREASURER Custody & Disbursement & Debt Administration
	Civil Liability Employee Relations Municipal Counse! / Legis. Svcs. Land Use Police Division CITY CLERK Council and Public Services Records Management	Emergency Preparedness Coordination FINANCE Citywide Collections GENERAL SERVICES Building Services Construction Division Fleet Services Assets Management (Leasing & Real Estate)	Board Office Contract Admin: Office of Contract Compliance Engineering: General Engineering TREASURER Custody & Disbursement & Debt Administration
	Civil Liability Employee Relations Municipal Counsel / Legis. Svcs. Land Use Police Division CITY CLERK Council and Public Services	Emergency Preparedness Coordination FINANCE Citywide Collections GENERAL SERVICES Building Services Construction Division Fleet Services Assets Management (Leasing & Real Estate) Mail & Messenger	Board Office Contract Admin: Office of Contract Compliance Engineering: General Engineering TREASURER Custody & Disbursement & Debt Administration PENSIONS: OVERHEADS ALLOCATED
	Civil Liability Employee Relations Municipal Counsel / Legis. Svcs. Land Use Police Division CITY CLERK Council and Public Services Records Management CITY ETHICS COMMISSION	Emergency Preparedness Coordination FINANCE Citywide Collections GENERAL SERVICES Building Services Construction Division Fleet Services Assets Management (Leasing & Real Estate) Mail & Messenger Parking Services	Board Office Contract Admin: Office of Contract Compliance Engineering: General Engineering TREASURER Custody & Disbursement & Debt Administration PENSIONS: OVERHEADS ALLOCATED TO PENSIONS. (Other Pension
	Civil Liability Employee Relations Municipal Counsel / Legis. Svcs. Land Use Police Division CITY CLERK Council and Public Services Records Management CITY ETHICS COMMISSION CONTROLLER	Emergency Preparedness Coordination FINANCE Citywide Collections GENERAL SERVICES Building Services Construction Division Fleet Services Assets Management (Leasing & Real Estate) Mail & Messenger	Board Office Contract Admin: Office of Contract Compliance Engineering: General Engineering TREASURER Custody & Disbursement & Debt Administration PENSIONS: OVERHEADS ALLOCATED
	Civil Liability Employee Relations Municipal Counsel / Legis. Svcs. Land Use Police Division CITY CLERK Council and Public Services Records Management CITY ETHICS COMMISSION CONTROLLER Accounts Payable	Emergency Preparedness Coordination FINANCE Citywide Collections GENERAL SERVICES Building Services Construction Division Fleet Services Assets Management (Leasing & Real Estate) Mail & Messenger Parking Services Supply Services	Board Office Contract Admin: Office of Contract Compliance Engineering: General Engineering TREASURER Custody & Disbursement & Debt Administration PENSIONS: overHEADS ALLOCATED TO PENSIONS. (Other Pension costs included in Fringe Benefits)
	Civil Liability Employee Relations Municipal Counsel / Legis. Svcs. Land Use Police Division CITY CLERK Council and Public Services Records Management CITY ETHICS COMMISSION CONTROLLER Accounts Payable Budget & General Acctg.	Emergency Preparedness Coordination FINANCE Citywide Collections GENERAL SERVICES Building Services Construction Division Fleet Services Assets Management (Leasing & Real Estate) Mail & Messenger Parking Services Supply Services	Board Office Contract Admin: Office of Contract Compliance Engineering: General Engineering TREASURER Custody & Disbursement & Debt Administration PENSIONS: OVERHEADS ALLOCATED TO PENSIONS. (Other Pension
	Civil Liability Employee Relations Municipal Counsel / Legis. Svcs. Land Use Police Division CITY CLERK Council and Public Services Records Management CITY ETHICS COMMISSION CONTROLLER Accounts Payable Budget & General Acctg. CAP	Emergency Preparedness Coordination FINANCE Citywide Collections GENERAL SERVICES Building Services Construction Division Fleet Services Assets Management (Leasing & Real Estate) Mail & Messenger Parking Services Supply Services Supply Services	Board Office Contract Admin: Office of Contract Compliance Engineering: General Engineering TREASURER Custody & Disbursement & Debt Administration PENSIONS: OVERHEADS ALLOCATED TO PENSIONS. (Other Pension costs included in Fringe Benefits) CERS: OVERHEADS ALLOCATED
	Civil Liability Employee Relations Municipal Counsel / Legis. Svcs. Land Use Police Division CITY CLERK Council and Public Services Records Management CITY ETHICS COMMISSION CONTROLLER Accounts Payable Budget & General Acctg. CAP FMIS	Emergency Preparedness Coordination FINANCE Citywide Collections GENERAL SERVICES Building Services Construction Division Fleet Services Assets Management (Leasing & Real Estate) Mail & Messenger Parking Services Supply Services INFORMATION TECHNOLOGY AGENCY (ITA)	Board Office Contract Admin: Office of Contract Compliance Engineering: General Engineering TREASURER Custody & Disbursement & Debt Administration PENSIONS: overheads allocated TO PENSIONS: (Other Pension costs included in Fringe Benefits) CERS: overheads allocated TO CERS: (Other CERS
	Civil Liability Employee Relations Municipal Counsel / Legis. Svcs. Land Use Police Division CITY CLERK Council and Public Services Records Management CITY ETHICS COMMISSION CONTROLLER Accounts Payable Budget & General Acctg. CAP FMIS Internal Audit	Emergency Preparedness Coordination FINANCE Citywide Collections GENERAL SERVICES Building Services Construction Division Fleet Services Assets Management (Leasing & Real Estate) Mail & Messenger Parking Services Supply Services Supply Services INFORMATION TECHNOLOGY AGENCY (ITA) IT Services	Board Office Contract Admin: Office of Contract Compliance Engineering: General Engineering TREASURER Custody & Disbursement & Debt Administration PENSIONS: OVERHEADS ALLOCATED TO PENSIONS. (Other Pension costs included in Fringe Benefits) CERS: OVERHEADS ALLOCATED
	Civil Liability Employee Relations Municipal Counsel / Legis. Svcs. Land Use Police Division CITY CLERK Council and Public Services Records Management CITY ETHICS COMMISSION CONTROLLER Accounts Payable Budget & General Acctg. CAP FMIS Internal Audit Payroll (incl. Fiscal Systems)	Emergency Preparedness Coordination FINANCE Citywide Collections GENERAL SERVICES Building Services Construction Division Fleet Services Assets Management (Leasing & Real Estate) Mail & Messenger Parking Services Supply Services Supply Services INFORMATION TECHNOLOGY AGENCY (ITA) IT Services Communications Division	Board Office Contract Admin: Office of Contract Compliance Engineering: General Engineering TREASURER Custody & Disbursement & Debt Administration PENSIONS: overheads allocated TO PENSIONS: (Other Pension costs included in Fringe Benefits) CERS: overheads allocated TO CERS: (Other CERS
	Civil Liability Employee Relations Municipal Counsel / Legis. Svcs. Land Use Police Division CITY CLERK Council and Public Services Records Management CITY ETHICS COMMISSION CONTROLLER Accounts Payable Budget & General Acctg. CAP FMIS Internal Audit Payroll (incl. Fiscal Systems) Single Audit	Emergency Preparedness Coordination FINANCE Citywide Collections GENERAL SERVICES Building Services Construction Division Fleet Services Assets Management (Leasing & Real Estate) Mail & Messenger Parking Services Supply Services Supply Services INFORMATION TECHNOLOGY AGENCY (ITA) IT Services	Board Office Contract Admin: Office of Contract Compliance Engineering: General Engineering TREASURER Custody & Disbursement & Debt Administration PENSIONS: overheads allocated TO PENSIONS: (Other Pension costs included in Fringe Benefits) CERS: overheads allocated TO CERS: (Other CERS
	Civil Liability Employee Relations Municipal Counsel / Legis. Svcs. Land Use Police Division CITY CLERK Council and Public Services Records Management CITY ETHICS COMMISSION CONTROLLER Accounts Payable Budget & General Acctg. CAP FMIS Internal Audit Payroll (incl. Fiscal Systems)	Emergency Preparedness Coordination FINANCE Citywide Collections GENERAL SERVICES Building Services Construction Division Fleet Services Assets Management (Leasing & Real Estate) Mail & Messenger Parking Services Supply Services Supply Services INFORMATION TECHNOLOGY AGENCY (ITA) IT Services Communications Division	Board Office Contract Admin: Office of Contract Compliance Engineering: General Engineering TREASURER Custody & Disbursement & Debt Administration PENSIONS: overheads allocated TO PENSIONS: (Other Pension costs included in Fringe Benefits) CERS: overheads allocated TO CERS: (Other CERS

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p.7

ATTACHMENT C (Page 2 of 2)

## INDIRECT COSTS INCLUDED IN CAP 28 RATE CALCULATIONS (continued)

#### 3. Department Administration and Support Rate includes costs of support functions within a department:

The rate includes expenditures which: — benefit the department as a whole

- are NOT directly charged to a grant or fee program
- are NOT line operations.

Expenditures include those of:	
Accounting staff	Department Management (Gen. Mgr. & Asst. Gen. Mgrs)
Budget staff	Clerical Staff/word processing staff serving the entire department.
Payroll staff	Systems Staff (if serving the whole department, not a special project)
Personnel & training staff	Warehouse/inventory/stores staff
Inventory staff	Vehicle maintenance staff (Police & Fire only)

NOTE: The support costs discussed here must conform to Federal definitions of allowable overhead costs and are not necessarily the same as the City's General Administration and Support Program (GASP) in a departmental budget.

#### 4. Division Overhead Rates include the costs of support functions within divisions:

The rate includes the salary and expenses of division heads, section supervisors, and other support within divisions which are not included in the Department Administration costs discussed above. For example, within the Bureau of Engineering, the City Engineer, Deputies, their secretaries and the Administration Division are included in the Department Administration indirect cost rate. Within

Administration Division are included in the Department Administration indirect cost rate. Within operating divisions, division heads, assistant division heads, and their secretaries and division support staff are NOT included in the Department Administration rate.

To recover the overhead costs within a division, a department or bureau should directly charge the time of the division head, secretary, assistant division head, and other division support services to a project, or calculate an indirect cost rate to recover their costs. Please work with the CAP office when calculating such rates, to insure that Division Overhead costs do not overlap Department Administration costs.

#### 5. Compensated Time Off Rate includes the salary paid to employees who are on paid leave such as:

Sick Leave	Jury Duty	Floating Holiday
Vacation	Bereavement leave	Injury on Duty
Holiday	Preventive Medicine	
Military Leave	Workers' Compensation (salary co	ontinuance
Family Illness	paid by the employing departn	nent.)

#### Special Note regarding CTO:

CTO rates are to be used only when sick, vacation, and other CTO hours are not directly charged to a fee or grant project. For employees who charge only part of their hours worked to a grant, their time off is usually not being charged to the project, so the cost of that time off must be recovered using the CTO Rate. For employees whose entire annual salary is charged to a fee or grant, CTO is recovered as they take their time off, and the CTO Rate is not to be used. When the CTO Rate is applied to net salaries, the amount derived is added to net salaries to create gross salaries. The derived gross salaries becomes the base against which the fringe benefit rate and other indirect cost rates described above are applied.

#### 6. OTHER DEFINITIONS

- a. Gross Salaries Total annual salaries, which include pay for time worked AND compensated time off.
- b. Net Salaries Pay for time worked only, not including compensated time off.



State Controller's Office		1. 		Mandated Cost Manual	
	CLAIM FOR PAYM	ENT	For State Controller Use Only	- Program	
Pursuan	t to Government Coo ANIMAL ADOPT		(19) Program Number 00213 (20) Date File <b>FB 15</b> 2001 (21) LRS Input//		
(01) Claimant Identification 9819487	n Number	RECEIVED	Reimbursement Claim Data		
(02) Claimant Name City of Los Angele	29	May 19, 2014 Commission on	(22) AA-1, (04)(A)(1)(g)	0	
County of Los Angeles	t	State Mandates	(23) AA-1, (04)(A)(2)(g)	5,936	
Street Address of P.0		Suite Suite 500	(24) AA-1, (04)(A)(3)(g)	33,386	
City Los Angeles	State CA	Zip Code 90012	(25) AA-1, (04)(B)(1)(g)	0	
Type of Claim	Estimated Claim	Reimbursement Claim	(26) AA-1, (04)(B)(2)(g)	0	
	(03) Estimated	(09) Reimbursement X	(27) AA-1, (04)(B)(3)(g)	193,875	
	(04) Combined	(10) Combined	(28) AA-1, (04)(B)(4)(g)	99,093	
	(05) Amended	(11) Amended	(29) AA-1, (04)(B)(5)(g)	550,210	
Fiscal Year of Cost	(06) 2007-2008	(12) 2006-2007	(30) AA-1, (04)(B)(6)(g)	0	
Total Claimed Amount	(07) \$1,461,361	(13) <b>\$1,826,701</b>	(31) AA-1, (04)(B)(7)(g)	13,016	
LESS: 10% Late Penalt	ty, not to exceed \$1,000	(14)	(32) AA-1, (04)(B)(8)(g)	20,871	
LESS: Prior Claim Payment Received		(15)	(33) AA-1, (04)(B)(9)(g)	391,374	
Net Claimed Amount		(16)	(34) AA-1, (04)(B)(10)(g)	0	
Due from State	(08) <b>\$1,461,361</b>	(17) <b>\$1,826,701</b>	(35) <b>AA-1, (06)</b>	82	
Due to State		(18)	(36)		

#### (37) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Govenment Code Sections 1090 to 1098, inclusive.

I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.

The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

	Date 2-11-0	08				
Edward A. Boks	General Manager					
Type or Print Name	Title					
(38) Name of Contact Person for Claim	Telephone Number (916) 485-8102	X 113				
Allan Burdick	E-mail Address allanburdick@maximus	allanburdick@maximus.com				

Form FAM-27 (Revised 09/03)

State Controller's Office

Program

213

Mandated Cost Manual

## MANDATED COSTS ANIMAL ADOPTION

**CLAIM SUMMARY** 

FORM

AA-1

(01) Claimant: City of Lo	(02) Fiscal year costs were incurred: 20				06-2007		
(03) Department							
Direct Costs		······································	OI	oject Acco	unts		
<ul> <li>(04) Reimbursable Components</li> <li>A. One-Time Costs         <ol> <li>Policies and Procedures</li> </ol> </li> </ul>	(a) Salaries	(b) Benefits	(c) Materials & Supplies	(d) Contract Services	(e) Travel & Training	(f) Fixed Assets	(g) Total
2. Training	\$3,982	\$1,954					\$5,936
3. Computer Software	\$22,396	\$10,990	·				\$33,386
<b>B. Ongoing Costs</b> 1. Acquiring Space/Facilities							
<ol> <li>Renovating Facilities</li> <li>Care of Dogs &amp; Cats</li> </ol>			\$193,875				\$193,875
4. Care of Other Animals	-	· · · · · ·	\$99,093				\$99,093
5. Holding Period	\$369,095	\$181,115					\$550,210
6. Feral Cats							
7. Lost and Found Lists	\$8,731	\$4,285					\$13,016
8. Non-Medical Records	\$14,001	\$6,870					\$20,871
9. Veterinary Care	\$212,421		\$178,953				\$391,374
10. Procuring Equipment							
(05) Total Direct Costs	\$630,626	\$205,213	\$471,921				\$1,307,759
Indirect Costs							
(06) Indirect Cost Rate		[From le	CRP]	Salary and V	Vages		82.29%
(07) Total Indirect Costs	[Line (06)(a	) x line(05)(a)	)]or [{Line(06	) x line (05)(a	i)} + line (05)(b	)}]	\$518,942
(08) Total Direct and Indirect Co	sts	[Line(	05)(g) + line(0	7)]			\$1,826,701
Cost Reduction			e		· · ·		
(09) Less: Offsetting Savings							
(10) Less: Other Reimbursement	S	<b>2<sup>0</sup> - 1 - 1</b> - 1 - 1 - 1 - 1 - 1 - 1 - 1 -					
(11) Total Claimed Amount	{	Line(08) - {Li	ne (09) + Line	(10)}]			\$1,826,701

State Controller's Uffice									Mandated	I Cost Manual
Program 213	с		MANDA NIMAL ENT/AC	ADOP	TION	ETAIL				FORM AA-2
(01) Claimant: City o	f Los Ange	eles	(02) Fisc	al year co	sts were i	incurred:			2006-20	07
(03) Reimbursable Components:			· · · · · · · · · · · · · · · · · · ·	-		onent bei	ng claime	7	~ ~	
One-Time Policies an	d Procedure	S	X	Training				Compute	er Softwar	8
Ongoing Acquiring S	pace/Faciliti	es		Renovat	ing Faciliti	es		Care of I	Dogs & Ca	ats
Care of Oth	er Animals			Holding	Period			Feral Ca	its	
Lost and Fe				Non-Me	dical Reco	rds		Veterina	ry Care	
(04) Description of Expenses						0	oject Acco	ounts		
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	I	(i)	
Employee Names, Job Classifications, Functions Performed and Description of Expenses	Hourly Rate or Unit Cost	Benefit Rate	Hours Worked or Quantity	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Salaries	Benefits	Total Sal. & Ben.
reimbursable activities. (one-time per employee) Animal Care Technicians (59) Veterinarian (8) Veterinary Technicians (7) Each new employee received 2 hours of training on the mandated activities.	\$23.57 \$49.00 \$29.77	1.	16.00					\$2,781 \$784 \$417	\$1,365 \$385 \$205	\$4,146 \$1,169 \$621
(05) Total ( ) Subtotal ( )	Page:_	of	······		· · · · ·			\$3,982	\$1,954	\$5,936

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State Controller's Uttice	ť									Mandated	Cost Manual
Program 213	MANDATED COSTS ANIMAL ADOPTION COMPONENT/ACTIVITY COSTS DETAIL									FORM AA-2	
(01) Claimant:	City of Los Angeles (02) Fiscal year costs were incurred: 2006-2007								)7		
(03) Reimbursable	Components: C	Check <u>only</u>	one box	per form to	o identify	the compo	onent bei	ng claime	d.		· · · · · · · · · · · · · · · · · · ·
One-Time	Policies and	Procedure	s		Training			X	Comput	er Software	Э
Ongoing	Acquiring Sp	pace/Faciliti	es		Renovat	ing Faciliti	es		Care of	Dogs & Ca	its
	Care of Othe	er Animals			Holding	Period			Feral Ca	ats	
	Lost and Fo	und Lists			Non-Med	dical Reco	rds		Veterina	ry Care	
	Procuring E	quipment									
(04) Description of	Expenses							ject Acco	ounts		
(a) Employee Nar Classifications, Func		(b) Hourly	(C) Benefit	(d) Hours Worked or	(e) Materials	(f) Contract	(g) Fixed	(h) Travel	Calasiaa	(i) Benefits	Total
and Description		Rate or Unit Cost	Rate	Quantity	and Supplies	Services	Assets	and Training	Salaries	benefits	Sal. & Ben.
Develop and/or procu computer software for maintenance of non- animal records. Sr. System Analyst I 25% of the Sr. Analyst time is spent on main of animal information systems and the Dep website. Benefit Rate is 49.07 Annual Salary is \$89 \$22,396)	or the medical st's ntenance partment's								\$22,396	\$10,990	\$33,386
(05) Total ( ) S	ubtotal ( )	Page:_	of	J					\$22,396	\$10,990	\$33,386

Program				MANDA	TED COST	S					
											FORM
213		C	OMPON	ENT/ACT		STS DET	AIL				AA-2
(01) Claimant	t: City of L	al year costs	were incl	urred:		2006-2007					
(03) Reimbur	sable Components: Chec		box per	form to ide	ntify the con	nponent b	eing clair	ned.	1		· ·
One-Time	Policies and Pro	Training						Computer Software			
Ongoing	Acquiring Space	Acquiring Space/Facilities Care of Other Animals Lost and Found Lists				Renovating Facilities   X     Holding Period					
E	Care of Other A										
Γ	Lost and Found					al Records			Veterinary Care		
	Procuring Equip	ment									
(04) Descripti	ion of Expenses						Obj	ect Accou	nts		
Empl	(a) loyee Names, Job	(b) Houriy	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel	(i)		
Classifications, Functions Performed and Description of Expenses		Rate or Unit Cost	Rate	Worked or Quantity	{	Services	Assets	and	Salaries	Benefits	Total Sal. & Ben
Coro and main	topopo for										
Care and maintenance for impounded stray or abandon-								-	-		
ed dogs and cats that die											
or are ultimate											
during the increased holding											
period.											
Total Shelter Cost for all animals					\$193,875						
	\$11,585,706										
Yearly Census											
655,576											
Number Euthanized 5,486									r.		
Reimbursable											
	2										
Cost Per Anim											
0	\$17.67										
	* \$11,585,706 / 655,576										
Total cost = Cost per animal x number of dogs and cats that die or are							· · ·				
euthanized x number of reimbursable						-					
days = reimbursable expense.		-									
\$17,67 x 5,486	6 x 2 = \$193,875					1					
						·				e de la composition de	
										· · .	
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		•						1	1	1	1

State Controller's Unice										Mandated	Cost Manua			
Program 213		MANDATED COSTS ANIMAL ADOPTION COMPONENT/ACTIVITY COSTS DETAIL									FORM AA-2			
(01) Claimant:	City of Los Angeles (02) Fit					scal year costs were incurred:					2006-2007			
(03) Reimbursable (	Components: Che	ck <u>only</u> one	e box per	form to id	entify the	compone	nt being (	claimed.		-				
One-Time	Policies and Pr						Computer Software							
Ongoing	Acquiring Space/Facilities				Renovat	ing Faciliti	Care of Dogs & Cats							
X	X Care of Other Animals				Holding Period					Feral Cats				
	Lost and Found Lists				Non-Medical Records					Veterinary Care				
	Procuring Equi	pment												
(04) Description of		······	······································					oject Acco	unts					
(a) Employee Names, Job Classifications, Functions Performed		(b) Hourly Rate or	(c) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel	(i)		<b>T</b> -4-1			
and Description		Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.			
Care and maintenance impounded stray or a ed "Other" animals the are ultimately euthani during the increased period. Total Shelter Cost for Yearly Census Number Euthanized Reimbursable days Cost Per Animal Cost per day = \$11,56 Total cost = Cost per number of other anime euthanized x number days = reimbursable of \$17,67 x 1,402 x 4 = \$	bandon- at die or zed holding all animals \$11,585,706 655,576 1,402 4 \$17.67 85,706 / 655,576 animal x als that die or are of reimbursable expense.				\$99,093									
(05) Total ( ) Si	ubtotal ( )	Page:	of		\$99,093									

Program 213				MANDA	TED CO	STS								
		MANDATED COSTS ANIMAL ADOPTION COMPONENT/ACTIVITY COSTS DETAIL								FORM AA-2				
(01) Claimant	City of L	.os Angel			l year costs were incurred: 2006-200						<u> </u>			
(03) Poimburg				forme to ide				le ince el						
One-Time	Sable Components:         Check only one box per forr           Policies and Procedures				Training Computer Software									
Ongoing Acquiring Space		e/Facilities			Renovating Facilities				Care of Do					
	Care of Other Animals			X	Holding	Holding Period			Feral Cats					
Lost and Found		d Lists			Non-Medical Records			Veterinary Care						
	Procuring Equi													
(04) Descripti	ion of Expenses				Object Accounts									
(a) (b) Employee Names, Job Houriy			(C) Benefit	(d) Hours	(e) (f) Materials Contract I		(g) Fixed			(i)				
Classification	ns, Functions Performed cription of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Totai Sal. & Ben.			
on Sundays to available for ow as mandated. Animal Care Te Clerk Typist	wner redemption echnician Regulation Worker	\$23.57 \$21.72 \$15.89	49.07% 49.07% 49.07%	14001.25 513.75 1757.50					\$330,009 \$11,159 \$27,927	\$161,936 \$5,476 \$13,704	\$491,945 \$16,634 \$41,630			
(05) Total ( Revised 09/03	) Subtotal ( )	Page:	_ of						\$369,095	\$181,115	\$550,210			

State Controller's Uffice	1									Mandated	Cost Manual	
Program 213		C		MANDA NIMAL ENT/AC			FORM AA-2					
(01) Claimant:	City of	Los Ang	eles	(02) Fisc	al year co	sts were i	incurred:	<u> </u>	2006-2007			
(03) Reimbursable	Components: (	Check <u>only</u>	one box p	ber form to	o identify	the comp	onent bei	ng claime	d.			
One-Time	Policies and	Procedures	3		Training				Compute	er Software	e	
Ongoing	Acquiring S	pace/Faciliti	es		Renovat	ing Faciliti	es		Care of I	Dogs & Ca	ts	
	Care of Oth	er Animals			Holding	Period			Feral Ca	ts		
X	Lost and Fo	und Lists			Non-Me	dical Reco	rds		Veterina	ry Care	•	
	Procuring E	quipment										
(04) Description of	Expenses					•••••		oject Acco	unts			
(a) Employee Na	meslob	(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel	-	(i)		
Classifications, Func and Description	tions Performed	Rate or Unit Cost	Rate	Worked or Quantity		Services	Assets	and	Salaries	Benefits	Total Sal. & Ben.	
Provide various infor to owners of lost anir those who have foun animals. The lists ind type of animal, referr contact info, advice o publish and dissemir animal information. Six Shelters: North Central Shelte South Central Shelte East Valley Shelter West Valley Shelter West Los Angeles S Harbor Shelter	mais and d lost clude the als, shelter on how to nate los											
Clerk Typist (6) 11 minutes per day p to prepare stray sum each shelter for 365	mary sheet for	\$21.72	49.07%	402.00					\$8,731	\$4,285	\$13,016	
(05) Total ( ) S	iubtotal ( )	Page:	of						\$8,731	\$4,285	\$13,016	

Revised 09/03

Program 213

# MANDATED COSTS ANIMAL ADOPTION

FORM
AA-2

# COMPONENT/ACTIVITY COSTS DETAIL

(01) Claima	nt: City of	Los Ange	eles	(02) Fiscal year costs were incurred:						oral Cats oterinary Care s (i) laries Benefits Total				2006-2007			
(03) Reimbu	ursable Components: C	Check <u>only</u>	one box p	per form to	dentify	the compo	onent bei	ng claime	1	<u></u>							
One-Time	Policies and	Procedures	s 		Training	· ·		L	Compute	er Software	•						
Ongoing	Acquiring Sp	es		Renovat	ing Faciliti	es		Care of Dogs & Cats									
	Care of Othe			Holding	Period			Feral Cats									
	Lost and For	und Lists		X	Non-Med	lical Reco	rds		Veterina	y Care							
	Procuring E	quipment		-	· · · ·				-								
(04) Descrip	otion of Expenses						Ot	oject Acco	ounts								
	(a) oyee Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel									
	ns, Functions Performed scription of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.						
1	nimals that are thanized after period, or Record ecords 7,127	\$23.57	49.07%	594.00					\$14,001	\$6,870	\$20,871						
(05) Total Revised 09/03		Page:	of	<u></u>					\$14,001	\$6,870	\$20,871						

Program 213		СОМРО	ANIMA	DATED COS AL ADOP CTIVITY C	ΓΙΟΝ	ETAIL	······································			FORM AA-2		
(01) Claimant: City o	f Los Ang	eles	(02) Fisc	al year costs	were inci	urred:		2	006-200	l7		
(03) Reimbursable Components:	Check <u>only</u>	one box	per form to	o identify the	compone	ent being	claimed.	•	-			
One-Time Policies an	d Procedures	S		Training			L	Computer	Software			
Ongoing Acquiring S	pace/Faciliti	es		Renovating	Facilities		Care of Do	ogs & Cats				
Care of Oth	ner Animals			Holding Per	iod			Feral Cats				
Lost and Fe	ound Lists			Non-Medica	I Records		X	Veterinary	Care			
Procuring E	Equipment											
(04) Description of Expenses						Ob	ject Acco	unts				
(a) Employee Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)			
Classifications, Functions Performed and Description of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.		
Provide"necessary and prompt veterinary care" for stray and abandoned animals. Average time (min.) to provide emergency treatment. 12 13,487 animals requiring care. Animal Medical Supplies Cost of Veternarian treatment per animal is \$9.80 Cost of Veternarian Tech treatment per animal is \$5.95				\$178,953				\$132,173 \$80,248		\$132,173 \$80,248		
(05) Total ( ) Subtotal ( )	Page:_	of		\$178,953				\$212,421		\$212,421		

Revised 09/03

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### TRAINING EXPENSE

### **DESCRIPTION:**

Training employees (new hires) on the mandated activities.

### **EXPENSE:**

Animal Care Technicians, two (2) hours per employee: Annual Salary / 1,800 x number of employees x number of hours. Fifty-nine (59) new hires.

Veterinarian, two (2) hours per employee: Annual Salary / 1,800 x number of employees x number of hours. Eight (8) new hires.

Veterinary Technicians, two (2) hours per employee: Annual Salary / 1,800 x number of employees x number of hours. Seven (7) new hires.

# CALCULATION:

Animal Care Technician:  $42,421 / 1,800 = 23.57 \text{ x fifty-nine (59) new ACT's x 2 hours each = $2,781.$ 

Veterinarian: \$88,199 / 1,800 = \$49.00 x eight (8) new Veterinarian x 2 hours each = \$784.

Veterinary Technician: \$53,587 / 1,800 = \$29.77 x seven (7) new Veterinary Technicians x 2 hours each = \$417.

OR

Title	Expense
Animal Care Technician	\$2,781
Veterinarian	\$ 784
Veterinary Technician	<u>\$ 417</u>
EXPENSE TOTAL	\$3,982

# **COMPUTER SOFTWARE**

### **DESCRIPTION:**

Develop and / or procure computer software for the maintenance of non-medical animal records

### **EXPENSE:**

Sr. Systems Analyst I. Twenty-five (25) percent of Sr. Systems Analyst I annual salary for the maintenance of animal information systems and the Department's website.

### CALCULATION:

Sr. System analyst I: \$89,585 x twenty-five (25) percent = \$22,396

# OR

Sr. Systems Analyst I

<u>\$22,396</u>

EXPENSE TOTAL

\$22,396

# CARE OF DOGS AND CATS

### **DESCRIPTION:**

Provide care and maintenance for dogs and cats that die during the increased holding period or were ultimately euthanized.

### FORMULA:

Total shelter cost for all animals:	\$11,585,706
Yearly Census (Total animal days):	655,576
Number that died during increased holding period or were euthanized:	5,486
Number of reimbursable days:	2

### **CALCULATION:**

Annual shelter cost / yearly census = daily cost per animal

Daily cost per animal x number of dogs and cats that die or are euthanized x number of reimbursable days = reimbursable expense

### OR

\$11,585,706 / 655,576 = \$17.67

 $17.67 \times 5,486 \times 2 = 193,875$ 

**EXPENSE TOTAL** 

\$193,875

# CARE OF OTHER ANIMALS

### **DESCRIPTION:**

Provide care and maintenance for other animals, including but not limited to rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles and/or tortoises that die during the increased holding period or were ultimately euthanized.

### FORMULA:

Total shelter cost for all animals:	\$11,585,706
Yearly Census (Total animal days):	655,576
Number that died during increased holding period or were euthanized:	1,402
Number of reimbursable days:	4

# **CALCULATION:**

Annual shelter cost / yearly census = daily cost per animal

Daily cost per animal x number of other animals that die or are euthanized x number of reimbursable days = reimbursable expense

### OR

\$11,585,706 / 655,576 = \$17.67

\$17.67 x 1,402 x 4 = \$99,093

**EXPENSE TOTAL** 

\$99,093

### HOLDING PERIOD

### **DESCRIPTION:**

The Shelter are open for five (5) hours on Sunday to make animals available for owner redemption as mandated.

### FORMULA:

Animal Care Technician: Annual Salary /  $1,800 \times 1000 \text{ x}$  number of hours = Expense for keeping shelters open on Sunday, Total hours worked = 22,402 / 8 hour day x 5 hours shelters are open.

Clerk Typist: Annual Salary / 1,800 x number of hours = Expense for keeping shelters open on Sunday, Total hours worked = 822 / 8 hour day x 5 hours shelters are open.

Relief Animal Regulation Worker: Hourly rate x number of hours = Expense for keeping shelters open on Sunday, Total hours worked = 2,812 / 8 hour day x 5 hours shelters are open..

### CALCULATION:

Animal Care Technician:  $\frac{42,421}{1,800} = 23.57$ . Total hours worked =  $22,402 / 8 \times 5 \times 23.57 = 330,009$ .

Clerk Typist: 39,096 / 1,800 = 21.72. Total hours worked = 822 / 8 hour day x 5 x 21.72 = 11,159.

Relief Animal Regulation Worker Relief (As needed) hourly rate = 15.89. Total hours worked = 2,812 / 8 hour day x 5 x 15.89 = 27,927.

### OR

Animal Control Officer Clerk Typist	\$330,009 11,159
Relief Animal Regulation Worker (As Needed)	<u>27,927</u>
EXPENSE TOTAL	\$369,095

### LOST AND FOUND LIST

### **DESCRIPTION:**

Provide lost and found lists for owners and rescuers of lost animals. The list includes type of animal, referrals, shelter contact information, advice on how to publish and disseminate lost animal information.

### FORMULA:

### Six Shelters:

North Central Shelter South Los Angeles Shelter East Valley Shelter West Valley Shelter West Los Angeles Shelter Harbor Shelter

### **CALCULATION:**

Personnel:

Six Clerk Typists

### Time Spent to Prepare List:

Eleven minutes per day to prepare Summary Sheet for each shelter for 365 days per year.

### Salary:

Clerk Typist Salary for Fiscal Year 2006-07 = \$39,096 Clerk Typist Average Hourly Salary (\$39,096 / 1,800) = \$21.72

### **COMPUTATION:**

Number of shelters x clerk typist x number of days x preparation time / 1hour (60 minutes) x hourly salary = Expense

### Or

Six (6) shelters (x) 1 Clerk Typist each (x) 365 days (x) 11 minutes = 24,090 minutes per year to prepare list / 60 minutes = 402 hours per year (x) \$21.72 average hourly salary = \$8,731 per year to prepare lost and found list.

### **EXPENSE TOTAL:**

\$8,731

# MAINTAINING NON-MEDICAL RECORDS

### **DESCRIPTION:**

Maintaining non-medical records on animals that are taken up, euthanized after the holding period or impound.

### FORMULA:

Time required to input non-medical records = five (5) minutes per record.

Number of records: 7,127.

### CALCULATION:

Time required to input individual record (x) number of records / 1hour (60 minutes) = total hours required to input non-medical records.

Average salary for animal Care Technician is \$42,421 / 1,800 annual hours = \$23.57 Hourly Rate.

Hours to input non-medical records (x) hourly rate for Animal Care Technician = Total cost.

### OR

Five (5) minutes x 7,127 / 60 minutes =594 hours

\$42,421 / 1800 work hours = \$23.57

594 x \$23.57 = \$14,001

### **EXPENSE TOTAL**

\$14,001

### **VETERINARY CARE**

### **DESCRIPTION:**

Providing necessary and prompt veterinary care for stray and abandoned animals that die during the increased holding period or were ultimately euthanized.

### FORMULA:

Veterinarian annual and hourly rate:	\$88,199 / 1,800 = \$49.00.
Veterinarian Technician annual and hourly rate:	53,587 / 1,800 = 29.77.

Average time to provide medical treatment: 12 minutes.

Cost of providing Veterinarian medical treatment per animal: \$49.00 / 60 minutes x 12 minutes = \$9.80

Cost of a Veterinary Technician assisting Veterinarians in medical treatment per animal: \$29.77 / 60 minutes x 12 minutes = \$5.95

Number of animals requiring prompt medical care: 13,487

### CALCULATION:

Cost of providing medical treatment x number of animals requiring prompt medical care = Total Expense.

Medical supply use was based on a comparison between FY 1997-98, the last full fiscal year before SB 1785 and FY 2005-06, the current reporting year.

- In FY 1997-98 there were 2 Veterinarians and 12 Veterinary Technician. Expenses for Account 3190 Animal Medical Supplies was \$131,878.
- In FY 2006-07 there were 5 Veterinarians and 22 Veterinary Technicians. Expenses for Account 3190 – Animal Medical Supplies was \$310,831

Therefore \$310,831 - \$131,878 = \$117,278 in expenditure of Animal Medical Supplies to support additional Veterinary Care under SB 1785.

### OR

Veterinarian:	\$9.80 x 13,487 = \$132,173
Veterinary Technicians:	$5.95 \times 13,487 = 80,248$
Animal Medical Supplies	= \$178,953
Expense Total	\$391,374

# STATISTICS



# LA Animal Services Outcome Totals for Cats and Dogs From 1/1/02 to 12/31/07

		January	February	March	April	May	June	July	August	September	October	November	December	Total
Adoptions	2007	1,156	1,100	1,134	1,043	1,343	1,550	1,613	1,595	1,528	1,409	1,278	1,513	16,262
	2006	1,098	1,010	1,137	1,102	1,238	1,233	1,328	1,473	1,251	1,338	1,104	1,269	14,581
	2005	1,035	901	988	1,104	1,155	1,202	1,365	1,345	1,129	1,226	1,123	1,118	13,691
	2004	1,064	1,010	921	938	1,166	1,266	1,398	1,288	1,119	1,045	963	1,011	13,189
	2003	989	946	978	1,077	1,238	1,260	1,234	1,190	1,141	1,087	1,037	971	13,148
	2002	1,037	890	1,066	973	1,090	1,280	1,159	1,188	1,029	1,148	928	1,110	12,898
	Total	6,379	5,857	6,224	6,237	7,230	7,791	8,097	8,079	7,197	7,253	6,433	6,992	83,769
New Hope	2007	371	351	587	768	519	525	486	569	559	506	553	351	6,145
Placements	2006	450	319	529	623	703	564	504	504	488	604	507	309	6,104
	2005	406	507	682	718	765	709	591	579	486	380	ب 419	395	6,637
	2004	322	400	496	609	565	457	374	402	346	378	414	344	5,107
	2003	418	364	591	690	646	488	530	441	454	506	377	350	5,855
	2002	473	302	367	485	493	378	425	430	404	449	285	354	4,845
	Total	2,440	2,243	3,252	3,893	3,691	3,121	2,910	2,925	2,737	2,823	2,555	2,103	34,693
Returned to	2007	403	324	365	308	334	343	396	317	350	390	298	368	4,196
Owners	2006	375	290	373	347	321	376	498	333	311	369	350	377	4,320
	2005	475	407	422	357	350	371	488	393	391	463	316	363	4,796
	2004	414	389	377	372	348	363	465	329	350	428	374	411	4,620
	2003	433	383	430	383	401	378	533	397	372	398	438	420	4,966
	2002	471	343	404	400	366	372	499	385	315	403	390	465	4,813
	Total	2,571	2,136	2,371	2,167	2,120	2,203	2,879	2,154	2,089	2,451	2,166	2,404	27,711
Foster	2007	9	24	29	59	115	175	94	131	129	152	83	62	1,062
	2006	1	5	15	15	38	10	43	16	30	13	2	16	204
	2005	0	2	5	25	8	.7	7	34	16	23	8	0	135

		January	February	March	April	Мау	June	July	August	September	October	November	December	Total
Foster	2004	0	0	0	0	1	0	0	0	0	0	0	0	1
	2003	0	0	0	0	0	0	.1	0	0	0	0	0	1
	Total	10	31	49	99	162	192	145	181	175	188	93	78	1,403
Died (not	2007	50	61	81	90	146	147	207	144	132	123	116	52	1,349
euthanized)	2006	33	30	72	90	67	86	70	56	52	49	35	51	691
	2005	31	30	51	64	74	112	108	64	59	73	51	40	757
	2004	36	26	34	39	49	102	59	44	46	41	50	29	555
	2003	33	53	40	62	55	52	58	52	46	83	59	44	637
	2002	50	60	58	54	63	66	66	65	53	50	33	38	656
	Total	233	260	336	399	454	565	568	425	388	419	344	254	4,645
DOA	2007	79	70	91	105	81	101	113	137	132	94	114	96	1,213
	2006	. 77	46	80	74	84	106	125	84	86	88	98	75	1,023
	2005	86	87	116	82	85	84	98	79	. 97	77	70	58	1,019
	2004	83	68	95	83	84	103	113	83	83	72	80	73	1,020
	2003	60	54	66	72	64	104	116	93	73	80	78	82	942
	2002	83	97	88	91	97	71	109	74	83	78	72	65	1,008
	Total	468	422	536	507	495	569	674	550	554	489	512	449	6,225
Euth	2007	739	643	547	856	1,338	1,849	1,872	2,087	1,746	1,496	1,065	771	15,009
(includes feral cats)	2006	768	569	763	1,100	2,043	2,647	2,597	2,912	2,292	1,634	1,085	828	19,238
	2005	957	844	1,166	1,501	1,812	2,663	2,496	2,778	2,176	1,778	1,380	1,011	20,562
	2004	1,131	913	1,313	1,794	2,260	3,016	3,260	2,694	2,340	2,003	1,414	981	23,119
	2003	1,403	1,202	1,577	2,113	2,986	3,262	3,534	3,422	2,863	2,453	1,742	1,407	27,964
	2002	1,996	1,425	1,727	2,478	3,389	3,431	3,717	3,601	3,173	2,743	1,932	1,547	31,159
	Total	6,994	5,596	7,093	9,842	13,828	16,868	17,476	17,494	14,590	12,107	8,618	6,545	137,051
Escaped	2007	7	3	8	10	. 11	10	25	21	13	20	6	4	138
	2006	7	3	15	8	7	23	26	18	17	. 19	21	5	169

		January	February	March	April	Мау	June	July	August	September	October	November	December	Total
Escaped	2005	3	3	9	4	6	5	6	14	5	5	7	6	73
	2004	0	3	3	3	5	3	7	. 7	8	7	2	3	51
	2003	2	0	9	4	7	15	11	8	13	10	6	2	87
	2002	3	4	1	5	5	4	8	8	6	2	5	2	53
	Total	22	16	45	34	41	60	83	76	62	63	47	22	571
Stolen	2007	0	0	0	1	0	1	0	1	1	0	0	0	4
	2006	3	0	0	2	3	0	3	0	0	1	0	4	16
	2005	0	2	1	1	1	1	0	0	1	1	1	0	9
	2004	0	0	2	0	2	0	· 1	1	0	0	1	0	7
	2003	· ·1	0	0	0	0	1	2	2	0	0	0	2	. 8
	2002	0	0	0	1	3	1	0	0	0	0	0	0	5
	Total	4	2	3	5	9	4	6	4	2	2	2	6	49
Total		19,121	16,563	19,909	23,183	28,030	31,373	32,838	31,888	27,794	25,795	20,770	18,853	296,117

	January	February	March	April	May	June	July	August	September	October	November	December	Total
2007	2,754	2,509	3,077	3,552	4,334	4,808	4,899	4,902	4,454	4,013	3,455	3,118	45,875
2006	2,778	2,373	2,986	3,395	4,659	4,981	5,413	5,308	4,398	4,081	3,244	2,811	46,427
2005	2,947	2,890	3,420	3,975	4,623	5,005	5,097	5,184	4,210	4,101	3,204	2,847	47,503
2004	2,966	2,756	3,423	3,857	4,681	5,370	5,512	4,746	4,255	4,021	3,133	2,906	47,626
2003	3,365	3,011	3,852	4,484	5,425	5,713	6,085	5,459	4,877	4,626	3,698	3,142	53,737
2002	3,955	3,079	3,817	4,546	5,609	5,665	5,913	5,715	5,123	4,722	3,683	3,394	55,221
Total	18,765	16,618	20,575	23,809	29,331	31,542	32,919	31,314	27,317	25,564	20,417	18,218	296,389

### LA Animal Services Intake Totals for Cats and Dogs From 1/1/02 to 12/31/07

# LA Animal Services Outcome Totals for Other Animals From 1/1/02 to 12/31/07



		January	February	March	April	May	June	July	August	September	October	November	December	Total
Adoptions	2007	71	33	54	53	37	86	48	34	34	37	35	49	571
	2006	72	47	52	95	55	68	69	79	68	70	38	106	819
	2005	33	24	44	156	66	73	106	75	123	66	102	128	996
	2004	46	29	30	20	22	32	24	44	27	35	. 16	37	362
	2003	29	19	19	22	23	35	55	66	43	24	14	30	379
	2002	46	36	41	16	183	27	21	50	40	15	19	10	504
	Total	297	188	240	362	386	321	323	348	335	247	224	360	3,631
New Hope	2007	164	48	99	252	335	308	303	212	· 223	152	194	186	2,476
Placements	2006	308	163	200	274	662	375	314	342	209	133	316	384	3,680
	2005	91	222	290	595	370	509	426	526	303	557	108	377	4,374
	2004	91	153	135	577	318	289	285	244	209	1,104	317	338	4,060
	2003	85	125	56	138	128	113	407	180	126	137	220	81	1,796
	2002	171	.83	97	178	250	209	92	215	800	89	161	97	2,442
	Total	910	794	877	2,014	2,063	1,803	1,827	1,719	1,870	2,172	1,316	1,463	18,828
Returned to	2007	0	0	1	1	1	1	1	3	1	3	0	4	16
Owners	2006	1	0	1	3	· 1	8	2	2	3	2	4	0	27
	2005	0	2	6	1	0	1	5	0	5	11	1	4	36
	2004	3	1	10	1	2	1	2	. 1	2	9	8	6	46
	2003	10	4	5	4	1	2	10	8	14	3	1	8	70
	2002	3	1	18	5	3	0	5	12	3	1	3	6	60
	Total	17	8	41	15	8	13	25	26	28	29	17	28	255
Foster	2007	0	1	0	0	8	2	3	0	7	0	0	4	25
	2006	0	0	0	1	0	0	0		1	0	0	0	3
	2005	0	0	0	1	0	0	0	0	11	0	0	0	12

		January	February	March	April	Мау	June	July	August	September	October	November	December	Total
Foster	Total	0	1	0	2	8	2	3	1	19	0	0	4	40
Died (not	2007	110	98	166	225	175	76	130	670	181	63	29	10	1,933
euthanized)	2006	58	28	92	45	50	59	79	65	85	67	66	24	718
	2005	13	19	18	27	37	36	29	36	74	46	30	46	411
	2004	10	15	16	23	19	23	66	74	35	15	39	86	421
	2003	17	25	18	19	30	42	48	31	25	21	21	9	306
	2002	22	40	51	53	86	30	78	39	23	25	16	14	477
	Total	230	225	361	392	397	266	430	915	423	237	201	189	4,266
DOA	2007	14	15	18	32	24	49	23	26	22	20	12	14	269
	2006	12	9	16	18	23	35	22	15	34	17	5	26	232
	2005	17	8	18	47	19	17	13	22	15	14	12	15	217
	2004	18	5	24	29	39	46	41	52	25	9		29	327
	2003	17	4	20	23	44	27	30	9	17	21	11	15	238
	2002	11	9	20	43	22	11	14	24	14	12	54	6	240
	Total <sup>.</sup>	89	50	116	192	171	185	143	148	127	93	104	105	1,523
Euth	2007	114	183	123	183	160	308	130	265	295	196	301	105	2,363
	2006	205	233	98	148	201	548	192	214	205	182	166	191	2,583
	2005	124	97	323	230	227	250	198	228	336	134	101	193	2,441
	2004	204	154	218	264	304	380	535	549	344	285	164	92	3,493
	2003	333	239	336	387	564	435	495	458	373	304	247	138	4,309
	2002	189	177	466	614	707	564	571	416	414	367	218	203	4,906
	Total	1,169	1,083	1,564	1,826	2,163	2,485	2,121	2,130	1,967	1,468	1,197	922	20,095
Escaped	2007	2	1	3	5	1	6	1	4	1	18	3	2	47
	2006	2	0	2	2	4	3	7	4	0	0	3	0	27
	2005	1	0	6	1	2	5	3	4	3	2	3	2	32
	2004	5	0	1	5	2	3	6	3	7	2	4	2	40
	2003	4	1	4	7	8	8	2	5	2	4	5	2	52

		January	February	March	April	May	June	July	August	September	October	November	December	Total
Escaped	2002	3	4	5	3	4	5	12	5	5	4	3	2	55
	Total	17	6	21	23	21	30	31	25	18	30	21	10	253
Stolen	2007	0	0	0	1	0	0	0	0	0	0	0	0	1
	2005	0	0	0	0	1	0	0	0	0	0	0	0	1
	Total	0	• 0	0	1	1	0	0	0	0	0	0	0	2
Total		2,729	2,355	3,220	4,827	5,218	5,105	4,903	5,312	4,787	4,276	3,080	3,081	48,893

LA Animal Services Intake Totals for Other Animals From 1/1/02 to 12/31/07

	January	February	March	April	Мау	June	July	August	September	October	November	December	Totai
2007	460	387	540	919	632	1,145	890	815	542	472	539	379	7,720
2006	570	530	447	714	837	1,093	845	723	679	498	449	711	8,096
2005	301	365	757	1,004	773	848	858	860	1,047	667	481	695	8,656
2004	431	284	440	915	750	714	992	1,046	651	1,388	664	448	8,723
2003	495	429	463	575	791	703	1,101	681	647	446	553	265	7,149
2002	373	359	757	1,295	952	797	659	1,360	662	511	476	344	8,545
Total	2,630	2,354	3,404	5,422	4,735	5,300	5,345	5,485	4,228	3,982	3,162	2,842	48,889

# SALARY SCHEDULE

CLASS TITLE/SALARY TABLE FISCAL YEAR

									+				
CLASS CODE	CLASS TITLE	RATE	NT GF	R TP	FLSA	S A STEP-1 STEP-6	L A R STEP-2 STEP-7	Y STEP-3 STEP-8	R A N STEP-4	G E STEP-5	BU	ANNUAL MINIMUM	ANNUAL MAXIMUM
8178	A/P ADMINISTRATOR	1675.59		73	E						00	43,732.89	43,732.89
2208	ACADEMY TRAINEE	13.36	5	1	N	1,068.80	1,128.00	1,191.20	1,257.60	1,328.00	00	27,895.68	34,660.80
7652	ACCESS SERVICES ANALYST	29.54		1	Е	2,363.20	2,495.20	2,634.40	2,781.60	2,936.80	00	61,679.52	76,650.48
15131	ACCOUNTANT I	21.62		1	Е	1,729.60	1,826.40	1,928.00	2,035.20	2,148.80	01	45,142.56	56,083.68
15132	ACCOUNTANT II	23.87		1	E	1,909.60	2,016.00	2,128.80	2,247.20	2,372.80	01	49,840.56	61,930.08
1585	ACCOUNTING AIDE	20.23		1	N	1,618.40	1,708.80	1,804.00	1,904.80	2,011.20	01	42,240.24	52,492.32
12231	ACCOUNTING CLERK I	19.58		1	N	1,566.40	1,653.60	1,745.60	1,843.20	1,945.60	03	40,883.04	50,780.16
12232	ACCOUNTING CLERK II	20.66		1	N	1,652.80	1,744.80	1,842.40	1,944.80	2,053.60	03	43,138.08	53,598.96
8525	ACCOUNTING MANAGER	2281.00		7 3	Е						00	59,534.10	59,534.10
11191	ACCOUNTING REC SUFVR I	· 24.01		1	Е	1,920.80	2,028.00	2,140.80	2,260.00	2,386.40	20	50,132.88	62,285.04
11192	ACCOUNTING REC SUPVR II	28.27		1	Е	2,261.60	2,388.00	2,520.80	2,661.60	2,810.40	20	59,027.76	73,351.44
9157A	ADA COMPLIANCE OFCR A	26.43		1	Е	2,114.40	2,232.00	2,356.80	2,488.00	2,626.40	00	55,185.84	68,549.04
9157B	ADA COMPLIANCE OFCR B	34.91		1	Е	2,792.80	2,948.80	3,113.60	3,287.20	3,470.40	00	72,892.08	90,577.44
15072	ADMIN AIDE II	17.31		1	N	1,384.80	1,462.40	1,544.00	1,630.40	1,721.60	01	36,143.28	44,933.76
15901	ADMIN ANALYST I	25.04		1	Е	2,003.20	2,115.20	2,232.80	2,357.60	2,488.80	00	52,283.52	64,957.68
15902	ADMIN ANALYST II	29.54		1	Е	2,363.20	2,495.20	2,634.40	2,781.60	2,936.80	00	61,679.52	76,650.48
8354	ADMIN ASST ACCOUNTING	1109.69		73	Е						00	28,962.90	28,962.90
8356	ADMIN ASST COLISEUM	1317.05		73	Е						00	34,375.00	34,375.00
1355	ADMIN ASST COMM CY&FAM	20.98		1	Ē	1,678.40	1,772.00	1,871.20	1,975.20	2,085.60	00	43,806.24	54,434.16
9153	ADMIN COORD CONTROLLER	32.76		1	Е	2,620.80	2,767.20	2,921.60	3,084.80	3,256.80	00	68,402.88	85,002.48
9178	ADMIN COORD MAYOR	32.92		1	Е	2,633.60	2,780.80	2,936.00	3,100.00	3,272.80	00	68,736.96	85,420.08
9177	ADMIN DEPUTY CONTROLLER	32.92		1	E	2,633.60	2,780.80	2,936.00	3,100.00	3,272.80	00	68,736.96	85,420.08
9177A	ADMIN DEPUTY CONTROLLER	4421.60		3	Е						00	115,403.76	115,403.76
9177B	ADMIN DEPUTY CONTROLLER	4966.40		3	Е						00	129,623.04	129,623.04
9135	ADMIN HEARING OFCR	25.74		1	Е	2,059.20	2,174.40	2,296.00	2,424.00	2,559.20	01	53,745.12	66,795.12
15351	ADMIN INTERN	13.76	5	1	N	1,100.80	1,162.40	1,227.20	1,296.00	1,368.00	01	28,730.88	35,704.80
15352	ADMIN INTERN	14.97	5	1	N	1,197.60	1,264.00	1,334.40	1,408.80	1,487.20	01	31,257.36	38,815.92
8355	ADMIN MARKETING ASST	1336.21		73	Е						00	34,875.08	34,875.08
1327	ADMIN SECRETARY	19.20		1	E	1,536.00	1,621.60	1,712.00	1,807.20	1,908.00	00	40,089.60	49,798.80
0820	ADMIN TRAINEE	12.71	5	1	N	1,016.80	1,073.60	1,133.60	1,196.80	1,263.20	00	26,538.48	32,969.52
23251	ADV PR PRO COR CARE I	32.02		1	Е	2,561.60	2,704.80	2,856.00	3,015.20	3,183.20	10	66,857.76	83,081.52
23252	ADV PR PRO COR CARE II	34.44		1	Е	2,755.20	2,908.80	3,071.20	3,242.40	3,423.20	10	71,910.72	89,345.52
1951	AGRICUL LAND DEVELOPER	30.71		1	Е	2,456.80	2,593.60	2,738.40	2,891.20	3,052.80	21	64,122.48	79,678.08
0855	AIR COND MECH - HH	31.53		8	Е						35		
3781	AIR COND MECH SUPVR	3114.40		3	E						13	81,285.84	81,285.84
37811	AIR COND MECH SUPVR I	2980.80		3	Е						13	77,798.88	77,798.88
37812	AIR COND MECH SUPVR II	3114.40		3	Е						13	81,285.84	81,285.84

CLASS TITLE/SALARY TABLE

FISCAL YEAR

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CLASS CODE	CLASS TITLE	RATE	NT C	BR 1	TP	FLSA	S A STEP-1 STEP-6	L A R STEP-2 STEP-7	Y STEP-3 STEP-8	R A N STEP-4	G E STEP-5	BU	ANNUAL	ANNUAL MAXIMUM	
3774	AIR COND MECHANIC	2712.00			.3	N						02	70,783.20	70,783.20	
3132	AIR COND TECHNCL ADVISR	3287.20			3	Е						13	85,795.92	85,795.92	
94221	AIRP ENVRNMTL MGR I	43.25			1	Е	3,460.00	3,652.80	3,856.80	4,072.00	4,299.20	36	90,306.00	112,209.12	
94222	AIRP ENVRNMTL MGR II	51.94			1	Е	4,155.20	4,387.20	4,632.00	4,890.40	5,163.20	36	108,450.72	134,759.52	
3331	AIRP MAINTENANCE SUPT	38.15			1	Е	3,052.00	3,222.40	3,402.40	3,592.00	3,792.00	36	79,657.20	98,971.20	
72601	AIRP MANAGER I	39.91			1	Е	3,192.80	3,371.20	3,559.20	3,757.60	3,967.20	36	83,332.08	103,543.92	
72602	AIRP MANAGER II	45.49			1	E	3,639.20	3,842.40	4,056.80	4,283.20	4,522.40	36	94,983.12	118,034.64	
72603	AIRP MANAGER III	56.41			1	Е	4,512.80	4,764.80	5,030.40	5,311.20	5,607.20	36	117,784.08	146,347.92	
17881	AIRP PUB/COMM REL DIR I	36.62			1	Е	2,929.60	3,092.80	3,265.60	3,448.00	3,640.00	36	76,462.56	95,004.00	
17882	AIRP PUB/COMM REL DIR I	46.75			1	Ē	3,740.00	3,948.80	4,168.80	4,401.60	4,647.20	36	97,614.00	121,291.92	
1540	AIRPORT AIDE	17.48			1	N	1,398.40	1,476.00	1,558.40	1,645.60	1,737.60	00	36,498.24	45,351.36	
3234	AIRPORT ASST POL CHIEF	56.32			1	Е	4,505.60	4,756.80	5,022.40	5,302.40	5,598.40	00	117,596.16	146,118.24	
		56.32		1	1		4,505.60	4,756.80	5,022.40	5,302.40	5,598.40		117,596.16	146,118.24	
08451	AIRPORT GUIDE I	11.78	5		1	Е	942.40	995.20	1,050.40	1,108.80	1,170.40	00	24,596.64	30,547.44	
08452	AIRPORT GUIDE II	12.39	5		1	Е	991.20	1,046.40	1,104.80	1,166.40	1,231.20	00	25,870.32	32,134.32	
3201	AIRPORT INFO AIDE	17.60			1	N	1,408.00	1,486.40	1,569.60	1,656.80	1,748.80	03	36,748.80	45,643.68	
17831	AIRPORT INFO SPEC I	20.00			1	Е	1,600.00	1,689.60	1,784.00	1,883.20	1,988.00	00	41,760.00	51,886.80	
17832	AIRPORT INFO SPEC II	25.04			1	Е	2,003.20	2,115.20	2,232.80	2,357.60	2,488.80	00	52,283.52	64,957.68	
32281	AIRPORT POLICE CAPT I	.00			1	Е						40			
32282	AIRPORT POLICE CAPT II	.00			1	Е						40			
3232	AIRPORT POLICE CHIEF	59.51			1	Е	4,760.80	5,026.40	5,306.40	5,602.40	5,914.40	00	124,256.88	154,365.84	
		59.51		1	1		4,760.80	5,026.40	5,306.40	5,602.40	5,914.40		124,256.88	154,365.84	
3227	AIRPORT POLICE LT	39.34			1	Е	3,147.20	3,322.40	3,508.00	3,703.20	3,909.60	39	82,141.92	102,040.56	
32251	AIRPORT POLICE OFCR I	.00		1	3	Е						30			
32252	AIRPORT POLICE OFCR II	.00		1	3	Е						30			
3226	AIRPORT POLICE SGT	34.63			1	Е	2,770.40	2,924.80	3,088.00	3,260.00	3,441.60	39	72,307.44	89,825.76	
3202	AIRPORT SAFETY OFFICER	2044.80			3	N						30	53,369.28	53,369.28	
33361	AIRPORTS MTCE SUPVR I	28.48			1	E	2,278.40	2,405.60	2,540.00	2,681.60	2,831.20	12	59,466.24	73,894.32	
33362	AIRPORTS MTCE SUPVR II	30.08			1	Е	2,406.40	2,540.80	2,682.40	2,832.00	2,989.60	12	62,807.04	78,028.56	
33363	AIRPORTS MTCE SUPVR III	30.94			1	Е	2,475.20	2,613.60	2,759.20	2,912.80	3,075.20	12	64,602.72	80,262.72	
7267	AIRPORTS OPERATNS COORD	22.30			1	Е	1,784.00	1,883.20	1,988.00	2,099.20	2,216.00	01	46,562.40	57,837.60	
4310	ANIMAL CARE TECH	17.06			1	N	1,364.80	1,440.80	1,520.80	1,605.60	1,695.20	04	35,621.28	44,244.72	
4313	ANIMAL CARE TECH SUPV	19.64			1	N	1,571.20	1,659.20	1,752.00	1,849.60	1,952.80	12	41,008.32	50,968.08	
4308	ANIMAL COLLECTN CURATOR	43.23			1	E	3,458.40	3,651.20	3,854.40	4,069.60	4,296.80	00	90,264.24	112,146.48	
43111	ANIMAL CONTROL OFCR I	19.58			1	N	1,566.40	1,653.60	1,745.60	1,843.20	1,945.60	18	40,883.04	50,780.16	
43112	ANIMAL CONTROL OFCR II	20.66			1	N	1,652.80	1,744.80	1,842.40	1,944.80	2,053.60	18	43,138.08	53,598.96	
4304	ANIMAL KEEPER	19.32			1	N	1,545.60	1,632.00	1,723.20	1,819.20	1,920.80	04	40,340.16	50,132.88	

CLASS TITLE/SALARY TABLE

FISCAL YEAR

RUN DATE: 09/19/07

				110		HLK .							
CLASS CODE	CLASS TITLE	RATE	NT GI	R TP	FLSA	S A STEP-1 STEP-6	L A R STEP-2 STEP-7	Y STEP-3 STEP-8	R A N Step-4	G E STEP-5	BU	ANNUAL MINIMUM	ANNUAL MAXIMUM
4330	ANIMAL LIC CANVASSER	13.60		1	Е	1,088.00	1,148.80	1,212.80	1,280.80	1,352.00	18	28,396.80	35,287.20
2121	APPARATUS OPERATOR	.05		1	N		2,748.00	2,900.00	3,058.40	3,232.00	23	71,722.80	
						3,414.40							89,115.84
1429	APPLICATIONS PROGRAMMER	25.57		1	E	2,045.60	2,160.00	2,280.80	2,408.00	2,542.40	21	53,390.16	66,356.64
24001	AQUARIST I	22.51		1	Б	1,800.80	1,901.60	2,008.00	2,120.00	2,238.40	00	47,000.88	58,422.24
24002	AQUARIST II	25.04		1	Е	2,003.20	2,115.20	2,232.80	2,357.60	2,488.80	00	52,283.52	64,957.68
24931	AQUARIUM EDUCATOR I	20.98		4 1	E	1,678.40	1,772.00	1,871.20	1,975.20	2,085.60	00	43,806.24	54,434.16
24932	AQUARIUM EDUCATOR II	22.51		4 1	. Е	1,800.80	1,901.60	2,008.00	2,120.00	2,238.40	00	47,000.88	58,422.24
2419	AQUATIC DIRECTOR	27.18	3	1	Е	2,174.40	2,296.00	2,424.00	2,559.20	2,701.60	20	56,751.84	70,511.76
24231	AQUATIC FACILITY MGR I	20.58		1	N	1,646.40	1,738.40	1,835.20	1,937.60	2,045.60	20	42,971.04	53,390.16
24232	AQUATIC FACILITY MGR II	22.92		1	N	1,833.60	1,936.00	2,044.00	2,157.60	2,277.60	20	47,856.96	59,445.36
24233	AQUATIC FACILITY MGRIII	25.53	4	1	Е	2,042.40	2,156.00	2,276.00	2,403.20	2,536.80	20	53,306.64	66,210.48
7925	ARCHITECT	39.85		3	. Е	3,188.00	3,365.60	3,553.60	3,752.00	3,960.80	17	83,206.80	103,376.88
7926B	ARCHITECT ASSOC/PM I	43.37	5	1	Ē	3,469.60	3,663.20	3,867.20	4,083.20	4,311.20	08	90,556.56	112,522.32
7926C	ARCHITECT ASSOC/PM II	50.20	5	1	E	4,016.00	4,240.00	4,476.80	4,726.40	4,989.60	08	104,817.60	130,228.56
7926D	ARCHITECT ASSOC/PM III	57.37	5	1	Е	4,589.60	4,845.60	5,116.00	5,401.60	5,702.40	08	119,788.56	148,832.64
7925B	ARCHITECT/PM I	43.37	5	· 1	Е	3,469.60	3,663.20	3,867.20	4,083.20	4,311.20	17	90,556.56	112,522.32
7925C	ARCHITECT/PM II	50.20	5	1	Е	4,016.00	4,240.00	4,476.80	4,726.40	4,989.60	17	104,817.60	130,228.56
7925D	ARCHITECT/PM III	57.37	5	1	E	4,589.60	4,845.60	5,116.00	5,401.60	5,702.40	17	119,788.56	148,832.64
79261	ARCHITECTURAL ASSOC I	29.45		1	E	2,356.00	2,487.20	2,625.60	2,772.00	2,926.40	08	61,491.60	76,379.04
79262	ARCHITECTURAL ASSOC II	32.92		1	Е	2,633.60	2,780.80	2,936.00	3,100.00	3,272.80	08	68,736.96	85,420.08
79263	ARCHITECTURAL ASSOC III	36.67		1	Е	2,933.60	3,096.80	3,269.60	3,452.00	3,644.80	08	76,566.96	95,129.28
79264	ARCHITECTURAL ASSOC IV	39.85		1	. Е	3,188.00	3,365.60	3,553.60	3,752.00	3,960.80	08	83,206.80	103,376.88
7922	ARCHITECTURAL DRFT TECH	22.50		1	N	1,800.00	1,900.00	2,005.60	2,117.60	2,236.00	21	46,980.00	58,359.60
		23.78		2 1		1,902.40	2,008.80	2,120.80	2,239.20	2,364.00		49,652.64	61,700.40
11911	ARCHIVIST I	25.38		3	Е	2,030.40	2,144.00	2,263.20	2,389.60	2,523.20	01	52,993.44	65,855.52
11912	ARCHIVIST II	30.07		3	Е	2,405.60	2,540.00	2,681.60	2,831.20	2,988.80	01	62,786.16	78,007.68
7922H	ARCHTRL DRAFT TECH	23.78		1	. Е	1,902.40	2,008.80	2,120.80	2,239.20	2,364.00	21	49,652.64	61,700.40
		24.50		2 1	L	1,960.00	2,069.60	2,184.80	2,306.40	2,435.20		51,156.00	63,558.72
72681	ARPT SUFT OF OPER I	25.25		1	Е	2,020.00	2,132.80	2,252.00	2,377.60	2,510.40	01	52,722.00	65,521.44
72682	ARPT SUPT OF OPER II	31.20		, 1	E	2,496.00	2,635.20	2,782.40	2,937.60	3,101.60	01	65,145.60	80,951.76
72683	ARPT SUPT OF OPER III	37.02		1	E	2,961.60	3,126.40	3,300.80	3,484.80	3,679.20	01	77,297.76	96,027.12
24781	ART CENTER DIRECTOR I	24.13		3	Е	1,930.40	2,038.40	2,152.00	2,272.00	2,398.40	20	50,383.44	62,598.24
24782	ART CENTER DIRECTOR II	27.95		1	Е	2,236.00	2,360.80	2,492.80	2,632.00	2,778.40	20	58,359.60	72,516.24
24783	ART CENTER DIRECTOR III	34.71		1	Е	2,776.80	2,932.00	3,095.20	3,268.00	3,450.40	20	72,474.48	90,055.44
2448	ART CURATOR	22.83		3	Е	1,826.40	1,928.00	2,035.20	2,148.80	2,268.80	01	47,669.04	59,215.68
2433	ART INSTRUCTOR	25.00		8	3 N						07		

RPT-NO:	A190024H			CLASS	TITLE	SALARY TAB	LE	R	UN DATE: 09/3	19/07	PAGE	15	
				FIS	CAL YE	AR							
CLASS CODE	CLASS TITLE	RATE	NT G	R TP	FLSA	S A STEP-1 STEP-6	L A R STEP-2 STEP-7	Y STEP-3 STEP-8	R A N STEP-4	G E STEP-5	BU	ANNUAL MINIMUM	ANNUAL MAXIMUM
72464	CIVIL ENGRG ASSOC IV	39.85		1	Ē	3,188.00	3,365.60	3,553.60	3,752.00	3,960.80	08	83,206.80	103,376.88
7246D	CIVIL ENGRG ASSOC/PM II	57.37	5	1	Е	4,589.60	4,845.60	5,116.00	5,401.60	5,702.40	08	119,788.56	148,832.64
7232	CIVIL ENGRG DRAFT TECH	22.50		1	N	1,800.00	1,900.00	2,005.60	2,117.60	2,236.00	21	46,980.00	58,359.60
		23.78		1 1		1,902.40	2,008.80	2,120.80	2,239.20	2,364.00		49,652.64	61,700.40
		23.78		2 1		1,902.40	2,008.80	2,120.80	2,239.20	2,364.00		49,652.64	61,700.40
1141	CLERK	15.23		1	N	1,218.40	1,286.40	1,358.40	1,434.40	1,514.40	03	31,800.24	39,525.84
0745	CLERK PRECINCT BOARD	55.00		7	N						00		
1321	CLERK STENO	17.09		1	N	1,367.20	1,443.20	1,524.00	1,608.80	1,698.40	03	35,683.92	44,328.24
1358	CLERK TYPIST	15.86		1	N	1,268.80	1,339.20	1,413.60	1,492.80	1,576.00	03	33,115.68	41,133.60
2312	CLINICAL ASSISTANT	32.40	2	1	Е	2,592.00	2,736.80	2,889.60	3,050.40	3,220.80	10	67,651.20	84,062.88
0102	COMM HEARING EXMR-DAY/R	900.00		7	Е						00		
97341	COMMISSION EXEC ASST I	24.01		1	Е	1,920.80	2,028.00	2,140.80	2,260.00	2,386.40	01	50,132.88	62,285.04
97342	COMMISSION EXEC ASST II	30.43		1	Е	2,434.40	2,570.40	2,713.60	2,864.80	3,024.80	01	63,537.84	78,947.28
01011	COMMISSIONER	25.00		7	E						00		
01012	COMMISSIONER	50.00		7	Е						00		
2477	COMMNTY ARTS DIRECTOR	35.38		1	Е	2,830.40	2,988.00	3,154.40	3,330.40	3,516.00	00	73,873.44	91,767.60
8500	COMMNTY HSG PROGRMS MGR	42.90		1	Е	3,432.00	3,623.20	3,825.60	4,039.20	4,264.80	36	89,575.20	111,311.28
9053	COMMNTY SERVICES REP	16.92		1	N	1,353.60	1,428.80	1,508.80	1,592.80	1,681.60	01	35,328.96	43,889.76
38001	COMMUN CABLE SUPV I	26.62	3	1	Е	2,129.60	2,248.00	2,373.60	2,505.60	2,645.60	12	55,582.56	69,050.16
38002	COMMUN CABLE SUPV II	28.29	3	1.	Е	2,263.20	2,389.60	2,523.20	2,664.00	2,812.80	12	59,069.52	73,414.08
38003	COMMUN CABLE SUPV III	29.97	3	1	Е	2,397.60	2,531.20	2,672.00	2,820.80	2,978.40	12	62,577.36	77,736.24
3802	COMMUN CABLE WORKER	25.84		1	N	2,067.20	2,182.40	2,304.00	2,432.80	2,568.80	14	53,953.92	67,045.68
3686	COMMUN ELECTRICIAN	2601.60		3	N		•				02	67,901.76	67,901.76
3689	COMMUN ELECTRICIAN SUPV	2988.80		3	Е						13	78,007.68	78,007.68
08611	COMMUN ELECTRICN I - H	29.65		8	Е						35		
08612	COMMUN ELECTRICN II - H	40.96		8	E						35		
7610	COMMUN ENGINEER	39.85		1	Е	3,188.00	3,365.60	3,553.60	3,752.00	3,960.80	17	83,206.80	103,376.88
7610B	COMMUN ENGINEER/PM1	43.37	5	1	Е	3,469.60	3,663.20	3,867.20	4,083.20	4,311.20	17	90,556.56	112,522.32
7610C	COMMUN ENGINEER/PM2	50.20	5	1	Е	4,016.00	4,240.00	4,476.80	4,726.40	4,989.60	17	104,817.60	130,228.56
7610D	COMMUN ENGINEER/PM3	57.37	5	1	Е	4,589.60	4,845.60	5,116.00	5,401.60	5,702.40	17	119,788.56	148,832.64
76071	COMMUN ENGRG ASSOC I	29.45		1	Е	2,356.00	2,487.20	2,625.60	2,772.00	2,926.40	08	61,491.60	76,379.04
76072	COMMUN ENGRG ASSOC II	32.92		1	Е	2,633.60	2,780.80	2,936.00	3,100.00	3,272.80	08	68,736.96	85,420.08
76073	COMMUN ENGRG ASSOC III	36.67		1	Е	2,933.60	3,096.80	3,269.60	3,452.00	3,644.80	08	76,566.96	95,129.28
76074	COMMUN ENGRG ASSOC IV	39.85		1	E	3,188.00	3,365.60	3,553.60	3,752.00	3,960.80	08	83,206.80	103,376.88
7607B	COMMUN ENGRG ASSOC/PM1	43.37	5	1	E	3,469.60	3,663.20	3,867.20	4,083.20	4,311.20	08	90,556.56	112,522.32
76070	COMMUN ENGRG ASSOC/PM2	50.20	5	1	Е	4,016.00	4,240.00	4,476.80	4,726.40	4,989.60	08	104,817.60	130,228.56
7607D	COMMUN ENGRG ASSOC/PM3	57.37	5	1	E	4,589.60	4,845.60	5,116.00	5,401.60	5,702.40	08	119,788.56	148,832.64

CLASS TITLE/SALARY TABLE

FISCAL YEAR

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				F13	CAU IE.	AK								
CLASS CODE	CLASS TITLE	RATE	NT GR	TP	FLSA	S A STEP-1 STEP-6	L A R STEP-2 STEP-7	Y STEP-3 STEP-8	R A N STEP-4	G E STEP-5	BU	ANNUAL MINIMUM	ANNUAL MAX IMUM	
2467	RECREATION SVCS REP	16.95		1	N	1,356.00	1,432.00	1,512.00	1,596.00	1,684.80	11	35,391.60	43,973.28	
4101	REF COLL SUPERVISOR	31.18		1	Е	2,494.40	2,633.60	2,780.80	2,936.00	3,100.00	12	65,103.84	80,910.00	
35809	REF COLL TR OPR 1/1-MAN	20.24	3	1	Е	1,619.20	1,709.60	1,804.80	1,905.60	2,012.00	04	42,261.12	52,513.20	
35801	REF COLL TRUCK OPER I	20.24	3	1	Е	1,619.20	1,709.60	1,804.80	1,905.60	2,012.00	04	42,261.12	52,513.20	
35802	REF COLL TRUCK OPER II	22.33	3	1	Е	1,786.40	1,886.40	1,991.20	2,102.40	2,220.00	04	46,625.04	57,942.00	
4100	REF CREW FIELD INSTR	24.26		1	N	1,940.80	2,048.80	2,163.20	2,284.00	2,411.20	12	50,654.88	62,932.32	
15691	REHAB CONSTR SPEC I	29.13	3	1	Е	2,330.40	2,460.00	2,596.80	2,741.60	2,894.40	05	60,823.44	75,543.84	
15692	REHAB CONSTR SPEC II	34.11		1	Е	2,728.80	2,880.80	3,041.60	3,211.20	3,390.40	05	71,221.68	88,489.44	
15693	REHAB CONSTR SPEC III	36.02		1	E	2,881.60	3,042.40	3,212.00	3,391.20	3,580.00	05	75,209.76	93,438.00	
85021	REHAB PROJECT COORD I	38.71		1	Ē	3,096.80	3,269.60	3,452.00	3,644.80	3,848.00	20	80,826.48	100,432.80	
85022	REHAB PROJECT COORD II	40.87		1	Е	3,269.60	3,452.00	3,644.80	3,848.00	4,062.40	20	85,336.56	106,028.64	
0703	RELIEF ANIMAL CARE WKR	17.03		8	Е						04			
0702	RELIEF ANIMAL RGLTN WKR	15.89		8	E						00			
2321	RELIEF CORR NURSE	40.26		8	Е						10			
2321F	RELIEF CORR NURSE	40.73		8	Е						10			
23211	RELIEF CORR NURSE I	38.60		8	Е						10			
23212	RELIEF CORR NURSE II	34.92		8	Е						10			
23213	RELIEF CORR NURSE III	37.84		8	Е						10			
23214	RELIEF CORR NURSE IV	40.73		8	E						10			
1133	RELIEF RETIRE WORKER	13.36	2	1	N	1,068.80	1,128.00	1,191.20	1,257.60	1,328.00	00	27,895.68	34,660.80	
3162A	REPOGRAPHIC OPERATOR I	16.68	. 1	1	N	1,334.40	1,408.80	1,487.20	1,570.40	1,657.60	03	34,827.84	43,263.36	
31621	REPROGRAPHIC OPER I	16.50		1	N	1,320.00	1,393.60	1,471.20	1,553.60	1,640.00	03	34,452.00	42,804.00	
		16.68	1	1		1,334.40	1,408.80	1,487.20	1,570.40	1,657.60		34,827.84	43,263.36	
31622	REPROGRAPHIC OPER II	18.71		1	N	1,496.80	1,580.00	1,668.00	1,760.80	1,859.20	03	39,066.48	48,525.12	
31531	REPROGRAPHICS SUPVR I	21.18		1	Е	1,694.40	1,788.80	1,888.80	1,994.40	2,105.60	20	44,223.84	54,956.16	
31632	REPROGRAPHICS SUPVR II	26.45		1	Е	2,116.00	2,233.60	2,358.40	2,489.60	2,628.80	20	55,227.60	68,611.68	
2421A	RESIDENT CAMP COUNSELOR	10.55		7	Е						00			
2421B	RESIDENT CAMP COUNSELOR	12.50		7	Е						00			
2421C	RESIDENT CAMP COUNSELOR	15.00		7	E						00			
1203	RETIRE BENEFITS SPEC	24.01		1	Е	1,920.80	2,028.00	2,140.80	2,260.00	2,386.40	20	50,132.88	62,285.04	
9149B	RETIRE PLAN MGR (CERS)	7199.20		3	Е						00	187,899.12	187,899.12	
9149A	RETIRE PLAN MGR (PENS)	6923.20		3	Е						00	180,695.52	180,695.52	
9149R	RETIRE PLAN MGR (PENS)	86.45		8	Е						00			
1620	REVENUE MANAGER	51.94		1	E	4,155.20	4,387.20	4,632.00	4,890.40	5,163.20	00	108,450.72	134,759.52	
2485	RIDESHARE PROGM ADMNSTR	42.90		1	Е	3,432.00	3,623.20	3,825.60	4,039.20	4,264.80	00	89,575.20	111,311.28	
3473	RIGGER	2739.20		3	N						04	71,493.12	71,493.12	
1645	RISK & INSURANCE ASST	23.21		1	Е	1,856.80	1,960.00	2,069.60	2,184.80	2,306.40	00	48,462.48	60,197.04	

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15301	RISK MANAGER I	34.91		1	Е	2,792.80	2,948.80	3,113.60	3,287.20	3,470.40	36	72,892.08	90,577.44	
15302	RISK MANAGER II	43.23		1	Е	3,458.40	3,651.20	3,854.40	4,069.60	4,296.80	36	90,264.24	112,146.48	
15303	RISK MANAGER III	51.94		1	Е	4,155.20	4,387.20	4,632.00	4,890.40	5,163.20	36	108,450.72	134,759.52	
7982	RISK MGT/PREV PROG MGR	43.25		1	Е	3,460.00	3,652.80	3,856.80	4,072.00	4,299.20	36	90,306.00	112,209.12	
7980	RISK MGT/PREV PROG SPEC	39.85		1	Е	3,188.00	3,365.60	3,553.60	3,752.00	3,960.80	08	83,206.80	103,376.88	
3476	ROOFER	2213.60		3	8 N						02	57,774.96	57,774.96	
0875	ROOFER - HH	26.42		ε	B E						35			
3478	ROOFER SUPVR	2546.40		3	в						13	66,461.04	66,461.04	
1728	SAFETY ADMINISTRATOR	45.83		1	E	3,666.40	3,871.20	4,087.20	4,315.20	4,556.00	36	95,693.04	118,911.60	
1727	SAFETY ENGINEER	37.77		1	Е	3,021.60	3,190.40	3,368.00	3,556.00	3,754.40	20	78,863.76	97,989.84	
4263	SAFETY ENGR ELEVATORS	31.38	3	1	Е	2,510.40	2,650.40	2,798.40	2,954.40	3,119.20	05	65,521.44	81,411.12	
4261	SAFFTY ENGR PRESS VES	31.38	3	1	Е	2,510.40	2,650.40	2,798.40	2,954.40	3,119.20	05	65,521.44	81,411.12	
17261	SAFETY ENGRG ASSC I	27.36	3	1	Е	2,188.80	2,311.20	2,440.00	2,576.00	2,720.00	01	57,127.68	70,992.00	
17262	SAFETY ENGRG ASSC II	30.84	3	1	. Е	2,467.20	2,604.80	2,750.40	2,904.00	3,065.60	01	64,393.92	80,012.16	
3118	SANDBLAST OPERATOR	18.73		1	. ท	1,498.40	1,581.60	1,669.60	1,762.40	1,860.80	04	39,108.24	48,566.88	
41281	SANITATION WSTWATER MGR	39.36		1	E	3,148.80	3,324.00	3,509.60	3,705.60	3,912.00	36	82,183.68	102,103.20	
41282	SANITATION WSTWATER MGR	46.75		1	Е	3,740.00	3,948.80	4,168.80	4,401.60	4,647.20	36	97,614.00	121,291.92	
41283	SANITATION WSTWATER MGR	51.94		1	Е	4,155.20	4,387.20	4,632.00	4,890.40	5,163.20	36	108,450.72	134,759.52	
2409	SEASONAL POOL MGR I	16.00		8	N N						18			
2408	SEASONAL POOL MGR II	21.01		8	N						18			
0807	SECOND DEPUTY GM HARBOR	69.84		1	. Е	5,587.20	5,898.40	6,227.20	6,574.40	6,940.80	36	145,825.92	181,154.88	
1116	SECRETARY	21.26		1	. N	1,700.80	1,796.00	1,896.00	2,001.60	2,113.60	03	44,390.88	55,164.96	
8117	SECRETARY	1625.71		73	Е						00	42,431.03	42,431.03	
3199	SECURITY AIDE	14.14		1	N	1,131.20	1,194.40	1,260.80	1,331.20	1,405.60	18	29,524.32	36,686.16	
3199A	SECURITY AIDE	13.55		1	. N	1,084.00	1,144.80	1,208.80	1,276.00	1,347.20	18	28,292.40	35,161.92	
3181	SECURITY OFFICER	17.44		1	. N	1,395.20	1,472.80	1,555.20	1,641.60	1,732.80	18	36,414.72	45,226.08	
11281	SENIOR FINANCE CLERK I	19.58		1	Е	1,566.40	1,653.60	1,745.60	1,843.20	1,945.60	03	40,883.04	50,780.16	
11282	SENIOR FINANCE CLERK II	20.60		1	E	1,648.00	1,740.00	1,836.80	1,939.20	2,047.20	03	43,012.80	53,431.92	
0883	SERVICE COORDINATOR	38.80		1	E	3,104.00	3,276.80	3,459.20	3,652.00	3,856.00	01	81,014.40	100,641.60	
3777	SHEET METAL SUPVR	3003.20		3	Е						13	78,383.52	78,383.52	
3775	SHEET METAL WORKER	2610.40		3	N						02	68,131.44	68,131.44	
0876	SHEET METAL WORKER - HH	32.00		8	Е						35			
0876A	SHEET METAL WORKER - HH	10.55		8	E						35			
0876B	SHEET METAL WORKER - HH	12.31		8	É						35			
0876C	SHEET METAL WORKER - HH	14.06		8	E						35			
0876D	SHEET METAL WORKER - HH	15.82		8	Е						35			
0876E	SHEET METAL WORKER - HH	17.58		8	E						35			

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CLASS CODE	CLASS TITLE	RATE	NT GR	TP	FLSA	S A STEP-1 STEP-6	L A R STEP-2 STEP-7	Y STEP-3 STEP-8	R A N STEP-4	G E STEP-5	BU	ANNUAL MINIMUM	ANNUAL MAXIMUM
1837	SR STOREKEEPER	22.61		1	Е	1,808.80	1,909.60	2,016.00	2,128.80	2,247.20	12	47,209.68	58,651.92
18371	SR STOREKEEPER I	20.63		1	Е	1,650.40	1,742.40	1,839.20	1,941.60	2,049.60	12	43,075.44	53,494.56
1837M	SR STOREKEEPER II	24.50		1	Е	1,960.00	2,069.60	2,184.80	2,306.40	2,435.20	12	51,156.00	63,558.72
18372	SR STOREKEEPER II	21.25		1	Е	1,700.00	1,794.40	1,894.40	2,000.00	2,111.20	12	44,370.00	55,102.32
9536	SR STREET LTG ENGINEER	46.88		· 1	Е	3,750.40	3,959.20	4,180.00	4,412.80	4,659.20	17	97,885.44	121,605.12
9536C	SR STREET LTG ENGR/PM2	50.20	5	1	Е	4,016.00	4,240.00	4,476.80	4,726.40	4,989.60	17	104,817.60	130,228.56
9536D	SR STREET LTG ENGR/PM3	57.37	5	1	Е	4,589.60	4,845.60	5,116.00	5,401.60	5,702.40	17	119,788.56	148,832.64
9425C	SR STRUCTRL ENGR/PM II	50.20	5	1	Е	4,016.00	4,240.00	4,476.80	4,726.40	4,989.60	17	104,817.60	130,228.56
9425D	SR STRUCTRL ENGR/PM III	57.37	5	1	Е	4,589.60	4,845.60	5,116.00	5,401.60	5,702.40	17	119,788.56	148,832.64
9425	SR STRUCTURAL ENGINEER	49.53		1	Е	3,962.40	4,183.20	4,416.80	4,663.20	4,923.20	17	103,418.64	128,495.52
7288	SR SURVEY SUPERVISOR	45.09		1	Е	3,607.20	3,808.00	4,020.00	4,244.00	4,480.80	19	94,147.92	116,948.88
15971	SR SYSTEMS ANALYST I	35.97		1	Е	2,877.60	3,038.40	3,208.00	3,387.20	3,576.00	20	75,105.36	93,333.60
15972	SR SYSTEMS ANALYST II	44.53		1	Е	3,562.40	3,760.80	3,970.40	4,192.00	4,425.60	20	92,978.64	115,508.16
1519	SR TAX AUDITOR	36.07		1	Е	2,885.60	3,046.40	3,216.00	3,395.20	3,584.80	20	75,314.16	93,563.28
13571	SR TAX RENEWAL ASST I	12.06	5	1	Е	964.80	1,018.40	1,075.20	1,135.20	1,198.40	03	25,181.28	31,278.24
13572	SR TAX RENEWAL ASST II	13.00	5	1	Е	1,040.00	1,097.60	1,158.40	1,223.20	1,291.20	03	27,144.00	33,700.32
13573	SR TAX RENEWAL ASST III	15.70	5	1	Е	1,256.00	1,326.40	1,400.00	1,478.40	1,560.80	03	32,781.60	40,736.88
1192	SR TELLER	20.60		1	N	1,648.00	1,740.00	1,836.80	1,939.20	2,047.20	03	43,012.80	53,431.92
1947	SR TITLE EXAMINER	27.35		1	Е	2,188.00	2,309.60	2,438.40	2,574.40	2,717.60	21	57,106.80	70,929.36
3831	SR TRAF SIGNAL SUPVR	3136.80		3	Ē						13	81,870.48	81,870.48
7282	SR TRAFFIC CHECKER	20.09		1	N	1,607.20	1,696.80	1,791.20	1,891.20	1,996.80	20	41,947.92	52,116.48
3429	SR TRAFFIC PNT SIGN SPV	26.16		1	Е	2,092.80	2,209.60	2,332.80	2,463.20	2,600.80	12	54,622.08	67,880.88
32181	SR TRAFFIC SUPV I	22.66	<i>.</i>	1	Е	1,812.80	1,913.60	2,020.00	2,132.80	2,252.00	12	47,314.08	58,777.20
32182	SR TRAFFIC SUPV II	25.38		1	Е	2,030.40	2,144.00	2,263.20	2,389.60	2,523.20	12	52,993.44	65,855.52
32183	SR TRAFFIC SUPV III	28.49		1	Е	2,279.20	2,406.40	2,540.80	2,682.40	2,832.00	12	59,487.12	73,915.20
6405	SR TRANSIT ANALYST	35.94		1	Е	2,875.20	3,035.20	3,204.80	3,383.20	3,572.00	20	75,042.72	93,229.20
9262	SR TRANSP ENGINEER	46.88		1	Е	3,750.40	3,959.20	4,180.00	4,412.80	4,659.20	17	97,885.44	121,605.12
9262C	SR TRANSP ENGR/PM II	50.20	5	1	Е	4,016.00	4,240.00	4,476.80	4,726.40	4,989.60	17	104,817.60	130,228.56
9262D	SR TRANSP ENGR/PM III	57.37	5	1	Е	4,589.60	4,845.60	5,116.00	5,401.60	5,702.40	17	119,788.56	148,832.64
4273	SR TRANSP INVESTIGATOR	29.38		1	Е	2,350.40	2,481.60	2,620.00	2,766.40	2,920.80	21	61,345.44	76,232.88
4124	SR W/W TREATMENT OPER	3343.20		3	Е						09	87,257.52	87,257.52
3797	SR WELDER	2601.60		3	Е						14	67,901.76	67,901.76
3174	SR WINDOW CLEANER	18.03		1	N	1,442.40	1,523.20	1,608.00	1,697.60	1,792.00	15	37,646.64	46,771.20
3174A	SR WINDOW CLEANER	19.85	1	L 1	N	1,588.00	1,676.80	1,770.40	1,868.80	1,972.80	15	41,446.80	51,490.08
0532	SR WITNESS SVC COORD	21.76		1	N	1,740.80	1,837.60	1,940.00	2,048.00	2,162.40	03	45,434.88	56,438.64
1769	SR WORKERS COMP ANALYST	30.42		1	Е	2,433.60	2,569.60	2,712.80	2,864.00	3,024.00	20	63,516.96	78,926.40
3811	ST LTG ELECTRCN	2601.60		3	N						02	67,901.76	67,901.76

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11312	SWIM POOL CLERK II	12.64	5	1	N	1,011.20	1,067.20	1,126.40	1,189.60	1,256.00	03	26,392.32	32,781.60	
1599	SYSTEMS AIDE	21.62		- 1	E	1,729.60	1,826.40	1,928.00	2,035.20	2,148.80	01	45,142.56	56,083.68	
15961	SYSTEMS ANALYST I	25.74	2	1	Е	2,059.20	2,174.40	2,296.00	2,424.00	2,559.20	01	53,745.12	66,795.12	
15962	SYSTEMS ANALYST II	30.43		1	Е	2,434.40	2,570.40	2,713.60	2,864.80	3,024.80	01	63,537.84	78,947.28	
14551	SYSTEMS PROGRAMMER I	37.77		1	E	3,021.60	3,190.40	3,368.00	3,556.00	3,754.40	21	78,863.76	97,989.84	
14552	SYSTEMS PROGRAMMER II	40.63		1	E	3,250.40	3,432.00	3,623.20	3,825.60	4,039.20	21	84,835.44	105,423.12	
14553	SYSTEMS PROGRAMMER III	44.02		1	Е	3,521.60	3,717.60	3,924.80	4,144.00	4,375.20	21	91,913.76	114,192.72	
5943	TANK FARM OPERATOR	25.99		1	Е	2,079.20	2,195.20	2,317.60	2,447.20	2,584.00	21	54,267.12	67,442.40	
		25.23	5	2 1		2,018.40	2,131.20	2,250.40	2,376.00	2,508.80		52,680.24	65,479.68	
15141	TAX AUDITOR I	26.31		1	Е	2,104.80	2,222.40	2,346.40	2,477.60	2,616.00	01	54,935.28	68,277.60	
15142	TAX AUDITOR II	31.01		1	Е	2,480.80	2,619.20	2,765.60	2,920.00	3,083.20	01	64,748.88	80,471.52	
1173	TAX COMPLNCE AIDE	21.62		1	E	1,729.60	1,826.40	1,928.00	2,035.20	2,148.80	01	45,142.56	56,083.68	
11792	TAX COMPLNCE OFCR II	27.21		1	Е	2,176.80	2,298.40	2,426.40	2,561.60	2,704.80	01	56,814.48	70,595.28	
11793	TAX COMPLNCE OFCR III	33.76		1	Е	2,700.80	2,851.20	3,010.40	3,178.40	3,356.00	01	70,490.88	87,591.60	
11791	TAX COMPLNCE OFFCR I	24.01		1	Е	1,920.80	2,028.00	2,140.80	2,260.00	2,386.40	01	50,132.88	62,285.04	
13561	TAX RENEWAL ASST I	11.53		8	E						03			
13562	TAX RENEWAL ASST II	9.92	5	1	Е	793.60	837.60	884.00	933.60	985.60	03	20,712.96	25,724.16	
13563	TAX RENEWAL ASST III	10.54	5	1	Е	843.20	890.40	940.00	992.80	1,048.00	03	22,007.52	27,352.80	
13564	TAX RENEWAL ASST IV	11.86	5	1	Е	948.80	1,001.60	1,057.60	1,116.80	1,179.20	03	24,763.68	30,777.12	
8870	TAXICAB ADMINISTRATOR	42.90		1	Е	3,432.00	3,623.20	3,825.60	4,039.20	4,264.80	36	89,575.20	111,311.28	
7642	TELECOM PLANNER	35.35		1	Е	2,828.00	2,985.60	3,152.00	3,328.00	3,513.60	08	73,810.80	91,704.96	
7640	TELECOM PLN & UTIL OFCR	42.05		1	Е	3,364.00	3,551.20	3,749.60	3,958.40	4,179.20	36	87,800.40	109,077.12	
76501	TELECOM REG OFFICER I	38.69		1	Е	3,095.20	3,268.00	3,450.40	3,642.40	3,845.60	36	80,784.72	100,370.16	
76502	TELECOM REG OFFICER II	42.05		1	E	3,364.00	3,551.20	3,749.60	3,958.40	4,179.20	36	87,800.40	109,077.12	
0849	TELESCOPE DEMONSTRATOR	17.99		1	N	1,439.20	1,519.20	1,604.00	1,693.60	1,788.00	00	37,563.12	46,666.80	
7615	TELEVISION ENGINEER	32.92		1	Е	2,633.60	2,780.80	2,936.00	3,100.00	3,272.80	21	68,736.96	85,420.08	
0007	TEMPORARY PARAMEDIC	.01		1	N	2,091.20	2,204.00	2,329.60	2,453.60	2,599.20	23	54,580.32		
						2,748.00							71,722.80	
0709	THEATER ATTENDANT	12.65		8	Е						00			
0710A	THEATER TECH A	12.00		8	Е						00			
0710B	THEATER TECH B	15.00		8	Е						00			
0710C	THEATER TECH C	17.50		8	Е						00			
0710D	THEATER TECH D	20.00		8	E						00			
2445	THERAPEUTIC REC SPEC	24.81		1	Е	1,984.80	2,095.20	2,212.00	2,335.20	2,465.60	11	51,803.28	64,352.16	
8103	TICKET SELLER	864.37		73	Е						00	22,560.05	22,560.05	
3493	TILE SETTER	2504.80		3	N						02	65,375.28	65,375.28	
0880A	TILE SETTER I - HH	14.19		8	Е						35			

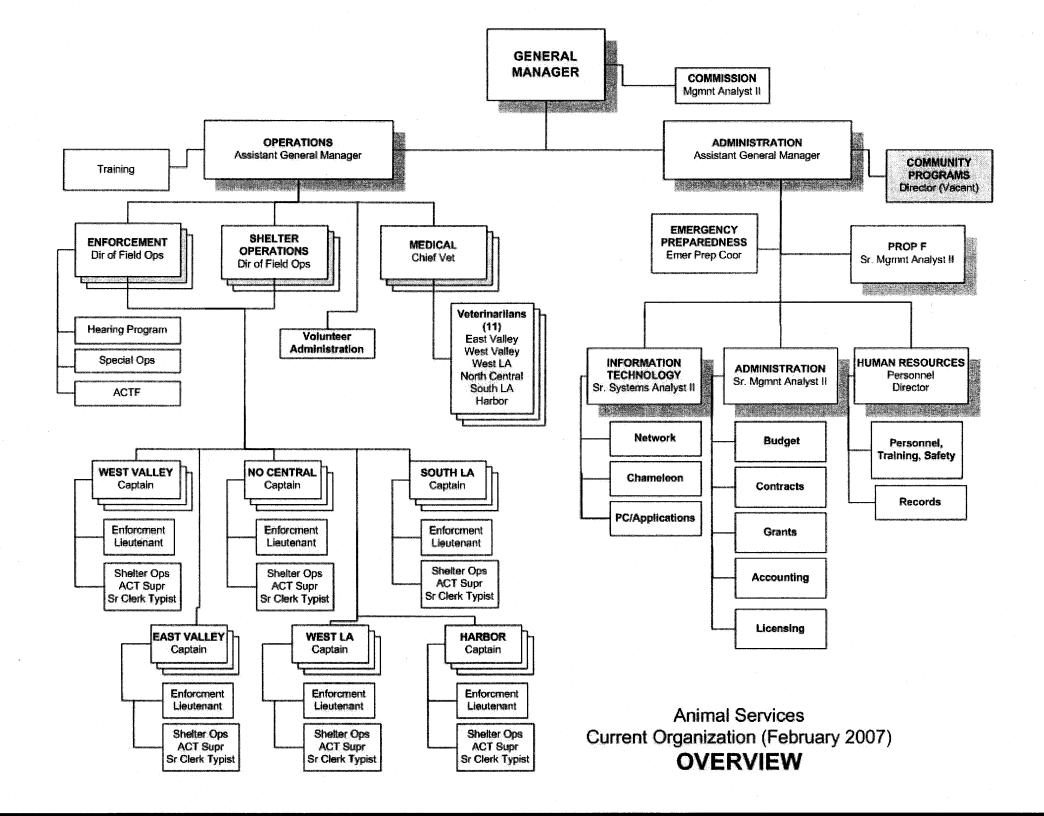
CLASS TITLE/SALARY TABLE

FISCAL YEAR

RUN DATE: 09/19/07

CLASS CODE	CLASS TITLE	RATE	NT GR	TP	FLSA	S A STEP-1 STEP-6	L A R STEP-2 STEP-7	Y STEP-3 STEP-8	R A N STEP-4	G E STEP-5	BU	ANNUAL MINIMUM	ANNUAL MAX IMUM
7280D	TRANSP ENG ASSC/PM III	57.37	5	1	E	4,589.60	4,845.60	5,116.00	5,401.60	5,702.40	08	119,788.56	148,832.64
7278	TRANSP ENGINEER	39.85		1	Е	3,188.00	3,365.60	3,553.60	3,752.00	3,960.80	17	83,206.80	103,376.88
7278B	TRANSP ENGINEER/PM I	43.37	5	1	Е	3,469.60	3,663.20	3,867.20	4,083.20	4,311.20	17	90,556.56	112,522.32
7278C	TRANSP ENGINEER/PM 11	50.20	5	1	E	4,016.00	4,240.00	4,476.80	4,726.40	4,989.60	17	104,817.60	130,228.56
72 <b>78</b> D	TRANSP ENGINEER/PM III	57.37	5	1	E	4,589.60	4,845.60	5,116.00	5,401.60	5,702.40	17	119,788.56	148,832.64
72851	TRANSP ENGRG AIDE I	23.20		1	N	1,856.00	1,959.20	2,068.80	2,184.00	2,305.60	21	48,441.60	60,176.16
72852	TRANSP ENGRG AIDE II	25.94		1	N	2,075.20	2,191.20	2,313.60	2,442.40	2,578.40	21	54,162.72	67,296.24
72801	TRANSP ENGRG ASSC I	29.45		1	Е	2,356.00	2,487.20	2,625.60	2,772.00	2,926.40	08	61,491.60	76,379.04
72802	TRANSP ENGRG ASSC II	32.92		1	Е	2,633.60	2,780.80	2,936.00	3,100.00	3,272.80	08	68,736.96	85,420.08
72803	TRANSP ENGRG ASSC III	36.67		1	Е	2,933.60	3,096.80	3,269.60	3,452.00	3,644.80	08	76,566.96	95,129.28
72804	TRANSP ENGRG ASSC IV	39.85		1	Е	3,188.00	3,365.60	3,553.60	3,752.00	3,960.80	08	83,206.80	103,376.88
4271	TRANSP INVESTIGATOR	24.95		1	N	1,996.00	2,107.20	2,224.80	2,348.80	2,480.00	21	52,095.60	64,728.00
24801	TRANSP PLANNING ASSC I	27.35		1	Е	2,188.00	2,309.60	2,438.40	2,574.40	2,717.60	21	57,106.80	70,929.36
24802	TRANSP PLANNING ASSC II	32.92		1	Е	2,633.60	2,780.80	2,936.00	3,100.00	3,272.80	21	68,736.96	85,420.08
9645	TREASURER	6490.40		3	Е						00	169,399.44	169,399.44
16091	TREASURY ACCOUNTANT I	27.18		1	Е	2,174.40	2,296.00	2,424.00	2,559.20	2,701.60	01	56,751.84	70,511.76
16092	TREASURY ACCOUNTANT II	34.02		1	Е	2,721.60	2,873.60	3,033.60	3,202.40	3,380.80	01	71,033.76	88,238.88
3114	TREE SURGEON	20.20		1	N	1,616.00	1,706.40	1,801.60	1,902.40	2,008.80	04	42,177.60	52,429.68
3151	TREE SURGEON ASST	15.81		1	N	1,264.80	1,335.20	1,409.60	1,488.00	1,571.20	04	33,011.28	41,008.32
31171	TREE SURGEON SUPVSR 1	25.50		1	Е	2,040.00	2,153.60	2,273.60	2,400.00	2,533.60	12	53,244.00	66,126.96
31172	TREE SURGEON SUPVSR II	27.81		1	Е	2,224.80	2,348.80	2,480.00	2,618.40	2,764.00	12	58,067.28	72,140.40
3557	TRUCK CRANE OILER	2629.60		3	N						04	68,632.56	68,632.56
3583	TRUCK OPERATOR	18.73	3	1	N	1,498.40	1,581.60	1,669.60	1,762.40	1,860.80	04	39,108.24	48,566.88
35836	TRUCK OPERATOR	20.24	3	1	N	1,619.20	1,709.60	1,804.80	1,905.60	2,012.00	04	42,261.12	52,513.20
3723	UPHOLSTERER	2267.61		3	N						14	59,184.62	59,184.62
37235	UPHOLSTERER	2324.80		3	N						14	60,677.28	60,677.28
3590	VEHICLE MAINT COORD	19.18		1	N	1,534.40	1,620.00	1,710.40	1,805.60	1,906.40	14	40,047.84	49,757.04
4205	VEHICLE NUISANCE INSP	19.26		1	N	1,540.80	1,626.40	1,716.80	1,812.80	1,913.60	05	40,214.88	49,944.96
2365	VETERINARIAN	34.74	3	1	Е	2,779.20	2,934.40	3,098.40	3,271.20	3,453.60	10	72,537.12	90,138.96
23651	VETERINARIAN I	34.74	3	1	Е	2,779.20	2,934.40	3,098.40	3,271.20	3,453.60	10	72,537.12	90,138.96
23652	VETERINARIAN II	37.81		1	Е	3,024.80	3,193.60	3,372.00	3,560.00	3,758.40	10	78,947.28	98,094.24
23653	VETERINARIAN III	39.89		1	Е	3,191.20	3,368.80	3,556.80	3,755.20	3,964.80	10	83,290.32	103,481.28
2369	VETERINARY TECHNICIAN	21.32		1	N	1,705.60	1,800.80	1,901.60	2,008.00	2,120.00	21	44,516.16	55,332.00 -
1802	VIDEO PRODUCTION COORD	24.01		1	Е	1,920.80	2,028.00	2,140.80	2,260.00	2,386.40	21	50,132.88	62,285.04
61451	VIDEO TECHNICIAN I	24.01		1	Е	1,920.80	2,028.00	2,140.80	2,260.00	2,386.40	21	50,132.88	62,285.04
61452	VIDEO TECHNICIAN II	26.60		1	E	2,128.00	2,246.40	2,372.00	2,504.00	2,644.00	21	55,540.80	69,008.40
6149	VIDEOTAPE LIBRARIAN	22.01		1	E	1,760.80	1,859.20	1,963.20	2,072.80	2,188.00	21	45,956.88	57,106.80

RPT - NO :	A190024H			c	LASS	TITLE,	/SALARY TAB	LE		RUN DATE: 09/19/07	PAGE	67	
					FISC	CAL YEA	AR						
CLASS CODE	CLASS TITLE	RATE	NT	GR	TP	FLSA	S A STEP-1 STEP-6	L A R STEP-2 STEP-7	Y STEP-: STEP-1		BU 5	ANNUAL MINIMUM	ANNUAL MAXIMUM
15822	YOUTH EMPLMT SPEC II	10.26			8	N					00		
15823	YOUTH EMPLMT SPEC III	11,77			8	N					00		
15824	YOUTH EMPLMT SPEC IV	14.00			8	Е					00		
4297	ZOO CURATOR	28.66	3		1	Е	2,292.80	2,420.80	2,556.00	0 2,698.40 2,848.8	0 11	59,842.08	74,353.68
4276	ZOO CURATOR OF BIRDS	28.66			1	Е	2,292,80	2,420.80	2,556.00	0 2,698.40 2,848.8	0 11	59,842.08	74,353.68
43001	ZOO CURATOR OF EDUC I	24.31			1	Е	1,944.80	2,053.60	2,168.00	0 2,288.80 2,416.8	0 11	50,759.28	63,078.48
43002	ZOO CURATOR OF EDUC II	28.66			1	Е	2,292.80	2,420.80	2,556.00	0 2,698.40 2,848.8	0 11	59,842.08	74,353.68
43003	ZOO CURATOR OF EDUC III	34.89			1	Е	2,791.20	2,947.20	3,111.20	0 3,284.80 3,468.0	0 11	72,850.32	90,514.80
4277	ZOO CURATOR OF REPTILES	28.66			1	Е	2,292.80	2,420.80	2,556.00	0 2,698.40 2,848.8	0 11	59,842.08	74,353.68
4302	ZOO RESEARCH DIRECTOR	29.67			1	Е	2,373.60	2,505.60	2,645.60	0 2,792.80 2,948.8	0 08	61,950.96	76,963.68
23671	ZOO VETERINARIAN I	34.74			1	Е	2,779.20	2,934.40	3,098.40	0 3,271.20 3,453.6	0 10	72,537.12	90,138.96
23672	ZOO VETERINARIAN II	37.81	3		1	Е	3,024.80	3,193.60	3,372.00	0 3,560.00 3,758.4	0 10	78,947.28	98,094.24
23673	200 VETERINARIAN III	39.89	3		1	Е	3,191.20	3,368.80	3,556.80	0 3,755.20 3,964.8	0 10	83,290.32	103,481.28
9206	311 DIRECTOR	51.94			1	Е	4,155.20	4,387.20	4,632.00	0 4,890.40 5,163.2	0 00	108,450.72	134,759.52



### COST ALLOCATION PLAN 29 (CAP 29) - INDIRECT COST RATES WITH CARRY FORWARD

The rates below are to be used to prepare grant applications, contracts and billings for grant activities, and to compute Fees for Special Services, during 2006-07. They are to be applied only to straight time, gross salaries (with CTO). When only net salaries (without CTO) are available, convert net salaries to gross salaries using the CTO rate. For rates applicable to **part time** or **overtime** salaries, please contact CAP staff. **Note: You MUST adjust rates to deduct directly billed costs.** See list-Attachment C and Instructions-Attachment B.

DEPARTMENT/Cost Center	Fringe Benefits	Central Services	Department Administration & Support	Division Overhead*	СТО
AGING:	00.000	50 700/			05 550/
Balance of Department Title V	38.60%	58.79% 2.97%	na	*	25.55% 11.83%
The v	10.55%	2.97%	na		11.03%
ANIMAL SERVICES	49.07%	32.20%	50.09%(83	1,29)*	20.42%
BUILDING & SAFETY	38.34%	15.06%	18.14%	*	19.01%
CITY ADMINISTRATIVE OFFICER (OARS): CRA, Petroleum Admin., Proprietary,					
Capital Projects (Phy. Plant)	34.63%	43.26%	43.10%	*	18.55%
Disaster Grants Coordination	36.97%	186.65%	38.85%	*	18.55%
CITY ATTORNEY:					
Criminal	34.74%	13.64%	13.28%	*	24.64%
Direct Billed - User's Site (Proprietary Depts.)	31.82%	1.29%	8.65%	*	24.64%
Direct Billed - In City Space	39.41%	18.23%	17.12%	*	24.64%
CITY CLERK: Elections	6.92%	39.44%	13.77%	*	3.83%
Land Records	44.05%	52.41%	132.88%	*	16.58%
	44.0070	02.4170	102.00 //		10.00 /0
COMMISSION FOR CHILDREN, YOUTH			~~~~~	<b>_</b>	o ( 070)
AND THEIR FAMILIES	37.83%	126.00%	60.86%	*	21.67%
COMMISSION ON STATUS OF WOMEN	43.22%	91.28%	33.15%	*	29.88%
COMMUNITY DEVELOPMENT:					
Balance of Department	35.81%	13.65%	, na	*	19.52%
As Needed Employees	8.64%	10.71%	na	*	n/a
CONTROLLER:					
Direct Billed (at User's site)	39.17%	5.59%	37.99%	*	19.97%
Direct Billed (in City space)	40.73%	67.26%	43.04%	*	19.97%
					10.010
CULTURAL AFFAIRS	46.52%	77.37%	6.45%	*	18.04%
DEPARTMENT on DISABILITY	33.85%	39.85%	33.44%	*	17.11%
EL PUEBLO	34.50%	143.32%	488.31%	*	17.46%
EMERGENCY PREPAREDNESS DEPT Em. Prep. Policy & Public info.	38.06%	79.71%	58.39%	*	24.08%
ENVIRONMENTAL AFFAIRS: Policy/Public Information	39.04%	34.17%	25.48%	*	21.36%

### COST ALLOCATION PLAN 29 (CAP 29) - INDIRECT COST RATES WITH CARRY FORWARD

The rates below are to be used to prepare grant applications, contracts and billings for grant activities, and to compute Fees for Special Services, during 2006-07. They are to be applied only to straight time, gross salaries (with CTO). When only net salaries (without CTO) are available, convert net salaries to gross salaries using the CTO rate. For rates applicable to **part time** or **overtime** salaries, please contact CAP staff. **Note: You MUST adjust rates to deduct directly billed costs.** See list-Attachment C and Instructions-Attachment B.

	Fringe	Central	Department Administration	Division	
DEPARTMENT/Cost Center	Benefits	Services	& Support	Overhead*	СТО
FINANCE, OFFICE OF					
Revenue Collections	38.13%	53.13%	13.62%	*	19.77%
FIRE:					
Civilian	39.43%	12.87%	12.36%	*	26.30%
Sworn (Firefighters)	42.78%	17.47%	19.72% a		25.70%
	Combined Dept. Admin ncluding Field Support		<u>12.14%</u> b 31.86% c		
		anna a canainn an ann an an an ann an ann an ann an	narrad .		
Materials Testing	34.22%	28.35%	6.97%	*	19.04%
Print Shop	41.72%	42.25%	7.39%	*	20.10%
HOUSING:					
Grant-Funded Housing	33.04%	12.14%	na	*	18.34%
Enforcement	37.69%	10.49%	na	*	18.34%
Internal Administration	34.53%	26.60%	na	*	18.34%
HUMAN RELATIONS COMMISSION	35.68%	50.60%	24.58%	*	17.69%
LIBRARY	43.17%	17.06%	12.29%	*	18.12%
				_	
LOS ANGELES CONVENTION CENTER	41.61%	28.44%	32.21%	×	22.20%
MAYOR:					
Executive/Policy	35.82%	141.08%	65.90%	*	21.40%
Grant Funded/Spec. Programs	35.75%	157.60%	54.69%	*	17.03%
Direct in City Space	32.16%	94.27%	39.09%	*	21.40%
NEIGHBORHOOD EMPOWERMENT	35.45%	55.48%	45.92%	*	12.75%
PERSONNEL:		10.000/	0 5 404	• · ·	40.05%
Custody Care (Jails)	38.49%	16.90%	2.54%	•	19.95%
Personnel Grant Funded/Spec. Progra	ms 37.03%	15.28%	0.00%		19.95%
PLANNING	36.10%	26.87%	23.04%	*	17.92%
POLICE:					
Civilian	43.13%	14.01%	15.19%	*	23.82%
Sworn	43.58%	18.16%	26.71% a	.] *	26.20%
Ĩ	Combined Dept. Admi	n & Support Rata	<u>27.49%</u> b	. 🗧 Field Supp	oort Rate,
	including Field Suppor		► 54.20% c	. Sworn onl	y **

\*\*NOTE: For Fire and Police, the Field Support rate (line b.) captures overhead costs that are in addition to other Administrative and Support Costs. It has been added to the Department Administration rate on this schedule. Please use this combined rate (line c.) for sworn positions in field operations. For other, non-field sworn positions, do NOT use the Field Support rate; use only the regular Department Administration rate (line a.), together with the other (Fringe, Central Service and CTO) rates.

### COST ALLOCATION PLAN 29 (CAP 29) - INDIRECT COST RATES WITH CARRY FORWARD

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	Fringe	Central	Department Administration	Division	070
DEPARTMENT/Cost Center	Benefits	Services	& Support	Overhead*	СТО
PUBLIC WORKS, Board Office: Public Services	49.30%	39.50%	6.82%	*	20.05%
PW - Contract Administration: Construction Inspection	36.09%	14.60%	12.52%	57.02%	17.74%
PW - Engineering: Stormwater Facilities Engineering Wastewater Facilities Engineering Privately Financed & Assessment Street Improvements Municipal Facilities	35.59% 35.21% 34.71% 34.76% 34.15%	11.63% 16.01% 25.07% 16.53% 1.11%	16.94% 17.05% 16.93% 16.94% 17.21%	48.03% 55.92% 5.15% 59.91% 28.39%	18.28% 18.28% 18.28% 18.28% 18.28%
General Mapping & Survey	36.62%	11.93%	16.84%	172.09%	18.28%
PW - Sanitation Solid Waste Program Wastewater/Stormwater Division PW - Street Lighting	40.05% 39.58% 38.04%	140.51% 24.65% 40.41%	8.12% 6.66% 24.47%	* *	20.42% 20.42% 19.37%
PW - Street Services Street Maint General	44.70%	73.67%	19.80%	*	22.49%
Street Use Inspection Lot Cleaning Street Tree Division Street Maint Administration					
ST MNT Facilities Maintenance Street Maint Executive Resurf & Reconstr Div Special Proj Constr Div Street Improvement Div	cald Equ suc be i	ese ten Division Ove culated by St. Servio uipment is billed as a h is done, the Centr reduced to exclude uipment.	ces, assume that a direct cost. When ral Services rate will		
RECREATION & PARKS	60.17%	33.39%	14.14%	*	19.42%
TRANSPORTATION	44.60%	28.00%	8.10%	*	21.21%
TREASURER Cash Management & Street Bonds	37.04%	10.17%	103.44%	*	16.43%
Zoo Department	48.92%	20.56%	35.65%	*	27.37%

Notes:

\* Division Overhead includes costs of division heads, section supervisors, clerical and other support staff within divisions or sections. These costs are not part of the Department Administration rate, but are legitimate costs which should be recovered if allowed by your grantor. If these costs are not charged directly to a grant, a Division Overhead indirect cost rate should be calculated. To maintain consistency and insure that Division Overhead costs do not overlap with Department Administration costs, please contact CAP staff for assistance in calculating these rates. Public Works Division Overhead rates are computed by Public Works staff and published herein as a courtesy.

### **Instructions for Using Indirect Cost Rates**

**Modifying the rates.** Usually departments use the CAP rates as published; however, situations may arise necessitating revision of the rates. Your Department's CAP rate should be modified if your Department directly charges to a grant or fee payer any of the indirect costs, or if the grantor or fee payer directly provides any of the services listed on Attachment C. For example, if you purchase a computer and the total cost is paid directly by a fee payer or grantor, your CAP rate must be reduced to avoid double billing for the directly charged item(s). This means: if the entity you are billing provides office space, telephone service, computers, vehicles, or any other item listed on Attachment C, your rates must be adjusted to exclude those items.

An example of the necessity for rate modification is the Police Department's bill to the Airports Department. Airports provides space, utilities, telephones and equipment for Police Department staff at the Airport substation. To properly bill the Airports Department for law enforcement services at this site, the Police Department indirect cost rates are revised to exclude the building use, building lease, equipment use, and telephone line items.

Contact the CAP Office for adjusted rates if any cost listed in Attachment C is directly billed to grants or fees, or if any of the listed services are provided by your client.

**Using the rates as published.** The CAP indirect cost rates are computed based on "gross annual salaries" **excluding** overtime. (For rates applicable to overtime salaries, please contact the CAP office.) Compensated time off (CTO) is included in this gross salaries base. (See Attachment C paragraph 5 for a definition of CTO.) The CAP Fringe Benefits, Central Services, and Department Administration indirect cost rates, therefore, must be applied to salaries which include CTO and exclude overtime. Please refer to the example below, where:

Fringe Benefit Central Service Department Administration & Suppo Compensated Time O	s Rate = 39.77% of Gross Salaries rt Rate = 18.87% of Gross Salaries
	000.00 (Gross Salaries are salaries for straight time worked plus Compensated Time Off.) ates, and assuming your CTO costs are included in your are calculated below:
b. \$ 1,000 x 39.77% = \$ c. \$ 1,000 x 18.87% = <u>\$</u>	<ul> <li>281.00 Fringe Benefit Cost</li> <li>397.70 Central Service Cost</li> <li><u>188.70</u> Department Administration &amp; Support Cost</li> <li>867.40</li> </ul>
2. Assume Net Salaries = \$	860.14 (Net Salaries are salaries for straight time worked, not including Compensated Time Off. Such net salaries would
	typically be accumulated through direct charges in a cost accounting system.)
Convert net salaries to gross salaries	typically be accumulated through direct charges in a cost accounting system.)
Convert net salaries to gross salaries a. Net Salary times CTO %: \$ b. Net Salary plus CTO amt: \$	typically be accumulated through direct charges in a cost accounting system.) by adding CTO % of Net:

**REMINDER:** CTO rates are to be used only when paid time off such as sick and vacation time are not directly charged to a special service or grant project. Please see Attachment C, paragraph 5 for further information.

# COST ALLOCATION PLAN 29 INDIRECT COSTS INCLUDED IN RATE CALCULATIONS

#### 1. Fringe Benefits Rate includes the department's share of the Citywide costs of: Retirement (Civilians) **Employee Assistance** Union Sponsored Benefits Pensions (Fire/Police Sworn) Ordinance Life Insurance **Unused Sick/Vacation Payout** FLEX Benefit Program Medicare **Unemployment Insurance** - Health Insurance Social Security Workers' Compensation - Dental Insurance Part Time/Seasonal/Temporary **Hiring Hall Fringe** - Basic Life Insurance (PST) 457 Retirement Plan 2. Central Services Rate includes the department's share of the Citywide costs of: **Building Leases** Equipment Use Allowance General City Purposes [League Dues and audits] [GSD & Spec. Funds] (Equipment costing \$5,000 & above) **Building Depreciation** Equipment Exp. Under \$5,000 Liability Claims **Computer Assets Depreciation** (Equipment Costing under \$5,000) Petroleum Products [GSD] (items costing \$5,000 & above) Gas (Natural Gas Utility) [GSD] Vehicle Depreciation **Communications Lease** Insurance on bond-financed assets Water & Electricity (Telephone bill) **Emergency Operations Organization** City Administrative Officer **COUNCIL & CLA** MAYOR (CAO, formerly OARS) **Department Liaison &** Budget Grants Citywide Coordinator **Employee Relations** EMPLOYEE RELATIONS BOARD Gen. Support (Finance, Systems, Productivity & Risk Management) PERSONNEL Dept Liaison/ Mgt. Analysis **ENVIRONMENTAL AFFAIRS** Workers' Compensation & Safety **Municipal Facilities Projects Environmental Coordination** Personnel Balance of Dept. **CITY ATTORNEY** EMERGENCY PREPAREDNESS PUBLIC WORKS **Civil Liability** Emergency Preparedness Coordination **Board Office Employee Relations** Contract Admin: Municipal Counsel / Legis. Svcs. Office of Contract Compliance Land Use FINANCE **Engineering: General Engineering** Police Division **Citywide Collections** CITY CLERK GENERAL SERVICES TREASURER Council and Public Services **Building Services** Custody & Disbursement **Records Management** Construction Division & Debt Administration Fleet Services Assets Management (Leasing & Real Estate) PENSIONS: OVERHEADS ALLOCATED **CITY ETHICS COMMISSION** Mail & Messenger Parking Services (Other Pension TO PENSIONS. CONTROLLER Supply Services costs included in Fringe Benefits) **Accounts Payable** Budget & General Acctg. CERS: OVERHEADS ALLOCATED CAP INFORMATION TECHNOLOGY **FMIS** AGENCY (ITA) (Other CERS TO CERS. Internal Audit IT Services costs included in Fringe Benefits)

Workers' Compensation

Payroll (incl. Fiscal Systems)

Single Audit

Communications Division

**Telecommunications (PPEB)** 

## **INDIRECT COSTS INCLUDED IN CAP 29 RATE CALCULATIONS (continued)**

#### 3. Department Administration and Support Rate includes costs of support functions within a department:

The rate includes expenditures which: --- benefit the department as a whole --- are NOT directly charged to a grant or fee program

---- are NOT line operations.

Experiationes include trose or.		
Accounting staff	Department Management (Gen. Mgr. & Asst. Gen. Mgrs)	
Budget staff	Clerical Staff/word processing staff serving the entire department.	
Payroll staff	Systems Staff (if serving the whole department, not a special project)	
Personnel & training staff	Warehouse/inventory/stores staff	
Inventory staff	Vehicle maintenance staff (Police & Fire only)	

NOTE: The support costs discussed here must conform to Federal definitions of allowable overhead costs and are not necessarily the same as the City's General Administration and Support Program (GASP) in a departmental budget.

#### 4. Division Overhead Rates include the costs of support functions within divisions:

The rate includes the salary and expenses of division heads, section supervisors, and other support within divisions which are not included in the Department Administration costs discussed above. For example, within the Bureau of Engineering, the City Engineer, Deputies, their secretaries and the Administration Division are included in the Department Administration indirect cost rate. Within operating divisions, division heads, assistant division heads, and their secretaries and division support staff are NOT included in the Department Administration rate.

To recover the overhead costs within a division, a department or bureau should directly charge the time of the division head, secretary, assistant division head, and other division support services to a project, or calculate an indirect cost rate to recover their costs. Please work with the CAP office when calculating such rates, to insure that Division Overhead costs do not overlap Department Administration costs.

#### 5. Compensated Time Off Rate includes the salary paid to employees who are on paid leave such as:

Sick Leave	Jury Duty	Floating Holiday
Vacation	Bereavement leave	Injury on Duty
Holiday	Preventive Medicine	
Military Leave	Workers' Compensation (salary o	continuance
Family Illness	paid by the employing depart	tment.)

#### Special Note regarding CTO:

Expanditures include those of:

CTO rates are to be used only when sick, vacation, and other CTO hours are not directly charged to a fee or grant project. For employees who charge only part of their hours worked to a grant, their time off is usually not being charged to the project, so the cost of that time off must be recovered using the CTO Rate. For employees whose entire annual salary is charged to a fee or grant, CTO is recovered as they take their time off, and the CTO Rate is not to be used. When the CTO Rate is applied to net salaries, the amount derived is added to net salaries to create gross salaries. The derived gross salaries becomes the base against which the fringe benefit rate and other indirect cost rates described above are applied.

#### 6. OTHER DEFINITIONS

a. Gross Salaries - Total annual salaries, which include pay for time worked AND compensated time off.

b. Net Salaries - Pay for time worked only, not including compensated time off.

## CITY OF LOS ANGELES INTER-DEPARTMENTAL CORRESPONDENCE

DATE: September 13, 2007

#### MEMORANDUM NO. 07-028

**TO:** All City Office/Department Heads

**FROM:** Rushmore D. Cervantes, Chief Deputy Controller PD

SUBJECT: 2006-07 INDIRECT COST RATES—COST ALLOCATION PLAN (CAP) 29

Attached are the approved Cost Allocation Plan (CAP) 29 indirect cost rates and instructions on their use. Please note that there are a number of changes from the interim rates distributed on September 13, 2006.

The rates were approved by the U.S. Department of Health and Human Services under contract with the City's cognizant federal agency, the U.S. Department of Housing and Urban Development. These rates must be used as follows: (a) for new billings on grant activities during fiscal year 2006-07 (you must adjust billings that were already made) and (b) to compute overhead charges, to be included with fees for special services, incurred in fiscal year 2006-07 but are going to be billed in fiscal year 2007-08.

Questions regarding the Cost Allocation Plan or indirect cost rates may be directed to the CAP staff, Lillian Sedlak at 978-7326, or Achilles Gonzales at 978-7327.

Attachments: A – Indirect Cost Rates

B – Instructions

C – Costs Included in Rate Calculations

Pursuant to Government Code Section 17561 ANIMAL ADOPTION       (19) Detain TEP 1/ 7-2009       2'         (21) Data TEP 1/ 7-2009       2'         RECEIVED       Reimbursement Claim Data         May 19, 2014 Commission on Contry of Los Angeles       (22) AA-1, (04)(A)(1)(g)       2'         State Mandates       (23) AA-1, (04)(A)(2)(g)         State Solute Solute       (26) AA-1, (04)(B)(1)(g)         Contry of Los Angeles       Coll of Usation On State Madress of P.O. Box       Suite Sol       (24) AA-1, (04)(A)(3)(g)         Type of Claim       Estimated Claim       Reimbursement Claim       (26) AA-1, (04)(B)(1)(g)         Type of Claim       Estimated Claim       Reimbursement Claim       (28) AA-1, (04)(B)(3)(g)         (03) Estimated       (09) Reimbursement X       (27) AA-1, (04)(B)(3)(g)       (29) AA-1, (04)(B)(3)(g)         Type of Claim       Reimbursement Claim       (26) AA-1, (04)(B)(3)(g)       (27) AA-1, (04)(B)(5)(g)         Type of Claim       Reimbursement Claim       (28) AA-1, (04)(B)(5)(g)       (29)	lated Cost Manual	Mar			State Controller's Office
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Animal ADDPTION       (21) Easingland Sector         (21) Claimant Name       RECEIVED       Reimbursement Claim Data         (22) Claimant Name       May 19, 2014       Commission on State Manages       Commission on State Manages         (23) Cumant Name       May 19, 2014       (22) AA-1, (04)(A)(2)(g)         Desk Address of P.O. Box       Suite       (23) AA-1, (04)(A)(2)(g)         State Address of P.O. Box       Suite State       (24) AA-1, (04)(A)(2)(g)         Chy of Los Angeles       C.A       90012       (25) AA-1, (04)(B)(2)(g)         City       Estimated Claim       Reimbursement Claim       (26) AA-1, (04)(B)(2)(g)         (03) Estimated       (09) Reimbursement X       (27) AA-1, (04)(B)(2)(g)         (04) Combined       (10) Combined       (29) AA-1, (04)(B)(5)(g)         (05) Amended       (11) Amended       (29) AA-1, (04)(B)(5)(g)         Fiscal Year of Cost       (06)       (12) 2007-2008       (30) AA-1, (04)(B)(7)(g)         LESS: 10% Late Penalty, not to exceed \$1,000       (14)       (22) AA-1, (04)(B)(6)(g)         LESS: Prior Claim Payment Received       (15)       (33) AA-1, (04)(B)(10)(g)       (36)         Due to State       (08)       (17) \$1,416,007       (35) AA-1, (04)(B)(10)(g)       (36)       (37) CERTIFICATION OF CLAIM       In accordance with the pro			e Section 17561	t to Government Code	Pursuan
Relimbursement Claim Data         Relimbursement Claim Data         May 19, 2014 Commission on County of Location       May 19, 2014 Commission on State Mandates       (22) AA-1, (04)(A)(2)(g)         Street Address of P.O. Box       Suite Suite 500       (23) AA-1, (04)(A)(2)(g)       (25) AA-1, (04)(A)(2)(g)         Street Address of P.O. Box       Suite 500       (24) AA-1, (04)(B)(2)(g)       (25) Cost Ageles         City Los Angeles       Estimated Claim       Reimbursement Claim       (26) AA-1, (04)(B)(2)(g)       (27) AA-1, (04)(B)(2)(g)         Type of Claim       Estimated Claim       Reimbursement Claim       (28) AA-1, (04)(B)(2)(g)       (27) AA-1, (04)(B)(2)(g)         (03) Estimated       (09) Reimbursement [X]       (27) AA-1, (04)(B)(5)(g)       (28) AA-1, (04)(B)(5)(g)         (04) Combined       (10) Combined       (29) AA-1, (04)(B)(5)(g)       (28) AA-1, (04)(B)(5)(g)         Fiscal Year of Cost       (06)       (12) 2007-2008       (30) AA-1, (04)(B)(6)(g)         LESS: 10% Late Penalty, not to exceed \$1,000       (14)       (22) AA-1, (04)(B)(6)(g)         LESS: Prior Claim Payment Received       (15)       (33) AA-1, (04)(B)(10)(g)         Due from State       (08)       (17) \$1,416,007       (35) AA-1, (04)(B)(10)(g)       (36)         Due to State       (08)       (17) \$1,416,007	213	(21) LRS Input EB 1, 7-2009	ON	ANIMAL ADOPTIC	
B81947       RECEIVED         City of Los Angeles       May 19, 2014         County of Location       State Mandates         County of Location       State Mandates         Cas Angeles       State Mandates         Street Address of P.O. Box       Suite 500         221 North Figueroa Street       Suite 500         Composition       (26) AA-1, (04)(A)(2)(g)         Type of Claim       Estimated Claim         (03) Estimated       (09) Reimbursement IX         (04) Combined       (10) Combined         (05) Amended       (11) Amended         (05) Amended       (12) 2007-2008         (04) Combined       (12) 2007-2008         (05) Amended       (12) 2007-2008         (06)       (12) 2007-2008         (07) LESS: 10% Late Penalty, not to exceed \$1,000       (14)         LESS: 10% Late Penalty, not to exceed \$1,000       (14)         LESS: Prior Claim Payment Received       (15)         Net Claimed Amount       (16)         Use for State       (08)         (07) S1,416,007       (35) AA-1, (04)(B)(9)(g)         Less: Prior Claim Payment Received       (15)         Net Claimed Amount       (16)         Use for State       (08) <t< td=""><td>Data</td><td>Reimbursement Clai</td><td></td><td>Number</td><td>• •</td></t<>	Data	Reimbursement Clai		Number	• •
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Los Angeles       CA       90012       (25) AA-1, (04)(B)(7)(9)         Type of Claim       Estimated Claim       Reimbursement Claim       (26) AA-1, (04)(B)(2)(9)         (03) Estimated       (09) Reimbursement X       (27) AA-1, (04)(B)(3)(9)       (27) AA-1, (04)(B)(3)(9)         (04) Combined       (10) Combined       (28) AA-1, (04)(B)(3)(9)       (28) AA-1, (04)(B)(4)(9)         (05) Amended       (11) Amended       (29) AA-1, (04)(B)(5)(9)       (29) AA-1, (04)(B)(5)(9)         Fiscal Year of Cost       (06)       (12) 2007-2008       (30) AA-1, (04)(B)(5)(9)         Total Claimed Amount       (07)       (13) Y \$1,416,007       (31) AA-1, (04)(B)(7)(9)         LESS: 10% Late Penalty, not to exceed \$1,000       (14)       (32) AA-1, (04)(B)(9)(9)         LESS: Prior Claim Payment Received       (15)       (33) AA-1, (04)(B)(9)(9)         Net Claimed Amount       (16)       (34) AA-1, (04)(B)(10)(9)         Due from State       (08)       (17) \$1,416,007       (35) AA-1, (06)         Due to State       (18)       (36)       (36)         (17) S1,416,007       (35) AA-1, (04)(B)(9)(9)       (18)       (18)         In accordance with the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file maiclaims with the State of California tor this program, and certify under penalty of			Suite 500	Street	221 North Figueroa
(03) Estimated       (09) Reimbursement       (27) AA-1, (04)(B)(2)(g)         (04) Combined       (10) Combined       (27) AA-1, (04)(B)(3)(g)         (05) Arnended       (11) Arnended       (28) AA-1, (04)(B)(4)(g)         (29) AA-1, (04)(B)(5)(g)       (29) AA-1, (04)(B)(5)(g)         Fiscal Year of Cost       (06)       (12) 2007-2008       (30) AA-1, (04)(B)(5)(g)         Total Claimed Amount       (07)       (13) V \$1,416,007       (31) AA-1, (04)(B)(7)(g)         LESS: 10% Late Penalty, not to exceed \$1,000       (14)       (32) AA-1, (04)(B)(9)(g)         LESS: Prior Claim Payment Received       (15)       (33) AA-1, (04)(B)(9)(g)         Net Claimed Amount       (16)       (34) AA-1, (04)(B)(10)(g)         Due from State       (08)       (17) \$1,416,007       (35) AA-1, (04)(B)(10)(g)         Due to State       (18)       (36)       (36)         (37) CERTIFICATION OF CLAIM       In accordance with the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file manchains with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.         I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of claimad herein, and such costs are for a new program or increased level of services of an existing pr	. (	(25) AA-1, (04)(B)(1)(g)	•		
(04) Combined       (10) Combined       (27) AA-1, (04)(B)(3)(g)         (04) Combined       (11) Amended       (28) AA-1, (04)(B)(4)(g)         (05) Amended       (11) Amended       (29) AA-1, (04)(B)(5)(g)         Fiscal Year of Cost       (06)       (12)       2007-2008       (30) AA-1, (04)(B)(6)(g)         Total Claimed Amount       (07)       (13) Y \$1,416,007       (31) AA-1, (04)(B)(7)(g)       (32) AA-1, (04)(B)(8)(g)         LESS: 10% Late Penalty, not to exceed \$1,000       (14)       (32) AA-1, (04)(B)(8)(g)       (33) AA-1, (04)(B)(8)(g)         LESS: Prior Claim Payment Received       (15)       (33) AA-1, (04)(B)(8)(g)       (34) AA-1, (04)(B)(8)(g)         Net Claimed Amount       (16)       (34) AA-1, (04)(B)(10)(g)       (34) AA-1, (04)(B)(10)(g)         Due from State       (08)       (17) \$1,416,007       (35) AA-1, (06)       (36)         Due to State       (18)       (36)       (36)       (37) CERTIFICATION OF CLAIM         In accordance with the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file maiclaims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1088, inclusive.         I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of claimetherein, and such	(	(26) AA-1, (04)(B)(2)(g)	Reimbursement Claim	Estimated Claim	Type of Claim
(25) AA-1, (04)(B)(4)(g)         (05) Amended       (11) Amended       (29) AA-1, (04)(B)(5)(g)         Fiscal Year of Cost       (06)       (12) 2007-2008       (30) AA-1, (04)(B)(6)(g)         Total Claimed Amount       (07)       (13) \$ \$1,416,007       (31) AA-1, (04)(B)(6)(g)         LESS: 10% Late Penalty, not to exceed \$1,000       (14)       (32) AA-1, (04)(B)(8)(g)         LESS: Prior Claim Payment Received       (15)       (33) AA-1, (04)(B)(9)(g)         Net Claimed Amount       (16)       (34) AA-1, (04)(B)(10)(g)         Due from State       (08)       (17) \$1,416,007       (35) AA-1, (06)         Due to State       (18)       (36)       (36)         (37) CERTIFICATION OF CLAIM       In accordance with the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file main claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file main claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file main claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code 17561, I certify that I am the officer authorized by the claimant.         If there cer	194,118	(27) AA-1, (04)(B)(3)(g)	(09) Reimbursement X	(03) Estimated	
Fiscal Year of Cost       (06)       (12)       2007-2008       (30) AA-1, (04)(B)(6)(g)         Total Claimed Amount       (07)       (13)       \$1,416,007       (31) AA-1, (04)(B)(7)(g)         LESS: 10% Late Penalty, not to exceed \$1,000       (14)       (32) AA-1, (04)(B)(6)(g)       [15]         LESS: 10% Late Penalty, not to exceed \$1,000       (14)       (32) AA-1, (04)(B)(7)(g)       [16]         LESS: Prior Claim Payment Received       (15)       (33) AA-1, (04)(B)(9)(g)       [16]         Net Claimed Amount       (16)       (34) AA-1, (04)(B)(10)(g)       [17]         Due from State       (08)       (17)       \$1,416,007       (35) AA-1, (06)         Due to State       (18)       (36)       [18]       (36)         In accordance with the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file main claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code sections 1090 to 1098, inclusive.       I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of or claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings a reimbursements by the claim and/or Reimbursement Claim are hereby claimed from the State of California that the foregoir and correct.         Signature of Adhorized Officer	44,252	(28) AA-1, (04)(B)(4)(g)	(10) Combined	(04) Combined	
Total Claimed Amount       (07)       (13)       \$1,416,007       (31) AA-1, (04)(B)(7)(g)         LESS: 10% Late Penalty, not to exceed \$1,000       (14)       (32) AA-1, (04)(B)(8)(g)         LESS: Prior Claim Payment Received       (15)       (33) AA-1, (04)(B)(9)(g)         Net Claimed Amount       (16)       (34) AA-1, (04)(B)(10)(g)         Due from State       (08)       (17)       \$1,416,007       (35) AA-1, (06)         Due from State       (08)       (17)       \$1,416,007       (35) AA-1, (06)         Due to State       (08)       (17)       \$1,416,007       (35) AA-1, (06)         Due to State       (08)       (17)       \$1,416,007       (35) AA-1, (06)         Due to State       (08)       (17)       \$1,416,007       (35) AA-1, (06)         In accordance with the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file maic       claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.         I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of a claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings a reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are sup	293,501	(29) AA-1, (04)(B)(5)(g)	(11) Amended	(05) Amended	
LESS: 10% Late Penalty, not to exceed \$1,000       (14)       (32) AA-1, (04)(B)(8)(g)         LESS: Prior Claim Payment Received       (15)       (33) AA-1, (04)(B)(9)(g)         Net Claimed Amount       (16)       (34) AA-1, (04)(B)(9)(g)         Due from State       (08)       (17) \$1,416,007       (35) AA-1, (06)         Due to State       (18)       (36)       (36)         (37) CERTIFICATION OF CLAIM       In accordance with the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file main claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file main claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file main claims with the State of California for this program or increased level of services of an existing program. All offsetting savings a reimbursements set fort in the Parameters and Guidelines are identified, and all costs claimed are supported by source documents currently maintained by the claim and/or Reimbursement Claim are hereby claimed from the State of California that the foregoir and correct.         Signature of bathorized Officer       Date       2-13-09       General Manager       2-13-09       2-13-09       2-13-09       2-13-09       2-13-09       2-13-09       2-13-09       2-13-09	(	(30) AA-1, (04)(B)(6)(g)	(12) 2007-2008	(06)	Fiscal Year of Cost
LESS: Prior Claim Payment Received       (15)       (33) AA-1, (04)(B)(9)(g)         Net Claimed Amount       (16)       (34) AA-1, (04)(B)(10)(g)         Due from State       (08)       (17) \$1,416,007       (35) AA-1, (06)         Due to State       (18)       (36)       (37) CERTIFICATION OF CLAIM         In accordance with the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file marchains with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.         I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings a reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documents currently maintained by the claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and costs set forth on the attached statements. I certify under penalty of perjury under the laws of the State of California that the foregoir and correct.         Signature of Atthorized Officer       Date       2-1/3-0.9       2-1/3-0.9       General Manager       2-1/3 -0.9       General Manager       2-1/3 -0.9       0       0       0       0       0       0       0       0       0       0       0       0       0	12,200	(31) AA-1, (04)(B)(7)(g)	(13) \$1,416,007	(07)	Total Claimed Amount
Net Claimed Amount       (16)       (34) AA-1, (04)(B)(10)(g)         Due from State       (08)       (17) \$1,416,007       (35) AA-1, (06)         Due to State       (18)       (36)         (37) CERTIFICATION OF CLAIM       (18)       (36)         In accordance with the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file main claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.         I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings a reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documenta currently maintained by the claimant.         The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and correct.         Signature of Asthorized Officer       Date         Z-13-09       General Manager	51,878	(32) AA-1, (04)(B)(8)(g)	(14)	y, not to exceed \$1,000	LESS: 10% Late Penalt
Due from State       (08)       (17)       \$1,416,007       (35)       AA-1, (06)         Due to State       (18)       (36)       (36)         (37) CERTIFICATION OF CLAIM       (36)       (36)         In accordance with the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file main claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.         I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings a reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documents currently maintained by the claimant.         The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and costs set forth on the attached statements. I certify under penalty of perjury under the laws of the State of California that the foregoir and correct.         Signature of Deficient       Date       2-13-09         General Manager       General Manager	462,32	(33) AA-1, (04)(B)(9)(g)	(15)	ment Received	LESS: Prior Claim Payı
Due to State       (18)       (36)         (37) CERTIFICATION OF CLAIM       In accordance with the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file main claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.         I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings a reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documenta currently maintained by the claimant.         The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and costs set forth on the attached statements. I certify under penalty of perjury under the laws of the State of California that the foregoir and correct.         Signature of Atthorized Officer       Date         Z-1/3 - 0.9       General Manager		(34) AA-1, (04)(B)(10)(g)	(16)		Net Claimed Amount
(37) CERTIFICATION OF CLAIM         In accordance with the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file main claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.         I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings a reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documents currently maintained by the claimant.         The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and correct.         Signature of Aathorized Officer         Muxture of Mathematical Difficer         Date         2-13-09         General Manager	64	(35) <b>AA-1, (06)</b>	(17) <b>\$1,416,007</b>	(08)	Due from State
In accordance with the provisions of Government Code 17561, I certify that I am the officer authorized by the local agency to file main claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive. I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of of claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings a reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documenta currently maintained by the claimant. The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and costs set forth on the attached statements. I certify under penalty of perjury under the laws of the State of California that the foregoin and correct. Signature of Aathorized Officer <b>Date</b> <b>2-13-09</b> <b>General Manager</b>		(36)	(18)		Due to State
claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Govenment Code Sections 1090 to 1098, inclusive.         I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of of claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings a reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documenta currently maintained by the claimant.         The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and correct.         Signature of Actionized Officer         Maxmadd A. Boks		La companya di		N OF CLAIM	(37) CERTIFICATION
claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings a reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documenta currently maintained by the claimant.         The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and costs set forth on the attached statements. I certify under penalty of perjury under the laws of the State of California that the foregoin and correct.         Signature of Asthorized Officer       Date         Z-13-09       General Manager	sions of	at I have not violated any of the pro	certify under penalty of perjury th	California for this program, and ons 1090 to 1098, inclusive.	claims with the State of Govenment Code Section
costs set forth on the attached statements. I certify under penalty of perjury under the laws of the State of California that the foregoin and correct.         Signature of Arthorized Officer         Date         Image: Contract of Arthorized Officer         Edward A. Boks             Edward A. Boks	vings and imentation	n existing program. All offsetting sa laimed are supported by source doo	or increased level of services of a lines are identified, and all costs c	ch costs are for a new program of h in the Parameters and Guideli the claimant.	claimed herein, and su- reimbursements set forf currently maintained by
Edward A. Boks     2-13-09       General Manager					costs set forth on the at
Edward A. Boks General Manager		2-13-09	Date	Officer Bal	Signature of Authorized
		/	C		Edward A Baka
1 ypo o crimic nomo		ai manayei			
(38) Name of Contact Person for Claim Telephone Number (916) 669-3583 X 5534					

E-mail Address gracielavalero@maximus.com

Form FAM-27 (Revised 09/03)

Graciela Valero

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State Controller's Office						Man	dated Cost Manual
Program 213		ANIMAL	TED COSTS ADOPTIC SUMMARY	<b>N</b>			FORM AA-1
(01) Claimant: City of L	os Angeles		(02) Fiscal y	ear costs we	re incurred:	200	)7-2008
(03) Department			A	nimal Servi	ces		
Direct Costs			Oł	oject Accou	unts		
(04) Reimbursable Components A. One-Time Costs	(a) Salaries	(b) Benefits	(c) Materials & Supplies	(d) Contract Services	(e) Travel & Training	(f) Fixed Assets	(g) Totai
<ol> <li>Policies and Procedures</li> <li>Training</li> <li>Computer Software</li> </ol>	\$2,051	\$877					\$2,928
<ul> <li>B. Ongoing Costs</li> <li>1. Acquiring Space/Facilities</li> <li>2. Renovating Facilities</li> </ul>							
3. Care of Dogs & Cats			\$194,118				\$194,118
4. Care of Other Animals			\$44,252		, , , , , , , , , , , , , , , , , , , ,		\$44,252
5. Holding Period	\$205,634	\$87,867			14 - L		\$293,501
6. Feral Cats							
7. Lost and Found Lists	\$8,552	\$3,654					\$12,206
8. Non-Medical Records	\$36,347	\$15,531					\$51,878
9. Veterinary Care	\$297,827		\$164,502				\$462,329
10. Procuring Equipment							
(05) Total Direct Costs	\$550,411	\$107,929	\$402,872				\$1,061,212
Indirect Costs							
(06) Indirect Cost Rate		[From I	CRP]	Salary and V	Vages		64.46%
(07) Total Indirect Costs	[Line (06)(a	) x line(05)(a)	)]or [{Line(06	) x line (05)(a	)} + line (05)(b	)}]	\$354,795
(08) Total Direct and Indirect C	osts	[Line(	05)(g) + line(0	7)]			\$1,416,007
Cost Reduction							
(09) Less: Offsetting Savings							
(10) Less: Other Reimburseme	nts				······································		
(11) Total Claimed Amount	{	Line(08) - {Li	ne (09) + Line	(10)}]			\$1,416,007

State Controller's Unice								-		Mandated	Cost Manual	
Program 213	_	сс	A	MANDA NIMAL ENT/ACT	ADOP <sup>-</sup>	TION	ETAIL				FORM AA-2	
(01) Claimant:	City of	Los Ange	les	(02) Fisc	iscal year costs were incurred: 2007-200							
(03) Reimbursable (	Components: C	heck <u>only</u> c	one box p	er form to	identify t	he compo						
One-Time	Policies and	Procedures		X	Training			Compute	er Software	9		
Ongoing Acquiring Space/Facil		ace/Facilitie	s		Renovat	ing Faciliti	es		Care of [	Dogs & Ca	ts	
	Care of Othe	r Animals			Holding	Period			Feral Ca	ts		
Lost and Fou		und Lists			Non-Me	dical Reco	rds		Veterina	ry Care	. *	
	luipment											
(04) Description of	Expenses						Ot	ject Acco	unts			
(a) Employee Nar		(b) Hourly	(c) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	•	
Classifications, Funct and Description		Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Totai Sal. & Ben.	
Time to train staff on activities. (One-time per employ Animal Care Technic Veterinarian (4) Veterinary Technicia Each new employee i of training on the man	vee) cians (33) ans (9) received 2 hours	\$22.91 \$29.95	42.73%	18.00					\$1,512 \$539	\$646 \$230	\$2,159 \$769	
(05) Total ( ) S	ubtotal ( )	Page:	of						\$2,051	\$877	\$2,928	

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State Controller's Office	8						-			Mandate	d Cost Manual
Program 213		с		NIMAL	TED COSTS ADOPTIC IVITY COS	N	AIL				FORM AA-2
(01) Claimant:	City of L	.os Angel	es	(02) Fisc	al year costs	were incu	ırred:			2007-200	)8
(03) Reimbursable	Components: Chec	k <u>only</u> one	box per f	orm to ide	ntify the com						
One-Time	Policies and Pro	cedures			Training				Compute	er Software	)
Ongoing Acquiring Space/Facilities					Renovating	Facilities		X	Care of I	Dogs & Ca	ts
Care of Other Ani		nimals			Holding Per	iod			Feral Ca	ts	
	Lost and Found	Lists			Non-Medica	Records			Veterina	ry Care	
	Procuring Equip	ment									
(04) Description o			· · · · ·				Obje	ect Accou	nts		
Employee	(a) Names, Job	(b) Hourly	(c) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	
	unctions Performed tion of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.
Care and maintenau stray or abandonde that die or are ultim during the increased Total Shelter Cost f Yearly Census Number Euthanized Reimbursable days Cost Per Animal Cost per day = \$12 Total cost = Cost pe number of dogs and euthanized x numb days = reimbursable \$16.08 x 6,036 x 2 s	d dogs and cats ately euthanized d holding period. or all animals \$12,856,179 799,326 6,036 2 \$16.08 856,179 / 799,326 er animal x d cats that die or are er of reimbursable e expense.				\$194,118						
(05) Total ( )	Subtotal ( )	Page:	_ of		\$194,118						
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Revised 09/03

and Description of ExpensesUnit CostQuantitySuppliesTrainingSal. &Care and maintenance for impounded stray or abandonded "other" animals that die or are ultimately euthanized during the increased holding period.Image: Sal. &Image: Sal. &Image: Sal. &Total Shelter Cost for all animalsImage: Sal. &Image: Sal. &Image: Sal. &Image: Sal. &Image: Sal. &Yearly Census112,856,179 19326 Number Euthanized Cost Per Animal1mage: Sal. &Image: Sal. &Image: Sal. &Image: Sal. &Cost per day = \$12,856,179 / 799,326 Total cost = Cost per animal x number of other animals that die or are euthanized x number of reimbursable days = reimbursable days =Image: Sal. &Image: Sal. &Image: Sal. &Cost per day = \$12,856,179 / 799,326 Total cost = Cost per animal x number of other animals that die or are euthanized x number of reimbursable days = reimbursable days =Image: Sal. &Image: Sal. &Image: Sal. &Cost per day = \$12,856,179 / 799,326 Total cost = Cost per animal x number of other animals that die or are euthanized x number of reimbursable days = reimbursable days =Image: Sal. &Image: Sal. &Image: Sal. &Cost per day = \$12,856,179 / 799,326 Total cost = Cost per animal x number of reimbursable days =Image: Sal. &Image: Sal. &Image: Sal. &Image: Sal. &Cost per day = reimbursable days = reimbursableImage: Sal. &Image: Sal. &Image: Sal. &Image: Sal. &Image: Sal. &Cost per day = sal.2, Sal. (179 / 799,326 Total cost = Cost per animal x number of reimbursable <th colspan="11">State Controller's Unice Mandated Cost</th>	State Controller's Unice Mandated Cost											
City of Los Angeles     2007-2008       (03) Reimbursable Components: Check only one box per form to identify the component being claimed. One-Time     Computer Software       One-Time     Policies and Procedures     Training     Computer Software       Ongoing     Acquiring Space/Facilities     Renovating Facilities     Care of Dogs & Cats       X     Care of Other Animals     Holding Period     Feral Cats       Lost and Found Lists     Non-Medical Records     Veterinary Care       (04) Description of Expenses     Object Accounts     (i)       (a)     (b)     Benefit     Materials       (b)     Benefit     Rate or     Contract       (a)     (b)     Benefit     Salaries       and Description of Expenses     Unit Cost     Salaries     Banefits       Care and maintenance for impounded     Rate or     Supplies     Training       Care and maintenance for impounded     Sala     Sala     Sala       Care and maintenance for impounded     Sala     Sala     Sala       Yeariy Census     719,326     Sal		со	Α	NIMAL	ADOPT	ION	TAIL	.IL				
One-Time       Policies and Procedures       Training       Computer Software         Ongoing       Acquiring Space/Facilities       Renovating Facilities       Care of Dogs & Cats         X       Care of Other Animals       Holding Period       Feral Cats         Lost and Found Lists       Non-Medical Records       Veterinary Care         Procuring Equipment       Procuring Equipment       (b)       (c)       (d)         (d) Description of Expenses       (b)       (c)       (d)       (e)       (f)         Classifications, Functions Performed       Unit Cost       Parter or       Proved       Torval Acsets       Torval Acsets         Care and maintenance for impounded stray or bandnoded* offer* animals that die or are ultimately euthanized during the increased holding period.       Image Soft and	(01) Claimant: City of	Los Angel	les	(02) Fisc	scal year costs were incurred: 2007-20							
Ongoing       Acquiring Space/Facilities       Renovating Facilities       Care of Dogs & Cats         X       Care of Other Animals       Holding Period       Feral Cats         Lost and Found Lists       Non-Medical Records       Veterinary Care         Procuring Equipment       Procuring Equipment       (d)       (e)       (f)       (g)         (a)       (b)       (c)       (d)       (e)       (f)       (f)       (f)         Classifications, Functions Performed and Description of Expenses       (b)       (c)       (d)       (f)       (f)       (f)       (f)         Care and maintenance for impounded stray or abandonded "other" animals       Taining       Salaries       Benefits       Sala	(03) Reimbursable Components: Che	ck <u>only</u> one	box per	form to ide	dentify the component being claimed.							
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Lost and Found Lists       Non-Medical Records       Veterinary Care         Procuring Equipment       Procuring Equipment       (b)       (c)       (d)         (d) Description of Expenses       (b)       (c)       (d)       (d)         Classifications, Functions Performed and Description of Expenses       (b)       (c)       (d)       (d)       (e)       (f)       (f)       (f)       (f)       (f)       (f)       (f)       (f)       (f)       Sataries       Banefits       Totil         Classifications, Functions Performed and Description of Expenses       (f)       (f)       (f)       (f)       (f)       Sataries       Banefits       Totil         Care and maintenance for impounded stray or abandonded "Other" animals       (f)					Renovat	ing Faciliti	es		Care of	Dogs & Ca	its	
Object Accounts         (0)       (1)         Classifications, Functions Performed and Description of Expenses       (b)       (c)       (d)       (f)       (f)         Classifications, Functions Performed and Description of Expenses       (h)       (f)       (f)         Classifications, Functions Performed and Description of Expenses       (f)       (f)       (f)       (f)       (f)         Classifications, Functions Performed and Description of Expenses       (f)       (f) <th animals<br="" colspa="finity: finity: finity: finity: finity: fini&lt;/td&gt;&lt;td&gt;X Care of Other A&lt;/td&gt;&lt;td&gt;Animals&lt;/td&gt;&lt;td&gt;&lt;/td&gt;&lt;td&gt;&lt;/td&gt;&lt;td&gt;Holding&lt;/td&gt;&lt;td&gt;Period&lt;/td&gt;&lt;td&gt;&lt;/td&gt;&lt;td&gt;&lt;/td&gt;&lt;td&gt;Feral Ca&lt;/td&gt;&lt;td&gt;its&lt;/td&gt;&lt;td&gt;&lt;/td&gt;&lt;/tr&gt;&lt;tr&gt;&lt;td&gt;Object Accounts         (a)       (b)       (c)       (d)       (f)       (g)       (f)         Contract       Sate or&lt;br&gt;Unit Cost       (b)       (c)       (d)       (f)       (g)       (h)       (f)       (g)       (f)       (f)       (g)       (f)       (g)       (f)       (g)       (g)       (f)       (f)&lt;/td&gt;&lt;td&gt;Lost and Found&lt;/td&gt;&lt;td&gt;d Lists&lt;/td&gt;&lt;td&gt;&lt;/td&gt;&lt;td&gt;&lt;/td&gt;&lt;td&gt;Non-Med&lt;/td&gt;&lt;td&gt;lical Reco&lt;/td&gt;&lt;td&gt;rds&lt;/td&gt;&lt;td&gt;&lt;/td&gt;&lt;td&gt;Veterina&lt;/td&gt;&lt;td&gt;ry Care&lt;/td&gt;&lt;td&gt;&lt;/td&gt;&lt;/tr&gt;&lt;tr&gt;&lt;td&gt;(a)&lt;br&gt;Employee Names, Job&lt;br&gt;Classifications, Functions Performed&lt;br&gt;and Description of Expenses       (b)&lt;br&gt;Houry&lt;br&gt;Rate       (c)&lt;br&gt;Benefit&lt;br&gt;Rate       (d)&lt;br&gt;Hours&lt;br&gt;Worked or&lt;br&gt;Quantity       (e)&lt;br&gt;Materials&lt;br&gt;and&lt;br&gt;Supplies       (f)&lt;br&gt;Fixed&lt;br&gt;Services       (h)&lt;br&gt;Travel&lt;br&gt;Assets       (f)&lt;br&gt;Travel&lt;br&gt;and&lt;br&gt;Assets       (f)&lt;br&gt;Travel&lt;br&gt;Salaries       (f)&lt;br&gt;Benefits       (f)&lt;br&gt;Travel&lt;br&gt;Salaries       (f)&lt;br&gt;Services       (f)&lt;br&gt;Travel&lt;br&gt;Assets       (f)&lt;br&gt;Travel&lt;br&gt;Salaries       Selaries       Benefits       Tots&lt;br&gt;Sal. &amp;         Care and maintenance for impounded&lt;br&gt;stray or abandonded " other"="">that die or are ultimately euthanized during the increased holding period.       Image: Sinter Salaries       Image: Sal</th>	that die or are ultimately euthanized during the increased holding period.       Image: Sinter Salaries       Image: Sal	Procuring Equi	pment							-		
Employee Names, Job and Description of Expenses       Houry Rate or Unit Cost       Hours Rate or Unit Cost       Hours Workd or Quantity       Materials and Supplies       Contract Assets       Fixed Assets       Travel and Assets       Event and Assets       Salaries       Benefits       Tot         Care and maintenance for impounded stray or abandonded "other" animals that die or are ultimately euthanized during the increased holding period.       Image: Salaries								ject Acco	unts	-		
and Description of ExpensesUnit CostQuantitySuppliesTrainingTrainingNoSal. &Care and maintenance for impounded stray or abandonded "other" animals that die or are ultimately euthanized during the increased holding period.Image: Sal. &Image: Sal. &	Employee Names, Job	Hourly	Benefit	Hours		Contract						
stray or abandonded "other" animals that die or are ultimately euthanized during the increased holding period. Total Shelter Cost for all animals State State Stat			Rate	1		Services	Assets		Salaries	Benefits	Total Sal. & Ben.	
(05) Total ( ) Page: of \$44,252	stray or abandonded "other" animals that die or are ultimately euthanized during the increased holding period. Total Shelter Cost for all animals \$12,856,179 Yearly Census 799,326 Number Euthanized 688 Reimbursable days Cost Per Animal \$16.08 Cost per day = \$12,856,179 / 799,326 Total cost = Cost per animal x number of other animals that die or are euthanized x number of reimbursable days = reimbursable expense. \$16.08 x 688 x 4 = \$44,252											

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Program 213 (01) Claimant: (03) Reimbursable Co One-Time Ongoing (04) Description of Ex (a) Employee Na Classifications, Func and Description	Policies and Prod Policies and Prod Acquiring Space/ Care of Other An Lost and Found I Procuring Equipr xpenses	os Angele k <u>only</u> one t cedures /Facilities himals Lists	A OMPON S	MANDAT NIMAL ENT/ACT (02) Fiscal rm to ident X	ADOP1 IVITY CO I year cos ify the co Training	TION DSTS DE ts were in mponent t ing Facilitie	curred: being clai	med.	2 Computer 5	2 <b>007-2008</b> Software	FORM AA-2
(03) Reimbursable Co One-Time Ongoing (04) Description of Ex (a) Employee Nar Classifications, Func	Policies and Prod Policies and Prod Acquiring Space/ Care of Other An Lost and Found I Procuring Equipr xpenses	k <u>only</u> one to cedures /Facilities himals Lists		rm to ident	Training	mponent t	being clai	med.			
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(a) Employee Na Classifications, Func	Lost and Found I Procuring Equipr xpenses	Lists		X	Holding		5		Care of Do	gs & Cats	
(a) Employee Na Classifications, Func	Procuring Equipr					Period			Feral Cats		
(a) Employee Na Classifications, Func	xpenses	ment			Non-Med	lical Recor	ds		Veterinary	Care	
(a) Employee Na Classifications, Func											
Employee Na Classifications, Func					_		(	Object Ac	counts		
		(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	
		Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.
Sundays to make anim for owner redemption, a Animal Care Technici Clerk Typist (6) Relief Animal Regulat	as mandated. ans (33)	\$22.91 \$21.30	42.73%						\$196,568 \$9,066	\$83,993 \$3,874	\$280,561 \$12,940

Revised 09/03

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State Controller's Unice									Mandated	Cost Manual
Program 213	C		MANDA NIMAL ENT/ACT	ADOP	TION	ETAIL				FORM AA-2
(01) Claimant: C	ity of Los Ang	eles	(02) Fisc	al year co	sts were i	•	2007-2008			
(03) Reimbursable Compone	ents: Check <u>only</u>	one box p	per form to identify the component being claimed							
One-Time Polici	es and Procedure	S	Training					Computer Software		
Ongoing Acquiring Space/Facilities		es	Renovating Facilities				Care of I	Dogs & Ca	its	
Care of Other Ar				Holding	Period			Feral Ca	ts	
X Lost a	and Found Lists			Non-Me	dical Reco	rds		Veterina	ry Care	
Procu	iring Equipment									
(04) Description of Expenses	5					Ö	oject Acco	ounts	·	-
(a) Employee Names, Job	(b) Hourly	(c) Benefit	(d) Hours	(e) Materiais	(f) Contract	(g) Fixed	(h) Travel		(i)	
Classifications, Functions Perfo and Description of Expens	ormed Rate or	Rate	Worked or Quantity		Services	Assets	and	Salaries	Benefits	Total Sal. & Ben.
Provide various information to owners of lost animals and those who have found lost animals. The lists include the type of animal, referrals, shelte contact info, advice on how to publish and disseminate los animal information. <u>Six Shelters:</u> North Central Shelter South Central Shelter East Valley Shelter West Valley Shelter West Los Angeles Shelter Harbor Shelter <b>Clerk Typist (6)</b> 11 minutes per day per employ to prepare stray summary shee each shelter for 365 days per y	\$21.30 ee t for	42.73%	401.50					\$8,552	\$3,654	\$12,206
(05) Total ( ) Subtotal	( ) Pone:		L					\$9 550	\$2 CE 4	\$12 204
Revised 09/03	() Page:_	of						\$8,552	\$3,654	\$12,206

Program <b>213</b>		со	Α	NIMAL	ED COS ADOP1	ION	ETAIL				FORM AA-2
(01) Claima	nt: City of	Los Ange	les	(02) Fisc	al year co	sts were	2007-2008				
(03) Reimbu One-Time	Policies and F		ne box pe	r form to i	<b>dentify th</b> Training	e compor	1	Computer Software			
Ongoing	Acquiring Spa	ce/Facilities		Renovating Facilities					Care of	Dogs & Ca	its
	Care of Other			X	Holding	Period dical Reco	rdo	L	Feral Ca		
	Procuring Equ			<b>^</b>			ius .	I			
(04) Descrip	otion of Expenses						O	oject Acco	ounts		
Emp	(a) Ioyee Names, Job	(b) Hourly	(C) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	
	ons, Functions Performed scription of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.
animals that after the hold Minutes per F Number of R <b>Animal Care</b> Develop and/ computer sof	ecords 7,175 • Technicians (33) for procure and maintain ftware for the of non-medical	\$22.91	42.73%	598.00					\$13,700	\$5,854	\$19,554
	n maintenance of nation systems and the	\$50.33	42.73%	450.00					\$22,647	\$9,677	\$32,324
(05) Total	( ) Subtotal ( )	Page:	of	L					\$36,347	\$15,531	\$51,878

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Program				MAN	DATED CO	STS					
					AL ADOP						FORM
213			COMPO	ONENT/A	CTIVITY C	OSTS DI	ETAIL				AA-2
(01) Claiman	<sup>it:</sup> City of	Los Ang	eles	(02) Fiscal year costs were incurred: 2007-20							
	rsable Components: C			per form to	identify the	componei	nt being c	laimed.	1	4	
One-Time	Policies and	Procedures	; 		Training		A_0		Computer	Software	
Ongoing Acquiring Space/Facilities			[ <u></u>	Renovating	Facilities			Care of Do	gs & Cats		
	Care of Othe	er Animals			Holding Per	iod			Feral Cats		
	Lost and Fo	und Lists			Non-Medica	I Records		X	Veterinary	Care	
	Procuring Ed	quipment	1								
(04) Descrip	tion of Expenses						Ob	ject Acco	unts		
Emplo	(a) byee Names, Job	(b) Hourly	(c) Benefit	(d) Hours	(e) Materials	(f) Contract	(g) Fixed	(h) Travel		(i)	
	s, Functions Performed cription of Expenses	Rate or Unit Cost	Rate	Worked or Quantity	and Supplies	Services	Assets	and Training	Salaries	Benefits	Total Sal. & Ben.
Provide "nece	essary and prompt"								-		
veterinary car	e" for stray and										
abandoned ar	nimals.										
18,982 anima	ls required care							×			
Animal Medic	al Supplies				\$164,502						
Cost of Veterr	narian treatment \$9.70						-		\$184,125		\$184,125
Cost of Veterr	parian Tech								\$113,702		\$113,702
	animal is \$5.99								φ113,702		ψ113,702
										-	
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				ļ		-					
(05) Total (	) Subtotal ( )	Page:	of		\$164,502				\$297,827		\$297,827

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## TRAINING EXPENSE

### **DESCRIPTION:**

Training employees (new hires) on the mandated activities.

### EXPENSE:

Animal Care Technicians, two (2) hours per employee: Annual Salary / 1,800 x number of employees x number of hours. Thirty-three (33) new hires.

Veterinary Technicians, two (2) hours per employee: Annual Salary / 1,800 x number of employees x number of hours. Nine (9) new hires.

### **CALCULATION:**

Animal Care Technician: 41,246 / 1,800 = 22.91 x thirty-three (33) new ACT's x 2hours each = 1,512.

Veterinarian: \$7,312 / 1,800 = \$48.51 x four (4) new Veterinarian x 2 hours each = \$388.

Veterinary Technician: 53,910 / 1,800 = 29.95 x nine (9) new Veterinary Technicians x 2 hours each = 539.

#### OR

Title	Expense
Animal Care Technician	\$1,512
Veterinarian	\$ 388
Veterinary Technician	<u>\$ 539</u>
EXPENSE TOTAL	\$2,439

## CARE OF DOGS AND CATS

## **DESCRIPTION:**

Provide care and maintenance for dogs and cats that die during the increased holding period or were ultimately euthanized.

## FORMULA:

Total shelter cost for all animals:	\$12,856,179
Yearly Census (Total animal days):	799,326
Number that died during increased holding period or were euthanized:	6,036
Number of reimbursable days:	2

## **CALCULATION:**

Annual shelter cost / yearly census = daily cost per animal

Daily cost per animal x number of dogs and cats that die or are euthanized x number of reimbursable days = reimbursable expense

#### OR

\$12,856,179 / 799,326 = \$16.08

\$16.08 x 6,036 x 2 = \$194,118

## **EXPENSE TOTAL**

\$194,118

## **CARE OF OTHER ANIMALS**

### **DESCRIPTION:**

Provide care and maintenance for other animals, including but not limited to rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles and/or tortoises that die during the increased holding period or were ultimately euthanized.

### **FORMULA:**

Total shelter cost for all animals:		\$12,856,1	79
Yearly Census (Total animal days):		799,326	
Number that died during increased holding period or were euthanized	1:	688	
Number of reimbursable days:	,	4	

## **CALCULATION:**

Annual shelter cost / yearly census = daily cost per animal

Daily cost per animal x number of other animals that die or are euthanized x number of reimbursable days = reimbursable expense

#### OR

\$12,856,179 / 799,326 = \$16.08

 $16.08 \times 688 \times 4 = 44,252$ 

EXPENSE TOTAL: \$44,252

### LOST AND FOUND LIST

#### **DESCRIPTION:**

Provide lost and found lists for owners and rescuers of lost animals. The list includes type of animal, referrals, shelter contact information, advice on how to publish and disseminate lost animal information.

## FORMULA:

#### Six Shelters:

North Central Shelter South Los Angeles Shelter East Valley Shelter West Valley Shelter West Los Angeles Shelter Harbor Shelter

## **CALCULATION:**

Personnel:

Six Clerk Typists

Time Spent to Prepare List:

Eleven minutes per day to prepare Summary Sheet for each shelter for 365 days per year.

Salary:

Clerk Typist Salary for Fiscal Year 2007-08 = \$38,384 Clerk Typist Average Hourly Salary (\$38,384 / 1,800) = \$21.30

### **COMPUTATION:**

Number of shelters x clerk typist x number of days x preparation time / 1hour (60 minutes) x hourly salary = Expense

#### Or

Six (6) shelters (x) 1 Clerk Typist each (x) 365 days (x) 11 minutes = 24,090 minutes per year to prepare list / 60 minutes = 402 hours per year (x) 21.30 average hourly salary = 8,552 per year to prepare lost and found list.

### **EXPENSE TOTAL: \$8,552**

## MAINTAINING NON-MEDICAL RECORDS

## **DESCRIPTION:**

Maintaining non-medical records on animals that are taken up, euthanized after the holding period or impound.

#### FORMULA:

Time required to input non-medical records = five (5) minutes per record.

Number of records: 7,175.

#### CALCULATION:

Time required to input individual record (x) number of records / 1hour (60 minutes) = total hours required to input non-medical records.

Average salary for animal Care Technician is \$41,246/ 1,800 annual hours = \$22.91 Hourly Rate.

Hours to input non-medical records (x) hourly rate for Animal Care Technician = Total cost.

#### OR

Five (5) minutes x 7,175 / 60 minutes =598 hours

\$41,246 / 1800 work hours = \$22.91

598 x \$22.91 = \$13,700

#### **EXPENSE TOTAL**

\$13,700

### **VETERINARY CARE**

### **DESCRIPTION:**

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Providing necessary and prompt veterinary care for stray and abandoned animals that die during the increased holding period or were ultimately euthanized.

## FORMULA:

Veterinarian annual and hourly rate:	\$87,312 / 1,800 = \$48.51.
Veterinarian Technician annual and hourly r	rate: $$53,910 / 1,800 = $29.95$ .

Average time to provide medical treatment: 12 minutes.

Cost of providing Veterinarian medical treatment per animal: \$48.51 / 60 minutes x 12 minutes = \$9.70

Cost of a Veterinary Technician assisting Veterinarians in medical treatment per animal: \$29.95 / 60 minutes x 12 minutes = \$5.99

Number of animals requiring prompt medical care: 18,982

### CALCULATION:

Cost of providing medical treatment x number of animals requiring prompt medical care = Total Expense.

Medical supply use was based on a comparison between FY 1997-98, the last full fiscal year before SB 1785 and FY 2007-08, the current reporting year.

- In FY 1997-98 there were 2 Veterinarians and 12 Veterinary Technician. Expenses for Account 3190 Animal Medical Supplies was \$131,878.
- In FY 2007-08 there were 5 Veterinarians and 22 Veterinary Technicians. Expenses for Account 3190 – Animal Medical Supplies was \$296,380

Therefore \$296,380 - \$131,878 = \$164,502 in expenditure of Animal Medical Supplies to support additional Veterinary Care under SB 1785.

Veterinarian:	\$9.70 x 18,982 = \$184,125
Veterinary Technicians:	\$5.99 x 18,982 = \$113,702
Animal Medical Supplies	= \$164,502
Expense Total	\$462,329

### OR

## 2007- 08 PROPOSED BUDGET WAGES AND COUNT SALARY BASE CALCULATION

#### ANIMAL SERVICES

CODE	PG	CLASSIFICATION	FY 2007-08 ADJUSTED WEIGHTED ANNUAL AVERAGE (A)	FY 2006-07 DPO REGULAR COUNT (B)	FY 2007-08 ANNUAL SALARY BASE (C) = (A) * (B)	
2007-08	SAL/	ARY BASE (Enter on Line 2a of CAO F	orm 665)	321.0	\$ 16,269,016	
1101	0	OFFICE TRAINEE	24,531		-	
1117	3	EXEC ADMIN ASST III	71,223	1.0	71,223	
1170	1	PAYROLL SUPERVISOR I	64,007	1.0	64,007	
1223	1	ACCOUNTING CLERK I	48,080	1.0	48,080	
1223-2	1	ACCOUNTING CLERK II	50,748		-	
1358	0	CLERK TYPIST	38,384	41.0	1,573,744	
1368	0	SR CLERK TYPIST	50,172	11.0	551,892	
1508	0	MANAGEMENT AIDE	68,469		-	
1513	1	ACCOUNTANT I	43,810	1.0	43,810	
1523	2	SR ACCOUNTANT II	74,084	1.0	74,084	
1539	0	MANAGEMENT ASSISTANT	50,748		-	
1596	2	SYSTEMS ANALYST II	76,646	2.0	153,292	
1597	1	SR SYSTEMS ANALYST I	90,587	2.0	181,174	
1597	2	SR SYSTEMS ANALYST II	112,150	1.0	112,150	
1702	1	EMERGNCY PREP COORD	85,655	1.0	85,655	
1714	1	PERSONNEL DIR I	95,306	1.0	95,306	
1731-2	1	PERSONNEL ANALYST II	72,567	1.0	72,567	
1800	1	PUB INFO DIRECTOR I	94,985		-	
2360	1	CHIEF VETERINARIAN	98,060	1.0	98,060	
2365	0	VETERINARIAN	87,312	7.0	611,184	
2369	0	VETERINARY TECHNICIAN	53,910	28.0	1,509,480	
2495	0	VOLUNTEER COORDINATOR	58,285		-	
3113	1	VOCATIONAL WORKER I	24,339		-	
4310	0	ANIMAL CARE TECH	41,246	97.0	4,000,862	
4311	1	ANIMAL CONTROL OFCR I	46,828	41.0	1,919,948	
4311	2	ANIMAL CONTROL OFCR II	54,061	43.0	2,324,623	
4313	0	ANIMAL CARE TECH SUPV	50,941	10.0	509,410	
4316	1	SR ANIMAL CNTRL OFCR I	57,209	7.0	400,463	
4316	2	SR ANIMAL CNTRL OFCR II	62,947	8.0	503,576	
4321	0	DIR OF FIELD OPERATIONS	111,467	2.0	222,934	
4330	0	ANIMAL LIC CANVASSER	29,975		-	
9171	2	SR MGMT ANALYST II	106,301	1.0	106,301	
9184	2	MANAGEMENT ANALYST I	61,528	6.0	369,166	
9184	2	MANAGEMENT ANALYST II	70,881	2.0	141,762	
2360	1	ASSISTANT GEN MGR ANI REG	127,650	2.0	255,301	
9245	0	GEN MGR ANIMAL SERVICES	168,962	1.0	168,962	

## COST ALLOCATION PLAN 30 (CAP 30) - INDIRECT COST RATES WITH CARRY FORWARD

The rates below are to be used to prepare grant applications, contracts and billings for grant activities, and compute Fees for Special Services, during 2007-08. They are to be applied only to straight time, gross sal (with CTO). When only net salaries (without CTO) are available, convert net salaries to gross salaries us the CTO rate. For rates applicable to **part time** or **overtime** salaries, please contact CAP staff. **Note: Y MUST adjust rates to deduct directly billed costs.** See list-Attachment C and Instructions-Attachment

DEPARTMENT/Cost Center	Fringe Benefits	Central Services	Department Administration & Support	СТО
AGING:				
Balance of Department	36.04%	48.36%		20.249/
Title V	7.21%	40.30%	na	20.24% 13.76%
	<i>i</i> . <b>∠</b> 170	1.07 /8	Па	13.7076
ANIMAL SERVICES	42.73%	45.35%	19.11%	20.15%
BUILDING & SAFETY	36.72%	21.53%	21.91%	20.04%
CITY ADMINISTRATIVE OFFICER (OARS): CRA, Petroleum Admin., Proprietary,				
Capital Projects (Phy. Plant)	32.68%	37.64%	112.66%	19.55%
Disaster Grants Coordination	34.11%	96.38%	95.17%	19.55%
CITY ATTORNEY:				
Criminal	35.34%	17.26%	7.72%	18.54%
Direct Billed - User's Site (Proprietary Depts	33.09%	1.82%	1.69%	18.54%
Direct Billed - In City Space	32.27%	14.73%	5.63%	18.54%
CITY CLERK:				
Elections	62.27%	82.04%	50.59%	7.56%
Land Records	37.63%	83.88%	139.27%	20.70%
COMMISSION FOR CHILDREN, YOUTH				
AND THEIR FAMILIES	36.71%	105.15%	91.04%	14.53%
COMMISSION ON STATUS OF WOMEN	39.95%	65.68%	19.13%	20.03%
COMMUNITY DEVELOPMENT:				
Balance of Department	36.54%	21.95%	na	20.61%
As Needed Employees	9.87%	5.07%	na	n/a
CONTROLLER:				
Direct Billed (at User's site)	36.24%	3.32%	33.85%	19.22%
Direct Billed (in City space)	41.02%	99.73%	42.37%	19.22%
CULTURAL AFFAIRS	44.52%	84.36%	5.35%	18.21%
DEPARTMENT on DISABILITY	35.42%	26.79%	45.50%	21.81%
EL PUEBLO	26.20%	266.13%	556.28%	21.68%
EMERGENCY PREPAREDNESS DEPT Em. Prep. Policy & Public info.	31.07%	101.23%	75.89%	25.52%
ENVIRONMENTAL AFFAIRS: Policy/Public Information	34.71%	55.97%	75.61%	21.86%

State Controller's Office		Ma Con	ay 19 nmis re M			i Cost Manual
Pursuant to Govern	OR PAYMENT ment Code Sectio L ADOPTION	n 17561		or State Controller Use Only 19) Program Numi 20) Date Filed 21) LRS Input	2010	PROGRAM
1) Claimant Identification Number 9819487	· · · · · · · · · · · · · · · · · · ·			Reimbursement	Claim I	Data
2) Claimant Name City of Los Angeles	ORIG	INAL		(22) FORM-1, (04)(A)(1)(g)		
ounty of Location Los Angeles				(23) FORM-1, (04)(A)(2)(g)		
treet Address or P.O. Box		Suite		(24) FORM-1, (04)(A)(3)(g)		
221 N. Figueroa Street	State	<b>5th Floor</b> Zip Code				
Los Angeles	CA	90012		(25) FORM-1, (04)(B)(1)(g)		
		Type of Claim		(26) FORM-1, (04)(B)(2)(g)		•
•	(03)	(09) Reimbursement	X	(27) FORM-1, (04)(B)(3)(g)		
	(04)+	(10) Combined		(28) FORM-1, (04)(B)(4)(g)		
	(05)	(11) Amended		(29) FORM-1, (04)(B)(5)(g)		*****
Fiscal Year of Cost	(06)	(12) <b>2008-2009</b>		(30) FORM-1, (04)(B)(6)(g)		<u></u>
Total Claimed Amount	(07)	(13) <b>\$1,504,930</b> <sub>4</sub>	V	(31) FORM-1, (04)(B)(7)(g		
Less: 10% Late penalty (refer to attach	ed instructions)	(14)		(32) FORM-1, (04)(B)(8)(g	)	
Less: Prior Claim Payment Receive	d	(15)		(33) FORM-1, (04)(B)(9)(g	)	
Net Claimed Amount		(16) <b>\$1,504,930</b>		(34) FORM-1, (04)(B)(10)	g)	
Due from State	(08) #86 / · · · · ·	(17) <b>\$1,504,930</b>		(35) FORM-1, (06)		
Due to State		(18)		(36) FORM-1, (07)		
<ul> <li>(37) CERTIFICATION OF CLA</li> <li>in accordance with the provisions of Gover with the State of California for this progra 4 of Title 1 Government Code.</li> <li>I further certify that there was no application claimed costs are for a new program of the state of the stat</li></ul>	ernment Code Section m, and certify under p ion other than from the	enalty of perjury that I have r e claimant, nor any grants or	not vie payn	olated any of the provisions of Ar nents received for reimbursement	ticle 4, C of cost:	Chapter 1 of Divis s claimed herein

The amount for this reimbursement is hereby claimed from the State for payment of actual costs set forth on the attached statements.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Officer

**Ross Pool** 

Kathleen J. Davis, Interim General Manager

Type or Print Name and Title of Authorized Signatory (38) Name of Agency Contact person for Claim

Name of Consulting Firm / Claim Preparer

MAXIMUS/Allan P. Burdick

,

Form FAM-27 (Revised 10/09)

State Controller's Office

CLAIM FOR PAYMENT	PROGRAM
Pursuant to Government Code Section 17561       (19) Program Numit 199213         ANIMAL ADOPTION       (20) Date Filed         (21) LRS Input      //	
(01) Claimant Identification Number Reimbursement Claim 9819487	Data
(02) Claimant Name City of Los Angeles ORIGINAL (22) FORM-1, (04)(A)(1)(g)	0
County of Location (23) FORM-1, (04)(A)(2)(g)	0
Street Address or P.O. BoxSuite(24) FORM-1, (04)(A)(3)(g)221 N. Figueroa Street5th Floor	0
City         State         Zip Code         (25) FORM-1, (04)(B)(1)(g)           Los Angeles         CA         90012         (25) FORM-1, (04)(B)(1)(g)	0
Type of Claim (26) FORM-1, (04)(B)(2)(g)	. 0
(03) (09) Reimbursement X (27) FORM-1, (04)(B)(3)(g)	0
(04) (10) Combined (28) FORM-1, (04)(B)(4)(g)	0
(05) (11) Amended (29) FORM-1, (04)(B)(5)(g)	0
Fiscal Year of Cost (06) (12) 2008-2009 (30) FORM-1, (04)(B)(6)(g)	0
Total Claimed Amount (07) (13) \$1,504,930 4 (31) FORM-1, (04)(B)(7)(g)	0
Less: 10% Late penalty (refer to attached instructions) (14) (32) FORM-1, (04)(B)(8)(g)	0
Less: Prior Claim Payment Received (15) (33) FORM-1, (04)(B)(9)(g)	0
Net Claimed Amount (16) \$1,504,930 (34) FORM-1, (04)(B)(10)(g)	0
Due from State (98) (17) \$1,504,930 (35) FORM-1, (06)	10
Due to State         (18)         (36) FORM-1, (07)	0

Local Mandated Cost Manual

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#### (37) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code Section 17561, I certify that I am the officer authorized by the local agency to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Article 4, Chapter 1 of Division 4 of Title 1 Government Code.

I further certify that there was no application other than from the claimant, nor any grants or payments received for reimbursement of costs claimed herein and claimed costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the parameters and guidelines are identified, and all costs claimed are supported by source documentation current maintained by the claimant.

The amount for this reimbursement is hereby claimed from the State for payment of actual costs set forth on the attached statements.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Officer

Kathleen J. Davis, Interim General Manager Type or Print Name and Title of Authorized Signatory	Date Signed Telephone Number E-Mail Address	(213) 485-2121 kathleen.davis@lacity.org
(38) Name of Agency Contact person for Claim	Telephone Number	(213) 482-9501
Ross Pool	E-Mail Address	ross.pool@lacity.org
Name of Consulting Firm / Claim Preparer	Telephone Number	(916) 471-5538
MAXIMUS/Allan P. Burdick	E-Mail Address	allanburdick@maximus.com

Form FAM-27 (Revised 10/09)

State Controller's Office Local Mandated Cost Manual								
Program 213	ANIMAL	TED COSTS ADOPTION SUMMARY	<b>1</b>			FORM		
(01) Claimant: City of Los A	(02) Fiscal Y	ear:	2008-	2009				
(03) Department								
Direct Costs			C	bject Accou	nts			
(04) Reimbursable Activities A. One-Time Costs	(a) Salaries	(b) Benefits	(c) Materials & Supplies	(d) Contract Services	(e) Travel & Training	(f) Fixed Assets	(g) Total	
1. Policies and Procedures								
2. Training	\$295	\$114					\$409	
3. Computer Software	\$24,034	\$9,323					\$33,357	
<ul> <li>B. Ongoing Costs</li> <li>1. Acquiring Space/Facilities</li> <li>2. Renovating Facilities</li> </ul>								
3. Care of Dogs & Cats			\$167,922				\$167,922	
4. Care of Other Animals			\$11,248				\$11,248	
5. Holding Period	\$276,592	\$107,290					\$383,881	
6. Feral Cats				·				
7. Lost and Found Lists	\$9,298	\$3,607					\$12,905	
8. Non-Medical Records	\$14,488	\$5,620					\$20,108	

9. Veterinary Care	
--------------------	--

10. Procuring Equipment

\$358,484

\$683,190

\$139,056

\$265,010

(05) Total Direct Costs

Indirect Costs

(06) Indirect Cost Rate 18.76% [From ICRP or 10%] (07) Total Indirect Costs \$128,167 [Refer to claiming instructions] (08) Total Direct and Indirect Costs \$1,504,930 [Line(05)(g) + Line(07)]**Cost Reduction** (09) Less: Offsetting Savings (10) Less: Other Reimbursements/Offsetting Revenue (11) Total Claimed Amount \$1,504,930 [Line(08) - {Line (09) + Line(10)}] Roviead 11/09

\$249,394

\$428,564

\$746,934

\$1,376,764

State Controlle	r's Office		Local Man	dated Cost Manual	
Program <b>213</b>					
(01) Claimant		(02)		Fiscal Year	
	City of Los Angeles			2008-2009	
(03) Is your age	ncy providing animal shelter services under	contract with an	other entity?	Yes NoX	
(04) If yes, list e	ach entity, the amount received, and any m	andate-related c	ffsetting revenue belo	DW:	
	Name of Entity		(a) Amount Received	(b) Offsetting Revenue	
	·····				
		······································			
· ·	· ·	·			
		و و و و و و و و و و و و و و و و و و و			
Total (Include co	olumn (b) total on Form1, line 10				
	t reported as offsetting revenue should also List other mandated-related offsetting rev			as reimbursable	
	Type of Revenue			Offsetting Revenue	
		·			
		, 	<u> </u>		
<u> </u>					
Total (Include co	olumn (b) total on Form 1, line 10)				
(06) Is another (	entity providing animal shelter services und	er contract for yc	our agency?	Yes NoX	
If yes, identify th	e entity and list the amount paid to the othe	er entity.			
Name of Entity				Amount Paid	
Total					

State Controll	er's Office							Loc	al Mandated	Cost Manu	
Program 213			A	IANDATE	DOPTION	l an e				FORM	
(01) Claiman	t: City of Lo	s Angeles			(02) Fiscal	Year:	2008-2009	)			
(02) Deimhu			box per for	n to identify		ent being c	aimed.				
One-Time	·1	d Procedures		n to identify the component being claimed. Training				Computer Softwar			
Ongoing	Acquiring S	pace/Facilitie	es	[	Renovating	g Facilities		Care of Dogs & C			
5, 5	Care of Oth	er Animals			Holding Pe	riod			Feral Cats		
	Lost and Fo			Non-Medic	al Records			Veterinary	Care		
	Procuring E	Equipment			-						
(04) Descript	ion of Expenses	. <u>.</u>	<u></u> , <u></u> ,,				Object /	ect Accounts			
Emp	(a) oloyee Names, Job ons, Functions Performed escription of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f) Materials and Supplies	(g) Contract Services	(h) Fixed Assets	(i) Travel and Training	
	o implement the e on-going activities.										
					1						
(05) Total (	) Subtotal ( ) Pa	ge:o	f	L							

State Controller's Office							Loc	al Mandated	Cost Manual
Program 213		Α	IANDATE NIMAL A TIVITY CO	DOPTION	1				form <b>2</b>
(01) Claimant: City of L	os Angeles	6		(02) Fisca	l Year:	2008-200	<b>9</b>		
(03) Reimbursable Components: Ch	eck only one	box per forn	n to identify	the compon	ent being c	laimed.	-		
	nd Procedures		X Training					Computer	Software
Ongoing Acquiring	Space/Faciliti	es		Renovating	g Facilities			Care of Do	gs & Cats
Care of O			Holding Pe	eriod			Feral Cats		
Lost and I	Found Lists			Non-Medic	al Records			Veterinary	Care
Procuring	Equipment								
(04) Description of Expenses						Object /	Accounts		
(a) Employee Names, Job Classifications, Functions Performed	(b) Hourly Rate or	Benefit Rate	(c) Hours Worked or	(d) Salaries	(e) Benefits	(f) Materials and	(g) Contract Services	(h) Fixed Assets	(i) Travel and
and Description of Expenses	Unit Cost		Quantity			Supplies			Training
Time to train staff on the			-						
<u>reimbursable activities.</u> (one-time per employee)									
Chief Veterinarian	\$61.04	38.79%	2.00	\$122	\$47				
Veterinarian II	\$50.05	38.79%	2.00	\$100	\$39				-
Volunteer Coordinator	\$36.26	38.79%	2.00	\$73	\$28				
					-				
						ι. Έ			4
(05) Total() Subtotal() P	 'age: (	_i of	I	\$295	\$114				•

State Controller's Office								Loc	al Mandated	Cost Manual		
Program 213			Α		D COSTS DOPTION OST DETA	l				FORM		
(01) Claimant:	City of Lo	s Angeles			(02) Fiscal		2008-200	9		l		
(03) Reimbursable Compo				to identify	1	ent being cl	laimed.			2 6		
One-Time	Policies and	l Procedures			Training		<u></u>	X	Computer S	Software		
Ongoing	Acquiring S	pace/Facilitie	es		Renovating	Facilities			Care of Do	gs & Cats		
	Care of Oth	er Animals			Holding Pe	riod			Feral Cats			
	Lost and Fo	und Lists		[	Non-Medic	al Records			Veterinary	Care		
	Procuring E	quipment										
(04) Description of Expens			, 	Object	Accounts							
(a) Employee Names Io	(C) Hours	(d)	(e)	(f) Materials	(g)	(h)	(i) Travel					
Classifications, Functions Pe	Employee Names, Job     Hourly       Classifications, Functions Performed and Description of Expenses     Rate or       Benefit		Benefit Rate	Worked or Quantity	Salaries	Benefits	and	Contract Services	Fixed Assets	and		
Develop and/or procure computer software for the maintenance of non-medi animal records. Senior Systems Analyst I 25% of the Senior Systems position is dedicated to the maintenance of animal infor systems.	<u>cal</u> Analyst's		38.79%		\$24,034	\$9,323						
(05) Total ( ) Subtotal	() Pa	ge: o	f		\$24,034	\$9,323						

State Controller's O	ffice						·	Loc	al Mandated	Cost Man	
Program 213			А	NIMAL A	D COSTS DOPTION DST DETA					FORI	
(01) Claimant:	City of Lo	s Angeles			(02) Fiscal	Year:	2008-2009	)			
(03) Reimbursahle	Components: Che	ck only one	box per form	to identify	the compon	ent being cl	aimed.				
One-Time	Policies and			to identify the component being claimed.				Computer Software			
Ongoing	X Acquiring S	ipace/Facilitie	es		Renovating	Care of Dogs & Cats					
	Care of Oth	er Animals			Holding Pe	riod			Feral Cats		
			[	Non-Medic	al Records			Veterinary	Care		
	Lost and Fo				Non-Medic				1 -		
(04) Description of Expenses Object Accounts											
	(a)	(b) Hourly		(c)	(d)	(e)	(f)	(g)	(h)	(i) Travel	
Employee Classifications, Fu and Descripti	Benefit Rate	Hours Worked or Quantity	Salaries	Benefits	Materials and Supplies	Contract Services	Fixed Assets	and Training			
Acquire additiona purchase or lease construction of ne to provide approp necessary to com increased holding impounded stray dogs, cats, and of as mandated.	e and/or ew facilities priate shelter pply with the period for or abandoned										
(05) Total ( ) S	subtotal ( ) Pa	ge: 0	f								

State Controller's	Office							Loca	al Mandated	Cost Manual
Program 213			Α	NIMAL A	D COSTS DOPTION DST DETA					form <b>2</b>
(01) Claimant:	City of Lo	s Angeles	;		(02) Fiscal	Year:	2008-200	9		
(03) Reimbursah	ole Components: Che	ck only one	box per form	n to identify	the compon	ent being c	laimed.			
One-Time	·····	d Procedures		Training					Software	
Ongoing	Acquiring S	pace/Facilitie	es	X	Renovating	Facilities			Care of Do	gs & Cats
	Care of Oth			Holding Pe	riod			Feral Cats		
	Lost and Fo			Non-Medic	al Records			Veterinary	Care	
	Procuring E	Equipment		<b>.</b>	<b>.</b>					
(04) Description	of Expenses		<u></u>				Object /	Accounts		
Employe Classifications, and Descr	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f) Materials and Supplies	(g) Contract Services	(h) Fixed Assets	(i) Travel and Training		
Remodel/renova facilities to prov shelter necessa with the require holding period f abandoned dog other animals.	vide adequate ary to comply ed increased for stray or									
(05) Total()	Subtotal ( ) Pa	ge: o	of							

State Controller's Office								Loc	al Mandated	Cost Manual
Program 213		<u></u>	AN	NDATED		L	<u></u>			form <b>2</b>
(01) Claimant:	City of Los A	ngeles			(02) Fisca	Year:	2008-2009	)		
(03) Reimbursable Corr	nonents: Check		ex per form to	identify the	componen	t being clai	med.			
One-Time	Policies and Pr				Training	-	[		Computer S	Software
Ongoing						Facilities		X	Care of Do	gs & Cats
	Care of Other A			Holding Pe	riod	. [		Feral Cats		
	Lost and Found Lists				Non-Medic	al Records	[		Veterinary	Care
(04) Description of Expe	enses						Object A	ccounts		
(a) Employee Nam Classifications, Functio and Description o	es, Job ons Performed	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f) Materials and Supplies	(g) Contract Services	(h) Fixed Assets	(i) Travel and Training
Care and maintenance impounded stray or ab dogs and cats that die ultimately euthanized of the increased holding Total Shelter Cost for all Yearly Census Number Euthanized Reimbursable days Cost Per Animal	andoned or are during period. I animals \$11,043,321 859,756 6,539 2 2 \$12,84						\$167,922			
Cost per day = \$11,043, Total cost = Cost per an number of dogs and cat euthanized x number of days = reimbursable exp \$12.84 x 6539 x 2 = \$16	imal x s that die or are reimbursable bense.									
(05) Total() Subto	tal ( ) Page	:of					\$167,922			

State Controller's Office

Local Mandated Cost Manual

Program 213	MANDATED COSTS ANIMAL ADOPTION ACTIVITY COST DETAIL									
(01) Claimant:	City of Los A	ngeles			(02) Fiscal	Year:	2008-2009	Э		
(03) Reimbursat	ble Components: Check o	nly one box	per form to	identify the	component	being claim	ned.			
One-Time	Policies and Pro	cedures			Training				Software	
Ongoing	Acquiring Space	/Facilities			Renovating Facilities				gs & Cats	
	X Care of Other A	nimals			] Holding Pe	riod			Feral Cats	
	Lost and Found	Lists			Non-Medic	al Records			Veterinary	Care
	Procuring Equip	ment			-					
(04) Description	of Expenses					<u></u>	Object /	Accounts		
Classification	(a) oyee Names, Job ns, Functions Performed scription of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f) Materials and Supplies	(g) Contract Services	(h) Fixed Assets	(i) Travel and Training
	ay or abandoned a that die or are anized during olding period. st for all animals \$11,043,321 859,756 zed 219						\$11,248			
Cost Per Animal	\$12.84									
Total cost = Cost number of other	animals that die or are nber of reimbursable able expense.									
(05) Total()	Subtotal ( ) Page:	of		L			\$11,248			

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State Controller's Office							Loc	al Mandated	Cost Manual
Program 213		А	NIMAL A	D COSTS DOPTION DST DET	I				form <b>2</b>
(01) Claimant: City of L	os Angeles	;		(02) Fisca	l Year:	2008-200	9		
(03) Reimbursable Components: Ch	eck only one	box per forn	n to identify	the compon	ent being c	laimed.		· · ·	
								Computer S	Software
Ongoing Acquiring	Space/Facilitie	es		Renovating	g Facilities			Care of Do	gs & Cats
Care of C	Care of Other Animals							Feral Cats	
Lost and	Lost and Found Lists							Veterinary	Care
Procuring	Equipment								
(04) Description of Expenses						Object	Accounts		
(a) Employee Names, Job Classifications, Functions Performed	Benefit Rate	(c) Hours Worked or	(d) Salaries	(e) Benefits	(f) Materials and	(g) Contract Services	(h) Fixed Assets	(i) Travel and	
and Description of Expenses		Quantity			Supplies			Training	
Making the animals available for owner redemption as mandated. The Shelters are open 5 hours on Sundays to make animals available for owner redemption as mandated. Animal Care Technician Clerk Typist Relief Animal Regulation Worker	\$23.29 \$23.16 \$17.03	38.79% 38.79% 38.79%	10142.50 416.88 1803.75	\$236,219 \$9,655 \$30,718	\$91,629 \$3,745 \$11,915				
(05) Total() Subtotal() F	'age:C	f		\$276,592	\$107,290				

State Controller's Office							Loc	al Mandated	Cost Manua
Program 213		Α	NIMAL A	D COSTS DOPTION OST DETA	l				FORM
(01) Claimant: City of Lo	os Angeles			(02) Fiscal	Year:	2008-2009			
(03) Reimbursable Components: Che	eck only one	box per forn	n to identify	the compon	ent being c	aimed.		· · ·	
	d Procedures			Training		[		Computer S	Software
Ongoing Acquiring 3	Space/Facilitie	es		Renovating	J Facilities			Care of Do	gs & Cats
	her Animals			Holding Pe	riod		X	Feral Cats	
Lost and F	ound Lists			Non-Medic	al Records			Veterinary	Care
Procuring	Equipment								
(04) Description of Expenses						Object A		1	(2)
(a) Employee Names, Job Classifications, Functions Performed	(b) Hourly Rate or	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f) Materials and Supplies	(g) Contract Services	(h) Fixed Assets	(i) Travel and Training
<u>of the required holding period.</u>									
(05) Total ( ) Subtotal ( ) Pa	age:o	) of	l						

State Controller's Office									Cost Manua
Program 213		A	IANDATE NIMAL A FIVITY CO	DOPTION	1				FORM
(01) Claimant: City of Lo	os Angeles	3		(02) Fisca	l Year:	2008-200	9		
(03) Reimbursable Components: Che	eck only one	box per forn	n to identify	the compon	ent being c	laimed.			
	d Procedures			Training				Computer	Software
Ongoing Acquiring	Space/Faciliti	es		Renovating Facilities				Care of Do	gs & Cats
Care of Ot	her Animals			Holding Pe	eriod			Feral Cats	
X Lost and F	ound Lists			Non-Medic	al Records			Veterinary	Care
Procuring	Equipment						· · ·		
(04) Description of Expenses						Object /	Accounts		<b>.</b>
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f) Materials and Supplies	(g) Contract Services	(h) Fixed Assets	(i) Travel and Training
Provide various information to owners of lost animals and those who have found lost animals. Six Shelters: North Central Shelter South Central Shelter East Valley Shelter West Valley Shelter West Los Angeles Shelter Harbor Shelter									
Clerk Typist (6) 11 minutes per day per employee to prepare stray summary sheet for each shelter for 365 days per year.	\$23.16	38.79%	401.50	\$9,298	\$3,607				
(05) Total() Subtotal() Pa	l	of		\$9,298	\$3,607				· ·

213			ŀ	MANDATE ANIMAL A TIVITY C	DOPTIO	N				FORM 2
(01) Claimant:	City of Lo	s Angeles	S	••••••••••••••••••••••••••••••••••••••	(02) Fisca	al Year:	2008-200	)9		<b>L</b>
(03) Reimbursable Co	mponents: Che	ck <u>only</u> one	box per forr	n to identify	the compo	nent being c	laimed.			
One-Time	Policies an	d Procedure	S		Training				Computer	Software
Ongoing	Acquiring S	Space/Faciliti	es		Renovatin	g Facilities			Care of Do	gs & Cats
	Care of Oth	ner Animals			Holding Po	eriod			Feral Cats	
	Lost and Fo	ound Lists		X	] Non-Medio	cal Records			Veterinary	Care
	Procuring E	Equipment								
(04) Description of Exp	benses	<b></b>						Accounts	· · · · · · · · · · · · · · · · · · ·	
(a) Employee Name Classifications, Functic and Description of	ns Performed	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f) Materials and Supplies	(g) Contract Services	(h) Fixed Assets	(i) Travel and Training
Maintain non-medical on animals that are ta euthanized after the h period, or impounded Minutes per Record Number of Records Animal Care Technicia	<u>ken up,</u> olding <u>-</u> 5 7,465	\$23.29	38.79%	622.08	\$14,488	\$5,620				
		<i><b>4</b>20.20</i>			ψ 1 <b>-1</b> , 100	<i>Ф</i> 0,020				

State Controller's Offi	ice							Loc	al Mandated	Cost Manua
Program 213			А	NIMAL A	D COSTS DOPTION DST DETA					form <b>2</b>
(01) Claimant:	City of Lo	s Angeles	;		(02) Fiscal	Year:	2008-2009	9		
(03) Reimbursable C	Components: Che	ck only one	box per forn	n to identify	the compon	ent being cl	aimed.			
One-Time		d Procedures			Training				Computer S	Software
Ongoing	Acquiring S	Space/Faciliti	es		Renovating	Facilities			Care of Do	gs & Cats
	Care of Other Animals					riod			Feral Cats	
	Lost and Fo	ound Lists			] Non-Medic	al Records		X	Veterinary	Care
	Procuring E	Equipment								
(04) Description of E	Expenses							Accounts	T	()
(a) Employee Na Classifications, Func	ames, Job ctions Performed	(b) Hourly Rate or	Benefit Rate	(c) Hours Worked or	(d) Salaries	(e) Benefits	(f) Materials and	(g) Contract Services	(h) Fixed Assets	(i) Travel and Training
and Description	of Expenses	Unit Cost		Quantity			Supplies			
Provide "necessary veterinary care" for abandoned animals	stray and									
22,137 animals requi	ired care									
Animal Medical Supp	blies						\$249,394			
The Veterinarian spe per animal providing treatment.										
Veterinarian		\$50.05	38.79%	4427.40	\$221,599	\$85,958				
The Veterinary Tech Veterinarian during th of medical treatment.	hose 12 minutes									
Veterinary Technici	an	\$30.92	38.79%	4427.40	\$136,885	\$53,098				
							1. J.			
	btotal ( ) Pa	lge:c	)	·	\$358,484	\$139,056	\$249,394			·
(05) Total() Sui	ululai ( ) ra		··		+	1 * • • • • • • •	1		1	

State Controller's Office							Loc	al Mandated	Cost Manual
Program 213	MANDATED COSTS						form <b>2</b>		
(01) Claimant: City of I	_os Angeles	;		(02) Fiscal	Year:	2008-2009	9		
(03) Reimbursable Components: Cl	neck only one	box per form	n to identify	the compon	ent being cl	aimed.			
	and Procedures	,		Training	5			Computer S	Software
Ongoing Acquiring Space/Facilities			Renovating Facilities				Care of Dog	gs & Cats	
Care of C	Other Animals			Holding Period				Feral Cats	
Lost and	Found Lists			Non-Medical Records			Veterinary Care		
X Procuring	g Equipment								
(04) Description of Expenses						Object A	Accounts		
(a) Employee Names, Job Classifications, Functions Performed	(b) Hourly Rate or	Benefit Rate	(c) Hours Worked or	(d) Salaries	(e) Benefits	(f) Materials and Supplies	(g) Contract Services	(h) Fixed Assets	(i) Travel and Training
and Description of Expenses	Unit Cost		Quantity			ouppileo			
Procure medical, kennel, and computer equipment necessary to comply with the mandate.									
No Eligible Costs this FY.									
									,
(05) Total ( ) Subtotal ( )	Page: 0	of	L						

#### TRAINING EXPENSE

#### **DESCRIPTION:**

Training employees (new hires) on the mandated activities.

#### **EXPENSE:**

Chief Veterinarian (2) hours per employee: Annual Salary / 1,800 x number of employees x number of hours. One (1) new hire.

Veterinarian, two (2) hours per employee: Annual Salary / 1,800 x number of employees x number of hours. One (1) new hires.

Volunteer Coordinator, two (2) hours per employee: Annual Salary / 1,800 x number of employees x number of hours. One (1) new hires.

#### CALCULATION:

Chief Veterinarian: 109,871 / 1,800 = 61.00 one (1) new Chief Veterinarian's x 2 hours each = 122.00.

Veterinarian II: 90,093 / 1,800 = 50.00 x one (1) new Veterinarian x 2 hours each = 100.00.

Volunteer Coordinator:  $\frac{65,272}{1,800} = \frac{36.00 \text{ x one} (1) \text{ new Volunteer Coordinator x }}{2 \text{ hours each} = \frac{73.00}{2}$ .

OR
----

Title	Expense
Chief Veterinarian	\$122.00
Veterinarian	\$100.00
Volunteer Coordinator	\$ 73.00
EXPENSE TOTAL	\$295.00

# COMPUTER SOFTWARE

#### **DESCRIPTION:**

Develop and / or procure and maintain computer software for the maintenance of non-medical animal records

#### **EXPENSE:**

Sr. Systems Analyst I. Twenty-five (25) percent of Sr. Systems Analyst I annual salary for the maintenance of animal information systems and the Department's website.

#### CALCULATION:

Sr. System analyst I: \$96,134 x twenty-five (25) percent = \$24,034

OR

Sr. Systems Analyst I

**EXPENSE TOTAL** 

\$24,034

<u>\$24,034</u>

# CARE OF DOGS AND CATS

#### **DESCRIPTION:**

Provide care and maintenance for dogs and cats that die during the increased holding period or were ultimately euthanized.

# **FORMULA:**

Total shelter cost for all animals:	\$11,043,321
Yearly Census (Total animal days):	859,756
Number that died during increased holding period or were euthanized:	6,539
Number of reimbursable days:	2

### **CALCULATION:**

Annual shelter cost / yearly census = daily cost per animal

Daily cost per animal x number of dogs and cats that die or are euthanized x number of reimbursable days = reimbursable expense

#### OR

\$11,043,321 / 859,756 = \$12.84

\$12.84 x 6,539 x 2 = \$167,922

#### **EXPENSE TOTAL**

\$167,922

#### CARE OF OTHER ANIMALS

# **DESCRIPTION:**

Provide care and maintenance for other animals, including but not limited to rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles and/or tortoises that die during the increased holding period or were ultimately euthanized.

## FORMULA:

Total shelter cost for all animals:	\$11,043,321	
- Yearly Census (Total animal days):	859,756	
Number that died during increased holding period or were euthanized:	219	
Number of reimbursable days:	4	

# CALCULATION:

Annual shelter cost / yearly census = daily cost per animal

Daily cost per animal x number of other animals that die or are euthanized x number of reimbursable days = reimbursable expense

#### OR

\$11,043,321 / 859,756 = \$12.84

\$12.84 x 219 x 4 = \$11,248

EXPENSE TOTAL: \$11,248

### HOLDING PERIOD

#### **DESCRIPTION:**

The Shelters are open for five (5) hours on Sunday to make animals available for owner redemption as mandated.

#### FORMULA:

Animal Care Technician: Annual Salary /  $1,800 \times number$  of hours = Expense for keeping shelters open on Sunday, Total hours worked = 16,228 / 8 hour day x 5 hours shelters are open.

Clerk Typist: Annual Salary / 1,800 x number of hours = Expense for keeping shelters open on Sunday, Total hours worked = 667 / 8 hour day x 5 hours shelters are open.

Relief Animal Regulation Worker: Hourly rate x number of hours = Expense for keeping shelters open on Sunday, Total hours worked = 2,886 / 8 hour day x 5 hours shelters are open.

# CALCULATION:

Animal Care Technician: \$41,921/1,800 = \$23.29. Total hours worked = 16,228 / 8 x 5 x \$23.29 = \$236,219.

Clerk Typist: 41,685 / 1,800 = 23.16. Total hours worked = 667 / 8 hour day x 5 x 23.16 = 99,655

Relief Animal Regulation Worker Relief (As needed) hourly rate = 17.03. Total hours worked = 2,886 / 8 hour day x 5 x 17.03 = 30,718.

#### OR

Animal Care Technician	\$236,219
Clerk Typist	9,655
Relief Animal Regulation Worker (As Needed)	<u>30,718</u>
EXPENSE TOTAL	\$276,592

#### LOST AND FOUND LIST

### **DESCRIPTION:**

Provide lost and found lists for owners and rescuers of lost animals. The list includes type of animal, referrals, shelter contact information or advice on how to publish and disseminate lost animal information.

#### FORMULA:

Six Shelters:

North Central Shelter South Los Angeles Shelter East Valley Shelter West Valley Shelter West Los Angeles Shelter Harbor Shelter

#### **CALCULATION:**

Personnel:

Six Clerk Typists

#### Time Spent to Prepare List:

Eleven minutes per day to prepare Summary Sheet for each shelter for 365 days per year.

Salary:

Clerk Typist Salary for Fiscal Year 2008-09 = \$41,685 Clerk Typist Average Hourly Salary (\$41,685 / 1,800) = \$23.16

#### **COMPUTATION:**

Number of shelters x clerk typist x number of days x preparation time / 1hour (60 minutes) x hourly salary = Expense

#### Or

Six (6) shelters (x) 1 Clerk Typist each (x) 365 days (x) 11 minutes = 24,090 minutes per year to prepare list / 60 minutes = 402 hours per year (x) \$23.16 average hourly salary = \$9,299 per year to prepare lost and found list.

#### EXPENSE TOTAL: \$9,299

# MAINTAINING NON-MEDICAL RECORDS

#### **DESCRIPTION:**

C 10

Maintaining non-medical records on animals that are taken up, euthanized after the holding period or impound.

# FORMULA:

Time required to input non-medical records = five (5) minutes per record.

Number of records: 7,465

### CALCULATION:

Time required to input individual record (x) number of records / 1hour (60 minutes) = total hours required to input non-medical records.

Average salary for animal Care Technician is \$41,921 /1800 annual hours = \$23.29 Hourly Rate.

Hours to input non-medical records (x) hourly rate for Animal Care Technician = Total cost.

#### OR

Five (5) minutes x 7,465 / 60 minutes =622 hours

\$41,921 / 1800 work hours = \$23.29

622 x \$23.29 = \$14,486

EXPENSE TOTAL

\$14,486

## VETERINARY CARE

#### **DESCRIPTION:**

Providing necessary and prompt veterinary care for stray and abandoned animals that die during the increased holding period or were ultimately euthanized.

#### FORMULA:

Veterinarian annual and hourly rate:\$90,093 / 1,800 = \$50.05.Veterinarian Technician annual and hourly rate:\$55,652 / 1,800 = \$30.92.

Average time to provide medical treatment: 12 minutes.

Cost of providing Veterinarian medical treatment per animal: \$50.05 / 60 minutes x 12 minutes = \$10.01

Cost of a Veterinary Technician assisting Veterinarians in medical treatment per animal: \$30.92 / 60 minutes x 12 minutes = \$6.18

Number of animals requiring prompt medical care: 22,137

#### CALCULATION:

Cost of providing medical treatment x number of animals requiring prompt medical care = Total Expense.

Medical supply use was based on a comparison between FY 1997-98, the last full fiscal year before SB 1785 and FY 2008-09, the current reporting year.

- In FY 1997-98 there were 2 Veterinarians and 12 Veterinary Technician. Expenses for Account 3190 Animal Medical Supplies were \$131,878.
- In FY 2008-09 there were 5 Veterinarians and 22 Veterinary Technicians. Expenses for Account 3190 – Animal Medical Supplies were \$268,573. Expenses for Fund 859-Animal Welfare Trust Fund, used to purchase medical supplies was \$112,699 for a total of \$381,272.

Therefore \$381,272 - \$131,878 = \$249,394 in expenditure of Animal Medical Supplies to support additional Veterinary Care under SB 1785.

Veterinarian:	\$10.01 x 22,137 = \$221,591
Veterinary Technicians:	\$6.18 x 22,137 = \$136,807
Animal Medical Supplies	= \$249,394
Expense Total	\$607,792

#### OR

Attachment A

# COST ALLOCATION PLAN 31 (CAP 31) - INDIRECT COST RATES WITH CARRY FORWARD

The rates below are to be used to prepare grant applications, contracts and billings for grant activities, and to compute Fees for Special Services, during 2008-09. They are to be applied only to straight time, gross salaries (with CTO). When only net salaries (without CTO) are available, convert net salaries to gross salaries using the CTO rate. For rates applicable to part time or overtime salaries, please contact CAP staff. Note: You MUST adjust rates to deduct directly billed costs. See list-Attachment C and Instructions-Attachment B.

DEPARTMENT/Cost Center	Fringe Benefits	.Central Services	Department Administration & Support	Division Overhead*	сто
DEFAILINILINITOOSCOEME	Denonia				
AGING:					
Balance of Department	32.51%	38.65%	na	*	19.40%
Title V	15.15%	1.66%	na	*	7.91%
ANIMAL SERVICES	38.79%	47.81%	18.76%		18.98%
BUILDING & SAFETY	33.63%	21.04%	20.21%	*	19.91%
CITY ADMINISTRATIVE OFFICER (OARS): CRA, Petroleum Admin., Proprietary,		1.72%	26.04%	*	20.31%
Capital Projects (Phy. Plant)	27.89%		32.92%	÷	20.31%
Disaster Grants Coordination	26.45%	109.64%	32.92%		
CITY ATTORNEY:					
Criminal	31.67%	21.29%	9.38%	*	18.54%
Direct Billed - User's Site (Proprietary Depts.)	28.78%	3.40%	6.68%	*	18.54%
Direct Billed - In City Space	29.85%	6.06%	7.32%	*	18.54%
CITY CLERK:					
Elections	42.59%	37.53%	10.78%	×	18.86%
Land Records	32.54%	66.17%	49.32%	*	5.53%
COMMISSION FOR CHILDREN, YOUTH					
AND THEIR FAMILIES	40.27%	142.81%	136.20%	*	15.09%
COMMISSION ON STATUS OF WOMEN	33.05%	87.46%	65.44%	*	17.71%
COMMUNITY DEVELOPMENT:		ەندىت ب		*	19.75%
Balance of Department	31.87%	24.54%	na	*	n/a
As Needed Employees	5.91%	16.02%	na		, ua
CONTROLLER:				*	19.96%
Direct Billed (at User's site)	28.13%	3.38%	74.32%	*	19.96%
Direct Billed (in City space)	31.36%	97.51%	97.67%	ĸ	19.90%
CULTURAL AFFAIRS	43.25%	93.12%	23.89%	*	18.09%
DEPARTMENT on DISABILITY	34.14%	94,52%	92.80%	*	20.04%
EL PUEBLO	25.90%	218.64%	316.67%	18	26.94%
EMERGENCY PREPAREDNESS DEPT					
EMERGENCY PREPAREDNESS DEPT Em. Prep. Policy & Public info.	27.61%	181.26%	123.41%	ж.	22.91%
ENVIRONMENTAL AFFAIRS: Policy/Public Information	28.34%	102.95%	85.20%	°	20.96%

# **DECLARATION OF SERVICE BY EMAIL**

I, the undersigned, declare as follows:

I am a resident of the County of Solano and I am over the age of 18 years, and not a party to the within action. My place of employment is 980 Ninth Street, Suite 300, Sacramento, California 95814.

On May 28, 2014, I served the:

Incorrect Reduction Claim Filing; and Notice of Complete Filing and Schedule for Comments Incorrect Reduction Claim *Animal Adoption*, 13-9811-I-02 Civil Code Sections 1834 and 1846; Food and Agriculture Code sections 31108, 31752, 31752.5, 31753, 32001, and 32003; Statutes 1998, Chapter 752 and Statutes 2004, Chapter 313 Fiscal Years 1998-1999, 1999-2000, 2000-2001, 2001-2002, 2002-2003, 2005-2006, 2006-2007, and 2007-2008 City of Los Angeles, Claimant

by making it available on the Commission's website and providing notice of how to locate it to the email addresses provided on the attached mailing list.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on May 28, 2014 at Sacramento, California.

Zablik

Heidi J. Palchik Commission on State Mandates 980 Ninth Street, Suite 300 Sacramento, CA 95814 (916) 323-3562

# **COMMISSION ON STATE MANDATES**

# **Mailing List**

Last Updated: 5/22/14

Claim Number: 13-9811-I-02

Matter: Animal Adoption

Claimant: City of Los Angeles

#### TO ALL PARTIES, INTERES TED PARTIES, AND INTERES TED PERSONS:

Each commission mailing list is continuously updated as requests are received to include or remove any party or person on the mailing list. A current mailing list is provided with commission correspondence, and a copy of the current mailing list is available upon request at any time. Except as provided otherwise by commission rule, when a party or interested party files any written material with the commission concerning a claim, it shall simultaneously serve a copy of the written material on the parties and interested parties to the claim identified on the mailing list provided by the commission. (Cal. Code Regs., tit. 2, § 1181.2.)

Socorro Aquino, State Controller's Office Division of Audits, 3301 C Street, Suite 700, Sacramento, CA 95816 Phone: (916) 322-7522 SAquino@sco.ca.gov

Lacey Baysinger, *State Controller's Office* Division of Accounting and Reporting, 3301 C Street, Suite 700, Sacramento, CA 95816 Phone: (916) 324-0254 lbaysinger@sco.ca.gov

**Guy Burdick**, Consultant, *MGT of America* **Claimant Representative** 2001 P Street, Suite 200, Sacramento, CA 95811 Phone: (916) 833-7775 gburdick@mgtamer.com

Allan Burdick, 7525 Myrtle Vista Avenue, Sacramento, CA 95831 Phone: (916) 203-3608 allanburdick@gmail.com

Michael Byrne, Department of Finance 915 L Street, 8th Floor, Sacramento, CA 95814 Phone: (916) 445-3274 michael.byrne@dof.ca.gov

Gwendolyn Carlos, State Controller's Office

Division of Accounting and Reporting, 3301 C Street, Suite 700, Sacramento, CA 95816 Phone: (916) 323-0706 gcarlos@sco.ca.gov

Annette Chinn, Cost Recovery Systems, Inc. 705-2 East Bidwell Street, #294, Folsom, CA 95630 Phone: (916) 939-7901 achinners@aol.com

Marieta Delfin, *State Controller's Office* Division of Accounting and Reporting, 3301 C Street, Suite 700, Sacramento, CA 95816 Phone: (916) 322-4320 mdelfin@sco.ca.gov

**Tom Dyer**, *Department of Finance (A-15)* 915 L Street, Sacramento, CA 95814 Phone: (916) 445-3274 tom.dyer@dof.ca.gov

**Donna Ferebee**, *Department of Finance* 915 L Street, Suite 1280, Sacramento, CA 95814 Phone: (916) 445-3274 donna.ferebee@dof.ca.gov

Susan Geanacou, Department of Finance 915 L Street, Suite 1280, Sacramento, CA 95814 Phone: (916) 445-3274 susan.geanacou@dof.ca.gov

**Dorothy Holzem**, *California Special Districts Association* 1112 I Street, Suite 200, Sacramento, CA 95814 Phone: (916) 442-7887 dorothyh@csda.net

Edward Jewik, County of Los Angeles Auditor-Controller's Office, 500 W. Temple Street, Room 603, Los Angeles, CA 90012 Phone: (213) 974-8564 ejewik@auditor.lacounty.gov

Jill Kanemasu, *State Controller's Office* Division of Accounting and Reporting, 3301 C Street, Suite 700, Sacramento, CA 95816 Phone: (916) 322-9891 jkanemasu@sco.ca.gov

Jean Kinney Hurst, Senior Legislative Representative, Revenue & Taxation, *California State* Association of Counties (CSAC) 1100 K Street, Suite 101, Sacramento, CA 95814-3941 Phone: (916) 327-7500 jhurst@counties.org

Jay Lal, *State Controller's Office (B-08)* Division of Accounting & Reporting, 3301 C Street, Suite 700, Sacramento, CA 95816 Phone: (916) 324-0256 JLal@sco.ca.gov Kathleen Lynch, *Department of Finance (A-15)* 915 L Street, Suite 1280, 17th Floor, Sacramento, CA 95814 Phone: (916) 445-3274 kathleen.lynch@dof.ca.gov

Andy Nichols, Nichols Consulting 1857 44th Street, Sacramento, CA 95819 Phone: (916) 455-3939 andy@nichols-consulting.com

Christian Osmena, Department of Finance 915 L Street, Sacramento, CA 95814 Phone: (916) 445-0328 christian.osmena@dof.ca.gov

Keith Petersen, SixTen & Associates P.O. Box 340430, Sacramento, CA 95834-0430 Phone: (916) 419-7093 kbpsixten@aol.com

Jai Prasad, County of San Bernardino Office of Auditor-Controller, 222 West Hospitality Lane, 4th Floor, San Bernardino, CA 92415-0018 Phone: (909) 386-8854 jai.prasad@atc.sbcounty.gov

Kathy Rios, *State Controller's Office* Division of Accounting and Reporting, 3301 C Street, Suite 700, Sacramento, CA 95816 Phone: (916) 324-5919 krios@sco.ca.gov

Lee Scott, Department of Finance 15 L Street, 8th Floor, Sacramento, CA 95814 Phone: (916) 445-3274 lee.scott@dof.ca.gov

David Scribner, *Max8550* 2200 Sunrise Boulevard, Suite 240, Gold River, CA 95670 Phone: (916) 852-8970 dscribner@max8550.com

**Jim Spano**, Chief, Mandated Cost Audits Bureau, *State Controller's Office* Division of Audits, 3301 C Street, Suite 700, Sacramento, CA 95816 Phone: (916) 323-5849 jspano@sco.ca.gov

**Dennis Speciale**, *State Controller's Office* Division of Accounting and Reporting, 3301 C Street, Suite 700, Sacramento, CA 95816 Phone: (916) 324-0254 DSpeciale@sco.ca.gov

Ana Mae Yutan, Analyst, Finance Specialist, *City of Los Angeles* 150 N. Los Angeles Street, Los Angeles, CA 90012 Phone: (213) 978-7682 AnaMae.Yutan@lacity.org