



Cost Recovery Systems, Inc.

RECEIVED
September 07, 2018
*Commission on
State Mandates*

September 6, 2018

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

Response to Request for Additional Information: Test Claim U Visa 918 Form, Victims of Crime: Nonimmigrant Status, 17-TC-01

Dear Ms. Halsey,

Attached is the additional evidence you requested in your August 29, 2018 letter questioning our assertion that Lieutenant Ciszek's \$93.35 hourly rate of pay is accurate.

Please see the attached Declaration of the City of Claremont Finance Director, Adam Pirie and additional supporting evidence to prove that the rates claimed are supported. In addition, we provided additional evidence to show that if we had computed the rates based on "Actual Productive Hours" allowable in the claiming instructions, the allowable salary rates would be even higher.

We believe our original computation of costs was conservative and believe we have presented adequate evidence to show our actual costs would exceed \$1,000 in FY 2017-18 and that our Test Claim should be approved.

If you have any other questions or would like additional documentation, please let us know. We would not object to a delay in the hearing date if you would like any additional documentation or information.

Sincerely,

A handwritten signature in cursive script, appearing to read "Annette Chinn", is written in black ink.

Annette Chinn
Consultant Representative for the
City of Claremont

DECLARATION OF ADAM PIRRIE

I, Adam Pirrie, make the following declaration under oath and under penalty of perjury under the laws of the State of California that the following statements are true and correct of my own personal knowledge:

I am the Chief Financial Officer the City of Claremont. As part of my duties, I am responsible for the complete and timely recovery of costs mandated by the State.

Lieutenant Ciszek's actual rate of pay was above the published salary range due to his qualification for various special pays. In the case of Lt. Ciszek these special pay types included Uniform Pay, Education Incentive Pay, Bonus Pay, Longevity Pay, and Cafeteria Taxable Cash Pay which in the accounting period totaled an additional \$27,525 in addition to his regular pay rate of \$140,551.

These amounts are documented, actual, federally taxable salaries that appears on the employees Federal W-2 forms. We did not include Overtime Pay in our total annual salary base.

The computation for Lieutenant Ciszek's total actual salary is \$140,551 (Total Regular Pay) + \$27,525 (Other Pay) = \$168,076

See column 3 of numeric data labeled – "Total Regular Pay" and column 6 "Other Pay" of the Salary Report attached both here under "Tab 1" and in our prior submission of Pay Table in our August 23, 2018 submission.

According to State Claiming Instructions, (See "Tab 2") local agencies are allowed to use the default 1,800 productive annual hours OR to compute their own actual annual productive hours. In our original filing, we computed hourly rates based on the 1,800 default hours.

Lt. Ciszek's Productive hourly salary rate based on the default 1,800 hours =
 $\$168,076 \text{ annual actual salary} / 1,800 \text{ default annual productive hours} = \underline{\$93.38}$

State Claiming Instructions also allow claimants to compute and use their own "actual" annual productive hour computation. In our case, for Lt. Ciszek and Chief Vander Veen, this annual total would conservatively be 1,728 hours of productive time based on the City's Memorandum of Understanding with the Police Officers Associations (see attached document). The computation of this Productive Annual Hours is included under "Tab 1".

Based on this computation of actual annual productive hours in FY2017-18:

Lt. Cizek's Actual Productive hourly salary rate based on the 1,728 hours =
\$168,076 annual actual salary / 1,728 actual annual productive hours = \$97.27

And

Police Chief's Actual Productive hourly salary rate based on 1,728 hours =
\$196,794 annual actual salary / 1,728 default annual productive hours = \$113.89

The revised computation of our actual costs is also included under "Tab 1".

Based upon Police Department time records, the City of Claremont's actual FY 2017-18 costs to implement the requirements of Penal Code 679.10 which are subject of this Test Claim (referred to as UVISA program) exceeded \$1,000.

Based upon Police Department time records and projection of future activity in the UVISA program, the City of Claremont's estimated FY 2018-19 and future year costs will exceed \$1,000 annually.

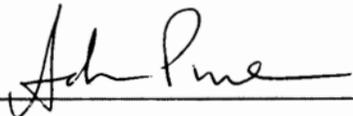
I am personally conversant with the foregoing facts, and if so required, I could and would testify to the statements made herein.

I believe that the rates and information presented have been computed accurately in accordance with the State Controller's Office claiming instructions, rules, and guidelines.

I declare under penalty of perjury under the laws of the State of California that the above declarations and the information contained under "Tab 1" are true and correct based upon my own personal knowledge.

I further declare that the information presented under "Tab 2" is from the State Controller's Office website and I believe that this information is true and correct based on my information and belief.

Executed this 6th day of September in Claremont, California.



Adam Pirrie
City of Claremont, Finance Director

TAB 1

Containing:

- 1) Actual Salary Data Table
- 2) Computation of Annual Actual Productive Hours Worked
- 3) City of Claremont & Claremont Police Officers' Association FY 2017-18 Memorandum of Understanding
- 4) Updated Computation of FY 2017-18 UVISA Costs based on allowable "actual" productive hours computation

Actual Salary Data

| Department | Classification | Annual Salary Minimum | Annual Salary Maximum | Total Regular Pay | Overtime Pay | Lump Sum Pay | Other Pay | Applicable Define Benefit Pension Formula | Employer Contribution to Employee's Share of Pension | Defined Benefit Plan | Deferred Compensation/Defined Contribution Plan | Health, Dental, Vision |
|------------|--------------------------------|-----------------------|-----------------------|-------------------|--------------|--------------|-----------|-------------------------------------------|------------------------------------------------------|----------------------|-------------------------------------------------|------------------------|
| Police | Administrative Assistant | 44,208 | 53,408 | 53,408 | - | 648 | 1,281 | 2.5% @ 55 | - | 15,607 | - | 12,167 |
| Police | Administrative Assistant | 44,208 | 53,408 | 53,408 | - | - | 12,691 | 2.5% @ 55 | - | 15,607 | 2,430 | 609 |
| Police | Communications Officer II | 69,920 | 69,920 | - | 1,252 | - | - | 2.5% @ 55 | - | - | - | - |
| Police | Communications Officer II | 57,876 | 69,920 | 63,094 | 9,172 | - | 10,972 | 2.5% @ 55 | - | 19,409 | 435 | 8,862 |
| Police | Communications Officer II | 57,876 | 69,920 | 69,568 | 7,039 | 403 | 9,410 | 2.5% @ 55 | - | 22,889 | 699 | 14,434 |
| Police | Communications Officer II | 57,876 | 69,920 | 69,522 | 3,739 | 8 | 19,508 | 2.5% @ 55 | - | 22,860 | - | 3,703 |
| Police | Communications Officer II | 57,876 | 69,920 | 69,122 | 12,571 | - | 8,852 | 2.5% @ 55 | - | 23,040 | 524 | 15,297 |
| Police | Communications Officer II | 57,876 | 69,920 | 69,821 | 12,522 | 268 | 14,556 | 2.5% @ 55 | - | 22,592 | - | 7,143 |
| Police | Communications Officer II | 57,876 | 69,920 | 69,713 | 7,549 | 8 | 18,057 | 2.5% @ 55 | - | 21,895 | 524 | 1,908 |
| Police | Crossing Guard | 20,820 | 25,147 | 6,540 | - | - | - | N/A | - | - | - | - |
| Police | Crossing Guard | 20,820 | 25,147 | 6,679 | - | - | - | N/A | - | - | - | - |
| Police | Crossing Guard | 20,820 | 25,147 | 5,908 | - | - | - | N/A | - | - | - | - |
| Police | Crossing Guard | 20,820 | 25,147 | 6,524 | - | - | - | N/A | - | - | - | - |
| Police | Crossing Guard | 20,820 | 25,147 | 2,367 | - | - | - | N/A | - | - | - | - |
| Police | Information Technology Technic | 60,216 | 72,747 | 66,795 | - | - | 6,695 | 2% @ 62 | - | 19,531 | 729 | 7,033 |
| Police | Jailer | 45,780 | 55,307 | 27,335 | 7,434 | 2,877 | 2,660 | 2.5% @ 55 | - | 8,787 | - | 7,763 |
| Police | Jailer | 45,780 | 55,307 | 13,667 | - | - | 13 | 2% @ 62 | - | 323 | - | - |
| Police | Jailer | 45,780 | 55,307 | 45,240 | 6,552 | - | 8,082 | 2% @ 55 | - | 14,500 | - | 7,454 |
| Police | Jailer | 45,780 | 55,307 | 13,694 | 4,909 | 2,090 | 5,509 | 2% @ 62 | - | 4,287 | - | - |
| Police | Jailer | 45,780 | 55,307 | 52,756 | 11,789 | 694 | 10,097 | 2% @ 55 | - | 16,203 | - | 7,491 |
| Police | Parking Enforcement Officer | 45,324 | 54,756 | 54,303 | 340 | - | 4,911 | 2.5% @ 55 | - | 16,971 | - | 15,527 |
| Police | Police Aide | 24,523 | 29,640 | 12,610 | - | - | - | 2% @ 62 | - | 1,947 | - | - |
| Police | Police Aide | 24,523 | 29,640 | 898 | - | - | - | 2% @ 62 | - | 251 | - | - |
| Police | Police Aide | 24,523 | 29,640 | 11,286 | - | - | - | N/A | - | - | - | - |
| Police | Police Aide | 24,523 | 29,640 | 10,089 | - | - | - | N/A | - | - | - | - |
| Police | Police Aide | 24,523 | 29,640 | 12,838 | - | - | - | N/A | - | - | - | - |
| Police | Police Aide | 24,523 | 29,640 | 16,133 | - | - | - | 2% @ 62 | - | 3,368 | - | - |
| Police | Police Aide | 24,523 | 29,640 | 14,521 | - | - | - | 2% @ 62 | - | 2,749 | - | - |
| Police | Police Aide | 24,523 | 29,640 | 4,951 | - | - | - | N/A | - | - | - | - |
| Police | Police Captain | 145,604 | 175,905 | 148,132 | 4,568 | - | 10,124 | 3% @ 50 | - | 85,050 | 2,932 | 13,811 |
| Police | Police Chief | 166,592 | 201,262 | 176,844 | 465 | 3,579 | 19,950 | 3% @ 50 | - | 103,941 | 8,728 | 13,100 |
| Police | Police Corporal | 77,652 | 93,812 | 93,101 | 25,621 | - | 6,761 | 3% @ 50 | - | 55,089 | 270 | 14,512 |
| Police | Police Corporal | 77,652 | 93,812 | - | 452 | - | - | 3% @ 50 | - | - | - | - |
| Police | Police Corporal | 77,652 | 93,812 | 93,009 | 58,314 | 2,164 | 16,386 | 3% @ 50 | - | 55,983 | - | 7,167 |
| Police | Police Corporal | 77,652 | 93,812 | 91,900 | 48,200 | 1,082 | 17,510 | 3% @ 50 | - | 55,596 | - | 7,055 |
| Police | Police Corporal | 77,652 | 93,812 | 93,087 | 33,788 | 2,029 | 9,798 | 3% @ 50 | - | 54,199 | - | 12,850 |
| Police | Police Corporal | 77,652 | 93,812 | 92,999 | 41,551 | 1,082 | 6,044 | 3% @ 50 | - | 53,926 | - | 15,535 |
| Police | Police Corporal | 77,652 | 93,812 | 92,841 | 24,920 | 1,262 | 7,273 | 3% @ 50 | - | 54,433 | - | 15,527 |
| Police | Police Corporal | 77,652 | 93,812 | 91,355 | 21,047 | - | 20,428 | 3% @ 50 | - | 52,723 | - | 603 |
| Police | Police Corporal | 77,652 | 93,812 | 91,156 | 49,235 | 2,122 | 7,700 | 3% @ 50 | - | 53,589 | - | 15,527 |
| Police | Police Corporal | 77,652 | 93,812 | 92,956 | 24,084 | 1,082 | 22,482 | 3% @ 50 | - | 54,541 | - | - |
| Police | Police Lieutenant | 116,340 | 140,551 | 140,551 | 28,373 | - | 27,525 | 3% @ 50 | - | 84,468 | 6,937 | 2,704 |
| Police | Police Lieutenant | 116,340 | 140,551 | 140,551 | 53,773 | - | 16,560 | 3% @ 50 | - | 87,210 | - | 13,811 |
| Police | Police Lieutenant | 116,340 | 140,551 | 140,153 | 31,735 | 1,892 | 10,824 | 3% @ 50 | - | 80,354 | 6,937 | 12,787 |

**COMPUTATION OF ANNUAL
ACTUAL PRODUCTIVE HOURS
WORKED**

CALCULATION OF ANNUAL PRODUCTIVE HOURS FOR PEACE OFFICER STAFF > 13 YR TENURE

| | 2080 base | hours per year worked |
|------|------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| less | 96 holidays | 12 days annually |
| less | 96 sick leave | 3.69 hours per pay period (26 pay periods) |
| less | 160 vacation | 6.15 hours per pay period (26 pay periods) |
| less | <u>* vacation longevity incentive (extra 80 hours after 10, 15, 20 year anniversary)</u> | |
| | | 1728 actual productive annual hours (*Not including longevity incentive vacation time) |



MEMORANDUM OF UNDERSTANDING

BETWEEN

**THE CLAREMONT POLICE
OFFICERS' ASSOCIATION**

AND

THE CITY OF CLAREMONT

JULY 1, 2017 – JUNE 30, 2018

CLAREMONT POLICE OFFICERS' ASSOCIATION

MEMORANDUM OF UNDERSTANDING
2017-2018

TABLE OF CONTENTS

| | |
|---------------------------------------------------------|----|
| ARTICLE I – PREAMBLE..... | 1 |
| ARTICLE II – RECOGNITION | 1 |
| ARTICLE III – ASSOCIATION RIGHTS | 1 |
| ARTICLE IV – DUES DEDUCTION | 1 |
| ARTICLE V – MANAGEMENT RIGHTS..... | 1 |
| ARTICLE VI – SALARIES | 2 |
| ARTICLE VII – EDUCATIONAL INCENTIVE PAY | 3 |
| ARTICLE VIII – BILINGUAL PAY..... | 3 |
| ARTICLE IX – SPECIAL DUTY COMPENSATION/ASSIGNMENT | 3 |
| ARTICLE X – CALL BACK TIME | 4 |
| ARTICLE XI – ON-CALL TIME..... | 4 |
| ARTICLE XII – OVERTIME/COMPENSATORY TIME..... | 5 |
| ARTICLE XIII – RETIREMENT | 6 |
| ARTICLE XIV – SHOOTING PAY..... | 8 |
| ARTICLE XV – SPECIAL DUTY PAY | 8 |
| ARTICLE XVI – TUITION REIMBURSEMENT | 8 |
| ARTICLE XVII – UNIFORM ALLOWANCE AND REIMBURSEMENT..... | 9 |
| ARTICLE XVIII – FLEXIBLE BENEFIT PLAN..... | 9 |
| ARTICLE XIX – LIFE INSURANCE | 10 |
| ARTICLE XX – DEFERRED COMPENSATION..... | 10 |
| ARTICLE XXI – DEFERRED COMPENSATION MATCH | 10 |
| ARTICLE XXII – RETIREE MEDICAL INSURANCE..... | 10 |
| ARTICLE XXIII – LONG TERM DISABILITY..... | 10 |
| ARTICLE XXIV– WORKERS' COMPENSATION..... | 10 |
| ARTICLE XXV – HOLIDAYS | 11 |
| ARTICLE XXVI – MILITARY LEAVE..... | 13 |
| ARTICLE XXVII – SICK LEAVE | 13 |
| ARTICLE XXVIII – VACATION | 15 |
| ARTICLE XXIX – DISCIPLINARY PROCEDURE | 16 |

| | |
|------------------------------------------------------------|----|
| ARTICLE XXX – LAYOFF PROCEDURE | 20 |
| ARTICLE XXXI – COMMUNICATION OFFICERS | 22 |
| ARTICLE XXXII – WORK STOPPAGE | 23 |
| ARTICLE XXXIII – DRUG AND ALCOHOL TESTING | 23 |
| ARTICLE XXXIV – ALTERNATIVE WORK SCHEDULES | 30 |
| ARTICLE XXXV – FULL UNDERSTANDING/EFFECT OF AGREEMENT..... | 31 |
| ARTICLE XXXVI – SAVINGS CLAUSE | 31 |
| ARTICLE XXXVII – TERM OF AGREEMENT | 32 |

**CITY OF CLAREMONT
AND
CLAREMONT POLICE OFFICERS' ASSOCIATION**

MEMORANDUM OF UNDERSTANDING

ARTICLE I – PREAMBLE

It is the intent and purpose of this Memorandum of Understanding to set forth the understanding of the parties reached as a result of meeting and conferring in good faith regarding, but not limited to, matters relating to the wages, hours, and terms and conditions of employment between employees represented by the Claremont Police Officers' Association (CPOA, "Association") and representatives of the City of Claremont ("City").

ARTICLE II – RECOGNITION

The following positions shall be represented by the Association: Police Corporal, Police Officer, Police Recruit, Communications Officer I, Communications Officer II, Senior Jailer, Jailer, and Parking Enforcement Officer.

ARTICLE III – ASSOCIATION RIGHTS

Employees of the City shall have the right to form, join and participate in the activities of employee organizations of their own choosing for the purpose of representation on all matters of employer-employee organizations and shall have the right to represent themselves individually in their employment relations with the City. No employee shall be interfered with, intimidated, restrained, coerced or discriminated against by the City, another employee, or any employee organization because of his/her exercise of these rights. A minimum of two members of the CPOA Board of Directors shall be involved in the meet and confer process.

ARTICLE IV – DUES DEDUCTION

During the life of this Memorandum, the City shall deduct, two pay periods per month from the net amount, the monthly dues plus any voluntary insurance premium deduction of each employee in the recognized unit who has furnished the City with an individual written authorization, revocable pursuant to the City of Claremont's Resolution 71-106. The Association shall indemnify the City and defend at its expense against any liability, claim, demand, judgment or loss from any lawsuit filed by any employee or group of employees in connection with this check-off provision. The City shall remit such deductions to the Association monthly and the Association shall repay any amount paid in error.

ARTICLE V – MANAGEMENT RIGHTS

The rights of the City include, but are not limited to, the exclusive right to determine the mission of its constituent departments, commissions and boards; set standards of service; determine the procedures and standards of selection for employment and promotion; direct its employees; take disciplinary action; relieve its employees from duty because of lack of work or for other legitimate reasons; maintain the efficiency of governmental operations; determine the methods, means and personnel by which government operations are to be conducted; determine when work shall be contracted or transferred out of the unit; determine the content of job classifications; take all necessary actions to carry out its mission in emergencies; and exercise complete control and discretion over its organization and the technology of performing its work. The inclusion of such

rights in a list of City rights, and the right of the City to act on such rights shall not be subject to grievance.

ARTICLE VI – SALARIES

The Association agrees to the following one (1) time benefit during the term of this contract:

“Cash Out” of 48 hours of accumulated vacation, sick leave, or floating holiday leave on 7/20/2017 or 11/23/2017 at your base salary as of 7/1/2017. This is considered a 1-time cash-out and does not carry over to subsequent contracts. This is only eligible for members on payroll as of 6/30/2017.

OR

2.4% bonus of your annual base salary on 7/1/2017 paid out on 7/20/2017 or 11/23/2017. This is considered a 1-time bonus and does not carry over to subsequent contracts. This is only eligible for members on payroll as of 6/30/2017.

The salary range for the Police Officer classification shall be increased .5%, Police Corporal 1%, and Jailer .5% effective 7/1/2017.

The Performance Recognition Program shall be continued with the following guidelines:

1. All provisions of Administrative Policy #30-19, “Performance Recognition Program” are hereby incorporated by reference. However, Provision B-1-b shall, for the purposes of employees represented by the Claremont Police Officers’ Association, read: “An employee whose overall performance is rated “exceeds expectations” shall receive a merit increase of not less than 5%, not to exceed the top of the range” and Provision B-1-c shall read, “An employee whose overall performance is rated “excellent” shall receive a merit increase of not less than 6%, not to exceed the top of the range.”
2. Employees who, by nature of their assignment, are supervised by more than one supervisor during the review period, shall have their evaluations completed by the supervisor who has supervised the employee the longest period of time. The other supervisor(s) shall confer with that supervisor and provide for said evaluation.
3. At least ten (10) days prior to preparing an employee’s evaluation, the supervisor charged with completing the evaluation shall request the employee to provide written input for his/her evaluation.
4. An employee may request to have their evaluation reviewed by an evaluation review board. The request must be made within 15 calendar days of being given the evaluation. The employee must submit the request in writing and shall at a minimum contain a summary of the specific areas the employee is requesting to have reviewed. The review board shall consist of the Personnel Manager, a Police Department supervisor (Sergeant or above) chosen by the employee, and a Police Department supervisor (Sergeant or above) chosen by the Chief of Police or his designee. The evaluation review committee is advisory in nature and any committee recommendations to the Police Chief following the review are non-binding.
5. A salary survey shall occur in January 2018. Survey cities will be Arcadia, Azusa, Brea, Chino, Glendora, La Verne, Monrovia, Montclair, Upland, Covina, and

Rialto. The City will work with the association to review and revise as necessary to come to an agreement on suitable survey cities for subsequent surveys. Salary ranges shall be placed at the average of the survey cities.

ARTICLE VII – EDUCATIONAL INCENTIVE PAY

Employees (safety positions and communications officers) with an AA degree, 60 semester units, or 90 quarter units, and/or a POST Intermediate Certificate shall receive \$250 a month.

Employees (safety positions and communications officers) with a Bachelor's degree, 120 semester units, or 180 quarter units, and/or Advanced POST certificate shall receive \$350 a month.

Communications Officers, upon proof of completion of POST mandated training, shall receive \$100 a month or degree compensation, whichever is greater.

Jailers upon proof of completion of STC training shall receive \$100 a month or degree compensation, whichever is greater.

In order to qualify for this benefit, the employee shall submit to the Personnel Division a diploma or transcripts from an accredited institution(s), or an Intermediate or Advanced certificate issued from the Commission on Peace Officer Standards and Training (POST). Qualifying for the POST certificate alone does not qualify the employee to receive this benefit. The employee only qualifies to receive this benefit upon issuance of the certificate by POST. For payroll purposes, the date stamped on the issued POST certificate will be considered the qualification date; qualification for this benefit under the education component is based on the date the employee submits a copy of their transcripts and/or qualifying diploma to the Personnel Division.

ARTICLE VIII – BILINGUAL PAY

Employees who successfully complete a proficiency exam shall receive \$75/month Bilingual Pay for Spanish or other languages as may be designated by the City.

ARTICLE IX – SPECIAL DUTY COMPENSATION/ASSIGNMENT

- A. **Traffic Assignment:** Unit employees regularly assigned and serving as motorcycle officers shall receive assignment pay at the rate of fifty dollars (\$50.00) per month. Such officers shall receive this assignment pay for each pay period during which they were able and available to perform such assignment for a minimum of five (5) scheduled shifts during the pay period. In lieu of overtime otherwise compensable under the Fair Labor Standards Act (FLSA), motor officers shall continue to receive one day off (10 hours) per month for the purposes of maintaining their motorcycles. The day off shall be earned following a minimum of ten worked shifts in a traffic assignment from the previous month and cannot be accrued.
- B. **Field Training Officer Assignment:** Corporals and Officers selected to be Field Training Officers (FTOs) to train full-time Police Department personnel shall be compensated an additional 7% during the time they are actually conducting training. Corporals and Officers selected as FTO's will have to successfully complete a POST approved Field Training Officer course prior to training and serve at the leisure of the department.
- C. **Non-Sworn Training Assignment:** Non-sworn employees, other than Communications Officer II or Senior Jailer, assigned to train full-time Police Department personnel shall receive an additional 7% during the time they are actually conducting training. Employees

selected as trainers, and who complete a train-the-trainer or FTO course serve at the leisure of the department.

- D. **Matron Duty:** Communication Officer I and Communication Officer II shall receive \$100 per month for Matron Duty Pay.
- E. **Detective Bureau Assignment – Police Officer:** A Police Officer may be assigned to the Detective Bureau for a period of one (1) year, with the possibility of extending the assignment for an additional year. Assignments and extensions would only occur with the agreement of both the Chief of Police and the assigned Officer(s). While assigned to the Detective Bureau, the Officer's pay rate would remain at the same rate as if the Officer were assigned to Patrol, with no enhancements, except that while assigned to the Detective Bureau the Officer will receive uniform allowance commensurate with an administrative assignment.
- F. **Canine Assignment:** Employees who are assigned to a canine officer detail are entitled to compensation for off-duty hours spent caring, grooming, and feeding their canine. In lieu of overtime otherwise compensable under the Fair Labor Standards Act (FLSA), canine officers receive one day off (12 hours) per month for the purposes of maintaining their canines. The day off shall be earned following a minimum of ten worked shifts in a canine assignment from the previous month and cannot be accrued.

ARTICLE X – CALL BACK TIME

Employees who are called to work overtime from their day off or other off-duty hours shall be compensated for a minimum of three (3) hours of work. If the "call back time" is adjacent to regularly scheduled hours, the employee shall be paid overtime for time actually worked.

Compensation shall commence at the time an employee reaches the place where he/she is directed to report and shall continue until the work is completed. If the employee is required to be in uniform traveling in a department vehicle, pay begins when officers depart from the station. The travel time must be approved by the on-duty Lieutenant or Sergeant in their absence (Exception: Article XV – Special Duty Pay).

ARTICLE XI – ON-CALL TIME

- A. Employees who are required to stand-by during their off-duty time for an appearance in court shall receive two (2) hours of pay at straight time in the morning and two (2) hours of straight time in the afternoon while on-call. If an employee, however, is called to appear in court, the employee shall instead receive compensation in accordance with the callback provision of Article X of the MOU. If an employee scheduled for court is cancelled within 48 hours of appearing, they will receive two (2) hours of straight time, provided the court time is outside their normal shift.
- B. In order to receive compensation for afternoon on-call, the employee must contact the Deputy District Attorney handling the case to confirm afternoon on-call status. The name of the district attorney confirming afternoon on-call status shall be included on the overtime slip authorization submitted by the employee.
- C. Former employees who are called to court on any Claremont subpoena shall be compensated by the City of Claremont for their appearance. Said compensation shall be at the rate of pay, at the time of appearance that the employee would have been earning had he/she still been employed by the City. . Current City employees called to court on any subpoena related to a previous employer shall not be compensated by the City of

Claremont and in cases where the employee is called to court during their scheduled working hours, the employee must utilize leave time (vacation, comp, or floating holiday) for the time they are unable to work their regularly scheduled hours for the City of Claremont. The person being subpoenaed may request reimbursement from the attorney who has issued the subpoena

ARTICLE XII – OVERTIME/COMPENSATORY TIME

A. It is the policy of the City of Claremont to avoid overtime work whenever possible. In cases of emergency, however, or whenever public interest or necessity requires, any employee may be directed by proper authority, and is expected to perform overtime work. No overtime shall be recorded or reported for less than fifteen minutes of work. All overtime work, except for emergency conditions, must have the approval of the Department Head or designee prior to actual performance of the work. Failure to obtain such approval in advance will be justification for disapproval of any overtime compensation.

1. Unit employees shall receive overtime at the rate of one and one-half (1-1/2) times their regular rate of pay for time worked over 80 hours in a 14-day work period. The work period shall be determined by the City.
2. Hours worked shall include holiday, vacation, compensatory leave, jury duty (non-sworn employees only), and workers' compensation for injuries which occur during the pay period in which the overtime was accrued. Sick time will be counted as time worked for overtime computation if the overtime is worked outside of 24 hours of the shift the sick time was used. All other leaves of absence, paid or unpaid, shall not be considered as hours worked.

All overtime worked within a 24-hour period before any sick time used, and all overtime worked within a 24-hour period after any sick time is used, shall be calculated at straight time. All other overtime shall be calculated at time-and-a-half.

Example: An officer calls in sick on 07/13/07 for 0700-1900 hours. That officer will only receive straight time for overtime worked from 0700 hours on 07/12/07 through 1900 hours on 07/14/07. If that officer works overtime on 07/12/07 0300-1100 hours, their overtime would be calculated as follows:

- 0300-0700 hours: Overtime at Time-and-a-Half (time beyond the 24 hours of sick time used)
 - 0700-1100 hours: Overtime at Straight Time (time within the 24 hours of sick time used)
3. The Police Department uses a 14-day work period with an overtime threshold of 86 hours pursuant to 29 USC §207(k) of the FLSA. The first 14-day work period shall be Monday, July 3, 2017 at 0001 hours through Sunday, July 16, 2017 at 2400 hours, and continue every 14 days thereafter.
 4. The accrual and/or use of compensatory time shall be subject to the following conditions:
 - a. Employees may request to accrue compensatory time in lieu of overtime payments. The request to earn compensatory time must be submitted on

the overtime authorization form to the supervisor or Department Head prior to working the overtime.

- b. Employees may accrue compensatory time at one and one-half times the actual hours worked over 80 hours in the 14-day work period.
- c. All paid or unpaid leaves, with the exception of holidays, vacation, compensatory leave, and workers' compensation shall not be considered as hours worked for the purpose of computing accrual of compensatory time, but shall be considered as time worked for purposes of accruing compensatory time at straight time.
- d. The Department Head or designee shall determine whether to approve compensatory time or payment for overtime based on the needs of the department and the City and on the employee's accumulated compensatory hours.
- e. Total accumulated compensatory time shall not exceed 120 hours. Employees who have accumulated 120 hours of compensatory time shall have overtime paid in cash until their accumulated compensatory hours fall below the 120-hour limit.
- f. Employees may cash-out up to 24 hours of accumulated compensatory time on 7/20/2017 at their base salary as of 7/1/2017. This is considered a 1-time cash-out and does not carry over to subsequent contracts. This is only eligible for members on payroll as of 6/30/2017 and compensatory accrued as of 7/1/2017.
- g. Use of accrued compensatory time shall be granted at the discretion of the Department Head or designee on the needs of the department and the City. Employees shall request use of compensatory time a minimum of fourteen (14) days in advance. In the case of emergency or unforeseen circumstances, the fourteen (14) day notification requirement may be waived by the Chief of Police or his/her designee
- h. Unused compensatory time shall be paid off at termination.

ARTICLE XIII – RETIREMENT

1. Safety (Sworn) PERS Plan Formula:

- A. **Classic Member:** A classic member is defined as an employee who meets the definition of a "classic" member for purposes of retirement pension benefits in accordance with the Public Employees' Pension Reform Act of 2013. Generally, this includes employees that were hired before January 1, 2013 in the California Public Employees Retirement System (CalPERS) or a reciprocal retirement system with no break in service longer than six months. CalPERS ultimately determine who is a classic member in compliance with the law.
 - a. The City shall provide for classic member employees, hired prior to March 19, 2012, shall receive the 3.0% at 50 formula (First Tier). Classic member employees hired after March 19, 2012, shall receive 3.0% at 55 (Second Tier).

- B. **New Member:** A new member is defined as an employee who meets the definition of a “new” member for purposes of retirement pension benefits to the Public Employees’ Pension Reform Act of 2013. Generally, this includes employees that were hired into a regular position on or after January 1, 2013 or former members who have more than a six-month break in service. CalPERS ultimately determine who is a classic member in compliance with the law.
 - a. The City shall provide for new member employees the 2.7% at 55 (Third Tier).

2. **Miscellaneous (Non-Sworn) PERS Plan Formula**

- A. **Classic Member:** A classic member is defined as an employee who meets the definition of a “classic” member for purposes of retirement pension benefits in accordance with the Public Employees Pension Reform Act of 2013. Generally, this includes employees that were hired before January 1, 2013 in the California Public Employees Retirement System (CalPERS) or a reciprocal retirement system with no break in service longer than six months. CalPERS ultimately determine who is a classic member in compliance with the law.
 - a. The City shall provide for classic member employees, hired prior to March 19, 2012, shall receive the 2.5% at 55 formula (First Tier). Classic member employees hired after March 19, 2012, shall receive 2% at 55 (Second Tier).
- B. **New Member:** A new member is defined as an employee who meets the definition of a “new” member for purposes of retirement pension benefits to the Public Employees Pension Reform Act of 2013. Generally, this includes employees that were hired into a regular position on or after January 1, 2013 or former members who have more than a six-month break in service. CalPERS ultimately determine who is a classic member in compliance with the law.
 - a. The City shall provide for new member employees the 2% at 62 (Third Tier).

3. **PERS Highest Pension Calculation Compensation Period** - The City shall continue to provide the Single Highest One Year Final Compensation Pension calculation benefit to current employees hired prior to March 19, 2012. Employees hired after March 19, 2012 shall receive the highest average Three Year Final Compensation calculation benefit.

4. The City shall provide employees with the following benefits/provisions:

- A. The City's contract with PERS provides credit for unused sick leave.
- B. The City's contract with PERS provides the Third Level of 1959 Survivor Benefit.
- C. **Safety (Sworn) Classic Members:** Employees shall contribute 9% toward the PERS employee share.

Safety (Sworn) New Members: Employees shall contribute 11.50% or 50% of the total normal cost (whichever is greater) toward the PERS employee share.

Miscellaneous (Non-sworn) Classic Members: Employees hired prior to March 19, 2012 shall contribute 8% toward the PERS employee share. Employees hired after March 19, 2012 shall contribute 7% toward the PERS employee share.

Miscellaneous (Non-sworn) New Members: Employees hired after January 1, 2013 shall contribute 6.25% or 50% of the total normal cost (whichever is greater) toward the PERS employee share.

Both City and employee contributions shall at the time of separation, belong to the employee.

ARTICLE XIV – SHOOTING PAY

All sworn unit employees shall be credited with three (3) hours overtime or actual hours worked whichever is higher for each month they are required to shoot during off-duty hours.

ARTICLE XV – SPECIAL DUTY PAY

Unit employees assigned to perform police functions at special duty events shall be paid at time and one-half the top step of Corporal pay. Pay starts at time the employee arrives at location and is scheduled to perform police functions at the special duty event.

ARTICLE XVI – TUITION REIMBURSEMENT

A. Eligibility

1. All unit employees shall be reimbursed if they secure prior written approval of the course from their Department Head and the City Manager, and earn a grade of C or better (a grade of B or better for graduate courses).
2. Courses must be job related as determined by the City Manager.

B. Amount of Reimbursement

1. All unit employees shall be eligible to receive up to fifteen hundred (\$1,500) per year as reimbursement for tuition and/or related school expenses (i.e., textbooks, health fees, application fees, unreimbursed mandatory school expenses related to offsite school projects, fieldtrips, transportation, parking fees, etc.).
2. No employee shall receive reimbursement for courses eligible for full or partial reimbursement from another funding source (e.g., Veteran's benefits or POST).
3. If an employee is terminated from the City within one year after the completion of a reimbursed course for which the City has paid more than \$50, the employee shall reimburse the City by an amount equal to 1/12 of the reimbursement amount times the number of months remaining in the year. Terminated employees shall be required to sign an authorization for the City to deduct from the last paycheck any amount due to the City.
4. If an employee is directed to take a course by the Department Head, and the Department Head requests in writing the approval of the City Manager, the City Manager may approve that the full cost of tuition and fees be paid in advance by the

City. The City may also pay transportation or mileage and the cost for books and other materials at the discretion of the City Manager.

C. Submitting Tuition Reimbursement Requests

1. All requests for tuition reimbursement forms shall be completed by the employee and filed with the department secretary.
2. The department secretary shall see that the form has the necessary Department Head approval and shall submit the request to the accounting division.
3. The Finance Department shall review the appropriate training account to determine whether sufficient funds are available and forward the form to the City Manager.
4. The City Manager shall approve or reject the request and return the form to the accounting division.
5. In the event that the City Manager approves the request for tuition reimbursement, the accounting division shall record this approval as an encumbrance against the appropriate training account, return one copy of the request for tuition reimbursement form to the employee making the request, and file one copy with the training account log.
6. Upon successful completion of the course, and within 30 days of the issuance of the course grade, the employee shall complete a demand form and submit it, together with a copy of the original approved request for tuition reimbursement form, receipts, and proof of course grade, to the accounting division.

ARTICLE XVII – UNIFORM ALLOWANCE AND REIMBURSEMENT

- A. Allowance: All uniformed personnel (Corporals, Officers, Communication Officer I, Communication Officer II, Jailers, Senior Jailer, and Parking Enforcement Officer) shall receive thirty (\$30.00) per month allowance for uniform maintenance. All persons assigned to administrative duties (investigations, DARE, training, community relations) will receive forty (\$40.00) per month allowance.
- B. Reimbursement: Employees shall be eligible to receive reimbursement of up to \$400 per fiscal year for uniform and equipment purchases. All purchases shall be in compliance with City and Police Department policy and reimbursement shall occur upon submittal of proof of purchase receipts. Ineligible items include firearms, magazines, and ammunition.

ARTICLE XVIII – FLEXIBLE BENEFIT PLAN

The City's Flexible Benefit Plan shall include, for the employee and eligible dependents, City sponsored health insurance including medical, dental and vision insurance. The Flexible Benefit Plan shall also include, for employee only, supplemental benefit options available.

The City shall contribute \$1,294.00 per month towards the flexible benefit plan. Employees who do not use the full amount of the Flexible Benefit shall receive the remaining amount as taxable income. Should the total cost of premiums for benefits selected under the plan exceed the City's monthly contribution, the overage will be paid by the employee via pretax payroll deductions.

If an employee has medical, dental, and/or vision through other means, the employee is able to submit proof of other coverage, and will receive the Flexible Benefit amount as taxable income.

ARTICLE XIX – LIFE INSURANCE

The City agrees to provide life insurance in the amount of \$75,000 per employee and \$10,000 for his/her dependents.

ARTICLE XX – DEFERRED COMPENSATION

Employees have the opportunity to participate in a supplemental retirement savings account, 457 Deferred Compensation plan. Through tax-deferred payroll deductions, employees are eligible to deposit funds into their account, up to the maximum allowed by law.

ARTICLE XXI – DEFERRED COMPENSATION MATCH

Beginning with the employees' fifteenth (15th) consecutive year of service in CPOA, the City will match up to one and one-half percent (1.5%) of their base pay, payable into their deferred compensation account. This percentage increases to two percent (2%) at the beginning of their twentieth (20th) year in CPOA. To qualify for the deferred compensation match, an employee must have at least three (3) of five (5) years, preceding the eligibility year, of "exceeds expectations" evaluations. On an annual basis, employee must maintain "exceeds expectations" evaluation or lose eligibility for that year. Employee would be eligible for deferred compensation match once again, if they maintain the three (3) of five (5) year "exceeds expectations" evaluations.

ARTICLE XXII – RETIREE MEDICAL INSURANCE

The City shall continue to offer retirees the option to participate in group medical programs offered by the City. Association members that retire after October 25, 2011 may continue retiree group medical coverage at their own expense. Association members that retired before October 25, 2011 shall continue to be eligible for retiree group medical coverage at the retiree's expense minus the City's current retiree-only \$32.20 monthly contribution. Premium costs and level of coverage shall remain the same as for active employees, when applicable. Retirees eligible for Medicare have different premiums and coverage than non-Medicare eligible retirees, and active employees.

ARTICLE XXIII – LONG TERM DISABILITY

The City shall provide a long term disability program which includes the following benefits: 66.66% of base pay; maximum benefit up to \$8,000; to age 65, following a 60-day wait period. Between the 60th and 90th day of disability, the City will fund an amount equivalent to that under the long-term disability policy. After the 90th day, the policy itself will be in effect.

ARTICLE XXIV – WORKERS' COMPENSATION

All injuries sustained in the course of employment shall be reported at once to the unit employee's immediate supervisor or the on-duty Watch Commander (whichever is immediately available), who shall report the injury to their Division Manager, Department Head and the Personnel Manager. In the event the employee is physically incapacitated in such a manner as to prevent submission of a report, the Department Head or his/her designee shall complete and forward the required report to the Personnel Manager within 24 hours following the injury.

A. NON-SWORN EMPLOYEES:

Whenever any employee is compelled by direction of the City's physician or the employee's physician where the City has not appointed one, to be absent from duty on account of injury arising out of and in the course of his/her City employment, he/she shall receive full compensation during the first thirty (30) calendar days of such absence. During the period of time that an employee is receiving full salary, any workers' compensation payments received by the employee or by the City in his/her behalf shall be paid over to the City.

After thirty (30) days, an employee may elect to apply prorated accrued sick leave to such absence and to receive compensation equal to the difference between the compensation to which he/she is entitled under the California Workers' Compensation Law and his/her regular City salary, not to exceed the amount of earned sick leave. If the employee does elect and has applied his/her accrued sick leave to such absence, then he/she shall be entitled to receive compensation for absences following and related to the occurrence of a specific injury until his/her sick leave is exhausted. Such compensation shall be in an amount equal to the difference between compensation to which he/she is entitled under the California Workers' Compensation Law and his/her regular City salary.

Any permanent employee shall continue to accrue vacation, holidays and sick leave and to earn eligibility for consideration for merit salary increases during an absence resulting from an on-the-job injury providing he/she receives compensation payments under the provisions of the California Workers' Compensation Law. A probationary employee shall be entitled to the same benefits as a permanent employee, except he/she shall not continue to earn eligibility for consideration for merit salary increases or permanent status.

Medical care and payments for permanent disabilities incurred in the course of employment shall be as prescribed by the Workers' Compensation Act.

B. SWORN EMPLOYEES:

Whenever a sworn police employee sustains an injury while actively engaged in law enforcement, he/she shall receive compensation as provided under the State Workers' Compensation Act. Such officer shall be placed upon leave of absence at full pay and shall be paid by the City for so long as is required by Section 4850 and related Section of the Labor Code. During the time the City is required to pay and actually pays, the employee shall not be entitled to receive any temporary disability payments under the Workers' Compensation System, and the City shall be entitled to receive all payments which would otherwise be payable to such employee for such temporary disability or upon retirement.

Any permanent employee shall continue to accrue vacation, holidays and sick leave and to earn eligibility for consideration for merit salary increases during an absence resulting from an on-the-job injury providing he/she receives compensation payments under the provisions of the California Workers' Compensation Law. A probationary employee shall be entitled to the same benefits as a permanent employee, except he/she shall not continue to earn eligibility for consideration for merit salary increases or permanent status.

Medical care and payments for permanent disabilities incurred in the course of employment shall be prescribed by the Workers' Compensation Act.

ARTICLE XXV – HOLIDAYS

A. AUTHORIZED HOLIDAYS:

All unit employees shall be entitled to the following holidays with pay each calendar year and such other days as may be designated by action of the City Council:

1. January 1 (New Year's Day)
 2. The third Monday in January (Martin Luther King's Birthday)
 3. The third Monday in February (President's Day)
 4. The last Monday in May (Memorial Day)
 5. July 4 (Independence Day)
 6. The first Monday in September (Labor Day)
 7. Veteran's Day
 8. Thanksgiving Day
 9. December 25 (Christmas Day)
- B. Unit employees shall receive three floating holidays (24 hours) each calendar year, of which 1) sixteen (16) hours must be used in the fiscal year, eight (8) may be compensable under the terms of "D" below; 2) require a minimum of fourteen (14) days advance approval. In the case of emergency or unforeseen circumstance, the fourteen days notification requirement may be waived. All 24 floating holiday hours shall be credited to the employee the first pay period in January and must be used by November 30 of the same calendar year or shall be compensable on the pay date closest to December 1st of each calendar year.
- C. The specific days that City employees will observe the holiday may be determined by the City Council and/or the City Manager. The City Manager is empowered to determine whether the City shall observe special days of declaration by the President or Governor as a day of public fast, thanksgiving, mourning or holiday, as well as determine if Christmas Eve, and/or any other day shall be a holiday.
- D. Employees shall have the option of receiving straight time compensatory time in lieu of holiday pay. Such hours shall be banked as floating holiday hours.
- E. Employees shall receive holiday pay equal to the number of hours they are scheduled to work on a holiday or the number of hours actually worked on a holiday, whichever is greater. Those employees normally scheduled off on a holiday will receive holiday pay of eight (8) hours.

Application: A recognized holiday is from midnight the night prior through midnight the day of the holiday. For example, the July 4 holiday is from July 3 at 2400 hours through July 4 at 2400 hours.

Example 1: An officer has a regularly scheduled day off on July 4, and does not work that day. That officer receives eight (8) hours of holiday pay.

Example 2: An officer works July 3 from 1900 hours through July 4 at 0700 hours, and is off work the rest of July 4. That officer worked 7 hours of the holiday (2400-0700 hours), but will receive eight (8) hours of holiday pay since eight (8) hours is the minimum.

Example 3: An officer works July 3 from 1900 hours through July 4 at 0700 hours, and works again July 4 from 1900 hours through July 5 at 0700 hours. That officer is considered working the holiday from July 3 at 2400 hours through July 4 at 0700 hours, and July 4 at 1900 hours through 2400 hours, for a total of 12 hours. That officer would receive 12 hours of holiday pay.

Example 4: An officer works July 3 from 1900 hours through July 4 at 0700 hours, and works again July 4 from 1500 hours through 2300 hours. That officer is considered

working the holiday from July 3 at 2400 hours through July 4 at 0700 hours, and July 4 at 1500 hours through 2300 hours, for a total of 15 hours. That officer would receive 15 hours of holiday pay.

Example 5: A detective would normally be scheduled to work 10 hours on July 4, but is taking the day off using 10 holiday hours. Those 10 hours are considered holiday pay, so no additional holiday pay is awarded.

Example 6: A detective would normally be scheduled to work 10 hours on July 4, but is taking the day off using 10 holiday hours. The detective works five (5) hours overtime at the fireworks show. The detective receives no additional holiday pay, since 10 hours of holiday has already been paid, which is greater than the actual time worked (5 hours).

Example 8: An officer is normally scheduled to work July 3 from 1900 hours through July 4 at 0700 hours, but takes time off using vacation. The officer then works July 4 from 1900 hours through July 5 at 0700 hours. The 5 hours from July 3 at 1900 hours through 2400 hours are charged to vacation. The 7 hours from July 3 at 2400 hours through July 4 at 0700 hours are charged to holiday pay instead of vacation (per the CPOA MOU XXVII (C)). The 5 hours on July 4 at 1900 to 2400 hours are considered working on the holiday, so the officer will receive holiday pay for those hours. The officer will receive a total of 12 hours holiday pay (the seven (7) hours used to take the day off, and the five (5) hours earned while working).

ARTICLE XXVI – MILITARY LEAVE

Military leave with pay shall be granted in accordance with provisions of the Military and Veterans Code of the State and applicable Federal law.

An employee entitled to military leave shall give his/her Department Head an opportunity within the limits of military regulations to determine when such leave shall be taken. Prior to taking such leave, an employee shall present a copy of his/her military orders to his/her Department Head. The Department Head shall advise the Personnel Manager of such military orders immediately. Sick leave and annual vacation leave will accrue to the employee during the period he/she is on military leave.

In the event an employee is called to active duty, he/she shall receive his/her compensation less his/her military pay for up to six months.

ARTICLE XXVII – SICK LEAVE

A. **ACCRUAL OF SICK LEAVE:** Employees shall accrue 3.69 hours sick leave for each pay period.

1. An employee shall not receive payment for unused sick leave accumulated to his/her credit upon termination of employment or retirement (either disability or regular). An employee may not use sick leave to extend his/her retirement (either disability or regular) date. This prohibition shall not affect an employee's right to obtain sick leave credit with PERS.
2. Up to five (5) days/shifts more sick leave than has been accumulated may be advanced to an employee on the recommendation of his/her Department Head and the approval of the City Manager. If the employee does not return to work or terminates before repaying the advance, his/her pay for those days shall be deducted from his/her paycheck.

3. Sick leave is not a leave which an employee may use at his/her discretion, but shall be allowed only in cases of actual sickness or disability that is non-industrial and which make it impossible for the employee to perform his/her normal work assignments.
4. Employees scheduled to work on a holiday who are unable to do so due to illness shall be compensated (8) hours of holiday pay and have the total number of hours they were scheduled to work deducted from their accrued sick leave.
5. No mention on performance reviews or the financial penalization of employees for legitimate use of sick leave that qualifies under the Family Medical Leave Act or Family sick leave (Kincare Law) to care for sick family members, or as Pregnancy Disability Leave.
6. Any abuse of sick leave as evidenced by patterned absences, evidence of fraud or more than 40 hours annual use of sick leave not justified by apparent good cause may be mentioned on performance evaluations.

B. PROOF OF ILLNESS:

In order to be paid for time while absent from duty on sick leave, the employee must notify his/her immediate supervisor at least two (2) hours prior to the time set for the beginning of his/her regular duties. Notification is defined as actual contact with the supervisor and/or the on-duty Watch Commander either in-person or over the phone. Calling in to other staff does not meet the notification requirement.

The Department Head, or his designee, may request a certificate issued by a licensed physician or other satisfactory proof of illness before sick leave is granted.

The Department Head, or his designee, may also choose the licensed physician to conduct a physical examination and such examination shall be conducted at City expense.

C. LEAVE

Family School Partnership Leave

In compliance with the Family School Partnership Act, an employee who is the parent, guardian, or grandparent having custody of a child in kindergarten or grades one through twelve, including a licensed child care facility, can take off up to forty (40) hours a year, but may not exceed more than eight (8) hours in one calendar month, to participate in the child's school activities. School activities include field trips, open houses, extracurricular activities, and school meetings for a suspended child. The employee must give at least five (5) working day notice to the Department Head prior to participating in the school activity. The Department Head may require the employee to provide documentation of the school activity. The employee may use accumulated leave time such as vacation, comp time, administrative leave, or floating holidays. The employee may also use unpaid leave.

Family Sick Leave (Kincare Law)

In compliance with Labor Code section 233 and City Administrative Policy 30-32 - Sick Leave, employees may use sick leave for qualifying family sick leave events.

Family Care and Medical Leave (FMLA)

In compliance with City Administrative Policy 30-36 - Family Care and Medical Leave (FMLA), employees may use sick leave, vacation, compensatory time, administrative leave, and/or floating holiday hours for time off work as the result of a qualifying FMLA event.

Pregnancy Disability Leave

In compliance with City Administrative Policy 30-32 - Sick Leave, and Family Care and Medical Leave (FMLA) Policy 30-36, employees may use sick leave, vacation, compensatory time, administrative leave, and/or floating holiday hours for time off due to pregnancy caused disability.

Bereavement Leave

In compliance with City Administrative Policy 30-32 - Sick Leave, employees may take bereavement leave for the death of a family member.

ARTICLE XXVIII – VACATION

A. BASIS OF ACCRUAL

1. Accrual of vacation leave begins with the first pay period. Every employee shall accrue 3.69 hours of vacation leave per pay period for the first year of full-time continuous service with the City.
2. Following the completion of the first year of full-time continuous service, employees shall accrue vacation leave at the rate of 4.62 hours per pay period.
3. Following the completion of the thirteenth year of full-time continuous service, employees shall accrue vacation leave at the rate of 6.15 hours per pay period.
4. Beginning with an employee's tenth year of employment and in five-year increments thereafter, he/she shall receive a one-time longevity incentive of eighty hours on his/her 10th, 15th, 20th, 25th, 30th etc. anniversary date. The longevity incentive shall be used within 12 months after receiving it.

B. VACATION ACCRUAL LIMIT

All employees shall be entitled to have a total accrued vacation leave equal to two years (52 times their pay period accrual rate).

C. EFFECTS OF HOLIDAY ON VACATION LEAVE

In the event one or more authorized municipal holidays falls within a vacation leave, such holiday shall not be charged as vacation.

D. EFFECTS OF SICK LEAVE ON VACATION LEAVE.

In the event an employee becomes ill during his/her vacation period, such time shall not be charged as vacation leave if the following conditions are met:

1. Notice is given immediately to the employee's supervisor or the on-duty Watch Commander. Sick leave will only be granted for those days on which notice is given or which follow notice to the City; and
2. The employee submits a doctor's certificate for the period of sick leave.

E. COMPENSATION FOR CITY WORK DURING VACATION PROHIBITED

No person shall be permitted to work for compensation for the City in any capacity, except compensation for mandated court appearances or special duty assignments during the time of his/her paid vacation leave from City services.

F. SCHEDULING VACATIONS

An employee may take his/her annual vacation leave at any time during the year, contingent upon determination by his/her Department Head that such absence will not adversely affect the department.

Each employee must consider the needs of the department when requesting annual vacation leave. An employee shall provide a minimum of fourteen (14) days written notice of requested vacation time off. In the case of emergency or unforeseen circumstances, the fourteen (14) day notification requirement may be waived by the Chief of Police and/or is designee.

G. VACATION PAY UPON TERMINATION

Any employee separating from City service who has accrued vacation leave shall be entitled to pay in lieu of such vacation. An employee may not use vacation leave to extend his/her termination effective date.

When separation is caused by death of any employee, payment shall be made to the spouse or the estate of such employee or, in applicable cases, as provided by the Probate Code of the State.

ARTICLE XXIX – DISCIPLINARY PROCEDURE

No permanent employee shall be disciplined without just cause. For purposes of this Article, discipline shall be defined to include: oral warnings, written reprimands, suspensions, demotions, reductions in pay, and discharge. Probationary employees may be dismissed for any lawful reason without just cause.

A permanent employee who receives an oral warning, written reprimand, or suspension of less than three days may appeal such action in accordance with the grievance procedure contained in this Agreement (commencing with Article XXIX-C-1).

Except in emergencies, or as authorized by law, suspensions of three days or more, demotions, reductions in pay or discharge, shall not be put in effect until the employee has received written notice advising the employee of the proposed action, the reason(s) therefore, the facts giving rise thereto, the proposed effective date, access to written material that forms a basis for the proposed action, and the opportunity to respond to the Police Chief orally or in writing within five (5) calendar days of receipt of such notice. If the proposed action or some modified action is then implemented, the employee may then appeal such action in accordance with the Grievance Procedure contained in this Agreement (commencing with Article XXIX-C-3).

Grounds for disciplinary action shall include, but not be limited to:

1. Dishonesty
2. Incompetence
3. Inefficiency
4. Neglect of duty
5. Negligence which affects the safety of the employee or of others
6. Bringing to the workplace or use of or being under the influence of alcohol or intoxicating drugs while on duty or on City property.
7. Unexcused or excessive absences (including tardiness).
8. Violation of the rules, regulations or orders established by a supervisor, department or City Council.
9. Conviction of a felony or of a misdemeanor involving moral turpitude.
10. Discourtesy to the public or fellow employees.
11. Misuse or abuse of City property or equipment.
12. Substandard job performance.
13. Insubordination.
14. Outside employment which conflicts with the employee's position and not specifically authorized by the Police Chief.
15. Falsification of any City report or record (including application form).
16. Other acts which are incompatible with service to the public including any conduct or behavior, either on or off duty, which causes discredit or would reasonably tend to cause discredit to fall upon the City, its officers, agents, or departments.

This Article is intended to supersede the Disciplinary and Appeals Procedures contained in the City's Personnel Rules and Regulations.

Disciplinary actions shall be removed from an employee's file five years from the date of discipline and therefore shall not be used in considering any subsequent personnel matters including but not limited to promotions, demotions or other disciplinary action.

ARTICLE XXX – GRIEVANCE PROCEDURE

- A. "Grievance" is an allegation by an employee or the Association that the employee has been adversely affected by a violation of the specific provisions of this Agreement or of the specific provisions of the Personnel Rules and Regulations. Actions to challenge or change the policies of the City as set forth in the rules and regulations or administrative regulations and procedures, so long as these are consistent with the terms of the Agreement, must be undertaken under separate legal processes. Other matters for which a specified method of review is provided by law are not within the scope of this procedure.
- B. Informal Grievance Procedure: The grievant and the City's representative shall make every effort to resolve the grievance at the lowest level of supervision. The grievant shall discuss the resolution with his/her immediate supervisor within ten (10) calendar days of the occurrence. The immediate supervisor shall render an informal decision within ten (10) calendar days of the discussion regarding the grievance. If the grievant does not agree with the supervisor's decision, or if no answer has been received within the specified time period, the grievant may continue the informal process through discussion of the grievance within ten (10) calendar days with his/her second level supervisor. The second level supervisor shall render an informal decision within ten (10) calendar days of such

discussion. If the grievant does not agree with the second level supervisor's decision, or if no answer has been received within the ten (10) day time period, the grievant may proceed to the Formal Grievance Procedure, First Level.

C. Levels of Review:

1. First Level of Review: The grievant shall present the formal grievance in writing to his/her supervisor within ten (10) calendar days of completion of the informal process. The written grievance shall contain the following information:
 - a. Name of grievant and job title;
 - b. Department/Section;
 - c. Clear and concise statement of the nature of the grievance including the circumstances and dates involved;
 - d. The specific provision(s) of the MOU or Personnel Rules alleged to have been violated;
 - e. Requested remedy;
 - f. Name of the grievant's representative, if any;
 - g. Date and signature of the grievant.

The supervisor shall render a decision and comments in writing and return them to the grievant within ten (10) calendar days after receiving the written grievance. If the grievant does not agree with his supervisor's decision or if no answer has been received within specified time period, the grievant may present the grievance in writing to the Police Chief or his designee.

2. Second Level - Department Review: The Police Chief or his designee shall discuss, upon request, the grievance with the grievant, his/her representative, if any, and with other appropriate persons. The Police Chief or designee shall render his decision and comments in writing and return them to the grievant within ten (10) calendar days after receiving the formal written grievance or after the meeting with the grievant, whichever is later. If the grievant does not agree with the decision reached or if no answer has been received within the specified time period, the grievant may appeal the formal grievance to the next level of the grievance procedure within ten (10) calendar days.
3. Third Level - Advisory Arbitration
 - a. To activate advisory arbitration, the grievant must, within the time period specified above, present the grievance in writing to the Personnel Manager for further processing. Failure of the grievant to take this action will constitute a waiver and bar to further processing of the grievance.
 - b. The scope of advisory arbitration of grievances shall be limited to discharges, demotions, or reduction in pay, or suspensions of three (3) days or more without pay. The grievant may waive the right to go to advisory arbitration and instead go directly to the Fourth Level (City Manager). All other grievances shall bypass the Third Level of the grievance procedures and advance to Fourth Level.
 - c. The Personnel Manager and the grievant shall request a list of five arbitrators from the California State Mediation and Conciliation Service.

- d. An arbitrator shall be selected by the following procedure: A representative of the Association or the grievant, if not represented by the Association, and the City's representative shall select the arbitrator from the California State Conciliation Service list by eliminating names until one name remains. The one remaining name shall be the arbitrator. All grievances reaching the arbitration level shall be numbered consecutively during the current fiscal year. The odd-numbered grievances will give the grievant first elimination; the even-numbered grievances will give the City first elimination.
 - e. Once the arbitrator has been selected, hearings shall commence at the convenience of the arbitrator. The technical rules of evidence shall not apply during the arbitration hearing.
 - f. The arbitrator shall be strictly bound by the time limits set forth in the grievance procedure and shall not question or entertain any grievance in which the grievant has not adhered to such time limits.
 - g. Employees called as witnesses shall be scheduled to be released from duty to testify at the hearings. The parties recognize that due to the essential nature of the services performed by the Department, scheduling of time for each employee to testify at arbitration shall be in such a manner so that normal operations are not disrupted. The grievant must submit at least five working days prior to the scheduled arbitration hearing date a list of employees and estimated time that their testimonies will take, as well as the date of the hearing, to the Personnel Manager, with a copy to the Police Chief.
 - h. The jurisdiction of the arbitrator shall be confined to a determination of the facts and the interpretation of the provisions of the Memorandum of Understanding and/or the Personnel Rules and Regulations. The arbitrator will have no power to add to, subtract from, or modify the terms of this Agreement or the written policies, rules, regulations, and procedures of the employer. Witnesses will be assured that their testimony will be kept confidential.
 - i. Within thirty (30) days after the conclusion of the hearing, the arbitrator shall render an advisory decision in writing to the parties (including the City Manager).
 - j. The arbitrator's fees and expenses shall be shared equally by the parties. All other costs shall be borne by the party incurring such expenses.
4. Fourth Level - City Manager
- a. If the grievance is submitted to the City Manager for review and settlement, the City Manager in non-arbitrable cases, may elect the methods he/she considers appropriate for the study of the issues and shall render a written decision to the parties within fifteen days. Notwithstanding the above, upon the grievant's request, the matter shall be submitted to mediation prior to the City Manager's determination.
 - b. For all cases involving advisory arbitration recommendations, the City Manager shall review the entire matter within ten days after receipt of arbitrator's recommendations and render his/her decision.

c. In all cases, the decision of the City Manager shall be final.

D. General Provisions

1. The grievant is entitled to representation of his/her choice at any point in the grievance procedure.
2. Failure by the grievant to meet any of the specified time lines shall constitute a withdrawal of the grievance. Failure by the City to meet any of the specified time lines shall entitle the grievant to appeal to the next level of review.
3. Since it is important that grievances be processed as rapidly as possible, the number of days indicated at each level shall be considered as a maximum, and every effort should be made to expedite the process. If the last day of the specified time period falls on the weekend or a City Hall observed holiday, it shall be moved to the next working day. The times specified, however, may be extended by mutual consent.
4. Probationary employees not previously holding permanent status in a lower classification may file grievances under all grievable grounds defined in section A above except in cases involving rejection from probation (i.e., termination).
5. Employees shall be assured freedom from reprisal for using the grievance procedures.

ARTICLE XXX – LAYOFF PROCEDURE

- A. The Personnel Manager may separate any employee or class of positions without prejudice, because of financial or economic condition of the City, reduction of work, or abandonment of activities. The City shall give such employees no less than thirty (30) calendar days written notice of separation and the reason thereof. The notice will be hand-delivered or sent by registered mail. However, no permanent full-time employee shall be separated from a department while emergency, seasonal, and probationary personnel are employed and serving in the same position in the department.
- B. In establishing the order of layoff of employees, the retention of those employees determined to be the most qualified is of concern and therefore, job performance will be considered. However, the principal criteria used in determining the order of layoff and bumping rights shall be seniority, time worked within a class within the City, provided the employee presently possesses the skills, abilities and qualifications to perform the job. Furthermore, seniority shall govern unless the following criteria show that ability, merit and record of the employees considered for layoff are not equal:
 1. An employee's last four performance evaluations, if in existence;
 2. Any history of employee written disciplinary actions;
 3. Attendance record - tardiness and unexcused absences;
 4. Safety record - vehicular and injury.

- C. In the event that a less senior employee in the position in the classification to be laid off has superior skills, abilities, qualifications, merit and record, as determined by the Personnel Manager in the above manner, the more senior employee shall be laid off.
- D. Length of classification seniority shall be counted as all periods of time served as a probationary and permanent employee within a classification.
 - a. The person who holds the higher rank shall be the senior employee.
 - b. If two persons are of equal rank, the one promoted first shall be the senior employee.
 - c. If two persons are promoted on the same day, the person in the higher band shall be the senior employee. If two persons are promoted on the same day and from within the same band, the person who had been senior prior to the promotion shall be the senior employee.

Leave of absences will not be considered when determining seniority.

- E. Bumping Rights - A laid-off employee shall be entitled to bump to the next classification/rank down in accordance with the criteria specified in B 1-4 above. The laid-off employee must be physically and mentally able to perform the duties of the former class. No employee shall be transferred or demoted to a position for which they do not possess the minimum qualifications.
- F. After the City has notified the affected employee of the position available, if any, the employee must notify the Personnel Manager in writing of his/her intent to exercise the bumping rights within ten (10) calendar days, and the position and classification in the City to which he/she intends to bump, or the bumping rights shall be barred and waived to the employee. The employee with the least seniority in the class shall be bumped by the person who is laid off. The employee bumped shall be considered as laid off for the same reason as the person who bumped them and shall in the same manner be eligible to bump to the next classification/rank down in accordance with the criteria specified in B 1-4 above.
- G. An employee's appointment shall not be terminated as a result of a layoff before they have been made a reasonable offer of reassignment, if such an offer is immediately possible or available. Determination of a reasonable offer of reassignment and its availability will be made by the Personnel Manager.
- H. The names of permanent employees who have been laid off due to a reduction in force shall be placed on an appropriate re-employment list according to date separated and shall be eligible for re-employment. The last employee laid off shall be the first employee on the list, with other employees listed in sequential order thereafter. Each employee on a re-employment list shall remain on that list for one year, at which time the list expires unless extended by the Personnel Manager for a maximum of one (1) additional year. The employee first listed shall also be first considered should a vacancy occur within that classification.
- I. Names of laid-off employees on a re-employment list shall be removed under the following provisions:
 - 1. If the employee is re-hired by the City in the same classification.

2. If the employee requests such removal in writing.
 3. If the employee fails to respond within ten (10) calendar days upon receipt of notice of certification by the Personnel Manager to that last known address available.
 4. If the employee refused an appointment to a position of the same classification.
- J. An employee who fails to respond in writing within ten (10) calendar days, refuses recall, or fails to report on the prescribed date, waives all further right to recall and reinstatement as an employee.
- K. A person appointed from a re-employment list must serve a new probationary period if a recall from such list occurs more than one year after the effective date of layoff. A new probationary period in such circumstances shall not be less than one year.

ARTICLE XXXI – COMMUNICATION OFFICERS

All new Communications Officers are hired as a Communication Officer I regardless of previous training/experience. Once a Communication Officer I has completed the below requirements, they shall submit a memorandum and supporting documentation to the Support Services Supervisor requesting to be reclassified to a Communications Officer II position. The Support Services Supervisor shall review the memorandum and supporting documentation to ensure the minimum requirements are met to reclassify the employee to a Communications Officer II position and forward a recommendation to the Chief of Police. The Chief of Police will forward approval of the reclassification to the Personnel Division. The reclassification will take place on the next pay period following submission to the Personnel Division.

- A. Completion of the POST Basic Communications Officer Course.
- B. Completion of five (5) years of service as a Communication Officer I with Claremont Police Department.
- C. Last two annual evaluations were at an “exceeds expectations” rating.
- D. Completion of a department approved Communication Officer training course.
- E. One year as a Communications Training Officer (after completion of course, even if not assigned to a training assignment in that year)
- F. Completion of a department approved Public Records Act training courses.
- G. Completion of a minimum of two of the following courses:
 1. Department approved Critical Incident training
 2. Dispatch/Domestic Violence-Sexual Assault
 3. Dispatcher/Active Shooter Situations
 4. Dispatcher/Public Safety-Advanced
 5. Dispatcher/Tactical Dispatching
 6. Dispatcher/Complacency-Critical Decision Making

The Department recognizes that changes to training offerings may occur during the length of this MOU that limits or eliminates the availability of the above courses and while it retains its rights to approve or disapprove of alternate training courses, it is committed to working with the

Communications staff to ensure that Communications Officer I positions may be reclassified to Communications Officer II positions as quickly as they are qualified.

ARTICLE XXXII – WORK STOPPAGE

It is agreed and understood that there will be no strike, sympathy strike, work stoppage, slow-down, or refusal or failure to fully and faithfully perform job functions and responsibilities, or other interference with the operations of the City by the Association or by its officers, agents, or members during the term of this Agreement. Compliance with the request of other labor organizations to engage in such activity is included in this prohibition.

The Association and its Board of Directors recognizes the duty and obligation of its representatives to comply with the provisions of this Agreement and to make every effort toward inducing its members to do so. In the event of a strike, sympathy strike, work stoppage, slow-down, or other interference with operations of the City by Association members, the Association agrees in good faith to actively take affirmative action to cause those employees to cease such action.

It is agreed and understood that any employee violating this article may be subject to disciplinary action up to and including discharge, and/or, may be considered to have automatically resigned from the City service.

It is understood that in the event this article is violated, the City shall be entitled to withdraw any rights, privileges or services provided for in this Agreement or in any other City rules, regulations, resolutions and/or ordinances, from any employee and/or Association.

ARTICLE XXXIII – DRUG AND ALCOHOL TESTING

The parties recognize that the abuse of alcohol and drugs presents a serious societal problem which must be addressed by employers, employee organizations, employees and society as a whole. Both the Association and the City affirm our objective to see an end to all abuse of alcohol and drugs in the workplace.

Alcoholism and drug dependency are recognized by medical authorities and the parties as diseases, although the causes are not fully understood and the cures are difficult. Nonetheless, the City and the Association believe that constructive measures are possible to deal with alcohol and drug abuse, which can be a cause of family breakdowns, absenteeism and lost productivity, and which ultimately can be related to serious personal breakdowns.

The end objective of this policy is to help employees who are afflicted with alcoholism or drug dependency who wish to be rid of these problems. The keys to this effort will be the providing of education, assistance to the employees and their families, encouraging the employees to receive treatment as needed, fostering and encouraging an environment which is free of alcohol and drug abuse and deterrents to the abuse of alcohol and drugs.

This policy applies to all employees of the City and prohibits the use of alcohol and drugs including all substances, drugs or medications whether legal or illegal, which could impair an employee's ability to effectively and safely perform the functions of the job. This Policy sets forth the rights and obligations of the City and its employees. The use of or being under the influence of drugs and/or alcohol in the workplace in violation of this Policy, shall be grounds for disciplinary action, up to and including termination.

A. Definitions

1. **ALCOHOL:** The intoxicating agent in beverage alcohol, Ethyl Alcohol, or other low molecular weight alcohol, including Methyl Isopropyl Alcohol.
2. **CITY:** The City of Claremont.
3. **CONTROLLED SUBSTANCE:** Heroin, Amphetamines (Uppers), Barbiturates (Downers), Benzodiazepines (Tranquilizers, Valium), Cannabinoids (Marijuana), Cocaine, Methaqualones (Quaaludes, Downers), Opiates (Codeine, Morphine), Phencyclidine, and PCP; including prescription medications and drugs, and any drugs with an impairing effect.
4. **EMPLOYEE:** An individual in the service of the City, when the City has the right to control and direct that individual in the performance of their job and/or duties; any individual who works for the City.
5. **EMPLOYER:** The City of Claremont, and includes its agents, officers and representatives.
6. **IMPAIR:** To make worse or diminish an employee's ability to perform his/her job duties.
7. **INTOXICATE:** Mental and physical impairment caused by the consumption of alcohol and/or use of drugs.
8. **MEDICAL REVIEW OFFICE:** The agency responsible for receiving laboratory results generated by the City's Drug and Alcohol Testing Program which has knowledge of substance abuse disorders and has individuals with the appropriate medical training to interpret and evaluate an individual's confirmed positive test results together with his/her medical history and any other relevant biomedical information.
9. **PRESCRIPTION DRUGS:** Drugs which are administered by an individual who is licensed, certified, and/or registered, in accordance with applicable federal, state, local, or foreign laws and regulations to prescribe such controlled substances and other drugs.
10. **REASONABLE SUSPICION:** A belief based on objective facts sufficient to lead a reasonably prudent supervisor/or person, to suspect that an employee is under the influence of drugs or alcohol so that the employee's ability to perform the functions of the job is impaired or so that the employee's ability to perform his/her job safely is reduced. The following factors taken alone or in combination may constitute reasonable suspicion – slurred speech; alcohol odor on breath; unsteady walking and movement; an on-duty accident; change in attendance patterns or personal demeanor; physical altercation; verbal altercation; unusual behavior; possession of alcohol or drugs; information obtained from a reliable person with personal knowledge.
11. **SUBJECT TO DUTY:** Includes any and all time, from the time an employee begins to work or is required to be ready for work until the time he/she is relieved from work and all responsibility for performing such work.
12. **UNDER THE INFLUENCE:** Any condition where alcohol or drugs has so far affected the nervous system, brain or muscles of an individual as to impair, to an appreciable degree, his/her ability to operate and/or function in the matter that an

ordinary, prudent and cautious person, in full possession of their faculties, using reasonable care, would operate or function under like conditions.

B. Employee Responsibilities

An employee must:

- Not possess or use alcohol or be under the influence or impairing drugs, including illegal drugs and prescription drugs without a prescription, during working hours or while subject to duty, on breaks, during meal periods or at any time while on City property;
- Not directly or through a third party sell or provide drugs or alcohol to any person, including any employee while either or both employees are on duty or subject to begin called to duty;
- Submit immediately to an alcohol and drug test when requested by a City representative;
- Notify a supervisor, before beginning work, when taking any medications or drugs, prescription or non-prescription, which may interfere with safe and effective performance of duties or operation of agency equipment; and
- Provide, within twenty-four (24) hours of request, bona fide verification of a current valid prescription for any potentially impairing drug or medication identified when a drug screen/test is positive. The prescription must be in the employee's name.

C. Management Responsibilities and Guidelines

- Managers and supervisors are responsible for reasonable enforcement of this policy.
- Managers and supervisors may request that an employee submit to a drug and/or alcohol test when a manager or supervisor has a reasonable suspicion that an employee is intoxicated or under the influence of drugs or alcohol while on the job or subject to being called.

D. Education and Training

1. Employees shall be advised in writing of the City's Alcohol and Drug Abuse Policy and Program. Information provided shall cover aspects of the policy including the reasons for the program, benefits for the employees and the City, employee assistance programs, effects of alcohol and drugs on individuals and their families, use of inspections, alcohol tests and drug tests.
2. Managers, selected Association officials and other selected employees shall attend at least one hour of training on alcohol misuse and at least one hour of training on controlled substances misuse, to include the following issues:
 - a. Employee Assistance Programs ("EAP").
 - (1) Alcohol and drug abuse recognition, symptoms and effects.
 - (2) Methods of identifying and helping employees who might be suffering from personal problems that could signal possible alcohol or drug problems.

- (3) Methods of referring employees who may be subject to the effects of alcohol and/or drugs to the EAP.
 - b. City policies and procedures related to handling employees who appear to be subject to the effects of alcohol and/or drugs.
 - c. Documentation of observations and impressions of persons who may be subject to the effects of alcohol and/or illegal drugs.
 - d. Alcohol and drug testing policy, rules, procedures, and safeguards.
 - e. Benefit programs and alternatives available.
 - f. Safety aspects of alcohol or drug problems in both work and social environment.
3. Training shall be at City expense.

E. Employee Assistance Program

1. It is the policy of the City to offer referral to appropriate education, prevention, counseling, treatment and rehabilitation programs and services to employees and their eligible dependents when alcohol or drug abuse, individual psychological problems; marital, family or child difficulties, work stress, or financial or legal concerns arise which may impact the employees' work performance.
2. The City will provide an active EAP to assess and refer employees and their eligible dependents to appropriate education, prevention, counseling, treatment, or rehabilitation services.
3. It is the responsibility of each employee to seek assistance from the Employee Assistance Program before the employee's alcohol or drug problems lead to disciplinary action.
4. An employee's decision to seek voluntary help from the Employee Assistance Program shall not be used as a basis for disciplinary action against the employee.
5. In order for the employee's decision to enter the EAP to be considered voluntary, the employee must seek to enter the EAP prior to a referral for purposes of obtaining a breath alcohol test; or a drug test which subsequently tests positive; or mandatory referral by the employee's supervisor.
6. The confidentiality of individuals utilizing the EAP will be protected within the limits of the law.

F. Alcohol and Drug Testing

Protocol developed by LWD Inc., the City's designated testing service for drug testing, describes the method in which the initial test will be conducted, how the sample will be processed after the drug and/or alcohol test is completed, and how a confirmatory test after an initial positive result will be performed.

1. Testing Based on Reasonable Suspicion

The City may require an employee to submit to a drug screen as a condition of continued employment based on reasonable suspicion as defined by this Policy.

- a. When an employee shows signs of impairment constituting reasonable suspicion of being under the influence of drugs or alcohol, the employee will be sent for testing.
 - (1) A test for alcohol shall be conducted and/or a urine specimen for drug testing shall be required.
 - (2) Prior to requesting an employee to provide a urine specimen, the employee shall be advised of the right to have an Association representative present for the purpose of consultation about the test and the implications of refusal to take the test and/or positive test results.

2. Post-Accident Testing

Post-accident drug and alcohol testing will be conducted on employees following an accident where the employee's performance cannot be discounted as a contributing factor. The only reason an employee will not be tested is if a determination is made that the employee's performance could not have been a contributing factor. If a fatality occurs, the employee will be tested irrespective of whether his/her performance may be discounted.

Post-accident alcohol tests shall be administered within eight (8) hours following an accident. A post-accident drug test shall be administered within thirty-two (32) hours following an accident.

An accident is defined as an incident involving a vehicle where, as a result of damage:

- 1) a vehicle must be transported away from the site of the accident; or
- 2) a vehicle cannot depart from the site in its usual manner without some repair and/or maintenance; or
- 3) a vehicle can depart from the site in its usual manner but will later require some repair and/or maintenance for safe operation; and/or bodily injury occurs to the driver and/or other individual(s) which requires medical attention to said driver and/or individual; and/or which results in death.

G. Random Testing

The City will randomly test employees for any substances, as defined in the Policy, which could impair an employee's ability to effectively and safely perform the functions of his/her job. No employee may be tested more than twice in one calendar year without cause.

1. Ten percent (10%) of safety sensitive employees shall be tested for alcohol and fifty percent (50%) of safety sensitive employees shall be tested for drugs each year.
2. LWD Inc. shall administer random drug tests for such safety sensitive employees on a quarterly basis.

3. In making the random selection, the following process shall be used:
 - a. Each unit employee's unique four digit City of Claremont ID number shall be provided to LWD Inc. for use in the random drug screen selection process.
 - b. LWD Inc. using a scientific valid method shall randomly select a quantity of employee ID numbers that comply with Item 1, and forward to the City of Claremont Personnel Division.
 - b. The Claremont Personnel Division shall match the selected ID numbers with corresponding employees.
 - c. All employees who have their employee ID number selected shall participate in the random drug screen.
 - d. All unit employee ID numbers shall be utilized in the random selection process the subsequent quarter.
 - e. Based on the results of the first round of testing, the frequency of the tests may be either increased or decreased.

H. Positive Test for Alcohol or Drugs

An employee whose alcohol or drug test is positive will be considered in violation of City policy. A positive drug and/or alcohol test may result in disciplinary action, up to and including discharge. If the drug screen is positive, the employee must provide within twenty-four hours of request bona fide verification of a valid current prescription for the drug identified in the drug screen. The prescription must be in the employee's name. If the employee does not provide acceptable verification of a valid prescription, or if the prescription is not in the employee's name, or if the employee has not previously notified his or her supervisor, the employee will be subject to disciplinary action up to and including discharge.

If an employee tests positive for alcohol or drugs, the City shall conduct an investigation to gather all facts. The decision to discipline or discharge will be carried out in conformance with [reference to City's pertinent discipline procedures].

1. A positive alcohol test shall measure blood alcohol level of 0.02 or higher. An employee whose alcohol test indicates an alcohol concentration level of 0.02 or higher will be removed from his/her safety sensitive position. The City will re-test the employee before the employee may return to his/her position. The employee's alcohol concentration must indicate a concentration level below 0.02 before the employee may be returned to his/her safety-sensitive position.
 - a. First Positive - The employee shall be placed on an immediate leave of absence, referred to an EAP and given the option of participating in City directed counseling and assistance or a City approved alcohol or drug treatment program.
 - (1) An employee will not be paid during his/her leave of absence. However, an employee may use any of his/her accumulated leaves or vacation time. Current benefit coverage will continue.

(2) An employee will be given a Last Chance Agreement which explains the consequences of a second positive test after returning to work. The employee must sign this Agreement to return to work after the treatment recommended by the City, including and not limited to treatment by the City's medical office.

b. Second Positive - If within one year of the First Positive, an employee again tests positive for either alcohol or drugs, the employee will be discharged pursuant to the terms of the Last Chance Agreement.

I. Refusal to Consent to Action Plan following Positive Test

An employee's refusal to submit to testing will result in discipline, up to and including termination. The employee will be treated in the same manner as an employee who has tested 0.02 or greater on an alcohol test or positive on a controlled substance test. Upon refusal, the employee will be reminded of the City's drug and alcohol policy and his or her responsibilities pursuant to the policy. If reasonably believed to be impaired, the employee will not be allowed to continue working.

A refusal to submit to an alcohol or controlled substances test required by this Policy includes, but is not limited to:

1. A refusal to provide a urine sample for a drug test;
2. An inability to provide a urine sample without a valid medical explanation;
3. A refusal to complete and sign the breath alcohol testing form or otherwise cooperate with the testing process in a way that prevents the completion of the test;
4. An inability to provide breath or to provide an adequate amount of breath without a valid medical explanation;
5. Tampering with or attempting to adulterate the urine specimen or collection procedure;
6. Not reporting to the collection site in the time allotted by the supervisor or manager who directs the employee to be tested;
7. Leaving the scene of an accident without a valid reason as to why without authorization from a supervisor or manager.

J. Procedure for Alcohol or Drug Testing

1. *Consent* - No alcohol test may be administered, urine sample obtained or any drug test conducted on such sample without the written consent of the person being tested. Employees have the right to have a representative of the Association present prior to testing if requested by the employee.
2. *Post-collection Interviews* - After a positive alcohol or drug test, individuals will be thoroughly interviewed by a medical review officer to determine if there may be any medications (prescription or non-prescription legal) or other substances that may have been inhaled, ingested, or injected in the past two weeks which could result in a positive test. In the event an Association member tests positive for drugs or alcohol, a post screening interview will be conducted by the City's doctor to

determine if the positive test could have been the result of an on the job exposure to drugs or from prescription and/or over-the-counter medications.

3. *Alcohol Testing* - The administration of an alcohol test shall be in accordance with the test equipment manufacturer's instructions and the procedures outlined in the Federal Register. Please refer to Attachment A.
4. *Chain of Custody* - Collection and shipment of all urine samples will follow strict chain of custody procedures. Please refer to Attachment A.
5. *Drug Testing* - The obtaining of a urine sample for drug testing and the testing of such sample shall be conducted in accordance with the procedures and protocols contained in Attachment A.
6. *Retention of Sample* - All urine samples confirmed positive for illegal drugs will be frozen by the testing laboratory and retained for a minimum of one year. Please refer to Attachment A.
7. *Confidentiality* - The identities of employees who have tested positive shall be limited to those persons having a need to know.
8. *Contractor/Vendor/Consultant Requirements* - In all future contracts with individuals or organizations that wish to conduct business with the City, a stipulation will be made in the contract that requires the contractor to inform all its employees who will be working on City property of the provisions of the City's Rules of Conduct with respect to Alcohol and Drug Abuse and that the employees of such contractors will be subject to the same Rules of Conduct, and Alcohol and Drug Testing procedures required of the City's employees.

ARTICLE XXXIV – ALTERNATIVE WORK SCHEDULES

- A. Alternative work schedules shall continue as agreed unless otherwise modified. In the event any difficulties in alternative schedules cannot be mutually resolved, any changes, deviations, elimination or extension shall occur after 30 days advanced notice, unless a state of emergency or other extraordinary circumstances preclude such advance notice.
- B. So long as alternative schedules are in effect, the work period for the purposes of computing premium overtime shall be eighty (80) hours in a fourteen (14) day work period.
- C. If an employee is sent to a school which lasts more than three days, that employee's schedule will revert to a traditional five (5) day eight (8) hour schedule during the time the employee scheduled to attend work.
- D. Any employee placed on light duty or jury duty may be required, at the Department's discretion, to revert to a traditional five (5) day eight (8) hour schedule during the time the employee is on light-duty.
- E. Holiday, vacation and sick leave accruals shall continue at the current rates of accrual: Ninety-six (96) hours of holiday per year; ninety-six (96) hours of vacation during the first year of service, one hundred twenty (120) hours of vacation during the second through the 13th year of service and one hundred sixty (160) hours of vacation during the 14th and subsequent years of service; and ninety-six (96) hours of sick leave per year.

- F. Holiday, vacation, sick leave and compensatory time used shall be deducted from accrued hours on an hour-for-hour basis. For example, in the event an employee on a three (3) day twelve (12) hour shift is ill on a regularly scheduled work day, he/she shall have 12 hours deducted from his/her sick leave accrual bank.
- G. Shift assignments will be made on a seniority basis with a sign-up list posted in the briefing room for patrol officers and in other appropriate places for jailers, and communications officers. Shift changes will take place every six (6) months, during the months of September and March.
- H. As long as alternative work schedules are in effect, an Officer, Corporal, Jailer, or Communications Officer may not work more than two consecutive night and day shift rotations. The Chief or his designee may allow an extension of one shift rotation, if an identified emergency or hardship exists and there is no other alternative to remedy the emergency or hardship.
- I. The current Communications Officer schedule shall continue unless vacancies, extended illness/injury or other staffing deficiencies require a modification. Upon mutual agreement of affected personnel and police department management, jailers shall work an alternative schedule unless vacancies, extended illness/injury or other staffing deficiencies require further modification.
- J. The patrol shifts will change at 0700 and 1900 hours. The eight hour shifts shall be 0700 to 1500, 1500 to 2300, and 1900 to 0300 hours starting with the shift change in September, 1994. One officer from day shift and one from night shift shall report to duty at 0600 and 1800, respectively, to provide overlap coverage to reduce late call overtime.
- K. Employees shall only be required to take a thirty (30) minute paid meal period.

ARTICLE XXXV – FULL UNDERSTANDING/EFFECT OF AGREEMENT

It is understood and agreed that the specific provisions contained in this Agreement shall prevail over employer practices and procedures, prior written agreements, and over state laws to the extent permitted by state law, and that, in the absence of specific provision in this Agreement such practices and procedures are discretionary.

During the term of this Agreement, the parties expressly waive and relinquish the right to meet and confer and agree the parties shall not be obligated to meet and negotiate with respect to any subject matter, whether referred to or covered in this Agreement or not, even though each subject or matter may not have been within the knowledge or contemplation of either or both the City or the Association at the time they met and negotiated on and executed this Agreement, and even though such subjects or matters were proposed and later withdrawn.

This Agreement constitutes the total and entire agreement between the parties and no verbal statements shall supersede any of its provisions.

ARTICLE XXXVI – SAVINGS CLAUSE

If any section, subsection, subdivision, sentence, clause, or phrase of this Agreement is for any reason held to be illegal or unconstitutional, such decision shall not effect the validity of the remaining portions of this Agreement.

ARTICLE XXXVII – TERM OF AGREEMENT

This Memorandum of Understanding shall be in effect upon ratification by the Claremont Police Officers' Association and approval by the City Council July 1, 2017 through June 30, 2018.

**FOR THE CITY OF CLAREMONT
POLICE OFFICERS' ASSOCIATION:**

FOR THE CITY OF CLAREMONT:



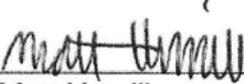
Chris Casas
CPOA President

6/5/17
Date



Colin Tudor
Assistant City Manager

6-6-17
Date



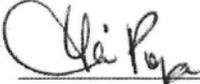
Matt Hamill
CPOA Vice President

6/5/17
Date



Brian Thompson
CPOA Treasurer

6-5-17
Date



Tami Pope
CPOA Secretary

6/5/17
Date

Updated Computation of
FY 2017-18 costs based on the
City's computation of allowable
productive hours pursuant to the
approved FY 2017-18 MOU with
the Claremont Police Officer's
Association

COSTS ASSUMING CITY USES ACTUAL PRODUCTIVE HOUR CALCULATION ALLOWED IN CLAIMING INSTRUCTIONS

| Program UVISAS | MANDATED COSTS CITY OF CLAREMONT ACTIVITY COST ESTIMATES | | | | | Actual Costs FY 2017-18 | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|-----------------|-----------------------------------|---------------|--------------|-------------------------------|------------------------------------|
| City of Claremont | | | | | | | |
| DIRECT COSTS | | | | | | | |
| Description of Expenses: | | | | | | | |
| Employee Names, Job Class., Functions Performed and Description of Expenses | Hourly Rate or Unit Cost | Benefit Rate | Hours Worked or Quantity | Salaries | Benefits | Contract | Total Salaries & Benefits |
| Mike Ciszek, Lieutenant Research original crimes, complete and sign UVISA forms including detailed description of victims helpfulness. (See following page for detailed list of activities) (2 cases this fiscal year) | \$97.27 | 67.0% | 2.00 | \$195 | \$130 | | \$325 |
| Shelly Vander Veen, Police Chief Mike Ciszek, Lieutenant Review and approve City UVISA response. Review new State Statute requirements to determine legal requirements and appropriate City response to UVISA requests | \$113.89 \$97.27 | 63.9% 67.0% | 0.25 1.25 | \$28 \$122 | \$18 \$81 | | \$47 \$203 |
| Total Direct Costs | | | 3.50 | \$345 | \$230 | | \$574 |
| INDIRECT COSTS (ICRP Rate = 90.1% based on salaries & benefits) | | | | | | | \$518 |
| GRAND TOTAL | | | | | | | \$1,092 |

TAB 2

**FY 2016-17 SCO
Claiming Instructions**

B. Filing a Claim

1. Introduction

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.

Reimbursement claims are defined as any claim filed with the State Controller's Office (SCO) for reimbursement of costs incurred for which an appropriation is made for the purpose of paying the claim. All claims received by 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.

If a claimant is using an indirect cost rate that exceeds 10%, documentation to support the indirect cost rate must be submitted with the claim. A detailed explanation of the indirect cost methods can be found in Section B., Filing a Claim, page 10, Indirect Costs. Documentation to support actual costs must be kept on hand by the claimant and made available to SCO upon request as explained in Section B., Filing a Claim, page 21, Retention of Claim Records and Supporting Documentation.

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

2. Types of Claims

Claimants may file a claim for reimbursement of actual costs incurred in prior fiscal years for a state-mandated program. The types of claims, as defined in GC section 17522, are as follows:

a) Initial Reimbursement Claim

A claim filed with SCO for costs to be reimbursed for the fiscal years specified in the first claiming instructions issued by SCO pursuant to GC section 17558(b).

b) Annual Reimbursement Claim

A claim filed with SCO for actual costs incurred in a prior fiscal year for which appropriations are made to SCO for this purpose.

c) Entitlement Claim

A claim filed with the SCO for the purpose of establishing or adjusting a base-year entitlement. All entitlement claims are subject to GC section 17616.

3. Minimum Claim Amount

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

4. Filing Deadline for Claims

a) Initial Reimbursement Claims

Each claimant, to which the mandate is applicable, shall submit claims for the costs of the initial fiscal years to SCO within 120 days of the issuance date of the claiming instructions, pursuant to GC section 17561(d)(1)(A). Any claim for initial reimbursement filed after the filing deadline will be reduced by 10% of the amount that would have been allowed had the claim been timely filed, with no limitation. SCO may withhold payment of any late claim for initial reimbursement until the next payment deadline for funded claims unless sufficient funds are available to pay the claim after all timely filed claims have been paid. Amended initial claims filed after the deadline will be reduced by 10% of the increased amount of the initial costs, with no limitation. For the purpose of computing a late penalty, claims for all initial fiscal years required to be filed on their initial filing date for a program shall be considered one claim. In no case may a reimbursement claim be paid if submitted more than one year after the filing deadline specified in the SCO's claiming instructions.

b) Annual Reimbursement Claims

Each claimant must submit a claim to SCO by February 15, unless otherwise specified in the claiming instructions, following the fiscal year in which costs were incurred for the program. Claims for fiscal year 2016-17 will be accepted without a late penalty if postmarked or delivered on before the deadline. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$10,000. Amended claims filed after the deadline will be reduced by 10% of the increased amount, not to exceed \$10,000. In no case may a reimbursement claim be paid if submitted more than one year after the filing deadline specified in the SCO's claiming instructions.

c) Entitlement Claims

When a mandated program has been included in the SMAS, SCO will determine a base-year entitlement amount for each claimant that has submitted reimbursement claims (or entitlement claims) for three consecutive fiscal years. An entitlement claim should not contain nonrecurring or initial start-up costs. There is no statutory deadline for the filing of entitlement claims. However, these claims should be filed by February 15 following the third fiscal year used to develop the entitlement claim, to permit an orderly processing of claims.

5. Payment of Claims

In order for SCO to authorize the payment of a claim, the Certification of Claim, Form FAM-27, must be properly filled out, signed in blue ink, and dated by the agency's authorized officer. Pursuant to GC section 17561(d), reimbursement claims are paid by October 15 or 60 days after the date the appropriation for the claim is effective, whichever is later. In the event the amount appropriated by the Legislature is not sufficient to pay the approved amount in full for a program, claimants will receive a prorated payment in proportion to the amount of approved claims timely filed and on hand at the time of proration.

a) Initial Reimbursement Claims

When paying a timely filed claim for initial reimbursement, SCO shall withhold 20% of the amount of the claim until the claim is audited to verify the actual amount of the mandated costs.

The payment of an initial reimbursement claim by SCO shall include accrued interest at the Pooled Money Investment Account (PMIA) rate, if the payment is made more than 365 days after adoption of the statewide cost estimate for an initial claim. Interest shall begin to accrue as of the 366th day after the adoption of the statewide cost estimate for the initial claim.

b) Annual Reimbursement Claims

A claimant is entitled to receive accrued interest at the PMIA rate for any unpaid subsequent claim amount remaining on August 15 following the filing deadline. Interest shall begin to accrue on August 16 following the filing deadline.

c) Entitlement Claims

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

When SCO has made a payment on claims prior to the Commission's approval of the program for inclusion in the SMAS, the payment shall be adjusted in the next apportionment to the amount which would have been subvended to the claimant for that fiscal year had the SMAS been in effect at the time of the initial payment.

SCO reports the amounts of insufficient appropriations to the Director of DOF, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective fiscal committee in each House of the Legislature. Any balances remaining on these claims will be paid if supplementary funds become available.

5. Payment of Claims (continued)

Unless specified in the statutes, regulations, or Parameters and Guidelines (Ps & Gs), the determination of allowable and unallowable costs for mandates is based on the Ps & Gs adopted by the Commission on State Mandates (CSM). Allowable costs are those direct and indirect costs, less applicable credits, considered eligible for reimbursement. In order for costs to be allowable and thus eligible for reimbursement, the costs must meet the following general criteria:

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

SCO has identified certain costs that should not be claimed as direct program costs unless specified as reimbursable under the program's Ps & Gs. These costs include, but are not limited to, subscriptions, depreciation, memberships, conferences, workshops, general education, and travel costs.

6. State Mandates Apportionment System (SMAS), GC sections 17615 – 17617

Chapter 1534, Statutes of 1985, established the SMAS. It is the intent of the Legislature to streamline the reimbursement process for costs mandated by the State by creating a system of state mandate apportionments to fund the costs of certain programs mandated by the State. This method is utilized whenever a program has been approved for inclusion in the SMAS by CSM.

Once CSM approves a mandate for inclusion in the SMAS, SCO will determine a base-year entitlement amount for each claimant that has submitted reimbursement claims (or entitlement claims) for three consecutive fiscal years. A base-year entitlement amount is determined by averaging the approved reimbursement claims (or entitlement claims) for any three consecutive fiscal years. The amounts are first adjusted by any change in the IPD, which is applied separately to each year's costs for the three years that comprise the base period. The base period is the three fiscal years succeeding CSM's approval.

When the claims are approved and a base-year entitlement amount is determined, the claimant will receive an apportionment reflective of the program's current-year costs. The apportionment amount is adjusted annually for any change in the IPD. If the mandated program was included in the SMAS after January 1, 1988, the annual apportionment is adjusted for any change in both the IPD and the workload.

SCO will perform this computation for each claimant that has filed claims for three consecutive years. If a claimant has incurred costs for three consecutive years but has not filed a claim in each of those years, the claimant may file an entitlement claim, Form FAM-43, to establish a base-year entitlement. The Form FAM-43 is included in the claiming instructions for SMAS programs.

6. State Mandates Apportionment System (SMAS), GC sections 17615 – 17617 (continued)

If a SMAS program is discontinued or made permissive, SCO shall determine the amount of the entitlement attributable to that mandate according to GC section 17615.6. If the program is modified or amended by the Legislature or an executive order and the modification or amendment significantly affects the program, as determined by CSM, the program shall be removed from the SMAS and the payments reduced accordingly, pursuant to GC section 17615.7.

In the event CSM determines that the apportionment amount or base-year entitlement does not accurately reflect costs incurred by the claimant of all mandates upon which that apportionment is based, CSM shall direct SCO to adjust the apportionment as set forth in GC section 17615.8(c).

7. Direct Costs

A direct cost is a cost that can be identified specifically with a particular program or activity. Documentation to support direct costs must be kept on hand, unless otherwise specified in the claiming instructions, and made available to SCO upon request.

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

Costs typically classified as direct costs are:

a) Employee Wages, Salaries, and Fringe Benefits

A productive hourly rate may be computed by the claimant for each employee or classification whose labor is directly related to the claimed reimbursable cost. For each of the reimbursable mandated activities performed, list the names of the employees, job classifications, hours worked on the mandate, and rate of pay.

A claimant has the option of using one of the following methods: (1) Actual Annual Productive Hourly Rate (per employee); or (2) Weighted-Average Annual Productive Hourly Rate (per classification). The claimant must maintain documentation of how the hours were computed for either option.

(1) Actual Annual Productive Hourly Rate

→ The annual productive hours (APH) to be used is 1,800 for the computation of the productive hourly rate. APH must exclude employee time for paid holidays, vacation earned, used sick leave, informal time off, jury duty, and used military leave.

7. Direct Costs (continued)

There are two methods to compute actual annual productive hourly rate (PHR):

- (a) Employee's Annual Salary (EAS) + Actual Fringe Benefits Costs (Benefits) Method

To illustrate the computation of PHR, assuming that the employee's compensation was \$26,000 and \$8,099 for annual salary and fringe benefits, respectively; using the formula shown in Table 1 below, this method would yield a PHR of \$18.94.

Table 1: Employee's Annual Salary + Actual Fringe Benefits Costs Method

| |
|----------------------------------------------------------------------------------------------------|
| Formula: $[(EAS + Benefits) \div APH] = PHR$ $[(\$26,000 + \$8,099) \div 1,800] = 18.94$ |
|----------------------------------------------------------------------------------------------------|



- To convert a biweekly salary to an annual salary, multiply the biweekly salary by 26.
- To convert a monthly salary to an annual salary, multiply the monthly salary by 12.
- Use the same methodology to convert other salary periods.

- (b) Percent of Salary Method

To compute PHR using this method, the claimant should first determine the benefit rates (BR).

Table 2: Percent of Salary Method

| | |
|--------------------------------------------------------------|-----------------------|
| Example: | |
| Step 1: Benefits as a Percent of Salary | |
| Retirement | 15.00 % |
| Social Security & Medicare | 7.65 |
| Health & Dental Insurance | 5.25 |
| Workers' Compensation | 3.25 |
| Total | <u>31.15 %</u> |
| Step 2: Productive Hourly Rate | |
| Formula: $[(EAS \times (100\% + BR)) \div APH] = PHR$ | |
| $[(\$26,000 \times (1.3115)) \div 1,800] = \18.94 | |

7. Direct Costs (continued)

As illustrated in Table 1 and Table 2, both methods produce the same PHR.

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

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

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

(2) Weighted-Average Annual Productive Hourly Rate

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

7. Direct Costs (continued)

Table 3: Calculating an Average Productive Hourly Rate

| | <u>Time Spent</u> | <u>Productive Hourly Rate</u> | <u>Total Cost by Employee</u> |
|----------------------------------------------------------------------------|-------------------|-------------------------------|-------------------------------|
| Employee A | 1.25 hrs | \$6.00 | \$7.50 |
| Employee B | 0.75 hrs | \$4.50 | \$3.38 |
| Employee C | 3.50 hrs | \$10.00 | \$35.00 |
| Total | 5.50 hrs | | \$45.88 |
| Average Productive Hourly Rate is $\$45.88 \div 5.50 \text{ hrs} = \8.34 | | | |

b) Employer's Benefits Contribution

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

For example:

| <u>Employer's Contribution</u> | <u>% of Salary</u> |
|--------------------------------|--------------------|
| Retirement | 15.00 |
| Social Security & Medicare | 7.65 |
| Health & Dental Insurance | 5.25 |
| Workers' Compensation | 0.75 |
| Total | <u>28.65%</u> |

c) Materials and Supplies

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

7. Direct Costs (continued)

(1) Calculating a Unit Cost for Materials and Supplies

In those instances for which the P's & G's suggest that a unit cost be developed for use as a basis of claiming costs mandated by the State, the materials and supplies component of the unit cost should be expressed as a unit cost of materials and supplies as shown in Table 4 or Table 5:

Table 4: Calculating a Unit Cost for Materials and Supplies

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

Table 5: Calculating a Unit Cost for Materials and Supplies

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

d) Contract Services

The cost of contract services is allowable if the claimant lacks the staff resources or necessary expertise, or it is economically feasible to hire a contractor to perform the mandated activity. The claimant must keep documentation on hand to support the name of the contractor, the reason for hiring a contractor, the mandated activities performed, the dates the activities were performed, the number of hours spent performing the mandate, the hourly billing rate, and the total cost. The hourly billing rate must not exceed the rate specified in the Ps & Gs for the mandated program.

7. Direct Costs (continued)

The contractor's invoice or statement must include an itemized list of costs for activities performed. A copy of the contract must be included with the submitted claim.

e) Equipment Rental Costs

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

f) Fixed Assets

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

g) Travel Expenses

Travel expenses are normally reimbursable in accordance with the travel rules and regulations of the local jurisdiction. For some programs, however, the P's & G's may specify certain limitations on expenses, or expenses may be reimbursed only in accordance with the Department of Human Resources travel standards. When claiming travel expenses, the claimant must maintain documentation to support the purpose of the trip, the names and addresses of the persons incurring the expense, the date and time of departure and return, a description of each expense claimed, the cost of transportation, the number of private auto miles traveled, and the cost of tolls and parking. Receipts are required for charges over \$10.00.

h) Documentation

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

8. Indirect Costs

Indirect costs are (a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefited without effort disproportionate to the results achieved. Indirect costs can originate in the department performing the mandate or in departments that supply the department performing the mandate with goods, services, and facilities. To be allowable, a cost must be allocable to a particular cost objective. Indirect costs must be distributed to benefiting cost objectives on bases, which produce an equitable result, related to the benefits derived by the mandate.

Previously, the costs of elected officials were considered expenses related to general government and, thus, were unallowable for reimbursement purposes. Recent interpretation has moved in the opposite direction, except for those items of cost that are unallowable in the cost principles set forth in the Office of Management and Budget Circular (OMB) Circular 2 CFR, Chapter I and Chapter II, Part 200 et al., formerly the OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments. A cost that is necessary for proper and efficient administration of a program and is identifiable to that program is eligible for consideration as an allocable indirect cost. Allocable costs for time spent on programs must be supported by time record.

Claimants have the option of using 10% of direct labor as indirect costs or claiming indirect costs through a department's Indirect Cost Rate Proposal (ICRP) for the program, prepared in accordance with the provisions of the OMB Circular 2 CFR, Chapter I and Chapter II, Part 200 et al. An ICRP must be prepared if the claim for indirect costs is in excess of 10% of direct salaries and the ICRP must be submitted with the claim.

a) Fixed 10% Rate Method

Indirect costs may be computed as 10% of direct labor costs, excluding fringe benefits. The use of the 10% rate may benefit small agencies for which it is inefficient to prepare an ICRP.

| Direct Costs Incurred By: | On Behalf of: | |
|----------------------------------------------------------------------------|-------------------------------|--------------------------|
| <u>Auditor</u> | <u>Welfare Administration</u> | <u>Health Department</u> |
| <u>Warrant Writing:</u> | | |
| A. Salary of employee working | \$5,000 | \$1,000 |
| B. Benefits of above | 800 | 200 |
| C. Cost of paper | 350 | 100 |
| D. First-line supervision (salaries) | 3,000 | 500 |
| E. Indirect cost 10% of A + D | 800 | 150 |
| Total amount charged to benefited departments for warrant writing services | \$9,950 | \$1,950 |

8. Indirect Costs (continued)

| Direct Costs Incurred By: | On Behalf of: | |
|----------------------------------------------------------------------------------------|-------------------------------|--------------------------|
| <u>Building & Grounds Department</u> | <u>Welfare Administration</u> | <u>Health Department</u> |
| <u>Maintenance of Buildings:</u> | | |
| A. Salary of employees performing maintenance | \$1,000 | \$500 |
| B. Benefits of above | 200 | 100 |
| C. Cleaning supplies | 250 | 150 |
| D. First-line supervision (salaries) | 500 | 200 |
| E. Indirect cost 10% of A + D | 150 | 70 |
| <u>Total amount charged to benefited departments for building maintenance services</u> | <u>\$2,100</u> | <u>\$1,020</u> |

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

b) Indirect Cost Rate Proposal Method

If a claimant elects not to utilize the 10% fixed rate method but wants to claim indirect costs, it must prepare an ICRP for the program. The proposal must follow the provisions of the OMB Circular 2 CFR, Chapter I and Chapter II, Part 200 et al., formerly OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments. The development of the indirect cost rate proposal requires that the indirect cost pool include only those costs which are incurred for a common or joint purpose that benefit more than one cost objective. The indirect cost pool may include only costs that can be shown to provide benefits to the program. In addition, total allocable indirect costs may include only costs that cannot be directly charged to an identifiable cost center (i.e., program).

A method for preparing a departmental indirect cost rate proposal for programs is presented as Table 6. Only this format is acceptable under the SCO reimbursement requirements. If more than one department is involved in the reimbursement program, each department must have its own indirect cost rate proposal for the program.

8. Indirect Costs (continued)

Table 6:

**INDIRECT COST RATE PROPOSAL
PUBLIC DEFENDER'S OFFICE INVESTIGATION PROGRAM
FISCAL YEAR 20__-20__**

| (a) Description of Costs | Total Costs | (b) Excludable Unallowable Costs | (c) Allowable Indirect Costs | (d) Allowable Direct Costs | Identifiable Program Costs | |
|---------------------------------------------------------------------------------------|--------------------------|-------------------------------------------|---------------------------------------|-------------------------------------|----------------------------|---------------------|
| | | | | | Investigation PC 987.9 | All Others |
| Salaries & Benefits | | | | | | |
| Salaries & Wages | \$ 1,150,000 | \$ 50,000 (f) | \$ 150,000 | \$ 950,000 (f) | \$ 100,000 | \$ 850,000 |
| Overtime | 20,000 | 0 | 20,000 | 0 | 0 | 0 |
| Benefits | 230,000 | 10,000 | 30,000 | 190,000 | 20,000 | 170,000 |
| Total | \$ 1,400,000 | \$ 60,000 | \$ 200,000 | \$ 1,140,000 | \$ 120,000 | \$ 1,020,000 |
| Services & Supplies | | | | | | |
| Office Expense | \$ 200,000 | \$ 10,000 | \$ 20,000 | \$ 170,000 | \$ 10,000 | \$ 160,000 |
| Communications | 100,000 | 2,000 | 10,000 | 88,000 | 1,000 | 87,000 |
| Transportation | 120,000 | 5,000 | 0 | 115,000 | 5,000 | 110,000 |
| Special Dept Expense (Contracts) | 250,000 | 0 | 0 | 250,000 | 0 | 250,000 |
| Other, Pass Through Program | 800,000 | 800,000 | 0 | 0 | 0 | 0 |
| Total | \$ 1,470,000 | \$ 817,000 | \$ 30,000 | \$ 623,000 | \$ 16,000 | \$ 607,000 |
| Capital Expenditures | \$ 100,000 | \$ 100,000 | | | | |
| Total Budgetary Expenditures | \$ 2,970,000 | \$ 977,000 | \$ 230,000 | \$ 1,763,000 | \$ 136,000 | \$ 1,627,000 |
| | Distribution Base | | | | | |
| Cost Plan Costs | | | | | | |
| Building Use | \$ 50,000 | \$ 2,000 | \$ 6,000 | \$ 42,000 | \$ 2,000 | \$ 40,000 |
| Equipment Use | 30,000 | 1,000 | 3,000 | 26,000 | 1,000 | 25,000 |
| Data Processing | 50,000 | 5,000 | 30,000 | 15,000 | 0 | 15,000 |
| Auditor | 20,000 | 0 | 20,000 | 0 | 0 | 0 |
| Personnel | 10,000 | 1,000 | 1,000 | 8,000 | 1,000 | 7,000 |
| Roll Forward | 10,000 | 0 | 10,000 | 0 | 0 | 0 |
| Total | \$ 170,000 (e) | \$ 9,000 | \$ 70,000 | \$ 91,000 | \$ 4,000 | \$ 87,000 |
| Total Allowable Indirect Costs | | | \$ 300,000 (f) | | | |
| Distribution of Allocable Indirect Costs Based on Salaries & Wages (g) | | \$ 15,000 | \$ (300,000) | \$ 285,000 | \$ 30,000 | \$ 255,000 |
| Totals | \$ 3,140,000 | \$ 1,001,000 | \$ 0 | \$ 2,139,000 | \$ 170,000 | \$ 1,969,000 |

*Notes to Table 6 (page 14)

8. Indirect Costs (continued)

(1) Notes to Table 6*

Any claimant using this method for claiming costs, must submit a schedule as shown in Table 6, using the same column headings: Description of Costs, Total Costs, Excludable Unallowable Costs (may be combined or separated), Allowable Indirect Costs, and Allowable Direct Costs (which are further allocated to identifiable programs and other). Any supporting data such as invoices, receipts, contacts, documents, etc., must also be submitted.

- (a) Description of costs incurred. Examples include: Salaries and Benefits, Services and Supplies, Cost Plan Costs, etc.
- (b) Excluded costs are all costs that are unallowable and not allocable according to specific guidelines (the OMB Circular 2 CFR, Chapter I and Chapter II, Part 200 et al. and state laws). Examples of excluded costs: Contributions and donations, cost of amusement; social activities and related incidental costs such as meals, beverages, lodging, rentals, transportation and gratuities; and pass-through revenues to another unit or organization
- (c) Allocable indirect costs are costs that are not identifiable to a specific program or cost pool and indirectly benefit all cost pools.
- (d) Direct costs are costs that benefit a specific program or cost pool.
- (e) Overhead costs are distributed to the department in the cost allocation plan, which was prepared in accordance with the OMB Circular 2 CFR, Chapter I and Chapter II, Part 200 et al. To develop the ICRP, claimants should use the cost allocation plan from the year for which the ICRP is being prepared. Do not include a roll-forward adjustment when the program is in its initial year.
- (f) Distribution base for the computation of the indirect cost rate is total direct salaries and wages (S&W).

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

Therefore, the Indirect Cost Rate for the program is:

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

- (g) Indirect costs are then distributed at 30% multiplied by the salaries and wages.

9. Time Study Guidelines

Two methods are acceptable for documenting employee time charged to mandated cost programs: a) Actual Time Reporting, and b) Time Study. These methods are described below. Application of time study results is restricted. As explained in the Time Study Results section below, the results may be projected forward a maximum of two years or applied retroactively to initial claims, current-year claims, and late-filed claims, provided certain criteria are met.

a) Actual Time Reporting

Each program's P's & G's define reimbursable activities for each mandated cost program. When employees work on multiple activities, a distribution of their salaries or wages must be supported by personnel activity reports or equivalent documentation that must:

- (1) Reflect an after-the-fact (contemporaneous) distribution of the actual activity of each employee:
- (2) Account for the total activity for which each employee is compensated.
- (3) Be prepared at least monthly and must coincide with one or more pay periods.
- (4) Be signed by the employee.

Budget estimates or other distribution percentages determined before services are performed do not qualify as support for time distribution.

b) Time Study

In certain cases, a time study may be used to substitute for continuous records of actual time spent on multiple activities and/or programs. An effective time study requires that an activity be a task that is repetitive in nature. Activities that require a varying level of effort are not appropriate for time studies.

(1) Time Study Plan

The claimant must develop a plan before the time study is conducted. The claimant must retain the time study plan for audit purposes. The plan must identify the following:

- (a) Time period(s) to be studied – The plan must show that all time periods selected are representative of the fiscal year, and the results can be reasonably projected to approximate actual costs;
- (b) Activities and/or programs to be studied – For each mandated program included, the time study must separately identify each reimbursable activity defined in the mandated program's Ps & Gs, which are derived from the program's Statement of Decision. If a reimbursable activity in the Ps & Gs identifies separate and distinct sub-activities, these sub-activities must also be treated as individual activities;

9. Time Study Guidelines (continued)

For example, sub-activities (a), (b), and (c) under Reimbursable Activity (B)(1) of the claimant's Domestic Violence Treatment Services: Authorization and Case Management program relate to information to be discussed during victim notification by the probation department and therefore are not separate and distinct activities. It is not necessary to separately study these sub-activities;

- (c) Process used to accomplish each reimbursable activity – Use flowcharts or similar analytical tools and/or written desk procedures to describe the process for each activity;
- (d) Employee universe – The employee universe used in the time study must include all positions for which salaries and wages are to be allocated by means of the time study;
- (e) Employee sample selection methodology – The plan must show that employees selected are representative of the employee universe, and the results can be reasonably projected to approximate actual costs. In addition, the employee sample size should be proportional to the variation in time spent to perform a task. The sample size should be larger for tasks with significant time variations; and
- (f) Time increments to be recorded – The time increments used should be sufficient to recognize the number of different activities performed and the dynamics of these responsibilities. Very large increments (such as one hour or more) might be used for employees performing only a few functions that change very slowly over time. Very small increments (a number of minutes) may be needed for employees performing more short-term tasks.

Random-moment sampling is not an acceptable alternative to continuous time records for mandated cost claims. Random moment sampling techniques are most applicable to situations in which employees perform many different types of activities on a variety of programs with small time increments throughout the fiscal year.

(2) Time Study Documentation

Time studies must:

- (a) Be supported by time records that are completed contemporaneously;
- (b) Report activities on a daily basis;
- (c) Be sufficiently detailed to reflect all mandated activities and/or programs performed during a specific time period; and
- (d) Coincide with one or more pay periods.

9. Time Study Guidelines (continued)

Time records must be signed by the employee (electronic signatures are acceptable) and be supported by corroborating evidence, which validates that the work was actually performed. As with actual time reporting, budget estimates or other distribution percentages determined before services are performed do not qualify as valid time studies

(3) Time Study Results

Claimants must summarize time study results to show how the time study supports the costs claimed for each activity. Any variations from the procedures identified in the original time study plan must be documented and explained. Current-year costs must be used to prepare a time study. Claimants may project time study results to no more than two subsequent fiscal years. A claimant may not apply time study results retroactively.

- (a) Annual Reimbursement Claims – Claimants may use time studies to support costs incurred on or after January 1, 2005. Claimants may not use time studies for the period of July 1, 2004, through December 31, 2004, unless (a) the program's Ps & Gs specifically allows time studies; and (b) the time study is prepared based on mandated activity occurring between July 1, 2004, and December 31, 2004.
- (b) Initial Reimbursement Claims – When filing an initial claim for new mandated programs, claimants may use time study results for costs incurred on or after January 1, 2005 only. Claimants may not use time studies to support costs incurred before January 1, 2005, unless (a) the program's Ps & Gs specifically allow time studies; and (b) the claimant prepares separate time studies for each fiscal year preceding January 1, 2005, based on mandated activity occurring during those years.

When projecting time study results, the claimant must certify that there have been no significant changes between years in either (a) the requirements of each mandated program activity; or (b) the processes and procedures used to accomplish the activity. For all years, the claimant must maintain documentation that shows the mandated activity was actually performed. Time study results used to support claims are subject to the recordkeeping requirements for those claims.

10. Offsets Against State-Mandated Claims

As noted previously, allowable costs are defined as those direct and indirect costs, less applicable credits, considered eligible for reimbursement. When all or part of the costs of a mandated program are specifically reimbursable from local assistance revenue sources (e.g., state, federal, foundation, etc.), only that portion of any increased costs payable from local agency funds is eligible for reimbursement under the provisions of GC section 17561.

10. Offsets Against State-Mandated Claims (continued)

a) Example 1:

As illustrated in Table 7, this example shows how the Offset Against a State-mandated claim is determined for claimants receiving block grant revenues not based on a formula allocation. Program costs for each situation equal \$100,000.

Table 7: Offset Against State Mandates, Example 1

| | Program Costs | Actual Non-Local Agency Funding | State-Mandated Costs | Offset Against State-Mandated Claims | Claimable Mandated Costs |
|----|----------------------|----------------------------------------|-----------------------------|---------------------------------------------|---------------------------------|
| 1. | \$100,000 | \$95,000 | \$2,500 | \$0 | \$2,500 |
| 2. | 100,000 | 97,000 | 2,500 | 0 | 2,500 |
| 3. | 100,000 | 98,000 | 2,500 | 500 | 2,000 |
| 4. | 100,000 | 100,000 | 2,500 | 2,500 | 0 |
| 5. | 100,000* | 50,000 | 2,500 | 1,250 | 1,250 |
| 6. | 100,000 | 49,000 | 2,500 | 250 | 2,250 |

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

Numbers (1) through (4) in Table 7, show intended funding at 100% from non-local agency sources. Numbers (5) and (6) show cost sharing on a 50/50 basis with the claimant. In numbers (1) through (5), included in the program costs of \$100,000 are state-mandated costs of \$2,500. The offset against state-mandated claims is the amount of actual non-local agency funding that exceeds the difference between program costs and state-mandated costs. The offset cannot exceed the amount of state-mandated costs.

In (1), non-local revenues were less than expected. Non-local agency funding was not in excess of the difference between program costs and state-mandated costs. As a result, the offset against state-mandated claims is \$0 and \$2,500 is claimable as mandated costs.

In (4), non-local revenues were fully realized to cover the entire cost of the program, including the state-mandated activity; therefore, the offset against state-mandated claims is \$2,500, and the claimable cost is \$0.

In (5), the claimant is sharing 50% of the program costs. As non-local revenues of \$50,000 were fully realized, the offset against state-mandated claims is \$1,250.

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

11. Notice of Claim Adjustment

All claims submitted to SCO are reviewed to determine if the claim was prepared in accordance with the claiming instructions. Claimants will receive a Notice of Claim Adjustment detailing any adjustment made by SCO.

12. Audit of Costs

Pursuant to GC section 17558.5(b), SCO may conduct a field review of any claim after it has been submitted to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the Ps & Gs adopted by CSM. If any adjustments are made to a claim, a Notice of Claim Adjustment specifying the claim activity adjusted, the amount adjusted, and the reason for the adjustment will be mailed within 30 days after payment of the claim.

13. Source Documents

Costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records, time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification stating, "I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of Code of Civil Procedure section 2015.5. Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, these documents cannot be substituted for source documents.

14. Claim Forms and Instructions

Claim forms provided with the claiming instructions should be duplicated or printed from the SCO website (http://www.sco.ca.gov/ard_mancost.html) and used by the claimant to file reimbursement claims. A claimant may submit computer generated forms in substitution of Form 1 and Form 2, provided that the format of the forms and data fields contained within are identical to the claim forms included with the claiming instructions. SCO will revise the manual and claim forms as necessary.

a) Form 2, Activity Cost Detail

This form is used to segregate the detail costs by claim activity. In some mandates, specific reimbursable activities have been identified for each activity. The expenses reported on this form must be supported by the official financial records of the claimant. All documents used to support the reimbursable activities must be retained by the claimant, unless required to be submitted with the claim, and must be made available to SCO upon request.

14. Claim Forms and Instructions (continued)

b) Form 1, Claim Summary

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

c) Form FAM-27, Claim for Payment

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

Please sign the Form FAM-27 in blue ink and attach the copy to the top of the claim package.

Mandated cost claiming instructions and forms are available online at the SCO's website: www.sco.ca.gov/ard_mancost.html.

Please use the following mailing addresses:

If delivered by U.S. Postal Service:

Office of the State Controller
Attn: Local Reimbursements Section
Local Government Programs and
Services Division
P.O. Box 942850
Sacramento, CA 94250

If delivered by other delivery services:

Office of the State Controller
Attn: Local Reimbursements Section
Local Government Programs and
Services Division
3301 C Street, Suite 700
Sacramento, CA 95816

15. Retention of Claiming Instructions

For your convenience, the revised claiming instructions in this package have been arranged in alphabetical order by program name. This manual should be retained for future reference, and the forms should be duplicated to meet your filing requirements. Annually, new or revised forms, instructions, and any other information claimants may need to file claims will be placed on the SCO's website: www.sco.ca.gov/ard_mancost.html.

16. Retention of Claim Records and Supporting Documentation

Pursuant to GC section 17558.5(a), a reimbursement claim for actual costs filed by a claimant is subject to the initiation of an audit by SCO no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds were appropriated or no payment was made to a claimant for the program for the fiscal year for which the claim was filed, the time for SCO to initiate an audit shall commence to run from the date of initial payment of the claim. In any case an audit will be completed not later than two years after the date that the audit was commenced.

16. Retention of Claim Records and Supporting Documentation (continued)

All documents used to support the reimbursable activities must be retained during the period subject to audit. If SCO has initiated an audit during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings. Supporting documents must be made available to SCO on request.

For more information, contact the Local Reimbursements Section by email at LRSLGPSD@sco.ca.gov, by telephone at (916) 324-5729, or by writing to the address above.

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 September 10, 2018, I served the:

- **Claimant's Response to the Request for Additional Information filed September 7, 2018**

U Visa 918 Form, Victims of Crime: Nonimmigrant Status, 17-TC-01
Penal Code Section 679.10; Statutes 2015, Chapter 721 (SB 674)
City of Claremont, Claimant

By making it available on the Commission's website and providing notice of how to locate it to the email addresses provided on the attached mailing list.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on September 10, 2018 at Sacramento, California.



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-TC-01

Matter: U Visa 918 Form, Victims of Crime: Nonimmigrant Status

Claimant: City of Claremont

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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