



Cost Recovery Systems, Inc.

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August 24, 2018
**Commission on
State Mandates**

August 24 2018

Ms. Heather Halsey
Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814

**Response to Commission Draft Findings on the CITY OF PALMDALE'S: INTERAGENCY CHILD ABUSE –
INCORRECT REDUCTION CLAIM**

Dear Ms. Halsey,

On behalf of the City of Palmdale, I respectfully request your consideration the attached documents we have prepared to respond to the Commission's Draft Findings of the City of Palmdale Interagency Child Abuse Incorrect Reduction Claim. We hope that this will provide greater clarification and support of our contentions that the State Controller's Office incorrectly reduced our claims by:

- denying the inclusion of actual overhead costs incurred which were eligible for State reimbursement.
- reducing eligible time per case for the eligible activity of report writing that was inadvertently omitted for some of the cases in the time study.
- that eligible time per case was reduced by incorrectly removing the largest case

Please feel free to contact me at (916) 939-7901 with any questions or if additional information is required.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Annette Chinn'.

Annette Chinn
Cost Recovery Systems, Inc.
City of Palmdale Representative

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**DECLARATION OF
VANESSA REDDY
LA SHERIFF DEPARTMENT
DETECTIVE**

DECLARATION OF VANESSA REDDY

I, Vanessa Reddy, make the following declaration under oath based upon my personal knowledge:

I am a Detective for the Los Angeles County Sheriff's Department. I have been employed by the County in this capacity since 2007. As part of my duties, I am responsible for investigating and documenting Child Abuse and Neglect cases.

I have personal knowledge of the Child Abuse Investigation process and procedures of the LA County Sheriff's Department and I the employee who completed the Child Abuse Time Study Log in September, 2013 which is attached to this declaration as Item 1.

The time log parameters provided to me by my commanding Sergeant identified four eligible activities and are listed on the attached blank Time Log (Item 2)

- 1- Initial response to begin documentation of case and contacting county the county welfare department to forward to other agencies if the case did not occur in the city.
- 2 - Complete an investigation to determine whether a report of suspected child abuse or sever neglect is unfounded, substantiated, or inconclusive, as defined in Penal Code section 12165.12 for purposes of preparing and submitting the state "Child Abuse Investigation Report" form SS 8583, or subsequent designated form to the DOJ.
- 3 - Prepare a written report for every case investigated of known or suspected child abuse or severe neglect.
- 4 - Review and approve of report.

I tracked the actual time for these activities during the month of September, 2013 but inadvertently did not include time for report writing for all of the cases. This was because I was not clear on the exact parameters and the cases that I did not include report writing time for were for unfounded cases of child abuse. These cases typically end with the numbers "419" at the end of the report number. All of these unfounded cases also had a written internal report prepared, however, because those reports were not sent to the District Attorney's Office I did not input report writing time on the logs.

It is my believe that to fairly represent actual time spent on this report writing activity, 15 - 20 minutes of time should be added to those cases (sec attached log with an asterisk) which did not include time for report writing.

I also wanted to note that I was never interviewed by anyone from the State Controller's Office about this time log or any other issues pertaining to this Child Abuse program or this audit.

I am personally conversant with the foregoing facts and information and if so required, I could and would testify to the statements made herein.

Executed this 24 day of August in Palmdale, California.


Detective Vanessa Reddy
Los Angeles County Sheriff's Department

ITEMS 1 & 2

T.

ITEM 1

INVESTIGATION
INCLUDE % WR HANDLE @ STATION

TIME LOG

CITY OF: _____

DEPARTMENT: _____

PROCESS: Child Abuse

NOTE: Please track time to the nearest 6 minute increment. DO NOT round to quarter or half hour.

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
09/09/13	SCAR/PHYSICAL ABUSE	013-12876-2607-059 1, 2, 3, 4	672mins
09/05/13	SCAR/PHYSICAL ABUSE	013-12934-2609-419 1, 2, 4	136min *
09/11/13	SCAR/PHYSICAL ABUSE	013-13013-2608-419 1, 2, 4	144min *
09/11/13	SCAR/PHYSICAL ABUSE	013-13261-2611-419 1, 2, 4	150min *
09/11/13	SCAR/PHYSICAL ABUSE	013-13264-2612-419 1, 2, 4	90min *
09/18/13	SCAR/PHYSICAL ABUSE	013-13359-2608-419 1, 2, 3, 4	240min
09/18/13	SCAR/PHYSICAL ABUSE	013-13343-2607-419 1, 2, 4	126min *
09/18/13	SCAR/PHYSICAL ABUSE	013-13355-2610-419 1, 2, 4	180min *
09/18/13	SCAR/PHYSICAL ABUSE	013-13354-2611-419 1, 2, 4	240min *
09/20/13	SCAR/PHYSICAL ABUSE	013-13402-2610-419 1, 2, 4	150min *
09/24/13	SCAR/PHYSICAL ABUSE	013-13652-2607-419 1, 2, 4	136min *
09/24/13	SCAR/PHYSICAL ABUSE	013-15059-2603-419 1, 2, 4	90min *
09/27/13	SCAR/PHYSICAL ABUSE	013-13850-2611-059 1, 2, 3, 4	300mins
09/30/13	SCAR/PHYSICAL ABUSE	T-113 1, 2	90min

Certification:

I hereby certify under the penalty of perjury under the laws of the State of California that the foregoing is true and correct based upon my personal knowledge.

Prepared by: _____

Title: _____

Date: _____

Signature: _____

**DECLARATION OF
KAREN JOHNSTON
FINANCE DIRECTOR**



PALMDALE

a place to call home

JAMES C. LEDFORD
Mayor

JUAN CARRILLO
Mayor Pro Tem

LAURA BETTENCOURT
Councilmember

AUSTIN BISHOP
Councilmember

STEVEN D. HOFBAUER
Councilmember

38300 Sierra Highway

Palmdale, CA 93550-4798

Tel: 661/267-5100

Fax: 661/267-5122

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Auxiliary aids provided for

communication accessibility

upon 72 hours notice and request.

DECLARATION OF KAREN JOHNSTON

I, Karen Johnston, make the following declaration under oath based upon my personal knowledge:

I am the Finance Manager/City Treasurer of the City of Palmdale and have been employed in this capacity since 2012. As a part of my duties, I am responsible for the complete and timely recovery of costs mandated by the State. I have been directly involved in the filing of the Interagency Child Abuse and Neglect Reports claim, Audit and Incorrect Reduction Claim.

I declare that:

- 1) The narrative and appendices of the Incorrect Reduction Claim (including the contracts, correspondences, Cost Allocation Plans, and Budgets) were provided to our consultant, Annette Chinn, and that these documents and all the attachments are true and correct.
- 2) The City repeatedly requested, both by email and telephone correspondence, that the SCO allow the inclusion of overhead (ICRP) costs in their claim.
- 3) During the audit, the City presented support which documented the City's actual indirect cost rates (ICPRs) and that these rates were on average, similar to the default rate (10%) claimed.
- 4) The SCO auditor denied to allow our ICRP rates stating in their 1-12-2016 email (Item A-1) telling us that "the costs of the contract are direct costs to the city, not indirect costs." And that their position to allow overhead was "unchanged." The SCO did not address nor respond to the city's evidence of City-wide overhead evidence including facility improvement costs paid by the City and other city paid staffing costs incurred.

- 5) The SCO auditor did not consider our actual overhead rate computation, though we presented them with during the course of the audit and in our formal Audit Response. (see ITEM A-1, last page).

If the Commission feels that the default 10% overhead rate cannot be used, we request that the City's actual Indirect Costs rates, which we had available and presented to the SCO auditors during and after the audit, on more than one occasion for their review and approval, and that these actual overhead costs be allowed and reinstated.

I am personally conversant with the foregoing facts, and if so required, I could and would testify to the statements made herein.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct of my own knowledge, except as to the matters which are stated upon information or belief, and as to those matters, I believe them to be true.

Executed on this 20th day of August, in Palmdale California.



Karen Johnston
Finance Manager/City Treasurer
38300 Sierra Highway, Suite D
Palmdale, CA 93550-4798
991-267-5440
kjohnston@cityofpalmdale.org

ITEM A-1

ITEM A-1



PALMDALE
a place to call home

JAMES C. LEDFORD, JR.
Mayor

STEVEN D. HOFBAUER
Mayor Pro Tem

MIKE DISPENZA
Councilmember

ROXANA MARTINEZ
Councilmember

FREDERICK THOMPSON
Councilmember

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*Auxiliary aids provided for
communication accessibility
upon 72 hours notice and request*

Mr. James Spano
Chief, Mandated Cost Audits Bureau
State Controller's Office
P.O. Box 942850
Sacramento, CA 94250-5874

**RE: RESPONSE TO SCO DRAFT AUDIT OF CITY OF PALMDALE'S
INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION
REPORTS PROGRAM CLAIMS
(FY 99-00 through FY 2012-13)**

April 11 2016

Dear Mr. Spano,

Attached are the City of Palmdale's responses to the Draft Audit issued by your office. Though we disagree with a couple of the findings, we found the overall audit process very professionally and promptly conducted by Mr. Doug Brejnak.

The following is a list of the findings we disagree with and request that your office reconsider:

FINDING 2 – REPORTING TO THE STATE DEPARTMENT OF JUSTICE

ISSUE 1: TIME TO CONDUCT PRELIMINARY INVESTIGATION TO THE POINT OF DETERMINING IF THE CASE IS FOUNDED/UNFOUNDED /INCONCLUSIVE AND WRITING THE REPORT

The City of Palmdale disagrees with the State Controller's Office's (SCO) contention that the "time increment per SCAR investigation was misstated".

The Sheriff staff at the City of Palmdale conducted two time studies over a two year time period in order to prepare the claims for State reimbursement. The first time study was not contemporaneous, but the time records were actuals derived from actual CAD logs and case files to determine the time spent as accurately as possible. To ensure the times

were accurate, the following year, the City conducted a second, contemporaneous time study. Both time studies yielded similar results, however, the second time study did not detail each activity separately and we believe it did not include report writing time which should have added an additional hour per case for a total of 3.67 hours to complete the investigation as mandated and write the report. The State is allowing 2.65 hours per case for the preliminary investigation and report writing.

The City offered to conduct another time study to support their time requested, however the SCO declined to consider this option stating that they believed that the difference in time was due to a disagreement regarding allowable activities, which would not be remedied by conducting another time study.

Specifically, the SCO and City disagree on the eligibility of certain activities the Deputy performs in the course of their preliminary investigation to determine if the case is Founded, Unfounded or Inconclusive as mandated. The City believes that the following activities fall within the scope of what is reimbursable:

- 1) The Palmdale Sheriff office takes cases of child abuse very seriously and is very thorough in their investigation of these types of cases, particularly since there have been a number of cases of child death in the city.

Prior to the Deputy going out on scene to conduct interviews, the Deputy will typically review prior call history (such as prior child abuse reports, suspect background checks, etc.) to determine if there were prior allegations of abuse made against that child, and if so, to review and familiarize themselves with the history of the case. In some cases they will call talk to the Department of Children and Family Services (DCFS). These activities were found to take an average of approximately 15 minutes per case.

The Department finds this step critical to understanding the circumstances of the case. This improves the overall efficiency and effectiveness in conducting the child abuse investigation. This is a part of the Palmdale Sheriff station's actual process for conducting their preliminary investigation to properly determine if the case is founded, unfounded, or inconclusive

The SCO found that this activity was not eligible. We disagree and request restoration of this activity for an additional 15 minutes per case.

- 2) The Deputy will often call to schedule the interviews with required parties. This activity appears to be unique to Palmdale and believe the reason for this is that the incorporated city area covers over 20 square miles in the high desert. Driving to and from locations can

be very time consuming and wasteful of Deputy time and resources. Therefore the Deputy often calls the school to see if the child is present before driving to the location to conduct the interview(s). The same applies to many of the other witnesses and suspects the deputy must interview.

This activity is part of their actual preliminary investigative process and therefore should be reimbursed as the State Mandate instructions required the reimbursement of actual costs. This activity was found to take an average of 5-10 minutes to call and schedule interviews per individual. On average, 5 individuals are interviewed in an investigation. Approximately 40 minutes per case was claimed and disallowed for this activity. We disagree with this reduction and believe that it should be reimbursed as it is a part of the standard procedure of the Palmdale Sheriff's office to conduct their preliminary investigation in order to determine if the cases is founded/unfounded/inconclusive. State Instructions required the reimbursement of actual costs.

It is important to note that drive time to interviews was NOT claimed by the City. This time alone would have added substantial costs to the claim given the geography of the city. The time to make phone calls to verify the location of the parties minimize driving and deputy hours is much more efficient then driving repeatedly to locations in hopes that the individuals are available at the time of the deputy's visit. This is a part of their actual process, is reasonable, and should be reimbursed.

We disagree with the disallowance of this activity and request the restoration of approximately 40 minutes per case of time for this activity.

- 3) A final item of dispute is whether or not the time for the Deputy to inspect the home of the alleged victim of child abuse to determine if the child is being neglected is an eligible activity. The Sheriff's Office contends that for many cases, particularly those alleging child neglect, inspecting the home is a necessary activity in the investigative process to determine if the report is founded or unfounded. An investigator cannot rely on the word of others to assess the living conditions of the child when their health and safety is in question. The officer has the duty to perform an inspection to ascertain appropriate living conditions, such as the availability of food in the home, running water, proper sanitation, etc.

It is estimated that this brief inspection added approximately 6 minutes to the time claimed per case. This time does NOT include the gathering or collection of evidence or other documentation for

criminal prosecution, but is simply to determine if the case was founded or unfounded.

We request the 6 minutes per case claimed for this activity be restored.

Mandate guidelines require the State reimburse local agencies for the actual costs of complying with the mandated statutes. Agencies are allowed some latitude in determining how to best comply with the mandate as State mandate law requires the payment of actual costs incurred. Each agency much have some flexibility to determine how to comply with mandates in the most effective and efficient manner. We believe our procedure is reasonable and minimized deputy time spent per case, while maximizing the efficient and accurately outcome of these investigations.

The Statement of Decision provides an explanation of the Commissions reasoning that their intent was to clarify that activities performed **after** the determination of whether the child abuse case was founded, unfounded or inconclusive were **not** reimbursable. Conversely, the preliminary investigation activities performed to make the determination of founded, unfounded or inconclusive **were eligible** for reimbursement.

All the activities discussed above and claimed by Palmdale took place in the preliminary investigative process, were necessary steps in determining if the case was founded, unfounded or inconclusive, and were not performed after that determination was made. As such, we believe these activities fall within the scope of what is reimbursable and request reinstatement of these costs.

FINDING 3 – SCO REJECTION OF ICRP/OVERHEAD RATES

The SCO denied the inclusion of the default 10% overhead costs to the City's claim for reimbursement allowed by the claiming instructions. The SCO auditor stated that there is already adequate overhead included in the contracted county billed hourly rates of the Deputy and Sergeant. They also contend that direct labor costs are not claimed – only contract costs, which are not subject to the ICRP.

The City disagrees with the SCO's contention that direct labor costs were not claimed. Direct labor costs were claimed, as can be seen in our claim forms. The hourly rate charged, includes benefits and some (not all) overhead as billed by the County for the Deputy and Sergeant positions.

Whether it is a contract deputy or an in-house police officer performing the mandated activities, actual overhead costs incurred by the local agency must be reimbursed as required by State Mandate guidelines. The SCO allowed some, but not all overhead incurred.

Additional Overhead incurred within the contract:

Every county has different methods for charging for their services. Most bill overhead separately as each city has some flexibility as to what and how many positions of each type they wish to purchase each fiscal year. Los Angeles County has a hybrid method of billing for their services. Most of the overhead charges are included in the cost of each Deputy contract rate. This overhead includes services such as dispatch, special unit services (homicide, sexual crimes, forensics, etc.), equipment, and other overhead positions such as a base level of administrative and clerical support.

In addition to this minimum level of overhead built into the sworn staff rates, each city has the option of purchasing additional supplemental overhead positions to their contract if they require additional support. Each fiscal year, the City purchased additional supplemental overhead positions through the contract, including Station Clerks, Administrative and Motor Sergeants (in addition to the Sergeants who were already built into the standard billing rates). These positions provide an added level of administrative support dedicated specifically to the City of Palmdale.

In some years the cities may be able to afford more direct staff and more overhead items and others years they cannot. In the lean years, response times and customer service may decline due to limited fiscal resources. When the actual overhead rates were calculated, they were found to range between 6% - 13%. In most of the examples provided, city wide overhead from a cost plan were not factored into the rates. If they had been, the rates would be substantially higher. The 10% State allowed default rates is a reasonable approximation of actual overhead costs incurred by the City. This 10% rate is not duplicative of any other overhead already billed within the Deputy hourly rate, but is in addition to that and is calculated based on the same unit – dollar of actual weighted contract hourly labor rate.

Additional Overhead incurred outside of the contract:

In addition to the County billed overhead, the City also contributed additional funds to support the law enforcement services contract. For example, there are City wide overhead costs documented in their FY 13-14 Cost Allocation Plan (\$1,001,171) including administrative time from the City Attorney, City Manager's Office, Finance, Human Resources, and the Public Safety Department.

Then there are additional city costs incurred to construct the Palmdale Sheriff's Station in 2004 including the donation of 11 acres of land estimated (estimated value of \$1.3 million) as well as for city provided infrastructure improvements of (approximately \$1.01 million).

- All these are valid examples of additional overhead costs not captured by the LA Sheriff's Deputy billing rate and denied for reimbursement in the SCO audit. The city provided many examples and documents supporting that it is actually incurring overhead costs over and above that which was included in the Deputy's standard billing rate. These types of city wide overhead items are eligible for reimbursement under the instruction and OMB A-87 and should be allowed for inclusion in our claims. (See attached examples).
- The rates calculated are based on dollar of actual weighed direct labor rates charged, so we can prove the rates are justified and properly applied to direct costs. We are happy to calculate the fully loaded ICRP rates, with City Wide overhead if the SCO desires. However, we believe that we have already provided more than enough support to justify the inclusion of the default 10% rate allowed in the State Instructions.
- Not allowing contract cities to be reimbursed for all actual overhead costs is punitive and in violation of the State Mandate guidelines which require the State to pay for all actual, eligible, and properly supported costs. An example of an ICRP is provided, however more are available upon request.

We request the restoration of the additional 10% default overhead/ICRP costs in the claims.

CONCLUSION:

In summary, we believe that the claims submitted by Palmdale were prepared in accordance with the claiming instruction, Statement of Decision, and the Parameters and Guidelines adopted by the Commission. We are willing to provide additional documentation upon request.

Thank you for the opportunity to respond to your findings in the Draft Audit Report. Please contact me at (661) 267-5411 or our consultant Annette Chinn at (916) 939-7901 with any questions.

Sincerely,

Karen Johnston, C.P.A.

Karen Johnston, C.P.A.
Finance Director/City Treasurer

**DECLARATION OF
ANNETTE S. CHINN
COST RECOVERY SYSTEMS,
CONSULTANT**

DECLARATION OF ANNETTE CHINN

I, Annette S. Chinn, declare as follows:

I am the owner and President of Cost Recovery System, Inc. a firm specializing in assisting cities and special districts to prepare and file State Mandate claims for reimbursement since 1999. Prior to founding Cost Recovery Systems Inc. I have been employed as a consultant in the State Mandates field since 1992.

I have been assisting the City of Palmdale to prepare claims for State Reimbursement since FY 1999-00. During FY 2013-14 I helped prepare the FY 1999-00 through FY 2011-12 Interagency Child Abuse and Neglect Reports claims (now a subject of this Incorrect Reduction Claim (IRC)). I participated in the State Audit of this program and helped draft the IRC for the City.

Prior to this audit, as a part of my State Mandate claim preparation services, I computed actual overhead rate computations or indirect cost rate proposals (ICRPS) for all of the law enforcement claims submitted by the city for Sheriff's Department costs from FY 2006-07 through FY 2016-17. I emailed original ICRP computations to the SCO auditor for FY 2006-07 through FY 2011-12-13 on January 12, 2016 for their review and consideration. (See attached ITEM B-1)

During the audit I helped prepare additional actual ICRP computations (See Incorrect Reduction Claim Appendix B, pages 51-73), titled "Sample ICRP Calculations" which are actual rates derived from actual Sheriff Contracts internal indirect charges as well as indirect charges from the City's Cost Allocation plan and additional infrastructure charges paid for by the city to support the law enforcement contract.

Based on claiming instructions and Federal guidelines, I believe these overhead costs are eligible for inclusion in the ICRP and are actual ICRP costs which the City is entitled to.

The Finance Director, Karen Johnston and I, repeatedly presented evidence both by phone and via email to the auditor showing additional actual overhead costs were incurred in support of the Sheriff's Contract and the actual rates computed from FY 2006-07 through FY 2012. I presented actual ICRP calculations used in the preparation of other State mandated Claims between FY 2006-07 through FY 2011-12. (See attached ITEM B-1)

I prepared amended actual ICRP rates to include City-wide overhead costs as provided by Finance Director, Karen Johnston (see IRC Appendix B page 51 – 73).

The SCO denied the inclusion of any overhead: either the default rate or the actual computed rates presented to the State Controller's staff.

The City demonstrated that it had incurred actual overhead costs. The City provide actual ICRP rate computations for the Interagency Child Abuse and Neglect Reporting Cost Claims during the audit and in the IRC.

The attached "Time Survey Questionnaire" (see attached ITEM B-2) was provided to me by the State Controller's Auditor Doug Brejnak upon my request after he conducted interviews with Deputies Deschamps and Porter who actually worked on mandated activities. Neither I nor any other City or LA Sheriff's representatives, such as the supervising Sergeant, were allowed to attend

these interviews conducted by the SCO auditor., however upon my request, after the interviews, the SCO auditor provided me with these questionnaires and responses from Deputies Tara Porter and Megan Deschamps. (See attached ITEM B-2).

Page 12 of TAB 2 of the SCO February 22, 2018 response states that, “We determined that the second time study (2013) was performed contemporaneously by the deputies who actually performed the claimed activities” and that “...during discussions with the Deputies *who completed the time study*, we determined that one SCAR investigation within the time study included unallowable activities.”

It is my belief that the 2013 Time Study was performed contemporaneously, but as shown in the Declaration from Detective Vanessa Reddy (attached to this response), she was the only employee who completed the 2013 time log in questions but she was never interviewed by the SCO auditor.

Based on my information and belief, the only employees interviewed by the SCO auditors were Deputy Tara Porter, Deputy Megan Deschamps, and their supervising Sergeant Paul Zarris.


Therefore, it is my belief that the SCO’s contention that (on pages 9 and 11, TAB 2 of the SCO February 22, 2018 response) that “one investigation that included activities occurring after the SCAR was determined to be a substantiated case of child abuse” and was ineligible because it included “post investigative activities” was incorrectly omitted because the SCO would not have been able to make this determination without interviewing the employee who actually worked on that investigation and that the removal of that case therefore was incorrect.

In addition, it is my belief that because the SCO auditor did not in fact interview the actual employee who completed the Time Logs upon which allowable time was based, it was not possible for the SCO to conclusively determine (page 13 TAB 2 of the SCO February 22, 2018 response) that “report writing ...was already included in the City’s time study” as they allege.

Based on Detective Vanessa Reddy declaration, she was never interviewed by the auditor and she did inadvertently omit report writing for a number of unfounded cases (see attached Declaration and attachments), therefore it is my belief that report writing time should have been allowed for those cases for which report writing was accidentally omitted.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct of my own personal knowledge, unless stated on information and belief, in which case, I believe the facts to be true and correct. If so required, I could and would testify to the statements made herein.

Executed this 24 day of August in Folsom, California.



Annette S. Chinn
President, Cost Recovery Systems Inc.

**SCO RESPONSE COPY
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DOCUMENT**



RECEIVED
February 22, 2018
Commission on
State Mandates

BETTY T. YEE
California State Controller

February 22, 2018

Heather Halsey
Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814

Re: Incorrect Reduction Claim (IRC)
Interagency Child Abuse and Neglect (ICAN) Investigation Reports, 17-0022-I-01
Penal Code Sections 11165.9, 11166, 11166.2, 11166.9, 11168 (formerly 11161.7),
11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977,
Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982,
Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter
1598; Statutes 1986, Chapter 1289 and 1496; Statutes 1987, Chapter 82, 531, and 1459;
Statutes 1988, Chapter 269, 1497, and 1580; Statutes 1989, Chapter 153; Statutes 1990,
Chapter 650, 1330, 1363, and 1603; Statutes 1992, Chapter 163, 459, and 1338; Statutes
1993, Chapter 219 and 510; Statutes 1996, Chapter 1080 and 1081; Statutes 1997, Chapter
842, 843, and 844; Statutes 1999, Chapter 475 and 1012; and Statutes 2000, Chapter 916;
California Code of Regulations, Title 11, Section 903 (Register 98, Number 29); Child
Abuse Investigation Report Form SS 8583 (Rev. 3/91)
Fiscal Years: 1999-2000, 2000-01, 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2005-
2006, 2006-2007, 2007-2008, 2008-2009, 2009-2010, 2010-2011, 2011-2012, and 2012-
2013.
City of Palmdale, Claimant

Dear Ms. Halsey:

The State Controller's Office is transmitting our response to the above-named IRC.

If you have any questions, please contact me by telephone at (916) 323-5849.

Sincerely,

LISA KUROKAWA, Bureau Chief
Division of Audits

LK/kw

18773

**RESPONSE BY THE STATE CONTROLLER'S OFFICE
TO THE INCORRECT REDUCTION CLAIM (IRC) BY
THE CITY OF PALMDALE**

Interagency Child Abuse and Neglect Investigation Reports Program

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Tab 2

**STATE CONTROLLER'S OFFICE ANALYSIS AND RESPONSE
TO THE INCORRECT REDUCTION CLAIM BY
THE CITY OF PALMDALE**

For Fiscal Year (FY) 1999-2000, FY 2000-01, FY 2001-02, FY 2002-03, FY 2003-04, FY 2004-05, FY 2005-06, FY 2006-07, FY 2007-08, FY 2008-09, FY 2009-10, FY 2010-11, FY 2011-12, and FY 2012-13

**Interagency Child Abuse and Neglect Investigation Reports Program
Penal Code Sections 11165.9, 11166, 11166.2, 11166.9, 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapter 1289 and 1496; Statutes 1987, Chapter 82, 531, and 1459; Statutes 1988, Chapter 269, 1497, and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapter 650, 1330, 1363, and 1603; Statutes 1992, Chapter 163, 459, and 1338; Statutes 1993, Chapter 219 and 510; Statutes 1996, Chapter 1080 and 1081; Statutes 1997, Chapter 842, 843, and 844; Statutes 1999, Chapter 475 and 1012; and Statutes 2000, Chapter 916; California Code of Regulations, Title 11, Section 903 (Register 98, Number 29); Child Abuse Investigation Report Form SS 8583 (Rev. 3/91)**

SUMMARY

The following is the State Controller's Office's (SCO) response to the Incorrect Reduction Claim (IRC) that the City of Palmdale submitted on November 7, 2017. The SCO audited the city's claims for costs of the legislatively mandated Interagency Child Abuse and Neglect Investigation Reports Program for the period of July 1, 1999, through June 30, 2013. The SCO issued its final report on May 19, 2016 (**Exhibit K**).

The city submitted reimbursement claims totaling \$5,600,497—\$280,007 for fiscal year (FY) 1999-00 (**Exhibit R**), \$305,011 for FY 2000-01 (**Exhibit S**), \$330,276 for FY 2001-02 (**Exhibit T**), \$358,743 for FY 2002-03 (**Exhibit U**), \$387,691 for FY 2003-04 (**Exhibit V**), \$418,175 for FY 2004-05 (**Exhibit W**), \$460,866 for FY 2005-06 (**Exhibit X**), \$529,095 for FY 2006-07 (**Exhibit L**), \$594,897 for FY 2007-08 (**Exhibit M**), \$545,263 for FY 2008-09 (**Exhibit N**), \$626,396 for FY 2009-10 (**Exhibit O**), \$465,822 for FY 2010-11 (**Exhibit P**), \$206,956 for FY 2011-12 (**Exhibit Q**) and \$91,299 for FY 2012-13 (**Tab 3**). Subsequently, the SCO audited these claims and determined that \$2,961,652 is allowable and \$2,638,845 is unallowable because the city overstated the number of suspected child abuse reports (SCARs) investigated, overstated time increments for each fiscal year, and claimed ineligible indirect costs.

The following table summarizes the audit results:

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustments
<u>July 1, 1999, through June 30, 2000</u>			
Direct costs:			
Reporting between local departments:			
Referring initial child abuse reports	\$ 363	\$ 363	\$ -
Cross-reporting from law enforcement	2,126	1,778	(348)
Reporting to the State Department of Justice:			
Completing an investigation	252,063	144,104	(107,959)
Total direct costs	254,552	146,245	(108,307)
Indirect costs	25,455	-	(25,455)
Total program costs	<u>\$ 280,007</u>	<u>146,245</u>	<u>\$ (133,762)</u>
Less amount paid by the State ¹		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 146,245</u>	

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustments
<u>July 1, 2000, through June 30, 2001</u>			
Direct costs:			
Reporting between local departments:			
Referring initial child abuse reports	\$ 396	\$ 396	\$ -
Cross-reporting from law enforcement	2,303	1,929	(374)
Reporting to the State Department of Justice:			
Completing an investigation	274,584	156,811	(117,773)
Total direct costs	277,283	159,136	(118,147)
Indirect costs	27,728	-	(27,728)
Total program costs	<u>\$ 305,011</u>	<u>159,136</u>	<u>\$ (145,875)</u>
Less amount paid by the State ¹		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 159,136</u>	

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustments
<u>July 1, 2001, through June 30, 2002</u>			
Direct costs:			
Reporting between local departments:			
Referring initial child abuse reports	\$ 427	\$ 427	\$ -
Cross-reporting from law enforcement	2,509	2,101	(408)
Reporting to the State Department of Justice:			
Completing an investigation	296,302	169,221	(127,081)
Forwarding reports to the Department of Justice	1,013	-	(1,013)
Total direct costs	300,251	171,749	(128,502)
Indirect costs	30,025	-	(30,025)
Total Program Costs	<u>\$ 330,276</u>	<u>171,749</u>	<u>\$ (158,527)</u>
Less amount paid by the State ¹		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 171,749</u>	

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustments
<u>July 1, 2002, through June 30, 2003</u>			
Direct costs:			
Reporting between local departments:			
Referring initial child abuse reports	\$ 465	\$ 465	\$ -
Cross-reporting from law enforcement	2,726	2,276	(450)
Reporting to the State Department of Justice:			
Completing an investigation	322,938	184,533	(138,405)
Total direct costs	326,129	187,274	(138,855)
Indirect costs	32,614	-	(32,614)
Total Program Costs	<u>\$ 358,743</u>	<u>187,274</u>	<u>\$ (171,469)</u>
Less amount paid by the State ¹		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 187,274</u>	

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustments
<u>July 1, 2003, through June 30, 2004</u>			
Direct costs:			
Reporting between local departments:			
Referring initial child abuse reports	\$ 503	\$ 503	\$ -
Cross-reporting from law enforcement	2,963	2,461	(502)
Reporting to the State Department of Justice:			
Completing an investigation	348,981	199,583	(149,398)
Total direct costs	352,447	202,547	(149,900)
Indirect costs	35,244	-	(35,244)
Total Program Costs	<u>\$ 387,691</u>	<u>202,547</u>	<u>\$ (185,144)</u>
Less amount paid by the State ¹		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 202,547</u>	

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustments
<u>July 1, 2004, through June 30, 2005</u>			
Direct costs:			
Reporting between local departments:			
Referring initial child abuse reports	\$ 542	\$ 542	\$ -
Cross-reporting from law enforcement	3,225	2,840	(385)
Reporting to the State Department of Justice:			
Completing an investigation	376,392	226,107	(150,285)
Total direct costs	380,159	229,489	(150,670)
Indirect costs	38,016	-	(38,016)
Total Program Costs	<u>\$ 418,175</u>	<u>229,489</u>	<u>\$ (188,686)</u>
Less amount paid by the State ¹		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 229,489</u>	

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustments
<u>July 1, 2005, through June 30, 2006</u>			
Direct costs:			
Reporting between local departments:			
Referring initial child abuse reports	\$ 597	\$ 597	\$ -
Cross-reporting from law enforcement	3,570	3,170	(400)
Reporting to the State Department of Justice:			
Completing an investigation	414,802	253,952	(160,850)
Total direct costs	418,969	257,719	(161,250)
Indirect costs	41,897	-	(41,897)
Total Program Costs	<u>\$ 460,866</u>	<u>257,719</u>	<u>\$ (203,147)</u>
Less amount paid by the State ¹		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 257,719</u>	

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustments
<u>July 1, 2006, through June 30, 2007</u>			
Direct costs:			
Reporting between local departments:			
Referring initial child abuse reports	\$ 684	\$ 684	\$ -
Cross-reporting from law enforcement	4,136	3,588	(548)
Reporting to the State Department of Justice:			
Completing an investigation	476,175	283,619	(192,556)
Total direct costs	480,995	287,891	(193,104)
Indirect costs	48,100	-	(48,100)
Total Program Costs	<u>\$ 529,095</u>	<u>287,891</u>	<u>\$ (241,204)</u>
Less amount paid by the State ¹		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 287,891</u>	

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustments
<u>July 1, 2007, through June 30, 2008</u>			
Direct costs:			
Reporting between local departments:			
Referring initial child abuse reports	\$ 770	\$ 770	\$ -
Cross-reporting from law enforcement	4,653	3,893	(760)
Reporting to the State Department of Justice:			
Completing an investigation	535,393	308,542	(226,851)
Total direct costs	540,816	313,205	(227,611)
Indirect costs	54,081	-	(54,081)
Total Program Costs	<u>\$ 594,897</u>	<u>313,205</u>	<u>\$ (281,692)</u>
Less amount paid by the State ¹		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 313,205</u>	

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustments
<u>July 1, 2008, through June 30, 2009</u>			
Direct costs:			
Reporting between local departments:			
Referring initial child abuse reports	\$ 705	\$ 705	\$ -
Cross-reporting from law enforcement	4,261	3,540	(721)
Reporting to the State Department of Justice:			
Completing an investigation	490,727	280,339	(210,388)
Total direct costs	495,693	284,584	(211,109)
Indirect costs	49,570	-	(49,570)
Total Program Costs	<u>\$ 545,263</u>	<u>284,584</u>	<u>\$ (260,679)</u>
Less amount paid by the State ¹		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 284,584</u>	

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustments
<u>July 1, 2009, through June 30, 2010</u>			
Direct costs:			
Reporting between local departments:			
Referring initial child abuse reports	\$ 811	\$ 811	\$ -
Cross-reporting from law enforcement	4,880	4,290	(590)
Reporting to the State Department of Justice:			
Completing an investigation	563,760	338,718	(225,042)
Total direct costs	569,451	343,819	(225,632)
Indirect costs	56,945	-	(56,945)
Total Program Costs	<u>\$ 626,396</u>	<u>343,819</u>	<u>\$ (282,577)</u>
Less amount paid by the State ¹		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 343,819</u>	

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustments
<u>July 1, 2010, through June 30, 2011</u>			
Direct costs:			
Reporting between local departments:			
Referring initial child abuse reports	\$ 602	\$ 602	\$ -
Cross-reporting from law enforcement	3,653	3,281	(372)
Reporting to the State Department of Justice:			
Completing an investigation	419,220	257,026	(162,194)
Total direct costs	423,475	260,909	(162,566)
Indirect costs	42,347	-	(42,347)
Total Program Costs	<u>\$ 465,822</u>	<u>260,909</u>	<u>\$ (204,913)</u>
Less amount paid by the State ¹		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 260,909</u>	

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Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustments
<u>July 1, 2011, through June 30, 2012</u>			
Direct costs:			
Reporting between local departments:			
Referring initial child abuse reports	\$ 596	\$ 596	\$ -
Cross-reporting from law enforcement	3,600	3,143	(457)
Reporting to the State Department of Justice:			
Completing an investigation	183,946	110,563	(73,383)
Total direct costs	188,142	114,302	(73,840)
Indirect costs	18,814	-	(18,814)
Total Program Costs	<u>\$ 206,956</u>	114,302	<u>\$ (92,654)</u>
Less amount paid by the State ¹		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 114,302</u>	

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustments
<u>July 1, 2012, through June 30, 2013</u>			
Direct costs:			
Reporting between local departments:			
Referring initial child abuse reports	\$ 469	\$ 469	\$ -
Cross-reporting from law enforcement	82,530	2,314	(80,216)
Total direct costs	82,999	2,783	(80,216)
Indirect costs	8,300	-	(8,300)
Total Program Costs	<u>\$ 91,299</u>	2,783	<u>\$ (88,516)</u>
Less amount paid by the State ¹		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 2,783</u>	

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustments
<u>Summary: July 1, 1999, through June 30, 2013</u>			
Direct costs:			
Reporting between local departments:			
Referring initial child abuse reports	\$ 7,930	\$ 7,930	\$ -
Cross-reporting from law enforcement	127,135	40,604	(86,531)
Reporting to the State Department of Justice:			
Completing an investigation	4,955,283	2,913,118	(2,042,165)
Forwarding reports to the Department of Justice	1,013	-	(1,013)
Total direct costs	5,091,361	2,961,652	(2,129,709)
Indirect costs	509,136	-	(509,136)
Total Program Costs	<u>\$ 5,600,497</u>	2,961,652	<u>\$ (2,638,845)</u>
Less amount paid by the State ¹		-	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 2,961,652</u>	

¹ Payment information current as of January 22, 2018.

6

I. INTERAGENCY CHILD ABUSE AND NEGLECT INVESTIGATION REPORTS PROGRAM CRITERIA

Adopted Parameters and Guidelines–December 6, 2013

Various statutory provisions; Title 11, California Code of Regulations, Section 903; and the Child Abuse Investigation Report Form SS 8583 require cities and counties to perform specific duties for reporting child abuse to the State, and to perform record-keeping and notification activities that were not required by prior law, thus mandating a new program or higher level of service.

Penal Code sections 11165.9, 11166, 11166.2, 11166.9, 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) were added and/or amended by:

- Statutes of 1977, Chapter 958;
- Statutes of 1980, Chapter 1071;
- Statutes of 1981, Chapter 435;
- Statutes of 1982, Chapters 162 and 905;
- Statutes of 1984, Chapters 1423 and 1613;
- Statutes of 1985, Chapter 1598;
- Statutes of 1986, Chapters 1289 and 1496;
- Statutes of 1987, Chapters 82, 531, and 1459;
- Statutes of 1988, Chapters 269, 1497, and 1580;
- Statutes of 1989, Chapter 153;
- Statutes of 1990, Chapters 650, 1330, 1363, and 1603;
- Statutes of 1992, Chapters 163, 459, and 1338;
- Statutes of 1993, Chapters 219 and 510;
- Statutes of 1996, Chapters 1080 and 1081;
- Statutes of 1997, Chapters 842, 843, and 844;
- Statutes of 1999, Chapters 475 and 1012; and
- Statutes of 2000, Chapter 916.

This program addresses statutory amendments to California's mandatory child abuse reporting laws commonly referred to as ICAN. A child abuse reporting law was first added to the Penal Code in 1963, and initially required medical professionals to report suspected child abuse to local law enforcement or child welfare authorities. The law was expanded to include more professions that are required to report suspected child abuse (now termed *mandated reporters*), and in 1980, California reenacted and amended the law, entitling it the Child Abuse and Neglect Reporting Act. As part of this program, the Department of Justice (DOJ) maintains a Child Abuse Centralized Index, which, since 1965, has maintained reports of child abuse statewide. A number of changes to the law have been made, particularly with a reenactment in 1980, and substantive amendments in 1997 and 2000.

The Act, as amended, provides for reporting of suspected child abuse or neglect by certain individuals identified by their profession as having frequent contact with children. The Act provides rules and procedures for local agencies, including law enforcement, that receive such reports. The Act provides for cross-reporting among law enforcement and other child protective agencies, and to licensing agencies and district attorneys' offices. The Act requires reporting to the DOJ when a report of suspected child abuse is "not unfounded." The Act requires an active investigation before a report can be forwarded to the DOJ. As of January 1, 2012, the Act no longer requires law enforcement agencies to report to the DOJ, and now requires reporting only of "substantiated" reports by other agencies. The Act imposes additional cross-reporting and recordkeeping duties in the event of a child's death from abuse or neglect. The Act requires agencies and the DOJ to keep records of investigations for a minimum of ten years, and to notify suspected child abusers that they have been listed in the Child Abuse Central Index. The Act imposes certain due process protections owed to persons listed in the

index, and describes other situations in which a person would be notified of his or her listing in the index.

On December 19, 2007, the Commission on State Mandates (Commission) adopted a statement of decision (**Exhibit B**) finding that the test claim statutes impose a partially reimbursable state-mandated program upon local agencies within the meaning of article XIII B, section 6 of the California Constitution and Government Code section 17514. The Commission approved the test claim for the reimbursable activities described in program's parameters and guidelines, section IV, performed by city and county police or sheriff's departments, county welfare departments, county probation departments designated by the county to receive mandated reports, district attorneys' offices, and county licensing agencies. The Commission outlined reimbursable activities relating to the following categories:

- Distributing the suspected child abuse report form;
- Reporting between local departments;
- Reporting to the State Department of Justice;
- Providing notifications following reports to the Child Abuse Central Index (CACI);
- Retaining records; and
- Complying with due process procedures offered to person listed in CACI.

The program's parameters and guidelines (**Tab 5**) establish the State mandate and define the reimbursement criteria. The Commission adopted the statement of decision (**Tab 4**) and the parameters and guidelines on December 6, 2013. In compliance with Government Code section 17558, the SCO issues claiming instructions to assist local agencies in claiming mandated program reimbursable costs.

SCO Claiming Instructions

The SCO annually issues mandated cost claiming instructions, which contain filing instructions for mandated cost programs. The April 28, 2014 claiming instructions (**Exhibit J**) are believed to be, for the purposes and scope of the audit period, substantially similar to the version extant at the time the city filed its mandated cost claims.

II. MISINTERPRETATION OF ELIGIBLE ACTIVITIES

(Finding 2: Unallowable Contract Service Costs – Reporting to the State Department of Justice)

Issue

The SCO determined that the city overstated contract service costs for the Reporting to the State Department of Justice (DOJ) cost component totaling \$2,043,178 for the audit period (**Tab 6**). The SCO concluded that the costs were unallowable because the city overstated the number of Suspected Child Abuse Report (SCAR) investigations and misstated the average time increment per SCAR investigation for the Complete an Investigation for the Purposes of Preparing the Report component activity for FY 1999-00 through FY 2011-12. Furthermore, the city erroneously claimed \$1,013 in costs under the Forward Reports to the DOJ component activity in FY 2001-02.

In an IRC filed on November 7, 2017, the city disagrees with the SCO's reduction of the average time increment claimed per SCAR investigation and the SCO's interpretation of eligible activities. The city believes that the full time increment claimed for the Complete an Investigation component activity should be allowable. The city does not dispute the portion of the audit findings relating to the overstated SCAR investigations claimed for the audit period, nor the misstated \$1,013 in costs claimed within the Forward Reports to the DOJ component activity in FY 2001-02. The portion of the finding relating to the average time increment disputed totals \$1,132,337 for the audit period (**Tab 7**).

SCO Analysis:

Section IV.B.3.1 of the program's parameters and guidelines (**Tab 5**) allow reimbursement of the actual costs incurred to complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive, for purposes of preparing and submitting the Form SS 8583 to the State DOJ. This activity includes reviewing the initial SCAR (Form SS 8572), conducting initial interviews with involved parties, and making a report of the findings of those interviews. The Commission clarified multiple times in its statement of decision (**Tab 4**) that reimbursement is limited to the activities noted in the parameters and guidelines.

The city contracts with the Los Angeles County Sheriff's Department (LASD) to perform all law enforcement activities, including investigating cases of suspected child abuse. The city staff does not perform any of the reimbursable activities under this program. The city claimed contract services costs but misclassified these costs as salaries and benefits in its claims. We reclassified the costs to contract services during the audit.

The city claimed contract services costs totaling \$4,956,296 under the Complete an Investigation component activity (**Tab 6**) using an average time increment of 3.67 hours per SCAR investigation claimed. Of the time increment claimed, 3.5 hours were for the Deputy to conduct the investigation and prepare a report and 0.17 hours were for the Sergeant to review the report (**Tab 10**). The city's claimed time increments were based on two time studies performed by staff at the LASD Palmdale Station. The first time study showed an average time increment of 3.93 hours per SCAR investigation (**Tab 8**) and the second time study indicated 3.27 average time increment per SCAR investigation (**Tab 9**).

We found the first time study, totaling 3.93 hours, to be inappropriate to support actual costs, as the study was not performed contemporaneously, was performed by staff who did not complete the actual investigation activities claimed, used time estimates, and used a sample of cases that were not representative of the total population of SCAR investigations. Furthermore, we determined that the second time study, totaling 3.27 hours, included one SCAR investigation with unallowable activities performed after the initial SCAR investigation was completed. However, we determined the results of the second time study to be appropriate to use, with the exception of the one investigation that included activities occurring after the SCAR was determined to be a substantiated case of child abuse. Therefore, we accepted the city's second time study (**Tab 9**), with the exception of one case, and used it for our further analysis.

During the audit, we analyzed the city's second time study and individual activities included in it and removed the time allotment for one case that included unallowable investigation time. We then computed a revised average time increment of 2.65 hours per SCAR investigation (2.45 for the Deputy and 0.20 for the Sergeant) to perform reimbursable activities listed in the parameters and guidelines (**Tab 12**). We verified the reasonableness of the second time study results by conducting a time survey that included interviewing both LASD Deputies who are assigned to perform SCAR investigations at the Palmdale Station. Our time survey revealed an average time increment ranging between 2.29 hours and 2.71 hours to complete reimbursable investigation activities (**Tab 13**). As the 2.65 hours determined from the second time study fell within the survey range, we determined that the time documented within the city's second time study (less one unallowable investigation mentioned earlier) was an accurate representation of the actual time needed to perform reimbursable activities for this component.

City's Response

ISSUE 1:

SCO's interpretation of eligible activities was excessively restrictive and denies local agencies reimbursement of reasonable necessary, actual activities involved in the preliminary investigative process to "Complete an investigation to determine whether a report of suspected child abuse or sever neglect is unfounded, substantiated, or Inconclusive..."

"Government Code (GC) sections 17500 through 17617 provide 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."

"All claims received by the SCO will be reviewed to verify all actual costs claimed. An adjustment of the claim will be made if the amount claimed is determined to be excessive, improper, or unreasonable."

Per Code of Regulations, Title 2, section 1183.1, "Reasonably necessary activities are defined in the regulations as "those methods not specified in statute or executive order that are necessary to carry out the mandated program."

Claiming Instructions and Parameters and Guidelines Component 3.a.1) Complete an investigation for purposes of preparing the report state: "this activity includes review of the initial Suspected Child Abuse Report (Form 8572), conducting interviews with parents, victims, suspects, or witnesses, where applicable, and making a report of the findings of those interviews, which may be reviewed by a supervisor." Are eligible for reimbursement

SCO argues that eligible activities are STRICTLY LIMITED TO this list of tasks. Claimant disagrees and believes that these were general guidelines meant to provide direction, and not meant to be an exclusive and exhaustive list of eligible tasks that take place during the preliminary investigative process to determine if the child abuse or neglect case is founded or unfounded. To assume so is unreasonable and violates the intent of State Mandate Statutes which ensure the reimbursement of actual costs incurred to comply with the State mandated program.

The specific activities in denied by the SCO in dispute are:

- 1) Review preliminary documents and materials to determine if interviews are necessary. This may include checking to see if a report was already written (duplication), call CPS or reporting agency to obtain more details of the case, checking prior history, and other considerations.

(SCO is only allowing time to review the SCAR)

- 2) identify involved parties
- 3) schedule and set up interviews via phone and/or email when needed
- 4) travel to meet with parties involved in the investigation
- 5) inspection of home (in instances related to allegations of neglect) to determine living conditions- food, running water, safe living conditions, etc.

Relying on parent interviews or locating other possible witnesses to determine living conditions is often not appropriate or reasonable. The inspection of the child's living conditions is not being done to "collect evidence for criminal prosecution", but to determine if the child is suffering neglect – specifically to determine if the case is founded or unfounded. We believe the Commission would find this activity eligible since it is done prior to or in conjunction with the first interview phase of the investigation. It is Patrol level staff that would do this activity (not Detective level which review would occur during the evidence collection phase for criminal prosecution.)

On pages 34 of the December 2013 Statement of Decision California Department of Social Services (CDSS) argues (and Commission agrees) that only an investigation similar to one that is conducted by CDSS – and not as detailed as those conducted by law enforcement agencies – should be allowed.

CDSS testimony states that, "prior to the actual interviews, the social worker must make a multitude of considerations to first decide whether an in-person investigation is necessary". That is exactly the same process law enforcement goes through in reviewing each case, however those activities and costs are being disallowed by SCO auditors.

Page 35 CDSS describes the process their staff goes through to make the determination as to whether the investigation requires referral to the Department of Justice (DOJ) under CANRA (Child Abuse and Neglect Reporting). "In summary, these rules require the social worker to first decide whether an in-person investigation is necessary, which includes consideration of a multitude of considerations. If an in-person investigation of reported child abuse is determined to be necessary, the CDSS regulations at MPP 31-114 describe what steps are necessary for the conduct of the investigation."

"These rules require direct contact with the alleged child victims, and at least one adult who has information regarding the allegations. If after that stage the social worker does not find the referral to be unfounded, the social worker must conduct an in person investigation with all the children present at the time of the initial in person investigation, all parents who have access to the child alleged to be at risk of abuse, noncustodial parents if he/she has regular or frequent in person contact with the child, and make necessary collateral contacts with persons having knowledge of the condition of the child. Based on these investigative activities, the social worker is required under CDSS regulations at MPP 31-501 to determine whether the results of the investigation require referral to the Department of Justice under CANRA."

Page 37 the Commission concludes: "Therefore, because in-person interviews and writing a report of the findings are the last step taken by law enforcement before determining whether to proceed with a criminal investigation or close the investigation, and the last step that county welfare departments take before determining whether to forward the report to the DOJ and possibly refer the matter to law enforcement, that degree of investigative effort must be the last step that is necessary to comply with the mandate."

Based on the Statement of Decision discussion, we believe that the activities listed above and performed by law enforcement agencies before this "last step" in the investigative process are eligible for reimbursement.

SCO's reductions of time for the investigative steps conducted prior to the in-person interviews and report writing are incorrect and time reduced should be restored.

SCO's Comment

The city is disputing the SCO's determination of the allowable average time increment per SCAR for the Complete an Investigation for the Purposes of Preparing the Report activity under the Reporting to the State DOJ cost component. The portion of the finding relating to the average time increment disputed totals \$1,132,337 for the audit period (Tab 7). The SCO determined the allowable average time increment per SCAR from the city's second time study performed by staff at the LASD Palmdale Station (Tabs 9 and 12). The city has not provided any additional documentation relating to the time increment disputed since the final audit report was issued, including within its IRC. The SCO responded to this same issue in our final audit report (Exhibit K).

The city argues within its IRC that the SCO incorrectly reduced the average time increments for the Complete an Investigation component activity based on the denial of investigative steps that occur prior to the in-person interviews. The city asserts in its IRC that additional preliminary activities are reasonably necessary investigation steps and, therefore, should be reimbursable. We disagree. In addition, we would like to clarify that the reduction in the disputed time increment was due to the city including post-investigation activities within its second time study and not due to the inclusion of the preliminary investigation activities. The revised time increment is based on all of the time increments documented in the city's second time study less one case, which included unallowable activities occurring after the case was determined to be substantiated (Tabs 9 and 12). This issue was already discussed in the SCO's final audit report (Exhibit K).

As the SCO did not make any adjustments to the city's time increment based on preliminary investigation activities, we believe that the city's arguments are not valid and the audit findings should remain unchanged. Nevertheless, we will address both the time study and preliminary activities issues below.

Time Study

During audit fieldwork, the city provided documentation of two time studies performed by the LASD. The investigation activities recorded by LASD included (Tab 9):

- 1) Initially respond and begin documentation of a case and contact the County Welfare Department.
- 2) Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive.
- 3) Prepare a written report for every case investigated of known or suspected child abuse or severe neglect.
- 4) Review and approve the report.

The above investigation activities included in the LASD time study are in line with the activities outlined in the parameters and guidelines (Tab 5) which allow reimbursement for:

- 1) Reviewing the initial SCAR (Form SS 8572);
- 2) Conducting initial interviews with involved parties; and
- 3) Making a report of the findings of the interviews (which may include a review of the report by a supervisor).

The first time study (Tab 8) resulted in a total average time increment of 3.93 hours per SCAR, while the second time study (Tab 9) resulted in a total average time increment of 3.27 hours per SCAR. Using both time studies, the city claimed a total average time increment of 3.67 hours per SCAR (Tab 10). Of the total time claimed, 3.5 hours were for the Deputy to conduct an investigation and prepare a report and 0.17 hours were for the Sergeant to review the report. It should also be noted that while amending its claim in the summer of 2015, the city added 0.39-hour time increment to the second time study conducted by LASD deputies in September 2013 (Tab 11). The city added this time increment because it felt that the report writing time documented by the LASD Deputies was insufficient.

During audit fieldwork, we reviewed both time studies performed to determine the reasonableness and accuracy of the time increments claimed. After discussions with LASD staff, we found the first time study to be inappropriate to support actual costs, as the study was not performed contemporaneously, was performed by staff who did not complete the actual investigation activities claimed, used time estimates, and used a sample of cases only consisting of founded cases of child abuse.

We determined that the second time study was performed contemporaneously by the Deputies who actually performed the claimed activities and included a representative sample of various SCAR investigations. However, during discussions with the Deputies who completed the time study, we determined that one SCAR investigation within the time study included unallowable activities. We found that the case in question, which recorded over six hours more time than the next longest investigation, included activities occurring after the initial SCAR investigation was completed and referred to the LASD Special Victims Unit (SVU) (Tab 9). Furthermore, we determined that the 0.39-hour time increment added by the city two years after the completion of the time study was ineligible

because report writing activity is one of the four activities already included in the city's time study (Tabs 9 and 11).

Upon completion of our review, we determined that the results of the second time study would be appropriate to use, with the exception of the one investigation that included activities occurring after the case was determined to be a substantiated case of child abuse and was referred to the SVU. The average time per case, using the second time study results (less the unallowable hours of the one case), totaled 2.65 hours (Tab 12). Of the total allowable time increment, 2.45 hours were applied to the Deputy position, while 0.20 hours were attributed to the Sergeant position.

To verify this time increment, we interviewed the Deputies responsible for performing ICAN investigations at the LASD Palmdale Station. We conducted time surveys with the Deputies (Tab 13) to verify the average time needed to perform SCAR investigations. Activities within the time survey questionnaire included:

- Reviewing SCARs;
- Researching other items;
- Conducting interviews with victims, parents, suspects, and witnesses;
- Inspecting residences;
- Coordinating with SVU;
- Writing incident/crime reports;
- Reviewing reports by supervisors; and
- Clearing cases within the E-SCARS database.

The Deputies' answers on the time survey questionnaires resulted in the time increments ranging from 2.29 hours to 2.71 hours per SCAR investigation (Tab 13). As the average 2.65-hour time increment determined from the second time study fell within this range, we accepted the 2.65-hour time increment and used it within our calculation of allowable costs (Tabs 12 and 6).

Contrary to the city's argument in its IRC, the SCO made no adjustments to the city's time increment for ineligible preliminary investigation activities. Preliminary investigation activities did not have an impact on the SCO's analysis of the allowable time increment per SCAR. The allowable time increments used within the audit report were based on the city's own time study (less the one investigation that included time for activities performed after the initial investigation was completed). We believe the allowable costs determined during the audit should remain unchanged.

Additional Preliminary Investigation Activities

Within its IRC, the city argues that the reduction in the time increment by SCO was due to the exclusion of the following five activities:

- 1) Reviewing preliminary documents and material to determine if interviews are necessary;
- 2) Identifying involved parties;
- 3) Scheduling and setting up interviews;
- 4) Traveling to meet with parties involved in the investigation; and
- 5) Inspecting the home to determine living conditions.

The city's assertions are incorrect. As discussed above, the SCO did not make any adjustments to the city's time increment for preliminary investigation activities. Despite making no adjustments for these activities, we disagree with the city's argument that the preliminary activities listed by the city are

eligible for reimbursement under this program. Activity five (Inspecting the home) was included in the SCO's time survey questionnaire (Tab 13); and although this activity may also go beyond the scope of the mandate, the SCO accepted this activity from the time survey questionnaire, as it was immaterial. Furthermore, Form SS 8572 already identifies involved parties (Tab 14) making activity two redundant.

We agree that the Deputies perform many activities necessary to complete the child abuse investigations. However, not all activities within the investigation process are allowable for reimbursement, even when they appear reasonably necessary. We believe that the preliminary investigation activities described by the city go beyond the scope of the reimbursable component and, therefore, are unallowable for reimbursement.

Section IV.B.3.1 of the program's parameters and guidelines (Tab 5) allow reimbursement of the actual costs incurred to review the initial SCARs, conduct initial interviews with involved parties, and make a report of the findings of those interviews. All of these activities were documented in the LASD time study and are included within the 2.65-hour average calculated during audit fieldwork.

The Commission clarified multiple times in its statement of decision (Tab 4) that the activities outside of those listed in the parameters and guidelines are not reimbursable.

The Commission states on page 35 of its December 2013 statement of decision (Tab 4):

...interviews with suspect(s), victim(s), and witness(es) conducted by county welfare departments are sufficient to comply with the mandate, and that law enforcement activities are reimbursable only to the same extent. The claimant has requested reimbursement, as discussed above, for much more extensive investigation normally pursued by law enforcement agencies, whether the investigations results in a finding of no child abuse, or a finding that the suspected child abuse is substantiated....the Commission finds that a patrol officer's (or county probation or county welfare employee's) interview with the child, parents, siblings, witnesses, and/or suspect(s), and preliminary report of the findings, including supervisory review, constitute the maximum extent of investigation necessary to make the determination whether to forward the report to DOJ, and to make the report retainable.

The Commission also states on page 33 of its statement of decision (Tab 4):

....the scope of investigation is limited to the degree of investigation that DOJ has allowed to constitute a 'retainable report;' in other words, the *minimum* degree of investigation that is sufficient to complete the reporting requirement is the *maximum* degree of investigation reimbursable under the test claim statute...

The city misinterprets the statement of decision and provides a quote from page 37 in its IRC:

...because in-person interview and writing a report of the findings are the last step taken by law enforcement before determining whether to proceed with a criminal investigation or close the investigation, and the last step that county welfare departments take before determining whether to forward the report to the DOJ and possibly refer the matter to law enforcement, that degree of investigative effort must be the last step that is necessary to comply with the mandate.

The city infers from this quote that all preliminary investigation activities, even if not listed in the parameters and guidelines, should be reimbursable. We disagree. The city is taking the Commission's analysis out of context. The Commission continues on the same page to state that:

....the maximum extent under the mandate includes patrol officer's (or county probation or county welfare employee's) interviews with the child, parents, witnesses, and/or suspects, and the reporting of those findings, which may be reviewed by a supervisor, where applicable.

ITEM B-1

From: AChinnCRS@aol.com
Sent: Monday, February 29, 2016 10:05 AM
To: DBrejnak@sco.ca.gov; kjohnston@cityofpalmdale.org
Cc: MVorobyova@sco.ca.gov
Subject: Re: Exit Conference Agenda Handout

Hi Doug,

You mentioned in your email that the ICRPs that I submitted had "other issues" - could you please explain these to me prior to our exit conference?

Thank you,

Annette S. Chinn
Cost Recovery Systems, Inc.
705-2 E. Bidwell Street #294
Folsom, CA 95630

phone (916) 939-7901
fax (916) 939-7801

In a message dated 2/26/2016 2:52:15 P.M. Pacific Standard Time, DBrejnak@sco.ca.gov writes:

Hi Karen,

Attached is the agenda for the exit conference on March 7th. I have also attached a schedule of allowable costs which summarizes each of the audit finding amounts. The findings have not been changed since the last status meeting.

I have reviewed all the city's indirect cost support and our position has not changed. The program's parameters and guidelines allows a 10% indirect cost rate against direct salaries claimed. However, the city's claim contains no direct salaries. The claim is made up entirely of contracted service costs. The ICRP also has a number of issues which we can discuss further at the exit conference if you would like.

Please let me know if you have any questions about the agenda or schedule 1. See you on the 7th.

Thanks,

Douglas Brejnak

Staff Management Auditor (Specialist)

State Controller's Office

Division of Audits/Mandated Cost Audits Bureau

Office: (916) 327-0702

dbrejnak@sco.ca.gov

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From: AChinnCRS@aol.com
Sent: Monday, January 25, 2016 9:02 AM
To: DBrejnak@sco.ca.gov; kjohnston@cityofpalmdale.org
Subject: Re: ICAN Audit Exit Conference

→ Thank you Doug - there is definitely overhead within the contract itself, not even considering citywide overhead costs. In many years I calculated the rates, but most years the rate came close to 10%, so I typically used the default rate. Let me know if you'd want me to dig up more rate calculations from older years.

Hopefully we'll know where we stand on the issues in dispute before then, so the meeting will be just a formality.

I was going to listen in on the the exit conference via phone - so I'm good with most dates in early through mid March. I was going to take a week off during spring break (March 21 - 25)

Thanks again,

Annette S. Chinn
Cost Recovery Systems, Inc.
705-2 E. Bidwell Street #294
Folsom, CA 95630

phone (916) 939-7901
fax (916) 939-7801

In a message dated 1/25/2016 7:48:23 A.M. Pacific Standard Time, DBrejnak@sco.ca.gov writes:

I will take a look at this new documentation you have sent.

Will an exit conference on March 7th work for the both of you? Let me know if another date would work better.

Thank you,

Doug Brejnak

From: AChinnCRS@aol.com [mailto:AChinnCRS@aol.com]
Sent: Tuesday, January 12, 2016 4:13 PM
To: Brejnak, Douglas <DBrejnak@sco.ca.gov>; kjohnston@cityofpalmdale.org
Subject: Re: ICAN Audit Exit Conference

* This zip file has been scanned for viruses but may still contain spam.

Hi Doug,

I disagree with the position of not allowing overhead and have attached the following documents for your review and consideration. The ICRP calcs for the last 7 years supports between 5-11% overhead directly incurred within the Sheriff Contract itself (not even factoring City-wide overhead, which Karen has previously provided support for)

There are typically 3 Sergeant positions - so even if you consider direct costs billed for the mandate (roughly 200 hrs a year) that only amounts to about 10% of one of Sergeant's time.

Sergeants are the first line supervisory/administrative staff positions in the department and support the deputies.

Thank you,

Annette S. Chinn
Cost Recovery Systems, Inc.
705-2 E. Bidwell Street #294
Folsom, CA 95630

phone (916) 939-7901
fax (916) 939-7801

In a message dated 1/12/2016 10:40:20 A.M. Pacific Standard Time, DBrejnak@sco.ca.gov writes:

Hi Annette,

Thanks for providing the additional information, and I apologize that I did not give reply to your email quicker. I was planning on discussing this issue at the exit conference. Our position on the indirect cost finding remains unchanged.

I have a few questions/comments concerning the recent indirect cost support:

- 1) The sergeant position is listed as an indirect cost. However, the sergeants time was tracked and included as a direct cost for the claim.

2) The contract does not show any Watch Deputy units purchased.

3) The costs of the contract are direct costs to the city, not indirect costs. Furthermore, the time studies performed identified the time and staff needed to conduct the allowable activities. The Watch Deputy and Admin staff position were not listed.

We could discuss this issue further at the exit conference if you like, but again our position remains unchanged. Sorry again about not replying back, it was my original intention to discuss this earlier before we were delayed on scheduling the exit conference.

Thanks,

Doug Brejnak

From: ACHinnCRS@aol.com [mailto:ACHinnCRS@aol.com]

Sent: Tuesday, January 12, 2016 9:56 AM

To: Brejnak, Douglas <DBrejnak@sco.ca.gov>; kjohnston@cityofpalmdale.org

Subject: Re: ICAN Audit Exit Conference

Hi Doug,

As I recall we still had some outstanding issues and questions - one regarding the 10% overhead.

I believed I showed you that there were even overhead costs within the contract itself (station clerks, admin sergeants, etc), not to mention citywide overhead that would justify the default 10%.

Never heard back regarding this issue.

Thank you,

Annette S. Chinn
Cost Recovery Systems, Inc.
705-2 E. Bidwell Street #294
Folsom, CA 95630

phone (916) 939-7901
fax (916) 939-7801

In a message dated 1/12/2016 9:50:51 A.M. Pacific Standard Time, DBrejnak@sco.ca.gov writes:

Hi Karen,

I apologize for the delay in setting up the exit conference, we had a shuffling of staff around here and Masha did not have the opportunity to review all the working papers. Anyway, I am contacting you today to see if you would be available on Monday March 7, 2016 at 1:00 PM for an exit conference? During the exit we will discuss the audit process taken and each of the findings. Let me know if this time will work for you and Annette.

Thanks,

Douglas Brejnak

Staff Management Auditor (Specialist)

State Controller's Office

Division of Audits/Mandated Cost Audits Bureau

Office: (916) 327-0702

dbrejnak@sco.ca.gov

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Sent: Tuesday, January 12, 2016 4:13 PM
To: DBrejnak@sco.ca.gov; kjohnston@cityofpalmdale.org
Subject: Re: ICAN Audit Exit Conference
Attachments: Palmdale Sheriff ICRPS.ZIP

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Douglas Brejnak

Staff Management Auditor (Specialist)

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Palmdale Sheriff ICPS.zip

ICRP INPUT SCREEN

Agency: City of Palmdale

	Fiscal Year	Department	ICRP Rate	Depart. Ben Rate
Dept 1	2006-07	Sheriff	6.2%	0.0%
Dept 2	2007-08	Sheriff	6.0%	0.0%
Dept 3	2008-09	Sheriff	5.4%	0.0%
Dept 4	2009-10	Sheriff	11.3%	0.0%
Dept 5	2010-11	Sheriff	9.0%	0.0%
Dept 6	2011-12	Sheriff	8.7%	0.0%
Dept 7	2012-13	Sheriff	8.6%	0.0%
Dept 8				
Dept 9				
Dept 10				

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INDIRECT COST RATE PROPOSAL

City of Palmdale

Sheriff

Fiscal Year

2006-07

Description of Costs	Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits				
Salaries & Wages	\$14,575,820		\$525,641	\$14,050,179
Overtime				
Benefits				
Total	\$14,575,820		\$525,641	\$14,050,179
Services & Supplies				
Liability	\$339,144		\$339,144	
for other staff besides 56 hr deputies				
Total	\$339,144		\$339,144	
Capital Expenditures				
Total				
Total Expenditures	\$14,914,964		\$864,785	\$14,050,179

Cost Plan Costs				
Total				

Total Alloc. Indirect Costs	\$14,914,964		\$864,785	\$14,050,179
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ICRP RATE = 6.2%
(Rate is Based on Salaries)

$$\frac{\$864,785}{\$14,050,179} = \frac{\text{Total Allowable Indirect Costs}}{\text{Total Direct Salaries}}$$

HOURS OF SERVICE & ESTIMATED CHARGES

CITY: Palmdale July 1, 2006

SERVICE UNIT	40 Hour	50 Hour	70 Hour	Non-Relief	YEARLY HOURS FOR SERVICE UNIT	PERSONNEL REQUIRED*
DEPUTY SHERIFF SERVICE UNIT						
40 Hour	\$195,992	0	0.00	0.00	2068	0
50 Hour	\$275,768	31	6,646,428.00	512,965.68	2820	60,520
70 Hour	\$144,735	0	0.00	0.00	3552	0
Non-Relief	\$179,053	4.7	\$41,549.10	\$6,661.41	1778	5,357
DEPUTY SHERIFF SERVICE UNIT (BONUS LEVEL)						
40 Hour	\$207,146	0	0.00	0.00	2068	0
50 Hour	\$299,654	0	0.00	0.00	2020	0
70 Hour	\$922,608	0	0.00	0.00	3552	0
Non-Relief Motor	\$189,818	2	378,636.00	22,567.60	1778	3,689
Non-Relief	\$189,818	2	378,636.00	22,567.60	1778	3,689
GROWTH DEPUTY UNITS (Non-Relief Only)						
Deputy	\$126,188	17	2,119,073.00	\$26,652.33	1778	30,226
Deputy (with dedicated vehicle)	\$140,684	3	261,326.00	16,679.68	1778	3,556
Deputy B-1	\$132,473	3	307,416.00	23,846.08	1778	5,334
Deputy B-1 (with dedicated vehicle)	\$144,967	0	0.00	0.00	1778	0
GRANT UNITS (Non-Relief Only)						
Deputy	\$124,363	4	495,676.00	30,800.59	1778	7,112
Deputy (dedicated vehicle)	\$140,684	1	140,684.00	8,439.64	1778	1,778
Deputy B-1	\$132,473	2	264,946.00	15,868.64	1778	3,689
Deputy B-1 (dedicated vehicle)	\$144,967	0	0.00	0.00	1778	0
Sergeant	\$181,657	0	0.00	N/A	1778	0
SUPPLEMENTAL POSITIONS (Non-Relief Only)						
Lieutenant	\$184,161	0	0.00	N/A	1778	0
Sergeant	\$181,657	2	363,314.00	N/A	1778	3,556
Sergeant (Motor)	\$179,546	1	179,546.00	10,232.88	1778	1,778
Watch Captain	\$150,051	0	0.00	0.00	1778	0
CIA	\$49,498	0	0.00	0.00	1778	0
Security Officer	\$35,897	0	0.00	0.00	1778	0
Law Enforcement Tech	\$27,542	0	0.00	0.00	1778	0
Operations Asst I	\$23,011	0	0.00	N/A	1778	0
Operations Asst II	\$18,480	0	0.00	N/A	1778	0
Operations Asst III	\$13,949	0	0.00	N/A	1778	0
BA Clerk II	\$87,394	1	57,384.00	N/A	1778	1,778
Crime Analyst	\$84,484	0	0.00	N/A	1778	0
Customs Assistant	\$75,706	0	0.00	0.00	1778	0
Other (Please list cost on Pg 3)	Lieutenant	0	0.00	0.00	1778	0
ESTIMATED COST FOR SERVICE UNITS **			\$19,575,629.10			
			LIABILITY OF FFB = \$351,369.00			
			TOTAL ESTIMATED COST			
				HOURS	PERSONNEL	
				DEPUTY	78,2026	
				DEPUTY, B-1	10,0000	
				LIEUTENANT	3,0000	
				CIA	0	
				CHVLAN	1,0000	

INDIRECT COST RATE PROPOSAL

City of Palmdale

Sheriff

Fiscal Year

\$

Description of Costs	Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits				
Salaries & Wages	\$16,751,096		\$564,923	\$16,186,173
Overtime				
Benefits				
Total	\$16,751,096		\$564,923	\$16,186,173
Services & Supplies				
Liability (less that for 56 hr deputy)	\$399,216		\$399,216	
Total	\$399,216		\$399,216	
Capital Expenditures				
Total				
Total Expenditures	\$17,150,312		\$964,139	\$16,186,173

Cost Plan Costs				
Total				

Total Alloc. Indirect Costs	\$17,150,312		\$964,139	\$16,186,173
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ICRP RATE = 6.0%
(Rate is Based on Salaries)

$$\frac{\$964,139}{\$16,186,173} = \frac{\text{Total Allowable Indirect Costs}}{\text{Total Direct Salaries}}$$

HOURS OF SERVICE & ESTIMATED CHARGES

CITY: Palmdale July 1, 2007

SERVICE UNITS	TOTAL FTE	TOTAL FTE	LIABILITY @ 6%	TOTAL FTE	YEARLY HOURS PER SERVICE UNIT	ANNUAL GOAL (MINUTES)	PERSONNEL REQUIRED
DEPUTY SHERIFF SERVICE UNIT							
40 Hour	\$211,710	0	0.00	0.00	2065	0	0.0000
56 Hour	\$295,405	31	9,188,545.00	551,313.30	2920	5,431,200	50,5920
70 Hour	\$370,507	0	0.00	0.00	3850	0	0.0000
Non-Relief	\$182,471	7.7	1,482,026.70	58,821.60	1778	821,436	7,7000
DEPUTY SHERIFF SERVICE UNIT (BONUS LEVEL)							
40 Hour	\$220,467	0	0.00	0.00	2065	0	0.0000
56 Hour	\$308,653	0	0.00	0.00	2920	0	0.0000
70 Hour	\$385,817	0	0.00	0.00	3850	0	0.0000
Non-Relief Major	\$200,424	3	601,377.00	35,078.32	1778	320,040	3,0000
Non-Relief	\$200,424	3	601,377.00	35,078.32	1778	320,040	3,0000
GROWTH DEPUTY UNITS (Non-Relief Only)							
Deputy	\$134,396	18	2,419,120.00	165,147.68	1778	1,520,240	18,0000
Deputy (with dedicated vehicle)	\$152,252	4	609,069.00	36,540.48	1778	426,720	4,0000
Deputy B-1	\$141,887	2	283,774.00	17,026.44	1778	213,360	2,0000
Deputy B-1 (with dedicated vehicle)	\$159,743	0	0.00	0.00	1778	0	0.0000
GRANT UNITS (Non-Relief Only)							
Deputy	\$134,396	3	537,594.00	32,255.04	1778	426,720	4,0000
Deputy (dedicated vehicle)	\$152,252	1	152,252.00	9,135.12	1778	105,600	1,0000
Deputy B-1	\$141,887	2	283,774.00	17,026.44	1778	213,360	2,0000
Deputy B-1 (dedicated vehicle)	\$159,743	0	0.00	0.00	1778	0	0.0000
Sergeant	\$173,943	0	0.00	N/A	1778	0	0.0000
SUPPLEMENTAL POSITIONS (Non-Relief Only)							
Lieutenant	\$209,270	0	0.00	N/A	1778	0	0.0000
Sergeant	\$173,943	2	347,886.00	N/A	1778	213,360	2,0000
Sergeant (Major)	\$183,511	1	183,511.00	11,010.66	1778	108,600	1,0000
Watch Deputy	\$138,862	0	0.00	0.00	1778	0	0.0000
CSA	\$49,856	0	0.00	0.00	1778	0	0.0000
Security Officer	\$57,868	0	0.00	0.00	1778	0	0.0000
Law Enforcement Tech	\$69,295	0	0.00	0.00	1778	0	0.0000
Operations Asst I	\$65,994	0	0.00	N/A	1778	0	0.0000
Operations Asst II	\$61,917	0	0.00	N/A	1778	0	0.0000
Operations Asst III	\$53,817	0	0.00	N/A	1778	0	0.0000
Sta Clerk II	\$61,053	1	\$1,053.00	N/A	1778	105,600	1,0000
Crime Analyst	\$94,284	0	0.00	N/A	1778	0	0.0000
Customs Assistant	\$80,653	0	0.00	0.00	1778	0	0.0000
Other (Need to insert cost on Pg 2)	Unknown	0	0.00	0.00	1778	0	0.0000
ESTIMATED COST FOR SERVICE UNITS **			\$16,751,095.70				
			LIABILITY @ 6% = \$990,529.40				
			TOTAL ESTIMATED COST \$17,731,625.10				
					HOURS	MINUTES	PERSONNEL
				DEPUTY	152,217	9,132,956	85,2820
				DEPUTY, B-1	17,750	1,056,800	10,0000
				LIEUTENANT	5,334	320,040	3,0000
				CSO	0	0	0.0000
				CIVILIAN	1,778	105,600	1,0000

HOURS OF SERVICE & ESTIMATED CHARGES
CITY: Palmdale 7/1/2008

SERVICE UNITS	TOTAL UNITS PURCHASED	LIABILITY @ 6%	TOTAL COST (LAST YEAR)	YEARLY HOURS PER SERVICE UNIT	ANNUAL GOAL (MINUTES)	PERSONNEL REQUIRED
DEPUTY SHERIFF SERVICE UNIT						
40 Hour	\$221,820	0	0.00	2085	0	0.0000
56 Hour	\$370,687	34	10,563,358.00	633,801.48	11,197,159.48	54,6720
70 Hour	\$386,358	0	0.00	0.00	3650	0.0000
Non-Relief	\$201,745	7.7	1,663,436.50	93,209.19	1,648,642.99	838,592
DEPUTY SHERIFF SERVICE UNIT (BONUS LEVEL)						
40 Hour	\$230,858	0	0.00	2085	0	0.0000
56 Hour	\$323,201	0	0.00	2920	0	0.0000
70 Hour	\$404,001	0	0.00	3650	0	0.0000
Non-Relief Motor	\$209,871	8	1,259,226.00	75,553.36	1,324,778.36	653,400
Non-Relief	\$209,871	0	0.00	1815	0	0.0000
GROWTH DEPUTY UNITS (Non-Relief Only)						
Deputy	\$139,085	19	2,642,235.00	138,534.10	2,800,769.10	1815
Deputy (with dedicated vehicle)	\$156,635	0	0.00	0.00	1815	0
Deputy B-1	\$146,894	2	293,788.00	17,627.28	311,416.28	1815
Deputy B-1 (with dedicated vehicle)	\$164,464	0	0.00	0.00	1815	0
GRANT UNITS (Non-Relief Only)						
Deputy	\$139,085	3	417,185.00	75,031.70	442,226.70	1815
Deputy (dedicated vehicle)	\$156,635	0	0.00	0.00	1815	0
Deputy B-1	\$146,894	2	293,788.00	17,627.28	311,416.28	1815
Deputy B-1 (dedicated vehicle)	\$164,464	0	0.00	0.00	1815	0
Sergeant	\$181,978	0	0.00	N/A	0.00	1815
SUPPLEMENTAL POSITIONS (Non-Relief Only)						
Lieutenant	\$218,784	0	0.00	N/A	0.00	1815
Sergeant	\$181,978	3	545,934.00	N/A	545,934.00	1815
Sergeant (Motor)	\$191,985	0	0.00	0.00	1815	0
Watch Deputy	\$144,463	0	0.00	0.00	1815	0
CSA	\$50,846	0	0.00	0.00	1815	0
Security Officer	\$61,439	0	0.00	0.00	1815	0
Law Enforcement Tech	\$17,075	0	0.00	0.00	1815	0
Operations Assi I	\$70,075	0	0.00	N/A	0.00	1815
Operations Assi II	\$37,031	0	0.00	N/A	0.00	1815
Operations Assi III	\$89,665	0	0.00	N/A	0.00	1815
Bin Clerk II	\$64,815	1	64,815.00	N/A	64,815.00	1815
Crime Analyst	\$98,217	0	0.00	N/A	0.00	1815
Custody Assistant	\$85,684	0	0.00	0.00	1815	0
Other (Need to insert cost in next column)	0	0	0.00	N/A	0.00	1815
ESTIMATED COST FOR SERVICE UNITS **						
		\$17,633,775.50				
		LIABILITY @ 6% =	\$1,021,361.59			
		TOTAL ESTIMATED COST	\$18,655,137.09			
				HOURS	MINUTES	PERSONNEL
				DEPUTY	153,186	9,191,130
				DEPUTY, B-1	18,150	1,089,000
				LIEUTENANT	5,445	326,700
				CSA	0	0
				CIVILIAN	1,815	108,900
						84,3720
						10,0000
						3,0000
						0.0000
						1,0000

HOURS OF SERVICE & ESTIMATED CHARGES

CITY: Palmdale 7/1/2009

SERVICE UNITS	LIABILITY @ 1%	LIABILITY @ 2%	LIABILITY @ 3%	LIABILITY @ 4%	LIABILITY @ 5%	YEARLY HOURS PER SERVICE UNIT	ANNUAL GOAL (MINUTES)	PERSONNEL REQUIRED
DEPUTY SHERIFF SERVICE UNIT								
40 Hour	\$278,892	6	1,370,352.00	82,221.12	1,452,573.12	2086	12,516	750,980 6.9550
56 Hour	\$319,749	36	11,510,964.00	890,657.64	12,201,621.64	2920	105,120	6,307,200 58.7520
70 Hour	\$389,896	0	0.00	0.00	0.00	3650	0	0 0.0000
Non-Relief	\$207,629	1	207,629.00	12,457.74	220,086.74	1789	1,789	107,340 1.0000
DEPUTY SHERIFF SERVICE UNIT (BONUS LEVEL)								
40 Hour	\$237,130	0	0.00	0.00	0.00	2086	0	0 0.0000
56 Hour	\$331,982	0	0.00	0.00	0.00	2920	0	0 0.0000
70 Hour	\$414,978	0	0.00	0.00	0.00	3650	0	0 0.0000
Non-Relief	\$235,573	1	235,573.00	12,534.38	228,507.38	1789	1,789	107,340 1.0000
GROWTH DEPUTY UNITS (Non-Relief Only)								
Deputy	\$842,246	14	1,984,244.00	119,654.64	2,113,896.64	1789	25,048	1,502,760 14.0000
Deputy (with dedicated vehicle)	\$169,838	0	0.00	0.00	0.00	1789	0	0 0.0000
Deputy B-1	\$150,442	1	150,442.00	9,025.52	159,467.52	1789	1,789	107,340 1.0000
Deputy B-1 (with dedicated vehicle)	\$15,789	0	0.00	0.00	0.00	1789	0	0 0.0000
GRANT UNITS (Non-Relief Only)								
Deputy	\$427,338	3	427,338.00	25,640.28	452,978.28	1789	5,357	322,020 3.0000
Deputy (with dedicated vehicle)	\$198,338	0	0.00	0.00	0.00	1789	0	0 0.0000
Deputy B-1	\$300,884	2	300,884.00	18,053.04	318,937.04	1789	3,578	214,680 2.0000
Deputy B-1 (with dedicated vehicle)	\$157,834	0	0.00	0.00	0.00	1789	0	0 0.0000
SUPPLEMENTAL POSITIONS (Non-Relief Only)								
Lieutenant	\$220,475	0	0.00	N/A	0.00	1789	0	0 0.0000
Sergeant (SAO)	\$185,881	2	371,762.00	N/A	371,762.00	1789	3,578	214,680 2.0000
Sergeant (Motor)	\$196,106	1	196,106.00	11,766.36	207,872.36	1789	1,789	107,340 1.0000
Watch Deputy	\$418,739	0	0.00	0.00	0.00	1789	0	0 0.0000
Motor Deputy	\$326,578	5	1,077,555.00	64,671.90	1,142,226.90	1789	8,945	536,700 5.0000
CSA	\$321,713	0	0.00	0.00	0.00	1789	0	0 0.0000
Security Officer	\$362,169	0	0.00	0.00	0.00	1789	0	0 0.0000
Law Enforcement Tech	\$391,191	0	0.00	0.00	0.00	1789	0	0 0.0000
Operations Asst I	\$300,908	0	0.00	N/A	0.00	1789	0	0 0.0000
Operations Asst II	\$385,083	0	0.00	N/A	0.00	1789	0	0 0.0000
Operations Asst III	\$300,968	0	0.00	N/A	0.00	1789	0	0 0.0000
Stn Clerk II	\$65,582	1	65,582.00	N/A	65,582.00	1789	1,789	107,340 1.0000
Crime Analyst	\$399,343	0	0.00	N/A	0.00	1789	0	0 0.0000
Custody Assistant	\$386,727	0	0.00	0.00	0.00	1789	0	0 0.0000
Other (Need to insert cost in next column)		0	0.00	N/A	0.00	1789	0	0 0.0000
ESTIMATED COST FOR SERVICE UNITS **			\$17,868,741.00					
			LIABILITY @ 4% = \$1,047,063.82					
			TOTAL ESTIMATED COST		\$18,915,804.82			
						HOURS	MINUTES	PERSONNEL
						DEPUTY 158,783	9,526,980	18,7460
						DEPUTY, B-1 7,156	428,360	4.0000
						LIEUTENANT 5,357	322,020	3.0000
						CSA 0	0	0.0000
						CIVILIAN 1,789	107,340	1.0000

INDIRECT COST RATE PROPOSAL

City of Palmdale

Sheriff

Fiscal Year
2010-11

Description of Costs	Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits				
Salaries & Wages	\$18,029,829		\$1,271,210	\$16,758,619
Overtime				
Benefits				
Total	\$18,029,829		\$1,271,210	\$16,758,619
Services & Supplies				
Liability (less 56 hr deputies)	\$235,065		\$235,065	
Total	\$235,065		\$235,065	
Capital Expenditures				
Total				
Total Expenditures	\$18,264,894		\$1,506,275	\$16,758,619

Cost Plan Costs				
Total				

Total Alloc. Indirect Costs	\$18,264,894		\$1,506,275	\$16,758,619
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ICRP RATE = 9.0%
(Rate is Based on Salaries)

$$\frac{\$1,506,275}{\$16,758,619} = \frac{\text{Total Allowable Indirect Costs}}{\text{Total Direct Salaries}}$$

HOURS OF SERVICE & ESTIMATED CHARGES
CITY: Palmdale 7/1/2010

SERVICE UNITS	TOTAL HOURS	LIABILITY @ 4%	YEARLY HOURS PER SERVICE UNIT	PERSONNEL REQUIRED
DEPUTY SHERIFF SERVICE UNIT				
40 Hour	8	1,353,988.00	55,759.82	6,998.00
56 Hour	36	11,709,576.00	483,383.04	58,752.00
70 Hour	0	0.00	0.00	0.0000
Non-Relief	5	1,058,060.00	42,242.40	5,000.00
DEPUTY SHERIFF SERVICE UNIT (BONUS LEVEL)				
40 Hour	0	0.00	0.00	0.0000
56 Hour	0	0.00	0.00	0.0000
70 Hour	0	0.00	0.00	0.0000
Non-Relief	3	659,022.00	26,360.88	3,000.00
GROWTH DEPUTY UNITS (Non-Relief Only)				
Deputy	7	1,014,832.00	40,593.20	7,000.00
Deputy (with dedicated vehicle)	0	0.00	0.00	0.0000
Deputy B-1	1	153,094.00	6,123.76	1,000.00
Deputy B-1 (with dedicated vehicle)	0	0.00	0.00	0.0000
GRANT UNITS (Non-Relief Only)				
Deputy	3	434,928.00	17,397.12	3,000.00
Deputy (with dedicated vehicle)	0	0.00	0.00	0.0000
Deputy B-1 (MOTOR)	2	305,188.00	12,247.52	2,000.00
Deputy B-1 (with dedicated vehicle)	0	0.00	0.00	0.0000
SUPPLEMENTAL POSITIONS (Non-Relief Only)				
Lieutenant	0	0.00	N/A	0.0000
Sergeant (SAO)	2	376,794.00	N/A	2,000.00
Sergeant (Motor)	1	199,471.00	7,978.84	1,000.00
Watch Deputy	0	0.00	0.00	0.0000
Motor Deputy	3	659,022.00	26,360.88	3,000.00
CBA	0	0.00	0.00	0.0000
Security Officer	0	0.00	0.00	0.0000
Law Enforcement Tech	0	0.00	0.00	0.0000
Operations Asst I	0	0.00	N/A	0.0000
Operations Asst II	0	0.00	N/A	0.0000
Operations Asst III	0	0.00	N/A	0.0000
Sin Clerk II	1	66,844.00	N/A	1,000.00
Crim Analyst	0	0.00	N/A	0.0000
Custody Assistant	0	0.00	0.00	0.0000
Other (Need to insert cost in next column)	0	0.00	N/A	0.0000
ESTIMATED COST FOR SERVICE UNITS **		\$18,028,924.00		
		LIABILITY @ 4% = \$703,447.84		
		TOTAL ESTIMATED COST	\$18,732,371.84	
			HOURS	PERSONNEL
			DEPUTY 149,838	83,748.00
			DEPUTY B-1 10,734	6,000.00
			LIEUTENANT 5,367	3,000.00
			CBA 0	0.0000
			CIVILIAN 1,785	1,000.00

SH-AD 575 (REV. 4/10)

INDIRECT COST RATE PROPOSAL

City of Palmdale

Sheriff

Fiscal Year
2010-11

Description of Costs	Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits				
Salaries & Wages	\$18,858,396		\$1,271,210	\$17,587,186
Overtime				
Benefits				
Total	\$18,858,396		\$1,271,210	\$17,587,186
Services & Supplies				
Liability (less 56 hr deputies)	\$253,451		\$253,451	
Total	\$253,451		\$253,451	
Capital Expenditures				
Total				
Total Expenditures	\$19,111,847		\$1,524,661	\$17,587,186

Cost Plan Costs				
Total				

Total Alloc. Indirect Costs	\$19,111,847		\$1,524,661	\$17,587,186
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ICRP RATE =	8.7%
<i>(Rate is Based on Salaries)</i>	

$$\frac{\$1,524,661}{\$17,587,186} = \frac{\text{Total Allowable Indirect Costs}}{\text{Total Direct Salaries}}$$

HOURS OF SERVICE & ESTIMATED CHARGES

CITY: Palmdale 7/1/2011

SERVICE UNITS	UNIT COST	TOTAL UNITS PURCHASED	ESTIMATED COST	LIABILITY @ 4%	TOTAL COST WITH LIABILITY	YEARLY HOURS PER SERVICE UNIT		ANNUAL GOAL (MINUTES)	PERSONNEL REQUIRED
DEPUTY SHERIFF SERVICE UNIT									
40 Hour	\$239,478	6	1,436,868.00	57,474.72	1,494,342.72	2086	12,516	750,960	6.9960
56 Hour	\$335,270	36	12,069,720.00	482,788.80	12,552,508.80	2920	105,120	6,307,200	58.7520
70 Hour	\$419,087	0	0.00	0.00	0.00	3650	0	0	0.0000
Non-Relief	\$217,708	8	1,741,664.00	69,666.56	1,811,330.56	1789	14,312	858,720	8.0000
DEPUTY SHERIFF SERVICE UNIT (BONUS LEVEL)									
40 Hour	\$252,768	0	0.00	0.00	0.00	2086	0	0	0.0000
56 Hour	\$363,873	0	0.00	0.00	0.00	2920	0	0	0.0000
70 Hour	\$442,341	0	0.00	0.00	0.00	3650	0	0	0.0000
Non-Relief	\$228,768	4	919,152.00	36,766.08	955,918.08	1789	7,156	429,360	4.0000
GROWTH DEPUTY UNITS (Non-Relief Only)									
Deputy	\$146,732	4	586,928.00	23,477.12	610,405.12	1789	7,156	429,360	4.0000
Deputy (with dedicated vehicle)	\$166,935	0	0.00	0.00	0.00	1789	0	0	0.0000
Deputy B-1	\$159,355	0	0.00	0.00	0.00	1789	0	0	0.0000
Deputy B-1 (with dedicated vehicle)	\$179,742	0	0.00	0.00	0.00	1789	0	0	0.0000
GRANT UNITS (Non-Relief Only)									
Deputy	\$146,732	3	440,196.00	17,607.84	457,803.84	1789	5,367	322,020	3.0000
Deputy (with dedicated vehicle)	\$166,935	0	0.00	0.00	0.00	1789	0	0	0.0000
Deputy B-1 (Motor)	\$159,355	2	318,710.00	12,748.40	331,458.40	1789	3,578	214,680	2.0000
Deputy B-1 (with dedicated vehicle)	\$179,742	0	0.00	0.00	0.00	1789	0	0	0.0000
SUPPLEMENTAL POSITIONS (Non-Relief Only)									
Lieutenant	\$231,501	0	0.00	N/A	0.00	1789	0	0	0.0000
Sergeant (SAO)	\$192,725	2	385,450.00	N/A	385,450.00	1789	3,578	214,680	2.0000
Sergeant (Motor)	\$203,408	1	203,408.00	8,136.32	211,544.32	1789	1,789	107,340	1.0000
Watch Deputy	\$158,059	0	0.00	0.00	0.00	1789	0	0	0.0000
Motor Deputy	\$229,788	3	689,364.00	27,574.56	716,938.56	1789	5,367	322,020	3.0000
CSA	\$52,726	0	0.00	0.00	0.00	1789	0	0	0.0000
Security Officer	\$88,245	0	0.00	0.00	0.00	1789	0	0	0.0000
Law Enforcement Tech (With Vehicle)	\$80,102	0	0.00	0.00	0.00	1789	0	0	0.0000
Operations Asst I	\$72,374	0	0.00	N/A	0.00	1789	0	0	0.0000
Operations Asst II	\$89,942	0	0.00	N/A	0.00	1789	0	0	0.0000
Operations Asst III	\$102,997	0	0.00	N/A	0.00	1789	0	0	0.0000
Stn Clerk II	\$66,936	1	66,936.00	N/A	66,936.00	1789	1,789	107,340	1.0000
Crime Analyst	\$101,721	0	0.00	N/A	0.00	1789	0	0	0.0000
Custody Assistant	\$88,518	0	0.00	0.00	0.00	1789	0	0	0.0000
Other (Need to insert cost in next column)		0	0.00	N/A	0.00	1789	0	0	0.0000
ESTIMATED COST FOR SERVICE UNITS **			\$18,858,398.00	LIABILITY @ 4% = \$736,240.40	TOTAL ESTIMATED COST \$19,594,638.40				
						HOURS	MINUTES	PERSONNEL	
						DEPUTY	149,838	8,990,280	83.7480
						DEPUTY, B-1	10,734	644,040	6.0000
						LT/SERGEANT	5,367	322,020	3.0000
						CSA	0	0	0.0000
						CIVILIAN	1,789	107,340	1.0000

HOURS OF SERVICE & ESTIMATED CHARGES

CITY: PALMDALE 7/1/2012

SERVICE UNITS	UNIT COST	TOTAL UNITS PURCHASED	TOTAL UNIT COST	LIABILITY @ 4%	TOTAL COST WITH LIABILITY	YEARLY HOURS PER SERVICE UNIT	ANNUAL GOAL (HOURS)	ANNUAL GOAL (MINUTES)	PERSONNEL REQUIRED
DEPUTY SHERIFF SERVICE UNIT									
40 Hour	\$244,817	6	1,468,902.00	58,756.08	1,527,658.08	2086	12,516	750,960	6.9960
56 Hour	\$342,744	36	12,338,784.00	493,551.36	12,832,335.36	2920	105,120	6,307,200	58.7520
70 Hour	\$428,430	0	0.00	0.00	0.00	3650	0	0	0.0000
Non-Relief	\$222,561	10	2,225,610.00	89,024.40	2,314,634.40	1789	17,890	1,073,400	10.0000
DEPUTY SHERIFF SERVICE UNIT (BONUS LEVEL)									
40 Hour	\$258,706	0	0.00	0.00	0.00	2086	0	0	0.0000
56 Hour	\$362,188	0	0.00	0.00	0.00	2920	0	0	0.0000
70 Hour	\$452,735	0	0.00	0.00	0.00	3650	0	0	0.0000
Non-Relief	\$235,187	4	940,748.00	37,629.92	978,377.92	1789	7,156	429,360	4.0000
GROWTH DEPUTY UNITS (Non-Relief Only)									
Deputy	\$148,175	0	0.00	0.00	0.00	1789	0	0	0.0000
Deputy (with dedicated vehicle)	\$168,661	0	0.00	0.00	0.00	1789	0	0	0.0000
Deputy B-1	\$161,093	0	0.00	0.00	0.00	1789	0	0	0.0000
Deputy B-1 (with dedicated vehicle)	\$181,479	0	0.00	0.00	0.00	1789	0	0	0.0000
GRANT UNITS (Non-Relief Only)									
Deputy	\$148,175	3	444,525.00	17,781.00	462,306.00	1789	5,367	322,020	3.0000
Deputy (with dedicated vehicle)	\$168,661	0	0.00	0.00	0.00	1789	0	0	0.0000
Deputy B-1	\$161,093	2	322,186.00	12,887.44	335,073.44	1789	3,578	214,680	2.0000
Deputy B-1 (with dedicated vehicle)	\$181,479	0	0.00	0.00	0.00	1789	0	0	0.0000
SUPPLEMENTAL POSITIONS (Non-Relief Only)									
Lieutenant	\$233,821	0	0.00	N/A	0.00	1789	0	0	0.0000
Sergeant (SAO)	\$194,496	2	388,992.00	N/A	388,992.00	1789	3,578	214,680	2.0000
Sergeant (Motor)	\$205,194	1	205,194.00	8,207.76	213,401.76	1789	1,789	107,340	1.0000
Watch Deputy	\$159,375	0	0.00	0.00	0.00	1789	0	0	0.0000
Motor Deputy	\$235,187	2	470,374.00	18,814.96	489,188.96	1789	3,578	214,680	2.0000
CSA	\$55,996	0	0.00	0.00	0.00	1789	0	0	0.0000
Security Officer	\$95,668	0	0.00	0.00	0.00	1789	0	0	0.0000
Law Enforcement Tech	\$80,393	0	0.00	0.00	0.00	1789	0	0	0.0000
Operations Asst I	\$74,466	0	0.00	N/A	0.00	1789	0	0	0.0000
Operations Asst II	\$92,488	0	0.00	N/A	0.00	1789	0	0	0.0000
Operations Asst III	\$105,912	0	0.00	N/A	0.00	1789	0	0	0.0000
Stn Clerk II	\$68,863	1	68,863.00	N/A	68,863.00	1789	1,789	107,340	1.0000
Crime Analyst	\$106,441	0	0.00	N/A	0.00	1789	0	0	0.0000
Custody Assistant	\$86,318	0	0.00	0.00	0.00	1789	0	0	0.0000
Other (Need to insert cost in next column)		0	0.00	N/A	0.00	1789	0	0	0.0000
ESTIMATED COST FOR SERVICE UNITS **			\$18,874,178.00	LIABILITY @ 4% = \$736,652.92	TOTAL ESTIMATED COST \$19,610,830.92		HOURS	MINUTES	PERSONNEL
						DEPUTY	144,471	8,668,260	80,7480
						DEPUTY, B-1	10,734	644,040	6.0000
						LT/SERGEANT	5,367	322,020	3.0000
						CSA	0	0	0.0000
						CIVILIAN	1,789	107,340	1.0000

From: AChinnCRS@aol.com
Sent: Tuesday, January 12, 2016 9:56 AM
To: DBrejnak@sco.ca.gov; kjohnston@cityofpalmdale.org
Subject: Re: ICAN Audit Exit Conference

Hi Doug,
As I recall we still had some outstanding issues and questions - one regarding the 10% overhead.

I believed I showed you that there were even overhead costs within the contract itself (station clerks, admin sergeants, etc), not to mention citywide overhead that would justify the default 10%.

Never heard back regarding this issue.

Thank you,

Annette S. Chinn
Cost Recovery Systems, Inc.
705-2 E. Bidwell Street #294
Folsom, CA 95630

phone (916) 939-7901
fax (916) 939-7801

In a message dated 1/12/2016 9:50:51 A.M. Pacific Standard Time, DBrejnak@sco.ca.gov writes:

Hi Karen,

I apologize for the delay in setting up the exit conference, we had a shuffling of staff around here and Masha did not have the opportunity to review all the working papers. Anyway, I am contacting you today to see if you would be available on Monday March 7, 2016 at 1:00 PM for an exit conference? During the exit we will discuss the audit process taken and each of the findings. Let me know if this time will work for you and Annette.

Thanks,

Douglas Brejnak

Staff Management Auditor (Specialist)

State Controller's Office

Division of Audits/Mandated Cost Audits Bureau

Office: (916) 327-0702

dbrejnak@sco.ca.gov

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ITEM B-2

City of Palmdale
Interagency Child Abuse and Neglect (ICAN) Investigation Reports Program
Time Survey Questionnaire

Conducted by SCO
auditor

Date: 07/08/15 9am
Name: Tara Porter
Classification: Deputy

COMPLETE AN INVESTIGATION (B.3.1)

A. Review/Research Prior to On-Site Interviews

1. How are SCARs assigned to deputies (E-SCARS)?
Assigned SCAR Deputies (2 total) retrieve/review SCARs ^{directive} from E-SCARS. (5 MINUTES)
If deputies are off and case needs immediate attention, patrol car is assigned case.
2. How are SCARs assigned to deputies (9-1-1 calls or walk-ins)?
Most of 9-1-1 calls are given to patrol deputies only.
3. Do you input information into E-SCARS?
No
4. Do you review the SCAR? How long on average does it take?
Yes, 5 minutes
5. Do you review the criminal history of potential victims? Average time needed?
Yes, if any. 5-10 minutes
6. Do you review the DCFS Child Welfare History of involved families? Average time needed?
sometimes if SCAR mentions history. 5-10 minutes.
7. Do you coordinate with DCFS prior to investigation? Average time needed?
Yes, if prior history. 5 minutes
8. Do you contact the mandated reporter and discuss the SCAR? Average time per phone call?
Not usually, most are anonymous. 5 minutes
9. Do you perform any other duties prior to your on-site investigation?
No

City of Palmdale
Interagency Child Abuse and Neglect (ICAN) Investigation Reports Program
Time Survey Questionnaire

B. Initial Interviews with Involved Parties

1. How long on average do you spent driving to/from interview sites?

Depends on where crime occurred. 15-30 minutes.

2. Do you interview the alleged victims? How long on average does it take to perform a single interview with a victim?

yes, 10-15 minutes

3. On average, how many victims are there per SCAR investigation?

anywhere from 1-7, average 3.

4. Do you interview the alleged victim's parents? Average time per interview?

yes, 20-30 minutes total

5. Do you interview the alleged suspect? Average time per interview?

yes, if available. 15-20 minutes

6. Do you interview any witnesses? Average time per interview?

yes, 5-15 minutes

7. On average, how many witness interviews do you conduct for each investigation?

1-3, 2 on average

8. Do you perform any other on-site interviews with involved parties? Average time per interview?

may contact nurses/doctors. 10-15 minutes.

C. On-Scene Procedures

1. Do you inspect the victim's residence?

yes

2. If an inspection is completed, what activities are performed? How long on average does it take to inspect a victim's house?

water, utilities, food, places to sleep. 5 minutes to 10 minutes

3. Do you collect evidence or take photographs at the scene? How long on average does it take?

Take pictures of injuries. sometimes take clothes/bedding.
5 minutes

City of Palmdale
Interagency Child Abuse and Neglect (ICAN) Investigation Reports Program
Time Survey Questionnaire

4. At what point is the Special Victim's Unit (SVU) contacted?

once a crime is suspected. may also call for a consultation.
5-10 minutes

5. Do you ever need to remove the child from the home? If yes, what procedures are performed? How long on average does it take?

yes, will take child to station and contact DCFS.

6. Do you perform any other duties while completing the initial investigation?

No

D. Documentation and Reporting Writing

1. Do you write-up the outcomes of the investigation in a report?

yes



2. What types of reports are created for SCAR investigations?

crime suspected / no crime

3. What is the average time needed to prepare a report for an unfounded SCAR investigation?

20 minutes (no crime suspected report)

4. What is the average time needed to prepare a report for a substantiated/inconclusive investigation?

40 minutes (crime suspected report)

5. Is the report reviewed by a supervisor? Who? How long does the supervisor review it for?

yes, 10-20 minutes

6. Do you enter the findings into E-SCARS? If so, how long does it take on average?

clear out report, 0-2 minutes.

avg
35
mins
to
write
report

City of Palmdale
Interagency Child Abuse and Neglect (ICAN) Investigation Reports Program
Time Survey Questionnaire

Date: 7/20/15 1:30 PM (over phone)

Conducted by SCO
auditor

Name: Megan Deechamps

Classification: Deputy

COMPLETE AN INVESTIGATION (B.3.1)

A. Review/Research Prior to On-Site Interviews

1. How are SCARs assigned to deputies (E-SCARS)?

Assigned to on-duty SCAR deputy. Access E-SCARS to retrieve ECRP.
5 minutes.

2. How are SCARs assigned to deputies (9-1-1 calls or walk-ins)?

Assigned to patrol car.

3. Do you input information into E-SCARS?

update/clear info after investigation

4. Do you review the SCAR? How long on average does it take?

yes, 5 minutes

5. Do you review the criminal history of potential victims? Average time needed?

yes, 10-20 minutes

6. Do you review the DCFS Child Welfare History of involved families? Average time needed?

if available from DCFS. Might need to be pulled by secretaries.
5-20 minutes

7. Do you coordinate with DCFS prior to investigation? Average time needed?

Might give courtesy call to let them know they are going
to a residence. 5 minutes.

8. Do you contact the mandated reporter and discuss the SCAR? Average time per phone call?

Usually anonymous. Last resort if more info is needed.

9. Do you perform any other duties prior to your on-site investigation?

Run names through DMV. See if any past SCARs. 5 minutes

City of Palmdale
Interagency Child Abuse and Neglect (ICAN) Investigation Reports Program
Time Survey Questionnaire

B. Initial Interviews with Involved Parties

1. How long on average do you spend driving to/from interview sites?

Depends, some interviews at station. 15-25 minutes.

2. Do you interview the alleged victims? How long on average does it take to perform a single interview with a victim?

Yes, 5-15 minutes on average.

45 longest time.

3. On average, how many victims are there per SCAR investigation?

anywhere from 1-10, avg is 2-4 (3)

4. Do you interview the alleged victim's parents? Average time per interview?

Yes, 5-10 minutes each parent

5. Do you interview the alleged suspect? Average time per interview?

Yes, if not alleging a crime. 5-10 minutes.

if crime is known/
suspected. Will wait
for SVU to approach
suspect.

6. Do you interview any witnesses? Average time per interview?

Yes, 5-10 minutes

7. On average, how many witness interviews do you conduct for each investigation?

0-4, average = 2

neighbors, baby sitters, daycare

8. Do you perform any other on-site interviews with involved parties? Average time per interview?

contact medical professionals to discuss possible injury scenarios.

5-10 minutes

C. On-Scene Procedures

1. Do you inspect the victim's residence?

Yes

2. If an inspection is completed, what activities are performed? How long on average does it take to inspect a victim's house?

check utilities are working, has running h2o, cleanliness. 5 minutes.

3. Do you collect evidence or take photographs at the scene? How long on average does it take?

Yes, take photographs. Collect more evidence after SVU is called.
5-10 minutes.

City of Palmdale
Interagency Child Abuse and Neglect (ICAN) Investigation Reports Program
Time Survey Questionnaire

4. At what point is the Special Victim's Unit (SVU) contacted?

- when crime is determined to occur. will stay at times for SVU

5. Do you ever need to remove the child from the home? If yes, what procedures are performed? How long on average does it take?

yes, if perpetrator lives in home or house is not safe.

Take siblings as well, call DCFS 20 minutes

6. Do you perform any other duties while completing the initial investigation?

No

D. Documentation and Reporting Writing

1. Do you write-up the outcomes of the investigation in a report?

yes



report written for All cases

2. What types of reports are created for SCAR investigations?

No Crime | Crime Suspected | Suspicious Circumstance.

3. What is the average time needed to prepare a report for an unfounded SCAR investigation?

15-20 min

4. What is the average time needed to prepare a report for a substantiated/inconclusive investigation?

45-50 min

5. Is the report reviewed by a supervisor? Who? How long does the supervisor review it for?

yes, 20 minutes.

6. Do you enter the findings into E-SCARS? If so, how long does it take on average?

clear case / update any info 5 minutes

~~*~~ Avg = 37 mins
30 mins was requested to be included for cases where logs didn't record time for report writing.

DECLARATION OF SERVICE BY EMAIL

I, the undersigned, declare as follows:

I am a resident of the County of Sacramento 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 August 27, 2018, I served the:

- **Claimant's Comments on the Draft Proposed Decision filed August 24, 2018**

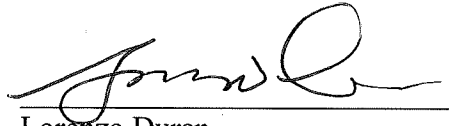
Interagency Child Abuse and Neglect Investigation Reports (ICAN), 17-0022-I-01 Penal Code Sections 11165.9, 11166, 11166.2, 11166.9¹, 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958 (AB 1058); Statutes 1980, Chapter 1071 (SB 781); Statutes 1981, Chapter 435 (AB 518); Statutes 1982, Chapter 162 (AB 2303); Statutes 1982, Chapter 905 (SB 1848); Statutes 1984, Chapter 1423 (SB 1899); Statutes 1984, Chapter 1613 (AB 2709); Statutes 1985, Chapter 1598 (AB 505); Statutes 1986, Chapter 1289 (AB 1981); Statutes 1986, Chapter 1496 (AB 3608); Statutes 1987, Chapter 82 (AB 80); Statutes 1987, Chapter 531 (AB 1632); Statutes 1987, Chapter 1459 (SB 1219); Statutes 1988, Chapter 269 (AB 3022); Statutes 1988, Chapter 1497 (SB 2457); Statutes 1988, Chapter 1580 (AB 4585); Statutes 1989, Chapter 153 (AB 627); Statutes 1990, Chapter 650 (SB 2423); Statutes 1990, Chapter 1330 (SB 2788); Statutes 1990, Chapter 1363 (AB 3532); Statutes 1990, Chapter 1603 (SB 2669); Statutes 1992, Chapter 163 (AB 2641); Statutes 1992, Chapter 459 (SB 1695); Statutes 1992, Chapter 1338 (SB 1184); Statutes 1993, Chapter 219 (AB 1500); Statutes 1993, Chapter 510 (SB 665); Statutes 1996, Chapter 1080 (AB 295); Statutes 1996, Chapter 1081 (AB 3554); Statutes 1997, Chapter 842 (SB 644); Statutes 1997, Chapter 843 (AB 753); Statutes 1997, Chapter 844 (AB 1065); Statutes 1999, Chapter 475 (SB 654); Statutes 1999, Chapter 1012 (SB 525); and Statutes 2000, Chapter 916 (AB 1241); California Code of Regulations, Title 11, Section 903 (Register 98, Number 29)²; "Child Abuse Investigation Report" Form SS 8583 (Rev. 3/91) Fiscal Years: 1999-2000, 2000-2001, 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2005-2006, 2006-2007, 2007-2008, 2008-2009, 2009-2010, 2010-2011, 2011-2012, and 2012-2013
City of Palmdale, 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.

¹ Since renumbered as Penal Code section 11174.34 (Stats. 2004, ch. 842 (SB 1313)).

² The substantive requirements of section 903 are now found at section 902, pursuant to amendments effected by Register 2010, Number 2.

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 August 27, 2018 at Sacramento, California.

A handwritten signature in black ink, appearing to read 'Lorenzo Duran', written over a horizontal line.

Lorenzo Duran
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814
(916) 323-3562

COMMISSION ON STATE MANDATES

Mailing List

Last Updated: 8/23/18

Claim Number: 17-0022-I-01

Matter: Interagency Child Abuse and Neglect Investigation Reports (ICAN)

Claimant: City of Palmdale

TO ALL PARTIES, INTERESTED PARTIES, AND INTERESTED 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, § 1181.3.)

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