



**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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June 19, 2012

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

Dear Ms. Halsey:

**LOS ANGELES COUNTY
REVISED PARAMETERS AND GUIDELINES AMENDMENT
REVIEW OF STATE AGENCY COMMENTS ON PRIOR AMENDMENT
PEACE OFFICERS PROCEDURAL BILL OF RIGHTS REIMBURSEMENT PROGRAM**

The County of Los Angeles (County) respectfully submits its revised parameters and guidelines (Ps&Gs) amendment for the Peace Officers Procedural Bill of Rights reimbursement program and a review of State agency comments on the County's prior Ps&Gs amendment filed on March 27, 2012.

If you have any questions, please contact Leonard Kaye at (213) 974-9791 or via e-mail at lkaye@auditor.lacounty.gov.

Very truly yours,

A handwritten signature in black ink that reads "Wendy L. Watanabe".

Wendy L. Watanabe
Auditor-Controller

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Enclosure

Los Angeles County
Revised Parameters and Guidelines Amendment
Review of State Agency Comments on Prior Amendment
Peace Officers Procedural Bill of Rights Reimbursement Program

Executive Summary

The County of Los Angeles [County] and the State Controller's Office (SCO) have collaborated in developing a 'reasonable reimbursement methodology' [RRM] rate for the Peace Officers Procedural Bill of Rights [POBOR] reimbursement program starting with the 2010-11 claim year.

The rate that is proposed is \$169.21 per sworn peace officer, including sworn probation officers.

The County filed a prior POBOR RRM amendment with the Commission on State Mandates (Commission) on March 27, 2012 and proposed two RRM rates, one for sworn probation officers and one for all others. However, the State Department of Finance (Finance) and SCO maintain that a single POBOR RRM rate for all eligible peace officers, including probation officers, is preferable. Therefore, the County's revised its POBOR RRM as one rate for all.

In addition, comments were received from Finance staff indicating that the sample used to calculate RRM values should include SCO audits where no allowable costs were found. The County respectfully disagrees. The Commission, in adopting the original POBOR RRM rates on March 28, 2008, excluded zero allowable cost audits. Also, SCO excluded such audits in deriving their RRM rate.

In deriving the currently proposed POBOR RRM rate, the sample size of allowable cost audits was increased. This was done by including each year in a jurisdiction's audit period as a sample value. This provided a total of 115 sample values. This was an improvement over the County's prior (March 27, 2012) RRM rate proposal where the sample was based on the most recent audit year's finding – resulting in a sample of only 31 values.

Accordingly, based on new samples of allowable cost audit findings, adoption of the proposed 2010-11 POBOR RRM reimbursement rate of \$169.21 per sworn peace officer is required.

Finance

On May 18, 2012, Tom Dyer, Assistant Program Budget Manager, for the State Department of Finance wrote the Commission and indicated that:

“... Finance believes that the total cost and number calculations related to probation officers should be included in the general RRM for sworn peace officers, which in effect may reduce the claimant’s general RRM rate.”

The County concurs with Finance’s assertion that one general RRM rate is better than two – particularly when the probation sample is much smaller than the general sample. In addition, this single RRM approach is used by SCO in their RRM general rate proposal of \$169.21 for 2010-11.

However, the County respectfully disagrees with Finance in their assertion that audits, where no allowable costs are found, should be included in RRM rate computations. In this regard, Mr. Dyer notes:

“The claimant’s proposed RRM excludes eight eligible local agencies that did not have any allowable costs due to audit exceptions from the formula used to calculate the proposed RRM rate per sworn peace officer (general). The claimant’s methodology differs from the Commission on State Mandates (commission) methodology adopted in the POBOR parameters and guidelines in 2008.”

Mr. Dyer is correct in finding that the County has excluded eligible local agencies that did not have any allowable costs due to audit exceptions from the formula used to calculate the proposed RRM rate per sworn peace officer, but wrong in discrediting this exclusion. In particular, this is the type of exclusion actually used by the Commission in computing their first POBOR RRM rate which was adopted on March 28, 2008.

To illustrate the Commission’s exclusion of audits, where no allowable costs were found, from RRM computations, a table has been developed which excerpts columns used by the Commission in developing their first RRM rate for 2004-05 of \$33.22.

On page 1 of Exhibit 3, the County’s excerpt of the Commission’s computational table shows that the average of allowed cost percentages

encompassed 13 audits and did not include the 5 audits where no allowed costs were found. As a result, the allowed percentages totaled 190.27%. This total was then divided by 13 to provide an “average allowable cost percentage” of 14.64%. This average was then multiplied by the median 2004-05 claimed cost per officer of \$226.97, found on Exhibit 3, page 5 (Lake County). The result was \$33.22 RRM for 2004-05 which was subsequently adopted by the Commission.

Accordingly, the Commission never has included audits where no allowable costs were found in its POBOR RRM computations. And, neither has the County.

SCO Collaboration

County staff worked closely with SCO staff in developing the currently proposed 2010-11 POBOR RRM rate of \$169.21 per sworn peace officer. The detailed computational schedules and notes supporting this rate are found on pages 1 through 6 of Exhibit 2.

In deriving the currently proposed POBOR RRM rate, the sample size of allowable cost audits was increased. This was done by including each year in a jurisdiction’s audit period as a sample value. This provided a total of 115 sample values. This was an improvement over the County’s prior (March 27, 2012) RRM rate proposal where the sample was based on the most recent audit year’s finding – resulting in a sample of only 31 values.

Accordingly, based on new samples of allowable cost audit findings, adoption of the proposed 2010-11 POBOR RRM reimbursement rate of \$169.21 per sworn peace officer is required.

A copy of the County’s revised POBOR’s Ps&Gs RRM amendment is found in Exhibit 4.

EXHIBITS

**LOS ANGELES COUNTY
REVISED PARAMETERS AND GUIDELINES AMENDMENT
REVIEW OF STATE AGENCY COMMENTS ON PRIOR AMENDMENT
PEACE OFFICERS PROCEDURAL BILL OF RIGHTS (POBOR) PROGRAM**

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**Los Angeles County
Revised Parameters and Guidelines Amendment
Review of State Agency Comments on Prior Amendment
Peace Officers Procedural Bill of Rights Reimbursement Program**

Declaration of Leonard Kaye

Leonard Kaye makes the following declaration and statement under oath:

I, Leonard Kaye, Los Angeles County's [County] representative in this matter, have prepared the attached review of State agency comments and revised parameters and guidelines (Ps&Gs) amendment in order to update reasonable reimbursement methodology (RRM) rates in the Peace Officer Procedural Bill of Rights (POBOR) Ps&Gs amendment adopted by the Commission on State Mandates (Commission) on March 28, 2008.

I declare that I have conferred and collaborated with the State Controller's Office audit staff responsible for conducting POBOR audits in preparing the attached Ps&Gs amendment revision of the County's prior POBOR Ps&Gs amendment filed with the Commission on March 27, 2012.

I declare that it is my information and belief that the attached revised POBOR Ps&Gs amendment meets requirements specified in Government Code 17518.5.

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

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

6/14/12; Los Angeles, CA
Date and Place

Leonard Kaye
Signature

Peace Officer Procedural Bill of Rights
 Summary of Allowable Costs by Fiscal Year

Address	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
National Dedicator ²	---	1.022985	1.020206	1.015787	1.023015	1.043184	1.040213	1.018885	1.035897	1.033484	1.056155	1.061926	1.050305	1.060237	1.027408	1.005644	1.027200
1 Alameda County										14.90	15.74	16.72	17.36	18.62	19.13	19.23	19.76
1 Alameda County										13.74	14.51	15.41	16.19	17.16	17.63	17.73	18.21
1 Alameda County										40.05	40.05	42.54	44.67	47.37	48.66	48.94	50.27
2 Beverly Hills									102.43	105.86	111.81	118.73	124.70	132.21	135.84	136.60	140.32
2 Beverly Hills									106.07	112.02	118.96	124.94	132.47	136.10	136.87	140.59	
3 Contra Costa County									38.20	40.93	43.23	45.91	48.22	51.12	52.52	52.82	54.26
3 Contra Costa County									7.60	7.85	8.29	8.81	9.25	9.81	10.08	10.13	10.41
3 Contra Costa County									11.24	11.88	12.61	13.25	14.04	14.43	14.51	14.90	
4 Covina										257.00	267.61	281.07	298.00	306.17	307.89	316.27	
4 Covina										155.89	164.65	174.84	183.64	194.70	200.04	201.17	206.64
5 El Monte										204.44	207.90	194.33	142.42	146.33	147.15	151.16	
6 Fresno City										83.93	88.64	94.13	98.87	104.82	107.70	108.30	111.25
6 Fresno City										83.19	88.34	92.79	98.28	101.07	101.64	104.41	
6 Fresno City										111.40	115.13	121.60	129.13	135.62	143.79	147.73	152.61
7 Fresno County										83.02	87.86	92.80	103.50	109.74	112.75	113.38	116.47
7 Fresno County										95.40	100.76	107.00	112.38	119.15	122.42	123.11	126.46
7 Fresno County										78.71	83.94	85.74	88.23	85.74	88.23	88.57	
8 Huntington Beach										1.33	1.43	1.52	1.59	1.69	1.74	1.75	1.79
8 Huntington Beach										18.83	19.98	20.98	22.24	22.85	22.85	22.98	23.61
8 Huntington Beach										20.16	21.41	22.49	23.84	24.50	24.64	25.31	
9 Kern County										10.77	11.31	11.99	12.32	12.39	12.39	12.73	
10 Los Angeles City (9/29/09)										437.73	464.43	493.19	517.99	549.20	564.25	567.43	582.87
10 Los Angeles City (9/29/09)										383.83	407.66	428.16	453.96	463.00	469.03	481.79	
10 Los Angeles City (9/29/09)										44.65	45.04	45.65	463.00	465.61	478.28		
10 Los Angeles City (9/29/09)										357.24	378.71	389.09	391.29	391.29	401.91		
10 Los Angeles City (9/29/09)										105.75	99.74	108.65	109.76	112.23			
11 Los Angeles City (10/20/10)										84.67	89.43	94.96	99.74	105.75	108.65	109.26	112.23
11 Los Angeles City (10/20/10)										72.98	77.08	81.86	85.97	91.15	93.65	94.18	96.74
11 Los Angeles City (10/20/10)										46.08	48.66	51.68	54.28	57.55	59.12	59.46	61.08
11 Los Angeles City (10/20/10)										94.00	99.28	105.42	110.73	117.40	120.61	121.30	124.59
11 Los Angeles City (10/20/10)										213.06	225.02	238.96	250.98	266.10	273.39	274.93	282.41
11 Los Angeles City (10/20/10)										130.40	137.72	146.25	153.61	162.86	167.33	168.27	172.85
11 Los Angeles City (10/20/10)										122.14	129.00	136.99	143.88	152.55	156.73	157.61	161.90
11 Los Angeles City (10/20/10)										528.14	557.79	592.34	622.13	659.61	677.69	681.51	700.05
12 Los Angeles County (3/30/07)										14.88	15.80	16.60	17.60	18.08	18.18	18.18	18.67
12 Los Angeles County (3/30/07)										16.79	17.74	18.84	19.78	20.98	21.55	21.67	22.26
12 Los Angeles County (3/30/07)										11.18	11.56	12.20	12.96	13.61	14.83	14.91	15.32
12 Los Angeles County (3/30/07)										14.74	15.57	16.53	17.36	18.41	18.91	19.02	19.54
12 Los Angeles County (3/30/07)										16.36	17.28	18.35	19.27	20.43	20.99	21.11	21.68
12 Los Angeles County (3/30/07)										45.72	48.28	51.27	53.85	57.10	58.66	58.99	60.60
12 Los Angeles County (3/30/07)										24.39	25.76	27.35	28.73	30.46	31.29	31.47	32.34
12 Los Angeles County (3/30/07)										23.39	24.17	25.53	27.11	28.47	30.18	31.19	32.04
12 Los Angeles County (3/30/07)										12.09	12.77	13.56	14.25	15.10	15.52	15.61	16.03
13 Los Angeles County (6/30/09)										27.28	28.96	30.42	32.25	33.14	33.33	34.23	
13 Los Angeles County (6/30/09)										33.00	31.86	33.46	35.47	36.45	36.65	37.65	
13 Los Angeles County (6/30/09)										15.68	15.68	16.62	17.08	17.08	17.18	17.64	
14 Oakland										190.15	200.83	213.27	224.00	237.49	244.00	245.38	250.05
14 Oakland										189.22	199.85	212.23	222.90	236.33	242.81	244.18	250.82
14 Oakland										220.36	234.00	245.78	260.58	267.72	269.23	276.56	
15 Oceanside										39.00	41.19	43.74	45.95	48.71	50.05	50.33	51.70
15 Oceanside										25.57	27.15	28.52	30.24	31.06	31.24	32.09	
15 Oceanside										5.98	10.60	11.13	11.80	12.13	12.20	12.53	
16 Orange County										4.71	5.14	5.46	5.73	6.08	6.24	6.28	6.45
16 Orange County										13.10	13.84	14.69	15.43	16.36	16.81	16.90	17.36
16 Orange County										28.07	29.80	31.30	33.29	34.10	34.29	35.22	
17 Palo Alto										110.09	1162.92	1234.94	1297.06	1375.19	1412.88	1420.86	1459.50
17 Palo Alto										65.53	68.54	71.99	76.33	78.42	78.86	81.01	
17 Palo Alto										87.42	91.82	97.33	100.02	100.58	100.58	103.32	
18 Riverside City										206.40	213.31	223.29	239.24	251.28	266.42	273.72	282.75
18 Riverside City										262.95	261.42	276.10	293.20	307.95	326.50	335.45	346.51
18 Riverside City										338.30	339.30	359.25	377.33	400.06	411.02	413.34	424.58
18 Riverside City										550.54	584.63	614.04	651.03	668.87	672.65	690.94	
19 Riverside County										209.30	221.06	234.75	246.56	261.41	268.57	270.09	277.43

Peace Officer Procedural Bill of Rights
Summary of Allowable Costs by Fiscal Year

Auditee	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
National Deflator ²	---	1.022985	1.020206	1.015787	1.021015	1.043184	1.040213	1.018885	1.036897	1.033484	1.056155	1.061926	1.050305	1.060237	1.027408	1.005644	1.027200
19 Riverside County										120.02	126.76	134.60	141.38	149.89	154.00	154.87	159.08
19 Riverside County											133.70	163.22	171.43	181.76	186.74	187.79	192.90
20 Rocklin								23.65		24.44	25.81	27.41	28.79	30.53	31.36	31.54	32.40
20 Rocklin									79.47		83.93	89.12	93.61	99.25	101.97	102.54	105.33
20 Rocklin											8.84	9.39	9.86	10.45	10.74	10.80	11.10
21 Sacramento City							375.69	389.55	389.55	402.60	425.20	451.54	474.25	502.82	516.60	519.51	533.65
21 Sacramento City								384.80	384.80	190.99	201.72	214.21	224.98	238.53	245.07	246.46	253.16
21 Sacramento City									168.16		177.60	188.08	198.08	210.02	215.77	216.99	222.89
22 Sacramento County							89.71	93.02	93.02	96.13	101.53	107.82	113.24	120.07	123.36	124.05	127.43
22 Sacramento County								88.27	88.27	70.56	74.52	79.14	83.12	88.13	90.54	91.05	93.53
22 Sacramento County										88.28	93.24	99.01	103.99	110.25	113.28	113.91	117.01
23 San Bernardino County							3.28	3.40	3.40	3.51	3.71	3.94	4.14	4.39	4.51	4.53	4.66
23 San Bernardino County								10.44	10.79	11.40	12.11	12.71	13.48	13.85	13.93	14.31	14.31
23 San Bernardino County									19.13	20.23	21.48	22.56	23.92	24.57	24.71	25.39	25.39
24 San Francisco City/County (2/22/08)					43.29	45.03	45.88	47.57	49.17	51.93	55.14	57.92	61.40	63.09	63.44	63.44	65.17
24 San Francisco City/County (2/22/08)					41.26	42.88	47.41	49.16	50.81	53.66	56.98	59.85	63.45	65.19	65.56	67.34	67.34
24 San Francisco City/County (2/22/08)					39.68	39.16	40.85	42.49	44.89	46.39	49.00	52.03	54.65	57.94	59.53	59.86	61.49
24 San Francisco City/County (2/22/08)					46.80	47.87	51.95	52.93	54.88	56.72	59.91	63.62	66.82	70.84	72.78	73.19	75.19
24 San Francisco City/County (2/22/08)					46.61	48.62	50.57	53.43	55.22	58.32	61.93	65.05	68.97	70.86	71.26	73.19	73.19
24 San Francisco City/County (2/22/08)					48.26	50.20	51.15	53.04	54.81	57.89	61.48	64.57	68.46	70.34	70.73	72.66	72.66
24 San Francisco City/County (2/22/08)					39.93	41.50	42.88	44.73	46.53	48.31	50.81	53.66	56.98	60.40	61.40	63.09	63.44
24 San Francisco City/County (2/22/08)					41.26	42.88	47.41	49.16	50.81	53.66	56.98	59.85	63.45	65.19	65.56	67.34	67.34
24 San Francisco City/County (2/22/08)					39.68	39.16	40.85	42.49	44.89	46.39	49.00	52.03	54.65	57.94	59.53	59.86	61.49
24 San Francisco City/County (2/22/08)					46.80	47.87	51.95	52.93	54.88	56.72	59.91	63.62	66.82	70.84	72.78	73.19	75.19
24 San Francisco City/County (2/22/08)					46.61	48.62	50.57	53.43	55.22	58.32	61.93	65.05	68.97	70.86	71.26	73.19	73.19
24 San Francisco City/County (2/22/08)					48.26	50.20	51.15	53.04	54.81	57.89	61.48	64.57	68.46	70.34	70.73	72.66	72.66
24 San Francisco City/County (2/22/08)					39.93	41.50	42.88	44.73	46.53	48.31	50.81	53.66	56.98	60.40	61.40	63.09	63.44
24 San Francisco City/County (2/22/08)					41.26	42.88	47.41	49.16	50.81	53.66	56.98	59.85	63.45	65.19	65.56	67.34	67.34
24 San Francisco City/County (2/22/08)					39.68	39.16	40.85	42.49	44.89	46.39	49.00	52.03	54.65	57.94	59.53	59.86	61.49
24 San Francisco City/County (2/22/08)					46.80	47.87	51.95	52.93	54.88	56.72	59.91	63.62	66.82	70.84	72.78	73.19	75.19
24 San Francisco City/County (2/22/08)					46.61	48.62	50.57	53.43	55.22	58.32	61.93	65.05	68.97	70.86	71.26	73.19	73.19
24 San Francisco City/County (2/22/08)					48.26	50.20	51.15	53.04	54.81	57.89	61.48	64.57	68.46	70.34	70.73	72.66	72.66
24 San Francisco City/County (2/22/08)					39.93	41.50	42.88	44.73	46.53	48.31	50.81	53.66	56.98	60.40	61.40	63.09	63.44
24 San Francisco City/County (2/22/08)					41.26	42.88	47.41	49.16	50.81	53.66	56.98	59.85	63.45	65.19	65.56	67.34	67.34
24 San Francisco City/County (2/22/08)					39.68	39.16	40.85	42.49	44.89	46.39	49.00	52.03	54.65	57.94	59.53	59.86	61.49
24 San Francisco City/County (2/22/08)					46.80	47.87	51.95	52.93	54.88	56.72	59.91	63.62	66.82	70.84	72.78	73.19	75.19
24 San Francisco City/County (2/22/08)					46.61	48.62	50.57	53.43	55.22	58.32	61.93	65.05	68.97	70.86	71.26	73.19	73.19
24 San Francisco City/County (2/22/08)					48.26	50.20	51.15	53.04	54.81	57.89	61.48	64.57	68.46	70.34	70.73	72.66	72.66
24 San Francisco City/County (2/22/08)					39.93	41.50	42.88	44.73	46.53	48.31	50.81	53.66	56.98	60.40	61.40	63.09	63.44
24 San Francisco City/County (2/22/08)					41.26	42.88	47.41	49.16	50.81	53.66	56.98	59.85	63.45	65.19	65.56	67.34	67.34
24 San Francisco City/County (2/22/08)					39.68	39.16	40.85	42.49	44.89	46.39	49.00	52.03	54.65	57.94	59.53	59.86	61.49
24 San Francisco City/County (2/22/08)					46.80	47.87	51.95	52.93	54.88	56.72	59.91	63.62	66.82	70.84	72.78	73.19	75.19
24 San Francisco City/County (2/22/08)					46.61	48.62	50.57	53.43	55.22	58.32	61.93	65.05	68.97	70.86	71.26	73.19	73.19
24 San Francisco City/County (2/22/08)					48.26	50.20	51.15	53.04	54.81	57.89	61.48	64.57	68.46	70.34	70.73	72.66	72.66
24 San Francisco City/County (2/22/08)					39.93	41.50	42.88	44.73	46.53	48.31	50.81	53.66	56.98	60.40	61.40	63.09	63.44
24 San Francisco City/County (2/22/08)					41.26	42.88	47.41	49.16	50.81	53.66	56.98	59.85	63.45	65.19	65.56	67.34	67.34
24 San Francisco City/County (2/22/08)					39.68	39.16	40.85	42.49	44.89	46.39	49.00	52.03	54.65	57.94	59.53	59.86	61.49
24 San Francisco City/County (2/22/08)					46.80	47.87	51.95	52.93	54.88	56.72	59.91	63.62	66.82	70.84	72.78	73.19	75.19
24 San Francisco City/County (2/22/08)					46.61	48.62	50.57	53.43	55.22	58.32	61.93	65.05	68.97	70.86	71.26	73.19	73.19
24 San Francisco City/County (2/22/08)					48.26	50.20	51.15	53.04	54.81	57.89	61.48	64.57	68.46	70.34	70.73	72.66	72.66
24 San Francisco City/County (2/22/08)					39.93	41.50	42.88	44.73	46.53	48.31	50.81	53.66	56.98	60.40	61.40	63.09	63.44
24 San Francisco City/County (2/22/08)					41.26	42.88	47.41	49.16	50.81	53.66	56.98	59.85	63.45	65.19	65.56	67.34	67.34
24 San Francisco City/County (2/22/08)					39.68	39.16	40.85	42.49	44.89	46.39	49.00	52.03	54.65	57.94	59.53	59.86	61.49
24 San Francisco City/County (2/22/08)					46.80	47.87	51.95	52.93	54.88	56.72	59.91	63.62	66.82	70.84	72.78	73.19	75.19
24 San Francisco City/County (2/22/08)					46.61	48.62	50.57	53.43	55.22	58.32	61.93	65.05	68.97	70.86	71.26	73.19	73.19
24 San Francisco City/County (2/22/08)					48.26	50.20	51.15	53.04	54.81	57.89	61.48	64.57	68.46	70.34	70.73	72.66	72.66
24 San Francisco City/County (2/22/08)					39.93	41.50	42.88	44.73	46.53	48.31	50.81	53.66	56.98	60.40	61.40	63.09	63.44
24 San Francisco City/County (2/22/08)					41.26	42.88	47.41	49.16	50.81	53.66	56.98	59.85	63.45	65.19	65.56	67.34	67.34
24 San Francisco City/County (2/22/08)					39.68	39.16	40.85	42.49	44.89	46.39	49.00	52.03	54.65	57.94	59.53	59.86	61.49
24 San Francisco City/County (2/22/08)					46.80	47.87	51.95	52.93	54.88	56.72	59.91	63.62	66.82	70.84	72.78	73.19	75.19
24 San Francisco City/County (2/22/08)					46.61	48.62	50.57	53.43	55.22	58.32	61.93	65.05	68.97	70.86	71.26	73.19	73.19
24 San Francisco City/County (2/22/08)					48.26	50.20	51.15	53.04	54.81	57.89	61.48	64.57	68.46	70.34	70.73	72.66	72.66
24 San Francisco City/County (2/22/08)					39.93	41.50	42.88	44.73	46.53	48.31	50.81	53.66	56.98	60.40	61.40	63.09	63.44
24 San Francisco City/County (2/22/08)					41.26	42.88	47.41	49.16	50.81	53.66	56.98	59.85	63.45	65.19	65.56	67.34	67.34
24																	

NATIONAL DEFLATORS (2005=100)

	Gross Domestic Product		Personal Consumption Expenditures		State and Local Purchases	
	Index	% change	Index	% change	Index	% change
1950-51	15.26	--	15.57	--	8.95	--
1951-52	15.83	3.7	16.19	--	9.58	7.1
1952-53	16.11	1.8	16.44	--	9.93	3.6
1953-54	16.26	0.9	16.68	--	9.98	0.5
1954-55	16.41	1.0	16.68	--	10.21	2.2
1955-56	16.87	2.8	16.88	--	10.64	4.2
1956-57	17.49	3.7	17.36	--	11.27	5.9
1957-58	17.94	2.6	17.88	--	11.53	2.3
1958-59	18.27	1.8	18.12	--	11.76	2.0
1959-60	18.48	1.2	18.46	--	11.94	1.5
1960-61	18.72	1.3	18.72	1.4	12.19	2.1
1961-62	18.95	1.3	18.90	1.0	12.58	3.2
1962-63	19.17	1.1	19.12	1.2	12.88	2.4
1963-64	19.42	1.3	19.39	1.4	13.16	2.2
1964-65	19.75	1.7	19.66	1.4	13.46	2.3
1965-66	20.16	2.1	20.02	1.8	13.95	3.6
1966-67	20.82	3.2	20.56	2.7	14.74	5.7
1967-68	21.55	3.5	21.19	3.1	15.54	5.4
1968-69	22.54	4.6	22.09	4.3	16.42	5.7
1969-70	23.76	5.4	23.15	4.8	17.70	7.8
1970-71	24.94	5.0	24.19	4.5	19.11	8.0
1971-72	26.11	4.7	25.11	3.8	20.28	6.1
1972-73	27.26	4.4	26.05	3.8	21.66	6.8
1973-74	29.25	7.3	28.16	8.1	23.52	8.6
1974-75	32.28	10.4	31.06	10.3	26.36	12.1
1975-76	34.59	7.2	33.09	6.5	28.32	7.4
1976-77	36.61	5.8	35.00	5.8	29.98	5.8
1977-78	39.02	6.6	37.33	6.7	32.04	6.9
1978-79	41.99	7.6	40.23	7.8	34.25	6.9
1979-80	45.70	8.8	44.35	10.2	37.96	10.8
1980-81	50.13	9.7	48.84	10.1	42.21	11.2
1981-82	53.98	7.7	52.21	6.9	45.37	7.5
1982-83	56.65	4.9	54.76	4.9	47.93	5.6
1983-84	58.75	3.7	56.98	4.1	49.96	4.2
1984-85	60.79	3.5	58.94	3.4	52.02	4.1
1985-86	62.28	2.4	60.64	2.9	53.75	3.3
1986-87	63.85	2.5	62.35	2.8	55.69	3.6
1987-88	65.83	3.1	64.81	3.9	57.80	3.8
1988-89	68.38	3.9	67.68	4.4	59.60	3.1
1989-90	70.83	3.6	70.43	4.1	61.92	3.9
1990-91	73.62	3.9	73.66	4.6	64.68	4.5
1991-92	75.77	2.9	75.91	3.1	66.11	2.2
1992-93	77.44	2.2	77.90	2.6	67.74	2.5

1993-94	79.09	2.1	79.40	1.9	69.30	2.3
1994-95	80.79	2.2	81.26	2.3	71.40650	3.04080
1995-96	82.41	2.0	82.92	2.0	73.04775	2.29846
1996-97	83.91	1.8	84.75	2.2	74.52375	2.02060
1997-98	85.10	1.4	85.83	1.3	75.70025	1.57869
1998-99	86.19	1.3	86.83	1.2	77.44250	2.30151
1999-00	87.69	1.7	88.72	2.2	80.78675	4.31837
2000-01	89.79	2.4	90.85	2.4	84.03550	4.02139
2001-02	91.43	1.8	91.96	1.2	85.62250	1.88849
2002-03	93.15	1.9	93.76	2.0	88.78175	3.68974
2003-04	95.31	2.3	95.76	2.1	91.75450	3.34838
2004-05	98.31	3.1	98.42	2.8	96.90700	5.61553
2005-06	101.69	3.4	101.55	3.2	102.90800	6.19254
2006-07	104.85	3.1	103.99	2.4	108.08475	5.03046
2007-08	107.33	2.4	107.37	3.2	114.59550	6.02375
2008-09	109.44	2.0	108.94	1.5	117.73625	2.74073
2009-10	110.19	0.7	110.35	1.3	118.40075	0.56440
2010-11	112.08	1.7	112.30	1.8	121.62125	2.72000
2011-12	f/ 114.22	1.9	NA	NA	124.89	2.7
2012-13	f/ 115.71	1.3	NA	NA	127.40	2.0
2013-14	f/ 117.47	1.5	NA	NA	130.21	2.2
2014-15	f/ 119.47	1.7	NA	NA	133.17	2.3

f/ May Revision Forecast, April 2012

Note: The reference year was changed from 1996 to 2000 (BEA December 10, 2003)

Kaye, Leonard

From: LKurokawa@sco.ca.gov
Sent: Thursday, June 07, 2012 6:48 PM
To: Kaye, Leonard
Cc: jspano@sco.ca.gov
Subject: POBOR RRM
Attachments: POBOR RRM.xlsx

Leonard,

We have reviewed your initial RRM proposal of \$152.77 per sworn officer and \$111.99 per probation officer, which was submitted on March 27, 2012.

Attached, you will find the result of our collaboration, which is an updated RRM rate of \$169.21 per peace officer (which includes the Probation Department).

Let me know if you have any questions or concerns.

Thank you,

Lisa Kurokawa
Audit Manager
State Controller's Office
Division of Audits | Mandated Cost Bureau
(916) 327-3138 - Office | (916) 549-2753 - Work Cell
lkurokawa@sco.ca.gov

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6/14/2012

Kaye, Leonard

From: LKurokawa@sco.ca.gov
Sent: Thursday, June 07, 2012 6:38 PM
To: Kaye, Leonard
Cc: jspano@sco.ca.gov; jvenneman@sco.ca.gov; MVorobyova@sco.ca.gov
Subject: POBOR RRM
Attachments: POBOR RRM.xlsx

Leonard,

Attached is our revised RRM identifying a rate of \$169.21 per officer. We made the following changes:

Probation Department

We included the Probation Department costs in both the numerator and the denominator for the following four agencies:

1. Alameda County
2. Orange County
3. San Bernardino County – Only for FY 2002-03 and 2003-04 (because there were no Probation Department costs in 2001-02)
4. Santa Clara County

Transposition Errors

5. El Monte – There was a transposition error in FY 2004-05. We revised the denominator to be 157 (versus 167)
6. Sacramento County – In FY 2001-02, the wrong number of officers was reported (1,525). We revised it to be 1,546 (SD =1,489 + DA= 57)
7. San Francisco City/County – In FY 1995-96, the wrong number of officers was reported (2,544). We revised it to be 2,644 (PD=2,039 + SD=605).

Excluded D/A Costs & Parks and Recreation Costs

8. Contra Costa County – Excluded the number of D/A officers from the denominator because we did not allow any D/A costs in the audit.
9. Orange County – Excluded the number of D/A officers from the denominator because we did not allow any D/A costs in the audit.
10. Kern County – Excluded D/A officers from the denominator because we did not allow any D/A costs in the audit. Also, excluded Dept. of Parks and Recreation from the denominator because it was accidentally included.

Please review and let me know if you disagree with the changes we made.

Lisa Kurokawa

Audit Manager
State Controller's Office
Division of Audits | Mandated Cost Bureau
(916) 327-3138 - Office | (916) 549-2753 - Work Cell
lkurokawa@sco.ca.gov

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6/14/2012

Table 2
Peace Officer Procedural Bill of Rights (POBOR) Reimbursements
Reasonable Reimbursement Methodology (RRM) Unit Cost Computations
Adopted by the Commission on State Mandates (CSM) on March 28, 2008 (A)

<u>CSM</u> <u>Selected</u> <u>Audits (B)</u>	<u>Claimant</u>	<u>Years Audited</u>	<u>Amount</u> <u>Claimed</u>	<u>Allowable</u> <u>Costs(C)</u>	<u>Percent</u> <u>Allowed</u>
	City of Long Beach	1994/95-01/02	\$ 13,640,845	\$ -	0.00%
1	City of Stockton	1994/95-01/02	\$ 2,344,211	\$ 681,799	29.08%
2	City of Sacramento	2001/02-03/04	\$ 1,323,971	\$ 469,058	35.43%
3	Contra Costa County	2001/02-03/04	\$ 532,160	\$ 40,636	7.64%
4	Los Angeles County	1994/95-02/03	\$ 31,152,062	\$ 1,313,057	4.21%
5	Los Angeles P.D.	1994/95-01/02	\$ 60,660,765	\$ 550,345	0.91%
	San Diego County	2001/02-03/04	\$ 1,848,251	\$ -	0.00%
6	City of Oakland	2000/01-03/04	\$ 3,497,273	\$ 1,187	0.03%
7	Orange County	2001/02-03/04	\$ 1,676,796	\$ 95,984	5.72%
8	San Bernardino County	2000/01-03/04	\$ 1,222,606	\$ 62,857	5.14%
9	City of Oceanside	2002/03-04/05	\$ 951,689	\$ 12,551	1.32%
	City of Inglewood	2002/03-04/05	\$ 838,740	\$ -	0.00%
10	Alameda County	2002/03-04/05	\$ 388,851	\$ 79,594	20.47%
11	Sacramento County	2001/02-03/04	\$ 1,186,488	\$ 380,710	32.09%
12	Ventura County	2002/03-04/05	\$ 587,525	\$ 245,230	41.74%
	City of Buena Park	2002/03-02/03	\$ 493,444	\$ -	0.00%
	City of Long Beach	2002/03-02/03	\$ 1,307,923	\$ -	0.00%
13	San Francisco	1994/95-02/03	\$ 24,014,018	\$ 1,557,587	6.49%
Totals			\$ 147,667,618	\$ 5,490,595	190.27%
Average Allowable Cost Percentage (13 audits)					14.64%
Median Claimed Costs (D)					\$ 226.97
RRM Computation (E)					<u>\$ 33.22</u>

Notes

- (A) Source: Abstracted from the table on page 21 of CSM's March 28, 2008 POBOR's RRM decision.
- (B) CSM selected POBOR audits completed by the State Controller's Office (SCO) prior to March 28, 2008.
- (C) CSM only excluded SCO POBOR audits where no allowable costs were found.
- (D) CSM used the median claimed cost per officer in 2004-05 (\$226.97) in deriving an RRM. See Table 3.
- (E) CSM then multiplied the per officer claimed unit cost (\$226.97) by an audit allowance average (14.64%) to obtain the 2004-05 RRM result (\$33.22).

Table 6. Combined Local Agencies: Comparison: Actuals, RRRMs, Percents

	2004-05 Actual Claims ¹	Number of Officers ²	Per Officer	DOF - 56.74	Percent	LA- 302.37	Percent
6 CATHEDRAL CITY	\$ 339,824	52	\$ 6,535.08	2950.48	0.87%	15,723	4.63%
2 CITY & COUNTY OF SAN FRANCISCO	\$ 2,952,086	3052	\$ 967.26	173170.48	5.87%	922,833	31.26%
142 CITY OF ALAMEDA	\$ 8,052	98	\$ 82.16	5560.52	69.06%	29,632	368.01%
59 CITY OF ALHAMBRA	\$ 32,698	81	\$ 403.68	4595.94	14.06%	24,492	74.90%
38 CITY OF ANTIPOCH	\$ 67,184	102	\$ 658.67	5787.48	8.61%	30,842	45.91%
124 CITY OF ATASCADERO	\$ 10,689	30	\$ 356.30	1702.2	15.92%	9,071	84.86%
62 CITY OF AZUSA	\$ 31,129	55	\$ 565.98	3120.7	10.03%	16,630	53.42%
149 CITY OF BAKERSFIELD	\$ 6,730	323	\$ 20.84	18327.02	272.32%	97,666	1451.20%
47 CITY OF BALDWIN PARK	\$ 45,532	73	\$ 623.73	4142.02	9.10%	22,073	48.48%
189 CITY OF BARSTOW	\$ 1,658	34	\$ 48.76	1929.16	116.35%	10,281	620.06%
170 CITY OF BELL GARDENS	\$ 4,108	52	\$ 79.00	2950.48	71.82%	15,723	382.75%
187 CITY OF BENICIA	\$ 2,057	32	\$ 64.28	1815.68	88.27%	9,676	470.39%
57 CITY OF BERKELEY	\$ 34,608	180	\$ 192.27	10213.2	29.51%	54,427	157.27%
8 CITY OF BEVERLY HILLS	\$ 316,298	131	\$ 2,414.49	7432.94	2.35%	39,610	12.52%
73 CITY OF BRENTWOOD	\$ 25,033	53	\$ 472.32	3007.22	12.01%	16,026	64.02%
20 CITY OF BURBANK	\$ 148,430	153	\$ 970.13	8881.22	5.85%	46,263	31.17%
126 CITY OF BURLINGAME	\$ 10,636	40	\$ 265.90	2269.6	21.34%	12,095	113.72%
150 CITY OF CALEXICO	\$ 6,674	47	\$ 142.00	2866.78	39.96%	14,211	212.94%
41 CITY OF CARLSBAD	\$ 59,093	107	\$ 552.27	6071.18	10.27%	32,354	54.75%
115 CITY OF CHICO	\$ 12,366	93	\$ 132.97	5276.82	42.67%	28,120	227.40%
120 CITY OF CLAREMONT	\$ 11,652	37	\$ 314.92	2099.38	18.02%	11,188	96.02%
63 CITY OF CORONA	\$ 29,811	168	\$ 177.45	9532.32	31.98%	50,798	170.40%
157 CITY OF COSTA MESA	\$ 6,064	151	\$ 40.16	8567.74	141.29%	45,658	752.93%
194 CITY OF COTATI	\$ 1,077	13	\$ 82.85	737.62	68.49%	3,931	364.98%
12 CITY OF COVINA	\$ 257,535	51	\$ 5,049.71	2893.74	1.12%	15,421	5.99%
92 CITY OF DALY CITY	\$ 17,197	108	\$ 159.23	6127.92	35.63%	32,656	189.89%
67 CITY OF DAVIS	\$ 27,071	53	\$ 510.77	3007.22	11.11%	16,026	59.20%
167 CITY OF DINUBA	\$ 4,598	32	\$ 143.69	1815.68	39.49%	9,676	210.44%
103 CITY OF DOWNEY	\$ 15,113	105	\$ 143.93	5957.7	39.42%	31,749	210.08%
72 CITY OF EAST PALO ALTO	\$ 25,549	35	\$ 729.97	1985.9	7.77%	10,583	41.42%
105 CITY OF EL CAJON	\$ 14,877	126	\$ 118.07	7149.24	48.06%	38,099	256.09%
102 CITY OF EL CERRITO	\$ 15,254	39	\$ 391.13	2212.86	14.51%	11,792	77.31%
24 CITY OF EL MONTE	\$ 107,699	162	\$ 664.81	9191.88	8.53%	48,984	45.48%
84 CITY OF EL SEGUNDO	\$ 19,944	61	\$ 326.95	3461.14	17.35%	18,445	92.48%
135 CITY OF EMERYVILLE	\$ 9,301	35	\$ 265.74	1985.9	21.35%	10,583	113.78%
52 CITY OF ESCONDIDO	\$ 38,532	160	\$ 240.83	9078.4	23.56%	48,379	125.56%
48 CITY OF FAIRFIELD	\$ 44,232	117	\$ 378.05	6638.58	15.01%	35,377	79.98%
119 CITY OF FIREBAUGH	\$ 11,715	11	\$ 1,065.00	624.11	5.33%	3,326	28.39%
44 CITY OF FONTANA	\$ 52,549	168	\$ 312.79	9532.32	18.14%	50,798	96.67%
82 CITY OF FOSTER CITY	\$ 21,446	36	\$ 595.72	2042.64	9.52%	10,885	50.76%
151 CITY OF FREMONT	\$ 6,498	191	\$ 34.02	10837.34	166.78%	57,753	888.78%
9 CITY OF FRESNO	\$ 306,626	802	\$ 382.33	45505.48	14.84%	242,501	79.09%
33 CITY OF GARDEN GROVE	\$ 74,268	156	\$ 476.08	8851.44	11.92%	47,170	63.51%
13 CITY OF GLENDALE	\$ 232,607	269	\$ 864.71	15263.06	6.56%	81,338	34.97%
81 CITY OF GLENDORA	\$ 21,539	55	\$ 391.62	3120.7	14.49%	16,630	77.21%
186 CITY OF GRASS VALLEY	\$ 2,110	26	\$ 81.15	1475.24	69.92%	7,862	372.59%
195 CITY OF GREENFIELD	\$ 1,041	16	\$ 65.06	907.84	87.21%	4,838	464.74%

		2004-05 Actual Claims ¹	Number of Officers ²	Per Officer	DOF - 56.74	Percent	LA- 302.37	Percent
109	CITY OF HANFORD	\$ 14,247	52	\$ 273.98	2950.48	20.71%	15,723	110.36%
51	CITY OF HAYWARD	\$ 39,280	182	\$ 215.82	10326.68	26.29%	55,031	140.10%
117	CITY OF HERMOSA BEACH	\$ 11,925	35	\$ 340.71	1985.9	16.65%	10,583	88.75%
175	CITY OF HILLSBOROUGH	\$ 3,210	25	\$ 128.40	1418.5	44.19%	7,559	235.49%
46	CITY OF HUNTINGTON BEACH	\$ 48,311	213	\$ 226.81	12085.62	25.02%	64,405	133.31%
159	CITY OF INDIO	\$ 5,275	64	\$ 82.42	3631.36	68.84%	19,352	366.86%
7	CITY OF INGLEWOOD	\$ 338,790	198	\$ 1,711.06	11234.52	3.32%	59,869	17.67%
125	CITY OF JACKSON	\$ 10,655	9	\$ 1,183.89	510.66	4.79%	2,721	25.54%
18	CITY OF KERMAN	\$ 167,753	15	\$ 11,183.53	851.1	0.51%	4,536	2.70%
130	CITY OF LA HABRA	\$ 10,043	65	\$ 154.51	3688.1	36.72%	19,654	195.70%
134	CITY OF LAGUNA BEACH	\$ 9,310	48	\$ 193.96	2723.52	29.25%	14,514	155.89%
94	CITY OF LIVERMORE	\$ 17,091	91	\$ 187.81	5163.34	30.21%	27,516	161.00%
104	CITY OF LIVINGSTON	\$ 15,061	19	\$ 792.68	1078.06	7.16%	5,745	38.15%
144	CITY OF LOMPOC	\$ 7,982	50	\$ 159.64	2837	35.54%	15,119	189.41%
1	CITY OF LOS ANGELES	\$ 8,749,350	9577	\$ 913.58	543398.98	6.21%	2,895,797	33.10%
76	CITY OF MANHATTAN BEACH	\$ 23,825	60	\$ 397.08	3404.4	14.29%	18,142	76.15%
181	CITY OF MANTECA	\$ 2,264	69	\$ 32.81	3915.06	172.93%	20,864	921.53%
177	CITY OF MARTINEZ	\$ 2,808	38	\$ 73.89	2156.12	76.78%	11,490	409.19%
69	CITY OF MENLO PARK	\$ 26,236	42	\$ 624.67	2383.08	9.08%	12,700	48.41%
98	CITY OF MERCED	\$ 15,900	78	\$ 203.85	4425.72	27.83%	23,585	148.33%
70	CITY OF MILL VALLEY	\$ 25,892	20	\$ 1,294.60	1134.8	4.38%	6,047	23.36%
31	CITY OF MODESTO	\$ 74,808	289	\$ 278.10	15263.06	20.40%	81,338	108.73%
55	CITY OF MONROVIA	\$ 36,977	50	\$ 739.54	2837	7.67%	15,119	40.89%
83	CITY OF MONTCLAIR	\$ 21,049	53	\$ 397.15	3007.22	14.29%	16,026	76.13%
37	CITY OF MONTEREY	\$ 67,531	47	\$ 1,436.83	2666.78	3.95%	14,211	21.04%
111	CITY OF MONTEREY PARK	\$ 13,829	77	\$ 179.60	4368.98	31.59%	23,282	168.36%
45	CITY OF MOUNTAIN VIEW	\$ 51,879	96	\$ 540.41	5447.04	10.50%	29,028	55.95%
155	CITY OF MURRIETA	\$ 6,386	73	\$ 87.48	4142.02	64.86%	22,073	345.65%
153	CITY OF NATIONAL CITY	\$ 6,478	80	\$ 80.98	4539.2	70.07%	24,190	373.41%
171	CITY OF NEWARK	\$ 4,091	55	\$ 74.38	3120.7	76.28%	16,630	406.51%
179	CITY OF NEWPORT BEACH	\$ 2,484	142	\$ 17.49	8057.08	324.36%	42,937	1728.52%
93	CITY OF NOVATO	\$ 17,178	55	\$ 312.33	3120.7	18.17%	16,630	96.81%
80	CITY OF OCEANSIDE	\$ 21,778	201	\$ 108.35	11404.74	52.37%	60,776	279.07%
75	CITY OF ORANGE	\$ 24,049	151	\$ 159.26	8567.74	35.63%	45,658	189.85%
172	CITY OF OROVILLE	\$ 3,921	23	\$ 170.48	1305.02	33.28%	6,955	177.37%
26	CITY OF OXNARD	\$ 96,948	223	\$ 434.74	12653.02	13.05%	67,429	69.55%
129	CITY OF PACIFICA	\$ 10,204	36	\$ 283.44	2042.64	20.02%	10,385	106.68%
65	CITY OF PALO ALTO	\$ 27,823	82	\$ 339.30	4652.68	16.72%	24,794	89.11%
168	CITY OF PARLIER	\$ 4,468	14	\$ 319.14	794.36	17.78%	4,233	94.74%
85	CITY OF PATALUMA	\$ 19,749	75	\$ 263.32	4255.5	21.55%	22,678	114.83%
183	CITY OF PIEDMONT	\$ 2,250	18	\$ 125.00	1021.32	45.39%	5,443	241.90%
138	CITY OF PISMO BEACH	\$ 8,673	23	\$ 377.09	1305.02	15.05%	6,955	80.19%
114	CITY OF PLACENTIA	\$ 13,017	52	\$ 250.33	2950.48	22.67%	15,723	120.79%
191	CITY OF PORT HUENEME	\$ 1,448	23	\$ 62.96	1305.02	90.13%	6,955	480.28%
174	CITY OF PORTERVILLE	\$ 3,749	51	\$ 73.51	2893.74	77.19%	15,421	411.33%
68	CITY OF RED BLUFF	\$ 26,806	24	\$ 1,116.92	1361.76	5.08%	7,257	27.07%
173	CITY OF REDDING	\$ 3,757	114	\$ 32.96	6468.36	172.17%	34,470	917.49%
60	CITY OF REDLANDS	\$ 32,335	94	\$ 343.99	5333.56	16.49%	28,423	87.90%
121	CITY OF REDONDO BEACH	\$ 11,509	104	\$ 110.66	5900.96	51.27%	31,446	273.23%

	2004-05 Actual Claims ¹	Number of Officers ²	Per Officer	DOF - 56.74	Percent	LA- 302.37	Percent	
169	CITY OF REDWOOD CITY	\$ 4,356	95	\$ 45.85	5390.3	123.74%	28,725	659.44%
89	CITY OF REEDLEY	\$ 18,097	29	\$ 624.03	1645.46	9.09%	8,769	48.45%
71	CITY OF RIALTO	\$ 25,770	96	\$ 268.44	5447.04	21.14%	29,028	112.64%
166	CITY OF RICHMOND	\$ 4,673	151	\$ 30.95	8567.74	183.35%	45,658	977.06%
17	CITY OF RIVERSIDE	\$ 200,265	366	\$ 547.17	20766.84	10.37%	110,667	55.26%
21	CITY OF ROCKLIN	\$ 130,474	49	\$ 2,662.73	2780.26	2.13%	14,816	11.36%
78	CITY OF ROSEVILLE	\$ 22,316	131	\$ 170.35	7432.94	33.31%	39,610	177.50%
35	CITY OF SAN BERNARDINO	\$ 69,399	303	\$ 229.04	17192.22	24.77%	91,618	132.02%
128	CITY OF SAN CARLOS	\$ 10,433	32	\$ 326.03	1815.68	17.40%	9,676	92.74%
113	CITY OF SAN FERNANDO	\$ 13,142	35	\$ 375.49	1985.9	15.11%	10,583	80.53%
131	CITY OF SAN GABRIEL	\$ 9,768	54	\$ 180.39	3063.96	31.37%	16,328	167.16%
30	CITY OF SAN JOSE	\$ 76,383	1352	\$ 56.50	76712.48	100.43%	408,804	535.20%
139	CITY OF SAN LEANDRO	\$ 8,631	88	\$ 98.08	4993.12	57.85%	26,609	308.29%
66	CITY OF SAN LUIS OBISPO	\$ 27,144	55	\$ 493.53	3120.7	11.50%	16,630	61.27%
180	CITY OF SAN MARINO	\$ 2,336	24	\$ 97.33	1361.76	58.29%	7,257	310.65%
58	CITY OF SAN RAFAEL	\$ 33,920	66	\$ 513.94	3744.84	11.04%	19,956	58.83%
90	CITY OF SANTA ANA	\$ 17,480	350	\$ 49.94	19859	113.61%	105,830	605.43%
158	CITY OF SANTA BARBARA	\$ 5,701	128	\$ 44.54	7262.72	127.39%	38,703	678.89%
110	CITY OF SANTA CLARA	\$ 14,148	128	\$ 110.53	7262.72	51.33%	38,703	273.56%
118	CITY OF SANTA MARIA	\$ 11,924	108	\$ 110.41	6127.92	51.39%	32,656	273.87%
32	CITY OF SANTA MONICA	\$ 74,732	206	\$ 362.78	11688.44	15.64%	62,288	83.35%
88	CITY OF SEASIDE	\$ 18,430	39	\$ 472.56	2212.86	12.01%	11,792	63.98%
164	CITY OF SIGNAL HILL	\$ 4,790	32	\$ 149.69	1815.68	37.91%	9,676	202.00%
28	CITY OF SIMI VALLEY	\$ 84,710	118	\$ 717.88	6695.32	7.90%	35,680	42.12%
99	CITY OF SOUTH GATE	\$ 15,829	84	\$ 188.44	4766.16	30.11%	25,399	160.46%
162	CITY OF SOUTH LAKE TAHOE	\$ 5,052	37	\$ 136.54	2099.38	41.56%	11,188	221.45%
182	CITY OF SOUTH PASADENA	\$ 2,257	35	\$ 64.49	1985.9	87.99%	10,583	488.89%
10	CITY OF SOUTH SAN FRANCISCO	\$ 284,763	70	\$ 4,068.04	3971.8	1.39%	21,166	7.43%
36	CITY OF STOCKTON	\$ 69,290	380	\$ 182.34	21561.2	31.12%	114,901	165.83%
156	CITY OF SUISUN CITY	\$ 6,224	20	\$ 311.20	1134.8	18.23%	6,047	97.16%
136	CITY OF TIBURON	\$ 9,258	13	\$ 712.15	737.62	7.97%	3,931	42.46%
133	CITY OF TRACY	\$ 9,492	76	\$ 124.89	4312.24	45.43%	22,980	242.10%
147	CITY OF TULELAKE	\$ 7,356	3	\$ 2,452.00	170.22	2.31%	907	12.33%
116	CITY OF TURLOCK	\$ 12,350	60	\$ 205.83	3404.4	27.57%	18,142	146.90%
49	CITY OF TUSTIN	\$ 43,508	95	\$ 457.98	5390.3	12.39%	28,725	66.02%
107	CITY OF UNION CITY	\$ 14,513	78	\$ 186.06	4425.72	30.49%	23,585	162.51%
42	CITY OF UPLAND	\$ 57,458	77	\$ 746.21	4368.98	7.60%	23,282	40.52%
96	CITY OF VACAVILLE	\$ 16,703	101	\$ 165.38	5730.74	34.31%	30,539	182.84%
91	CITY OF VERNON	\$ 17,356	52	\$ 333.77	2950.48	17.00%	15,723	90.59%
145	CITY OF VISALIA	\$ 7,531	116	\$ 64.92	6581.84	87.40%	35,075	465.74%
40	CITY OF WALNUT CREEK	\$ 61,930	77	\$ 804.29	4368.98	7.05%	23,282	37.59%
127	CITY OF WEED	\$ 10,447	10	\$ 1,044.70	567.4	5.43%	3,024	28.94%
137	CITY OF WEST COVINA	\$ 8,916	115	\$ 77.53	6525.1	73.18%	34,773	390.00%
74	CITY OF WESTMINSTER	\$ 24,272	94	\$ 258.21	5333.56	21.97%	28,423	117.10%
64	CITY OF WHITTIER	\$ 29,507	117	\$ 252.20	6638.58	22.50%	35,377	119.89%
165	CITY OF WOODLAND	\$ 4,788	65	\$ 73.66	3688.1	77.03%	19,654	410.49%
185	CITY OF YUBA CITY	\$ 2,184	55	\$ 39.71	3120.7	142.89%	16,630	761.46%
19	COUNTY OF ALAMEDA	\$ 160,800	1049	\$ 153.29	59520.26	37.02%	317,186	197.26%
178	COUNTY OF EL DORADO	\$ 2,628	185	\$ 14.21	10496.9	399.43%	55,938	2128.56%

	2004-05 Actual Claims ¹	Number of Officers ²	Per Officer	DOF - 56.74	Percent	LA- 302.37	Percent
23 COUNTY OF FRESNO	\$ 110,494	529	\$ 208.87	30015.46	27.16%	159,954	144.76%
112 COUNTY OF HUMBOLDT	\$ 13,235	182	\$ 72.72	10326.68	78.03%	55,031	415.80%
193 COUNTY OF INYO	\$ 1,299	40	\$ 32.48	2269.6	174.72%	12,095	931.09%
16 COUNTY OF KERN	\$ 215,162	790	\$ 272.36	44824.6	20.83%	238,872	111.02%
100 COUNTY OF LAKE	\$ 15,434	68	\$ 226.97	3858.32	25.00%	20,561	133.22%
5 COUNTY OF LOS ANGELES	\$ 507,741	9028	\$ 56.24	512248.72	100.89%	2,729,796	537.64%
176 COUNTY OF MARIN	\$ 2,977	213	\$ 13.98	12085.62	405.97%	64,405	2163.41%
87 COUNTY OF MONO	\$ 18,923	28	\$ 675.82	1588.72	8.40%	8,466	44.74%
34 COUNTY OF MONTEREY	\$ 70,153	329	\$ 213.23	18667.46	26.61%	99,480	141.80%
140 COUNTY OF NAPA	\$ 8,330	94	\$ 88.62	5333.56	64.03%	28,423	341.21%
22 COUNTY OF ORANGE	\$ 126,831	1928	\$ 65.78	109394.72	86.25%	582,969	459.64%
39 COUNTY OF PLACER	\$ 63,618	231	\$ 275.40	13106.94	20.60%	69,847	109.79%
4 COUNTY OF RIVERSIDE	\$ 598,214	1824	\$ 327.97	103493.76	17.30%	551,523	92.19%
14 COUNTY OF SACRAMENTO	\$ 227,643	1512	\$ 150.56	85790.88	37.69%	457,183	200.83%
3 COUNTY OF SAN BERNARDINO	\$ 653,148	1781	\$ 366.73	101053.94	15.47%	538,521	82.45%
27 COUNTY OF SAN JOAQUIN	\$ 92,467	326	\$ 283.64	18497.24	20.00%	98,573	106.60%
54 COUNTY OF SAN LUIS OBISPO	\$ 37,454	167	\$ 224.28	9475.58	25.30%	50,496	134.82%
43 COUNTY OF SAN MATEO	\$ 56,566	349	\$ 162.08	19802.26	35.01%	105,527	186.56%
11 COUNTY OF SANTA CLARA	\$ 270,774	544	\$ 497.75	30866.56	11.40%	164,489	60.75%
95 COUNTY OF SHASTA	\$ 17,025	168	\$ 101.34	9532.32	55.99%	50,798	298.37%
29 COUNTY OF SISKIYOU	\$ 81,403	93	\$ 875.30	5276.82	6.48%	28,120	34.54%
77 COUNTY OF SOLANO	\$ 23,537	115	\$ 204.67	6525.1	27.72%	34,773	147.74%
25 COUNTY OF SONOMA	\$ 105,661	327	\$ 323.12	18553.98	17.56%	98,875	93.58%
163 COUNTY OF STANISLAUS	\$ 5,014	249	\$ 20.14	14128.26	281.78%	75,290	1501.60%
108 COUNTY OF SUTTER	\$ 14,468	88	\$ 164.41	4993.12	34.51%	26,609	183.91%
143 COUNTY OF TEHAMA	\$ 8,049	88	\$ 91.47	4993.12	62.03%	26,609	330.58%
86 COUNTY OF TULARE	\$ 19,183	371	\$ 51.71	21050.54	109.74%	112,179	584.78%
15 COUNTY OF VENTURA	\$ 216,825	726	\$ 298.66	41193.24	19.00%	219,521	101.24%
101 COUNTY OF YOLO	\$ 15,373	107	\$ 143.67	6071.18	39.49%	32,354	210.46%
132 COUNTY OF YUBA	\$ 9,637	81	\$ 118.98	4595.94	47.69%	24,492	254.15%
Totals:	\$ 21,031,244	50,701	Median: \$ 118.98	\$ 2,876,774.74	46.30%	15,330,461	246.73%

1. Source: State Controller's Office
2. Number of officers as of 8/14/06. Source: Commission on Peace Officer Standards and Training.

Adopted: July 27, 2000
Corrected: August 17, 2000
Amended: December 4, 2006
Amended: March 28, 2008
Amended: July 31, 2009

Exhibit 4
Page 1 of 15

LOS ANGELES COUNTY'S PROPOSED PARAMETERS AND GUIDELINES AMENDMENT

Peace Officers Procedural Bill of Rights

Government Code Sections 3301, 3303, 3304, 3305, 3306, as added and amended by Statutes 1976, Chapter 465; Statutes 1978, Chapters 775, 1173, 1174, and 1178; Statutes 1979, Chapter 405; Statutes 1980, Chapter 1367; Statutes 1982, Chapter 994; Statutes 1983, Chapter 964; Statutes 1989, Chapter 1165; and Statutes 1990, Chapter 675

BEGINNING IN FISCAL YEAR 2010-11

I. SUMMARY AND SOURCE OF THE MANDATE

In order to ensure stable employer-employee relations and effective law enforcement services, the Legislature enacted Government Code sections 3300 through 3310, known as the Peace Officers Procedural Bill of Rights (POBOR).

The test claim legislation provides procedural protections to peace officers employed by local agencies and school districts¹ when a peace officer is subject to an interrogation by the employer, is facing punitive action or receives an adverse comment in his or her personnel file.

In 1999, the Commission approved the test claim and adopted the original Statement of Decision. The Commission found that certain procedural requirements under POBOR were rights already provided to public employees under the due process clause of the United States and California Constitutions. Thus, the Commission denied the procedural requirements of POBOR that were already required by law on the ground that they did not impose a new program or higher level of service, or impose costs mandated by the state pursuant to Government Code section 17556, subdivision (c). Government Code section 17556, subdivision (c), generally provides that the Commission shall not find costs mandated by the state for test claim statutes that implement a federal law, unless the test claim statute mandates costs that exceed the federal mandate. The Commission approved

¹ Government Code section 3301 states: "For purposes of this chapter, the term public safety officer means all peace officers specified in Sections 830.1, 830.2, 830.3, 830.31, 830.32, 830.33, except subdivision (e), 830.34, 830.35, except subdivision (c), 830.36, 830.37, 830.38, 830.4, and 830.5 of the Penal Code."

the activities required by POBOR that exceeded the requirements of existing state and federal law.

On July 27, 2000, the Commission adopted parameters and guidelines that authorized reimbursement, beginning July 1, 1994, to counties, cities, a city and county, school districts, and special districts that employ peace officers for the ongoing activities summarized below:

- Developing or updating policies and procedures.
- Training for human resources, law enforcement, and legal counsel.
- Updating the status of cases.
- Providing the opportunity for an administrative appeal for permanent, at-will, and probationary employees that were subject to certain disciplinary actions that were not covered by the due process clause of state and federal law.
- When a peace officer is under investigation, or becomes a witness to an incident under investigation, and is subjected to an interrogation by the employer that could lead to certain disciplinary actions, the following costs and activities are eligible for reimbursement: compensation to the peace officer for interrogations occurring during off-duty time; providing prior notice to the peace officer regarding the nature of the interrogation and identification of investigating officers; tape recording the interrogation; providing the peace officer employee with access to the tape prior to any further interrogation at a subsequent time or if any further specified proceedings are contemplated; and producing transcribed copies of any notes made by a stenographer at an interrogation, and copies of complaints of reports or complaints made by investigators.
- Performing certain activities, specified by the type of local agency or school district, upon the receipt of an adverse comment against a peace officer employee.

A technical correction was made to the parameters and guidelines on August 17, 2000.

In 2005, Statutes 2005, chapter 72, section 6 (AB 138) added section 3313 to the Government Code to direct the Commission to "review" the Statement of Decision, adopted in 1999, on the *Peace Officer Procedural Bill of Rights* test claim (commonly abbreviated as "POBOR") to clarify whether the subject legislation imposed a mandate consistent with California Supreme Court Decision in *San Diego Unified School Dist. v. Commission on State Mandates* (2004) 33 Cal.4th 859 and other applicable court decisions.

On April 26, 2006, the Commission reviewed its original findings and adopted a Statement of Decision on reconsideration (05-RL-4499-01). The Statement of Decision on reconsideration became final on May 1, 2006.

The Commission found that the *San Diego Unified School Dist.* case supports the Commission's 1999 Statement of Decision that the test claim legislation constitutes a partial reimbursable state-mandated program within the meaning of article XIII B, section 6 of the California Constitution and Government Code section 17514 for all activities previously approved by the Commission for counties, cities, school districts, and

special districts identified in Government Code section 3301 that employ peace officers, except the following:

- The activity of providing the opportunity for an administrative appeal to probationary and at-will peace officers (except when the chief of police is removed) pursuant to Government Code section 3304 is no longer a reimbursable state-mandated activity because the Legislature amended Government Code section 3304 in 1998. The amendment limited the right to an administrative appeal to only those peace officers “who successfully completed the probationary period that may be required” by the employing agency and to situations where the chief of police is removed. (Stats. 1998, ch. 786, § 1.)
- The activities of obtaining the signature of the peace officer on the adverse comment or noting the officer’s refusal to sign the adverse comment, pursuant to Government Code sections 3305 and 3306, when the adverse comment results in a punitive action protected by the due process clause² does not constitute a new program or higher level of service and does not impose costs mandated by the state pursuant to Government Code section 17556, subdivision (c).

The Statement of Decision adopted by the Commission on this reconsideration applies to costs incurred and claimed for the 2006-2007 fiscal year.

On February 6, 2009, the Third District Court of Appeal, in *Department of Finance v. Commission on State Mandates* (2009) 170 Cal.App.4th 1355, 1357, determined that POBOR is not a reimbursable mandate as to school districts and special districts that are permitted by statute, but not required, to employ peace officers who supplement the general law enforcement units of cities and counties.

On May 8, 2009, the Sacramento County Superior Court issued a judgment and writ in Case No. 07CS00079, pursuant to the Third District Court of Appeal’s decision in *Department of Finance v. Commission on State Mandates* (2009) 170 Cal.App.4th 1355, requiring the Commission to:

- a. Set aside the portion of its reconsideration decision in “Case No. 05-RL-4499-01 Peace Officer Procedural Bill of Rights” (reconsideration decision) that found that the Peace Officer Procedural Bill of Rights program constitutes a reimbursable state-mandated program for school districts, community college districts, and special districts that are permitted by statute, but not required, to employ peace officers who supplement the general law enforcement units of cities and counties;
- b. Issue a new decision denying the portion of the reconsideration decision approving reimbursement for school districts, community college districts, and special districts that are permitted by statute, but not required, to employ peace officers who supplement the general law enforcement units of cities and counties; and

² Due process attaches when a permanent employee is dismissed, demoted, suspended, receives a reduction in salary, or receives a written reprimand. Due process also attaches when the charges supporting a dismissal of a probationary or at-will employee constitute moral turpitude that harms the employee’s reputation and ability to find future employment and, thus, a name-clearing hearing is required.

c. Amend the parameters and guidelines consistent with this judgment.

This judgment does not affect cities, counties, or special police protection districts named in Government Code section 53060.7, which wholly supplant the law enforcement functions of the County within their jurisdiction.

Accordingly, on July 31, 2009, the Commission amended the decision to deny reimbursement to school districts, community college districts, and special districts that are permitted by statute, but not required, to employ peace officers who supplement the general law enforcement units of cities and counties.

II. ELIGIBLE CLAIMANTS

Counties, cities, a city and county, and special police protection districts named in Government Code section 53060.7 that wholly supplant the law enforcement functions of the county within their jurisdiction are eligible claimants.

School districts, community college districts, and special districts that are permitted by statute, but not required, to employ peace officers who supplement the general law enforcement units of cities and counties are not eligible claimants entitled to reimbursement.

III. PERIOD OF REIMBURSEMENT

The period of reimbursement for the activities and reasonable reimbursement methodology in this parameters and guidelines amendment begins on July 1, 2006.

Pursuant to Government Code section 17560, reimbursement for state-mandated costs may be claimed as follows:

1. A local agency may, by February 15 following the fiscal year in which costs are incurred, file an annual reimbursement claim for that fiscal year.
2. In the event revised claiming instructions are issued by the Controller pursuant to subdivision (c) of section 17558 between November 15 and February 15, a local agency filing an annual reimbursement claim shall have 120 days following the issuance date of the revised claiming instructions to file a claim.

Reimbursable costs for one fiscal year shall be included in each claim. If total costs for a given year do not exceed \$1,000, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

There shall be no reimbursement for any period in which the Legislature has suspended the operation of a mandate pursuant to state law.

IV. REIMBURSABLE ACTIVITIES

To be eligible for mandated cost reimbursement for any fiscal year, an eligible claimant may file a reimbursement claim based on the reasonable reimbursement methodology described in Section V A. or for actual costs, as described in Section V. B.

For each eligible claimant, the following activities are reimbursable:

A. Administrative Activities (On-going Activities)

1. Developing or updating internal policies, procedures, manuals and other materials pertaining to the conduct of the mandated activities.

2. Attendance at specific training for human resources, law enforcement and legal counsel regarding the requirements of the mandate. The training must relate to mandate-reimbursable activities.

3. Updating the status report of mandate-reimbursable POBOR activities. "Updating the status report of mandate-reimbursable POBOR-activities" means tracking the procedural status of the mandate-reimbursable activities only. Reimbursement is not required to maintain or update the cases, set up the cases, review the cases, evaluate the cases, or close the cases.

B. Administrative Appeal

1. The administrative appeal activities listed below apply to permanent peace officer employees as defined in Penal Code sections 830.1, 830.2, 830.3, 830.31, 830.32, 830.33, except subdivision (e), 830.34, 830.35, except subdivision (c), 830.36, 830.37, 830.4, and 830.5. The administrative appeal activities do not apply to reserve or recruit officers; coroners; railroad police officers commissioned by the Governor; or non-sworn officers including custodial officers, sheriff security officers, police security officers, and school security officers.³

The following activities and costs are reimbursable:

- a. Providing the opportunity for, and the conduct of an administrative appeal hearing for the following disciplinary actions (Gov. Code, § 3304, subd. (b)):
 - Transfer of permanent-employees for purposes of punishment;
 - Denial of promotion for permanent-employees for reasons other than merit; and
 - Other actions against permanent employees that result in disadvantage, harm, loss or hardship and impact the career opportunities of the employee.
- b. Preparation and review of the various documents necessary to commence and proceed with the administrative appeal hearing.
- c. Legal review and assistance with the conduct of the administrative appeal hearing.
- d. Preparation and service of subpoenas.
- e. Preparation and service of any rulings or orders of the administrative body.
- f. The cost of witness fees.
- g. The cost of salaries of employee witnesses, including overtime, the time and labor of the administrative appeal hearing body and its attendant clerical services.

³ *Burden v. Snowden* (1992) 2 Cal.4th 556, 569; Government Code section 3301; Penal Code sections 831, 831.4.

The following activities are **not** reimbursable:

- a. Investigating charges.
- b. Writing and reviewing charges.
- c. Imposing disciplinary or punitive action against the peace officer.
- d. Litigating the final administrative decision.

2. Providing the opportunity for, and the conduct of an administrative appeal hearing for removal of the chief of police under circumstances that do not create a liberty interest (i.e., the charges do not constitute moral turpitude, which harms the employee's reputation and ability to find future employment). (Gov. Code, § 3304, subd. (b).)

The following activities and costs are reimbursable:

- a. Preparation and review of the various documents necessary to commence and proceed with the administrative appeal hearing.
- b. Legal review and assistance with the conduct of the administrative appeal hearing.
- c. Preparation and service of subpoenas.
- d. Preparation and service of any rulings or orders of the administrative body.
- e. The cost of witness fees.
- f. The cost of salaries of employee witnesses, including overtime, the time and labor of the administrative appeal hearing body and its attendant clerical services.

The following activities are **not** reimbursable:

- a. Investigating charges.
- b. Writing and reviewing charges.
- c. Imposing disciplinary or punitive action against the chief of police.
- d. Litigating the final administrative decision.

C. Interrogations

The performance of the activities listed in this section are eligible for reimbursement only when a peace officer, as defined in Penal Code sections 830.1, 830.2, 830.3, 830.31, 830.32, 830.33, except subdivision (e), 830.34, 830.35, except subdivision (c), 830.36, 830.37, 830.4, and 830.5, is under investigation, or becomes a witness to an incident under investigation, and is subjected to an interrogation by the commanding officer, or any other member of the employing public safety department, that could lead to dismissal, demotion, suspension, reduction in salary, written reprimand, or transfer for purposes of punishment. (Gov. Code, § 3303.)⁴

⁴ Interrogations of reserve or recruit officers; coroners; railroad police officers commissioned by the Governor; or non-sworn officers including custodial officers, sheriff

Claimants are not eligible for reimbursement for the activities listed in this section when an interrogation of a peace officer is in the normal course of duty, counseling, instruction, or informal verbal admonishment by, or other routine or unplanned contact with, a supervisor or any other public safety officer. Claimants are also not eligible for reimbursement when the investigation is concerned solely and directly with alleged criminal activities. (Gov. Code, § 3303, subd. (i).)

The following activities are reimbursable:

1. When required by the seriousness of the investigation, compensating the peace officer for interrogations occurring during off-duty time in accordance with regular department procedures. (Gov. Code, § 3303, subd. (a).)

Preparation and review of overtime compensation requests are reimbursable.

2. Providing notice to the peace officer before the interrogation. The notice shall inform the peace officer of the rank, name, and command of the officer in charge of the interrogation, the interrogating officers, and all other persons to be present during the interrogation. The notice shall inform the peace officer of the nature of the investigation. (Gov. Code, § 3303, subs. (b) and (c).)

The following activities relating to the notice of interrogation are reimbursable:

- a. Review of agency complaints or other documents to prepare the notice of interrogation.
 - b. Identification of the interrogating officers to include in the notice of interrogation.
 - c. Preparation of the notice.
 - d. Review of notice by counsel.
 - e. Providing notice to the peace officer prior to interrogation.
3. Recording the interrogation when the peace officer employee records the interrogation. (Gov. Code, § 3303, subd. (g).)

The cost of media and storage, and the cost of transcription are reimbursable. The investigator's time to record the session and transcription costs of non-sworn peace officers are not reimbursable.

4. Providing the peace officer employee with access to the recording prior to any further interrogation at a subsequent time, or if any further proceedings are contemplated and the further proceedings fall within the following categories (Gov. Code, § 3303, subd. (g)):
 - a. The further proceeding is not a disciplinary action;
 - b. The further proceeding is a dismissal, demotion, suspension, salary reduction or written reprimand received by a probationary or at-will employee whose liberty

security officers, police security officers, and school security officers are not reimbursable. (*Burden v. Snowden* (1992) 2 Cal.4th 556, 569; Government Code section 3301; Penal Code sections 831, 831.4.)

interest is not affected (i.e., the charges supporting the dismissal does not harm the employee's reputation or ability to find future employment);

c. The further proceeding is a transfer of a permanent, probationary or at-will employee for purposes of punishment;

d. The further proceeding is a denial of promotion for a permanent, probationary or at-will employee for reasons other than merit;

e. The further proceeding is an action against a permanent, probationary or at-will employee that results in disadvantage, harm, loss or hardship and impacts the career of the employee.

The cost of media copying is reimbursable.

5. Producing transcribed copies of any notes made by a stenographer at an interrogation, and copies of reports or complaints made by investigators or other persons, except those that are deemed confidential, when requested by the officer, in the following circumstances (Gov. Code, § 3303, subd. (g)):

a) When the investigation does not result in disciplinary action; and

b) When the investigation results in:

- A dismissal, demotion, suspension, salary reduction or written reprimand received by a probationary or at-will employee whose liberty interest *is not* affected (i.e.; the charges supporting the dismissal do not harm the employee's reputation or ability to find future employment);
- A transfer of a permanent, probationary or at-will employee for purposes of punishment;
- A denial of promotion for a permanent, probationary or at-will employee for reasons other than merit; or
- Other actions against a permanent, probationary or at-will employee that result in disadvantage, harm, loss or hardship and impact the career of the employee.

Review of the complaints, notes or recordings for issues of confidentiality by law enforcement, human relations or counsel; and the cost of processing, service and retention of copies are reimbursable.

The following activities are **not** reimbursable:

1. Activities occurring before the assignment of the case to an administrative investigator. These activities include taking an initial complaint, setting up the complaint file, interviewing parties, reviewing the file, and determining whether the complaint warrants an administrative investigation.
2. Investigation activities, including assigning an investigator to the case, reviewing the allegation, communicating with other departments, visiting the scene of the alleged incident, gathering evidence, identifying and contacting complainants and witnesses.

3. Preparing for the interrogation, reviewing and preparing interrogation questions, conducting the interrogation, and reviewing the responses given by the officer and/or witness during the interrogation.
4. Closing the file, including the preparation of a case summary disposition reports and attending executive review or committee hearings related to the investigation.

D. Adverse Comment

Performing the following activities upon receipt of an adverse comment concerning a peace officer, as defined in Penal Code sections 830.1, 830.2, 830.3, 830.31, 830.32, 830.33, except subdivision (e), 830.34, 830.35, except subdivision (c), 830.36, 830.37, 830.4, and 830.5. (Gov. Code, §§ 3305 and 3306.):⁵

Counties

- (a) If an adverse comment *is* related to the investigation of a possible criminal offense, then counties are entitled to reimbursement for the following activities:
 1. Providing notice of the adverse comment;
 2. Providing an opportunity to review and sign the adverse comment;
 3. Providing an opportunity to respond to the adverse comment within 30 days; and
 4. Noting the peace officer's refusal to sign the adverse comment and obtaining the signature or initials of the peace officer under such circumstances.
- (b) If an adverse comment *is not* related to the investigation of a possible criminal offense, then counties obtained are entitled to reimbursement for:
 1. Providing notice of the adverse comment: and
 2. Obtaining the signature of the peace officer on the adverse comment; or
 3. Noting the peace officer's refusal to sign the adverse comment and obtaining the signature or initials of the peace officer under such circumstances.

Cities and Special Police Protection Districts

- (a) If an adverse comment *is* related to the investigation of a possible criminal offense, then cities and special districts are entitled to reimbursement for the following activities:
 1. Providing notice of the adverse comment;
 2. Providing an opportunity to review and sign the adverse comment;

⁵ The adverse comment activities do not apply to reserve or recruit officers; coroners; railroad police officers commissioned by the Governor; or non-sworn officers including custodial officers, sheriff security officers, police security officers, or school security officers. (*Burden v. Snowden* (1992) 2 Cal.4th 556, 569; Government Code section 3301; Penal Code sections 831, 831.4.)

3. Providing an opportunity to respond to the adverse comment within 30 days;
and
 4. Noting the peace officer's refusal to sign the adverse comment and obtaining the signature or initials of the peace officer under such circumstances.
- (b) If an adverse comment *is not* related to the investigation of a possible criminal offense, then cities and special districts are entitled to reimbursement for the following activities:
1. Providing notice of the adverse comment;
 2. Providing an opportunity to respond to the adverse comment within 30 days;
and
 3. Obtaining the signature of the peace officer on the adverse comment; or
 4. Noting the peace officer's refusal to sign the adverse comment and obtaining the signature or initials of the peace officer under such circumstances.

The following adverse comment activities are reimbursable:

1. Review of the circumstances or documentation leading to the adverse comment by supervisor, command staff, human resources staff, or counsel to determine whether the comment constitutes a written reprimand or an adverse comment.
2. Preparation of notice of adverse comment.
3. Review of notice of adverse comment for accuracy.
4. Informing the peace officer about the officer's rights regarding the notice of adverse comment.
5. Review of peace officer's response to adverse comment.
6. Attaching the peace officers' response to the adverse comment and filing the document in the appropriate file.

The following activities are **not** reimbursable:

1. Investigating a complaint.
2. Interviewing a complainant.
3. Preparing a complaint investigation report.

V. CLAIM PREPARATION AND SUBMISSION

Claimants may be reimbursed for the Reimbursable Activities described in Section IV above by claiming costs mandated by the state pursuant to the reasonable reimbursement methodology or by filing an actual cost claim, as described below:

A. Reasonable Reimbursement Methodology

The Commission is adopting a *reasonable reimbursement methodology* to reimburse local agencies for all direct and indirect costs, as authorized by Government Code section 17557, subdivision (b), in lieu of payment of total actual costs incurred for the reimbursable activities specified in Section IV above.

1. Definition

The definition of reasonable reimbursement methodology is in Government Code section 17518.5, as follows:

- (a) *Reasonable reimbursement methodology* means a formula for reimbursing local agency and school districts for costs mandated by the state, as defined in Section 17514.
- (b) A reasonable reimbursement methodology shall be based on cost information from a representative sample of eligible claimants, information provided by associations of local agencies and school districts, or other projections of local costs.
- (c) A reasonable reimbursement methodology shall consider the variation in costs among local agencies and school districts to implement the mandate in a cost-efficient manner.
- (d) Whenever possible, a *reasonable reimbursement methodology* shall be based on general allocation formulas, uniform cost allowances, and other approximations of local costs mandated by the state rather than detailed documentation of actual local costs. In cases when local agencies and school districts are projected to incur costs to implement a mandate over a period of more than one fiscal year, the determination of a reasonable reimbursement methodology may consider local costs and state reimbursements over a period of greater than one fiscal year, but not exceeding 10 years.
- (e) A reasonable reimbursement methodology may be developed by any of the following:
 - (1) The Department of Finance.
 - (2) The Controller.
 - (3) An affected state agency.
 - (4) A claimant.
 - (5) An interested party.

2. Formula

The reasonable reimbursement methodology (RRM) shall allow each eligible claimant to be reimbursed at the rate of \$169.21 per full-time sworn peace officer employed by the agency, including full-time sworn probation peace officers and other sworn peace officers specified in Section IV. (REIMBURSABLE ACTIVITIES) herein. The RRM rate provides claimants with all the direct and indirect costs of performing activities, as described in Section IV. The rate per full-time sworn peace officer shall be adjusted each year by the Implicit Price Deflator referenced in Government Code section 17523.

Reimbursement is determined by multiplying the rate per full time sworn peace officer for the appropriate fiscal year by the number of full time sworn peace officers employed by the agency and reported to the Department of Justice.

B. ACTUAL COST CLAIMS

Although the Commission adopted a reasonable reimbursement methodology for this mandated program, any eligible claimant may instead choose to file a reimbursement claim based on actual costs.

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

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

Claimants may use time studies to support salary and benefit costs when an activity is task-repetitive. Time study usage is subject to the review and audit conducted by the State Controller's Office.

The claimant is only allowed to claim and be reimbursed for increased costs for reimbursable activities identified above. Increased cost is limited to the cost of an activity that the claimant is required to incur as a result of the mandate.

Each of the following cost elements must be identified for each reimbursable activity identified in Section IV, Reimbursable Activities, of this document. Each claimed reimbursable cost must be supported by source documentation as described above. Additionally, each reimbursement claim must be filed in a timely manner.

1. Direct Cost Reporting

Direct costs are those costs incurred specifically for the reimbursable activities. The following direct costs are eligible for reimbursement.

a. Salaries and Benefits

Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

b. Materials and Supplies

Report the cost of materials and supplies that have been consumed or expended for the purpose of the reimbursable activities. Purchases shall be claimed at the actual price after deducting discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged on an appropriate and recognized method of costing, consistently applied.

c. Contracted Services

Report the name of the contractor and services performed to implement the reimbursable activities. If the contractor bills for time and materials, report the

number of hours spent on the activities and all costs charged. If the contract is a fixed price, report the services that were performed during the period covered by the reimbursement claim. If the contract services are also used for purposes other than the reimbursable activities, only the pro-rata portion of the services used to implement the reimbursable activities can be claimed. Submit contract consultant and attorney invoices with the claim and a description of the contract scope of services.

d. Fixed Assets and Equipment

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

e. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element B. 1. a. Salaries and Benefits, for each applicable reimbursable activity.

f. Training

Report the cost of training an employee to perform the reimbursable activities, as specified in Section IV of this document. Report the name and job classification of each employee preparing for, attending, and/or conducting training necessary to implement the reimbursable activities. Provide the title, subject, and purpose (related to the mandate of the training session), dates attended, and location. If the training encompasses subjects broader than the reimbursable activities, only the pro-rata portion can be claimed. Report employee training time for each applicable reimbursable activity according to the rules of cost element B.1.a, Salaries and Benefits, and B.1.b, Materials and Supplies. Report the cost of consultants who conduct the training according to the rules of cost element B.1.c, Contracted Services.

2. Indirect Cost Rates

a. Local Agencies

Indirect costs are costs that are incurred for a common or joint purpose, benefiting more than one program, and are not directly assignable to a particular department or program without efforts disproportionate to the result achieved. Indirect costs may include both (1) overhead costs of the unit performing the mandate; and (2) the costs of the central government services distributed to the other departments based on a systematic and rational basis through a cost allocation plan.

Compensation for indirect costs is eligible for reimbursement utilizing the procedure provided in 2 CFR Part 225 (the Office of Management and Budget

(OMB) Circular A-87). Claimants have the option of using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal (ICRP) if the indirect cost rate claimed exceeds 10%.

If the claimant chooses to prepare an ICRP, both the direct costs (as defined and described in 2 CFR Part 225 (OMB Circular A-87 Attachments A and B) and the indirect costs shall exclude capital expenditures and unallowable costs (as defined and described in 2 CFR Part 225 (OMB Circular A-87 Attachments A and B). However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable.

The distribution base may be (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.), (2) direct salaries and wages, or (3) another base which results in an equitable distribution.

In calculating an ICRP, the claimant shall have the choice of one of the following methodologies:

i. The allocation of allowable indirect costs (as defined and described in 2 CFR Part 225, Appendix A and B (OMB Circular A-87 Attachments A and B)) shall be accomplished by (1) classifying a department's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected; or

ii The allocation of allowable indirect costs (as defined and described in 2 CFR Part 225, Appendix A and B (OMB Circular A-87 Attachments A and B)) shall be accomplished by (1) separating a department into groups, such as divisions or sections, and then classifying the division's or section's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate that is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected.

VI. RECORD RETENTION

Pursuant to Government Code section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter⁶ is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed not later than two years after the date that the audit is commenced. All documents used to support the application of a reasonable reimbursement methodology

⁶ This refers to Title 2, division 4, part 7, chapter 4 of the Government Code.

must also be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

VII. OFFSETTING REVENUES AND OTHER REIMBURSEMENTS

Any offsets the claimant experiences in the same program as a result of the same statutes or executive orders found to contain the mandate shall be deducted from the costs claimed. In addition, reimbursement for this mandate received from any source, including but not limited to, service fees collected, federal funds and other state funds shall be identified and deducted from this claim.

VIII. STATE CONTROLLER'S REVISED CLAIMING INSTRUCTIONS

Pursuant to Government Code section 17558, subdivision (c), the Controller shall issue revised claiming instructions for each mandate that requires state reimbursement not later than 60 days after receiving the revised parameters and guidelines from the Commission, to assist local agencies and school districts in claiming costs to be reimbursed. The revised claiming instructions shall be derived from the test claim decision and the revised parameters and guidelines adopted by the Commission.

Pursuant to Government Code section 17561, subdivision (d)(2), issuance of the revised claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon the revised parameters and guidelines adopted by the Commission.

IX. REMEDIES BEFORE THE COMMISSION

Upon request of a local agency or school district, the Commission shall review the claiming instructions issued by the State Controller or any other authorized state agency for reimbursement of mandated costs pursuant to Government Code section 17571. If the Commission determines that the claiming instructions do not conform to the parameters and guidelines, the Commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the Commission.

In addition, requests may be made to amend parameters and guidelines pursuant to Government Code section 17557, subdivision (d), and California Code of Regulations, title 2, section 1183.2.

X. LEGAL AND FACTUAL BASIS FOR THE PARAMETERS AND GUIDELINES

The Statement of Decision (CSM 4499) and the Statement of Decision on Reconsideration (05-RL-4499-01) are legally binding on all parties and provide the legal and factual basis for the parameters and guidelines. The support for the legal and factual findings is found in the administrative record for the test claim, and in *Department of Finance v. Commission on State Mandates* (2009) 170 Cal.App.4th 1355. The administrative record, including the Statement of Decision and the Statement of Decision on Reconsideration, is on file with the Commission.