ITEM 4
INCORRECT REDUCTION CLAIM
PROPOSED DECISION

Penal Code Sections 11165.9, 11166, 11166.2, 11166.9,[1] 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapters 1289 and 1496; Statutes 1987, Chapters 82, 531 and 1459; Statutes 1988, Chapters 269, 1497 and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapters 650, 1330, 1363 and 1603; Statutes 1992, Chapters 163, 459 and 1338; Statutes 1993, Chapters 219 and 510; Statutes 1996, Chapters 1080 and 1081; Statutes 1997, Chapters 842, 843 and 844; Statutes 1999, Chapters 475 and 1012; and Statutes 2000, Chapter 916

California Code of Regulations, Title 11, Section 903 (Register 98, No. 29)[2]

"Child Abuse Investigation Report" Form SS 8583 (Rev. 3/91)

Interagency Child Abuse and Neglect Investigation Reports

Fiscal Years 1999-2000 through 2011-2012

20-0022-I-02

City of South Lake Tahoe, Claimant

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[1] Renumbered at Penal Code section 11174.34 (Stats. 2004, ch. 842 (SB 1313)).

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

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Exhibit A

1. INCORRECT REDUCTION CLAIM TITLE

Interagency Child Abuse and Neglect Reports

FY 1999-00 through FY 2011-12

2. CLAIMANT INFORMATION

City of South Lake Tahoe
Name of Local Agency or School District

Olga Tikhomirova
Claimant Contact

Acting Finance Director
Title

1901 Lisa Maloff Way, Suite 210
Street Address

South Lake Tahoe, CA 96150
City, State, Zip

530-542-7431
Telephone Number

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otikhomirova@cityofslt.us
E-Mail Address

3. CLAIMANT REPRESENTATIVE INFORMATION

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

Annette S. Chinn
Claimant Representative Name

President
Title

Cost Recovery Systems, Inc.
Organization

705-2 East Bidwell Street, #294
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E-Mail Address

For CSM Use Only

Filing Date:

RECEIVED
May 13, 2021
Commission on State Mandates

IRC #: 20-0022-I-02

4. IDENTIFICATION OF STATUTES OR EXECUTIVE ORDERS

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

Penal Code Sections 11165.9, 11166, 11166.2, 11166.9, 11168 (formerly 11161.7), 11169, 11170, and 11173.34 (formerly 11166.9)

5. AMOUNT OF INCORRECT REDUCTION

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

Fiscal Year	Amount of Reduction	Fiscal Year	Amount of Reduction
1999-20	$ 14,202	2006-07	$ 53,477
2000-01	$ 18,536	2007-08	$ 52,946
2001-02	$ 20,645	2008-09	$ 81,756
2002-03	$ 33,915	2009-10	$ 92,746
2003-04	$ 39,476	2010-11	$ 103,895
2004-05	$ 41,056	2011-12	$ 39,747
2005-06	$ 45,949		
		Total	**$ 638,346**

6. NOTICE OF INTENT TO CONSOLIDATE

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

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

Sections 7 through 11 are attached as follows:

7. Written Detailed Narrative: pages 1 to 13.

8. Documentary Evidence and Declarations: Exhibit A-1.

9. Claiming Instructions: Exhibit 1.

10. Final State Audit Report or Other Written Notice of Adjustment: Exhibit 2.

11. Reimbursement Claims: Exhibit 3.

SECTION 7

Written Detailed Narrative

Section 7: Written Detailed Narrative

The State issued claiming instructions for the newly approved Interagency Child Abuse and Neglect (ICAN) Investigation Reports mandated program on March 17, 2014 allowing agencies the first- time opportunity to claim for costs incurred during FY 1999-20 through FY 2012-13. The instructions were revised on April 28, 2014.

The City of South Lake Tahoe submitted timely claims for reimbursement for the eligible fiscal years of FY 1999-20 through FY 2012-13 on July 15, 2014 and then submitted amended claims on July 15, 2015. Time claimed was based on a sampling analysis of actual police department records (See Exhibit A) as well as by using results from a time study conducted in 2015 (See Exhibit B). Those documents were provided to the State Controller's Office at the beginning of the audit to support time claimed.

The State Controller's Office (SCO) initiated its audit of this program in December 2017 and issued its final report of this program on August 9, 2018.

ISSUE 1: Audit Finding 2 – SCO determination of Ineligibility of ALL Law Enforcement Agency (LEA) generated cases

SCO stated on page 16 of its audit report, "…time spent performing an initial investigation of a SCAR is only reimbursable for those SCARs (Suspected Child Abuse Report) which were *not* initiated by the Police Department…" Exhibit C shows the spreadsheets the SCO used to determine which cases were deemed eligible (YELLOW highlighted cases were found allowable).

The City does not believe the SCO correctly interpret Commission on State Mandates Statement of Decision and Parameters and Guidelines when they determined that ALL investigative time for ALL Child Abuse cases that were reported directly to the City of South Lake Tahoe Police Department (Law Enforcement Agency (LEA) generated cases) were ineligible for State Reimbursement.

It is the City's belief that Commission did not intend to completely disallow all time spent related to these LEA cases as Instructions state:

"Reimbursement is not required in the following circumstances:

> "ii. In the event that the mandated reporter is employed by the same child protective agency require to investigate and submit the "Child Abuse Investigation Report" Form SS 8583 or subsequent designated form to the Department of Justice, pursuant to Penal Code Section 1 1169(a), reimbursement is not required if the investigation required to

complete the Form SS 8572 ***is also sufficient*** to complete the essential information items required on the Form SS 8583..."

The city believed that for a number of cases, the level of investigation required to complete the form SS 8572 was NOT "sufficient to make the determination required to complete the items required to complete the Form SS 8583" which required investigation sufficient to determine whether the case was unfounded, substantiated, or inconclusive. During the audit and in the Response to the Audit, the City requested that the SCO reconsider its assessment and allow some the LEA cases be allowed in the population of allowable cases. (See Exhibit 1, page 2 of City's Response to the Audit Report and See Exhibit C for the SCO cases analysis file).

The Police Department explained that the SS 8572 process does not require contact and interview of suspects and witnesses. Nor does it bear the burden of conducting an investigation to determine the disposition of the case (founded, unfounded, or inconclusive). Police Department staff told auditors that a mandated reporter form (SS8572) could have been completed by one officer in approximately 15 minutes by talking to one reporting party. While in the contested cases, it was shown that multiple officers had to interview multiple parties (victims, witnesses, suspects) to determine if the case was unfounded, substantiated, or inconclusive.

The SCO denied this request because:

1) "(t)here is no correlation between the severity of a case and the scope of information needed…"

2) "of the ten cases cited…only one completed SCAR (form SS 8572) was documented in the file, and none of the cases had completed SS 8583 forms in the file." (See Exhibit 2, page 31)

City's response to SCO reason number 1): Completion of Form SS 8583 **required** the interviews of 'victim(s), any known suspects, and witnesses" to determine case disposition (substantiated, unfounded or inconclusive). (See Exhibit D). SS 8572 only required the interview of one reporting party. Actual documentation (See Exhibit A) showed the number of eligible interviews performed per case as required by SS 8583. Then eligible time could have been allocated based on city's 2015 Time Study (36 minutes average time per eligible interview) less the time it would have taken to simply gather info from one reporting party and complete the SS 8572 (15 minutes).

City's response to reason number 2): State law requires a form SS 8583 only be prepared and sent to the Department of Justice (DOJ) if the investigation was completed and it was determined that the case was not unfounded. In addition, if a suspect was not contacted, the SS 8583 report was not to be prepared/sent to the DOJ (See Exhibit D, page 11). Since these criteria were not always met, the reports SCO sought would not even have existed for a majority of the cases.

While the City had records of the child abuse cases investigated, the file did not always retain copies of the SS 8572 and SS 8583 forms required by the SCO. Since about a decade had passed from the date the cases occurred and when the audit was conducted, and because there was no prior notification of the requirement that these forms be kept as a condition to obtain reimbursement, it would violate Due Process to make this a requirement retroactively.

City requests the that the eligible population be revised to include allowable cases that showed the number of eligible parties interviewed exceeded that which was required by taking a mandated reporter form SS 8572 (greater than one interview).

ISSUE 2: Audit Finding 2 – SCO determination that the Police Department did not investigate a vast majority of case claimed for those "reported to them by other agencies (SCARs")

The primary eligible activity of this mandated program is to "Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantitated or inconclusive, as defined in Penal Code Section 11165.12 for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583."

However, the SCO determined, "Upon reviewing the case files sampled, we discovered that, contrary to what the city had claimed, the Police Department investigated very few of the other agency-generated SCARs that had been cross-reported to them, as no additional follow-up was deemed necessary." (see Exhibits C and E)

To suggest that the Police Department did not complete or only partially investigated 90% of its cases is erroneous and would imply that the department failed to comply with State law by not investigating child abuse cases. The Police Department explained that while each investigation is unique and not every case requires the same level of investigation; every case forwarded to the Police Department requires time and action, regardless of whether another agency did some level of investigation.

The Department outlined the steps taken when a case is forwarded to them via a SCAR report for investigation and times were determined from the 2015 Time Study:

1. the on-duty Detective must read and review each and every SCAR and all attached documentation including other agency notes, reports and narrative provided (ALLOWED at 18 minutes per case)
2. verify if a report was already written (6 minutes Detective NOT ALLOWED)

3. verify if a report was already written (6 minutes Records NOT ALLOWED)

4. Check prior history and determine if the case is actually in the agencies jurisdiction and determine that the case is not a duplicate and has not already been investigated by the department. This often requires phone calls to other involved agencies and also may work with internal staff such as records and dispatch to determine the history of the case to determine what action is required (36 minutes Detective) (NOT ALLOWED)

5. then the Detective and/or Sergeant must contact the Department of Social Services, reporting agency, or involved individuals (at least one adult who has information regarding allegations) to obtain more details of the case to determine if in-person interviews are necessary. Detective and/or Lieutenant must decide on how to proceed on each case. (city requested 26-36 minutes) (NOT ALLOWED)

6. Sergeant time to approve and close case (ALLOWED at 10 minutes per case)

7. Records document and close the case (ALLOWED at 6 minutes per case)

The SCO modified their language in their response to the City's comment to the Audit Report from "the City did not complete and document the investigation of 90% of their cases" to "90% of the cases…were not "*fully*" investigated." They also stated that "although full initial investigations were not conducted, ***some preliminary investigative activities may have taken place to corroborate the information reported by CPS*** [emphasis added]." (See Exhibit 2, pages 32-34)

When the city complained at having 90% of their cases denied for reimbursement, the SCO reconsidered their initial stance and permitted time for the activities above: 1) read and review the SCARs, 6) Approve closing the case, and 7) Documenting and file the closed case. However, while they admitted that "some preliminary investigative activities may have taken place to corroborate the information reported by CPS", no time was allowed for that or any actual preliminary investigative activities identified and requested (activities 2, 3, 4 and 5 above).

The SCO explained that they denied that request because they believed these "four additional activities are not within the scope of the parameters and guidelines." They also stated that "Although the department may view these activities as necessary, they do not qualify as preliminary investigative activities and are not mandated. As explained, Section IV.B.3.1 of the parameters and guidelines allow reimbursement of the actual costs incurred to 1) review the initial SCARs, 2) conduct initial interview with involved parties, and 3) make a report of the findings of those interviews." (See Exhibit 2, page 33).

The city argued, unsuccessfully, that activities above, including, "contact the Department of Social Services, reporting agency, or involved individuals (at least one adult who has information

regarding allegations) to obtain more details of the case" falls under the eligible activity of "interview with involved parties" and "conduct a preliminary investigation". Further, without the investigative steps 2-5 above, it would have been impossible to determine the disposition of the case: whether or not the allegations were founded and a SS 8583 report was required to be sent to the DOJ as required by State law and this mandate program.

The City contends that these preliminary investigative activities listed above were reasonably necessary for investigators to make the determination whether to close the case (determine the allegations are unfounded) or to continue the investigation by proceeding with in person/on-site interviews.

The Police Department explained that preparing detailed narratives, showing every action taken, was not required for these reports; particularly when it was determined that the case is not substantiated. (See Exhibit E). The city explained that the times spent on the investigation could not be gleaned from the final PC 11166 reports, however, the interviews and preliminary investigative activities did occur and the time and process was documented in the 2015 time-study submitted to the SCO at the beginning of this audit process. A case could not be signed of as "not substantiated" without some review and action on our part.

The city believes that activities 2 through 5 above should have been found to be eligible based on the Commission's Statement of Decision (See Exhibit F). On page 34 of the December 2013 Decision, the California Department of Social Services (CDSS) argues (and Commission agrees) that only an investigation similar to one that is conducted by CDSS should be allowed.

CDSS testimony states that, "**prior to the actual interviews**, the social worker must make a multitude of considerations **to first decide whether an in-person investigation is necessary** [emphasis added]." On page 35, CDSS continues to describe the process their staff goes through to make the determination as to whether the investigation requires referral to the Department of Justice (DOJ) under CANRA (Child Abuse and Neglect Reporting). "In Summary, these rules require the social worker to first decide whether an in-person investigation is necessary: which includes consideration of a multitude of considerations. If an in-person investigation of reported child abuse is determined to be necessary, the CDSS regulations at MPP 31-114 describe what steps are necessary for the conduct of the investigation."

"These rules require direct contact with all alleged child victims, and at least one adult who has information regarding the allegations. If after that stage the social worker does not find the referral to be unfounded, the social worker must conduct an in-person investigation with all the

children present at the time of the initial in person investigation, all parents who have access to the child alleged to be at risk of abuse, noncustodial parents if he/she has regular or frequent in person contact with the child, and make necessary collateral contacts with persons having knowledge of the condition of the child. Based on these investigative activities, the social worker is required under CDSS regulations at MPP 31-501 to determine whether the results of the investigation require referral to the Department of Justice under CANRA."

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

The City's request for activities 2-5 (see pages 3-4 of this narrative) including "26-36 minutes to call the Department of Social Services, reporting agency, or involved individuals (at least one adult who has information regarding allegations) to obtain more details of the case to determine if in-person interviews are necessary (Detective)" is almost exactly the same as the activity described by the Department of Social Services when they note, "to contact… at least one adult who has information regarding the allegations. If after that stage the social worker does not find the referral to be unfounded, the social worker must conduct an in-person investigation."

Therefore, based on the Statement of Decision discussion, we believe that the requested activities listed above and which were performed by the Police Department before this "last step" of "in-person interviews and writing a report of the findings" in the investigative process are therefore eligible for reimbursement. These preliminary investigative activities are necessary for the Police Department to determine if the suspected child abuse case (SCAR) was founded. unfounded or inconclusive and therefore should have been found to be reimbursable.

The claiming instructions are general guidelines meant to provide direction, not an exclusive and exhaustive list of every eligible tasks that take place during the preliminary investigative process to determine if the child abuse or neglect case is founded or unfounded. To assume so is unreasonable and violates the intent of State Mandate Statutes which ensure the reimbursement of actual costs incurred to comply with the State mandated program.

The SCO arrived at their conclusion by that activities 2-5 above were not eligible based on 1) strictly interpreted claiming instructions to mean that eligible investigative activities equated to

and were **solely limited to: conducting initial interviews with parents, victims, witnesses, or suspects** and 2) if no narrative detail existed in the report to prove an "interview" took place, then the SCO assumed that the Police Department did not investigate the case. (See Exhibit 2, page 17).

The City believes both of these SCO assumptions were erroneous, unsupported by the Statement of Decision, and led to the disallowance of valid and eligible City costs.

SCO requiring a written report in a narrative format showing all interviews and investigative activities to obtain State Reimbursement for investigative activities is not supported by Parameters and Guidelines.

South Lake Tahoe Police Department procedures do not require detailed narrative write ups for cases that were deemed unfounded or inconclusive. The narrative in the "Comments" section of these reports might simply state, "Inconclusive. Unable to contract/locate family", or "Case closed by CPS" or "Situation stabilized". These brief descriptions and the identification of the assigned officer shown in the "Reviewed By" section of the report indicates investigative activities took place in order for the officer to make those assessments and close the case. (see South Lake Tahoe Police Department 11166 PC Referral Form in Exhibit E).

State Mandate law requires reimbursement of actual costs incurred to comply with the State mandated program. The city did have a report for each case investigated (11166 PC) -- albeit a short form, however, this, along with the copy of the SCAR (which the city had maintained and produced to the SCO satisfaction), the city's Time Studies (provided to the SCO) and command staff assertions that this was indeed standard Police Department practice for these types of cases, should have been sufficient to prove investigative activities took place.

Requiring detailed written reports showing notes of every action and interview in the investigation when it is was not the city's procedure to do so for unfounded and unsubstantiated cases, would violate Due Process provisions. If this was a requirement for obtaining reimbursement, the SCO should have provided advance notification of their expectations in the claiming instructions. Further, since claiming instructions were released in 2014 and the program was eligible for reimbursement in 1999, it would have been impossible for activities to be tracked in the manner desired by the SCO prior to FY 2014-15.

Due process requires that a claimant have reasonable notice of any law that affects their substantive rights and liabilities.[1] Thus, the SCO request for documentation that was not

enumerated in Parameters and Guidelines adopted in March or April of 2014 (the requirement for reports to include a record of all parties contacted in the investigations) affect substantive rights or liabilities of the parties that change the legal consequences of past events, and thus the application of those provisions may be considered unlawfully retroactive under due process principles.[2] Provisions that impose new, additional, or different liabilities based on past conduct are unlawfully retroactive.[3]

In the Clovis Unified School Dist. v. Chiang case, the court addressed the Controller's use of the Contemporaneous Source Documentation Rule (CSDR) in audits before the rule was included in the parameters and guidelines, finding that the rule constituted an underground regulation. The court recognized that "it is now physically impossible to comply with the CSDR's requirement of contemporaneousness.."[4] The Controller, however, requested that the court take judicial notice that the Commission adopted the contemporaneous source document rule by later amending the parameters and guidelines. The court denied the request and did not apply the CSDR, since the issue concerned the use of the rule in earlier years, when no notice was provided to the claimant. The court stated:

> We deny this request for judicial notice. This is because the central issue in the present appeal concerns the Controller's policy of using the CSDR during the 1998 to 2003 fiscal years, when the CSDR was an underground regulation. This issue is not resolved by the Commission's subsequent incorporation of the CSDR into its Intradistrict Attendance and Collective Bargaining Programs' P & G's. (Emphasis in original.)[5]

For the foregoing reasons, the City believes the SCO finding that activities 2-5 listed on pages 3-5 of this narrative were ineligible for reimbursement for the 90% of cases they deemed had not been "investigated" and should be reversed by the Commission.

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[1] In re Cindy B. (1987) 192 Cal.App.3d 771, 783-784; Clovis Unified School Dist. v. Chiang (2010) 188 Cal.App.4th 794, 804-805.

[2] Department of Health Services v. Fontes (1985) 169 Cal.App.3d 301, 304-305; Tapia v.Superior Court (1991) 53 Cal.3d 282; 287-292; Murphy v. City of Alameda (1993) 11 Cal.App.4th 906, 911-912.

[3] City of Modesto v. National Med, Inc. (2005) 128 Cal.App.4th 518, 527.

[4] Clovis Unified School Dist. v. Chiang (2010) 188 Cal.App.4th 794, 804-805.

[5] Clovis Unified School Dist. v. Chiang (2010) 188 Cal.App.4th 794, 809, fn. 5.

ISSUE 3: Audit Finding 3 – SCO incorrectly reduced Indirect Costs by excluding allowable positions from the ICRP or Overhead rates

The SCO determined that two classifications of employees – the Dispatchers and Evidence Technicians were completely unallowable in the Indirect Cost pool. "…two classifications that we determined do not provide any indirect duties and are therefore 0% indirect: Public Safety Dispatcher and Evidence Technician." (See Exhibit 2, page 42)

The following statements show how the SCO auditor came to their erroneous conclusion that these positions were not indirect:

First flaw in SCO's ICRP finding. The auditor states:

> *"The duties we identified as indirect were either administrative or clerical in nature." The "Public Safety Dispatcher and Evidence Technician's duty statements… do not identify any duties that are administrative or clerical in nature." (See Exhibit 2, page 42)*

It is unclear how the SCO defines clerical duties or functions, because most would consider an organization's communication center or receptionists to be clerical/support staff. They are not the one's solving the citizens problems – they are transmitting the calls to the officers (direct staff) to respond to those issues.

According to the on-line hiring website, ***Indeed.com's*** "List of Common Clerical Duties" downloaded from their website and attached in Exhibit H, eight of the twelve "clerical" tasks listed are performed by Police Department Dispatchers:

- Communication with customers and colleagues
- Answering phone calls
- Records and document filings
- Operating office machines
- Keeping records and reports
- Replying to emails
- Delivering messages
- Arranging appointments

The Police departments communication center and those dispatch position's primary mission is to serve as the department's receptionists, a clearly is a clerical function by standard definition. (See Job Description items 1-11 for the Dispatcher position attached in Exhibit G)

Evidence Technician's job to store, maintain and process evidence material for all sworn staff is similar to other clerical job duties listed by the Indeed list of clerical duties:" to compile, track transactions", to "file important company records".

The SCO disallowance of the Communications/Dispatch positions from the Police Department's overhead rate clearly shows an error in judgement as it is contrary to their own statements and guidelines. The SCO's "Claiming Instructions, Local Agencies Mandated Cost Manual" specifically includes **Communications** costs as an ALLOWABLE expense in their own example of how to compute an ICRP rate. (See Exhibit I, Claiming Local Agencies Mandated Cost Manual, Section 2, Filing a Claim, page 13)

Second flaw in SCO's ICRP finding. The auditor states:

> *"The duties we identified as indirect were either administrative or clerical in nature." (See Exhibit 2, page 42):*

While we agree that administrative and clerical duties are valid examples of allowable indirect duties and that dispatchers perform clerical duties; it should be pointed out that there is no language in either Claiming Instructions or the Federal CFR/OMB Guidelines which limits indirect costs to only administrative and clerical duties.

Claiming Instructions and the Federal CFR/OMB Guidelines which state:

> Indirect costs are those: (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."

For example, a janitor or custodian (in the city's case, the Police Maintenance Worker) is neither clerical nor administrative, however, that position does provide necessary support and benefit a common or joint purpose: the overall police department as well as the cost objective/mandate program. The same is true for the department's Information Technology division. Those positions (the Information Services Manager and the Information Services Technicians) were claimed and were correctly allowed for inclusion in the ICRP/Overhead rate by the SCO even though they did not provide "administrative or clerical" functions. (See Exhibit 2, page 35).

Therefore, the SCO criteria to limit eligibility to, "*The duties we identified as indirect were either administrative or clerical in nature."* was erroneous.

Third flaw in SCO's ICRP finding. The auditor states:

> *"Generally speaking, direct costs are those which can be identified specifically with particular unit or function (cost objective) and accounted for separately." (See Exhibit 2, page 42). And*
>
> *"Indirect costs…are not attributable to a specific project or unit." (See Exhibit 2, pages 42-43).*

SCO's definitions of direct and indirect costs do not adhere to either State or Federal guidelines and may explain their error.

SCO states, "direct costs are those which can be identified specifically with particular unit or function (cost objective) and accounted for separately" however, Claiming Instructions say, "Direct costs are those costs incurred specifically for the reimbursable activities. (see Exhibit 1, page 14).

While on-scene conducting the child abuse investigations, the officer is in constant contact with the dispatch staff – receiving the information and request for service from dispatch, notifying dispatch of their location, arrival time, departure time from the call and notifying them of the status of the investigation or if any additional assistance is needed. The Dispatchers – or Communications Division – is the liaison between the public and the sworn officer, as well the sworn officer and command/support staff.

It is clear that neither the dispatcher nor the evidence staff positions are the direct costs of this programs or "Cost objective". They did not perform any of the mandated program activities directly; their time was not claimed directly – nor could easily be claimed directly for the mandated program; and their costs could not be identified specifically to the mandated "cost objective" or any other activity or award.

Nowhere in the Claiming Instructions or the Federal Guidelines does it specify that determination of whether a cost is an eligible indirect cost is defined by how it is budgeted or if its functions are "attributed to a specific unit". The determination is based on the function or **benefit** that unit performs or provides to the eligible direct "cost objective".

SCO statement:

"Indirect costs…are not attributable to a specific project or unit." (See Exhibit 2, pages 42-43).

is contrary to claiming instructions and Federal OMB/CFR guidelines.

In fact, the opposite is true - Claiming Instructions specifically permit the computation of overhead/ICRP costs by division or section. (See Exhibit 1, Claiming Instructions, page 16 and also on Page 39 of the Audit Report) which reads:

> 2. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) separating a department into groups, such **as divisions or sections, and then classifying the division's or section's total costs for the base period as either direct or indirect** [emphasis added]"

In addition, the Claiming Manual further states that:

> "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."

CFR gives examples showing the clerical pools of staff be classified as indirect costs. (see Exhibit J, Page 207-209) 2 CFR instructs:

> "(b) Identification of indirect costs. Cost groupings must be established so as to permit the allocation of each grouping on the basis of benefits provided to the major functions. Each grouping must constitute a pool of expenses that are of like character in terms of functions they benefit and in terms of the allocation base which best measures the relative benefits provided to each function. The groupings are classified within the two broad categories: "Facilities" and "Administration" as described in section A.3 of this Appendix. The indirect costs pools are described as follows:…
>
> (3) Operations and maintenance expenses. …They include expenses such as janitorial…utilities…care of grounds…
>
> (4) General administration and general expenses. …Examples of this category include central offices, such as the director's office, the office of finance, business services, budget and planning, personnel, safety and risk management, general counsel, management information systems, and library costs…The salaries and wages of administrative and **pooled clerical staff** should normally be treated as indirect costs…"

Not only can divisions or units be either direct or indirect – but so can costs in outside DEPARTMENTS which provide eligible indirect "services". (See Exhibit I, Page 10). By the SCO's own analysis," City-wide" overhead costs" – or costs from outside departments were allowed in the ICRP computations. (see Exhibit 3 – City-wide Overhead Calculations in Claim copies)

For all the reasons stated above, SCO reasoning that: IF a cost "can be identified specifically with a unit or function", THEN that makes it a direct cost -- was flawed and contradicts State and Federal Guidelines.

The City respectfully requests that the Commission review and remedy these issues.

SECTION 8

Documentary Evidence and Declarations

DECLARATION OF LIEUTENANT SHANNON LANEY

I, Shannon Laney, declare under the penalty of perjury under the laws of the State of California that the following is true and correct based on my personal knowledge, information, and belief:

I am a Lieutenant for the City of South Lake Tahoe Police Department. I have been employed by the City in this capacity since 2017 and have been a law enforcement officer since 1999. As part of my duties, I am responsible for overseeing the detective unit including the child abuse and neglect investigations. I am also responsible for assisting with the recovery of costs mandated by the State and have personal knowledge of the procedures related to these investigations and was directly involved in the audit of this state mandated program.

I examined the Incorrect Reduction Claim (IRC) and believe the statements and information contained therein to be true and correct. Narrative on pages 1-13 of this Incorrect Reduction claim, the City's March 7, 2018 Audit Response letter, and all other communications from the city accurately describe the city's position and the materials provided including: child abuse reports (attached in Exhibit E), "Crime Analysis Results" report print date 6/17/15 (attached in Exhibit A), time studies (attached in Exhibits A and B), and job descriptions (attached in Exhibit G) are true and correct documents provided by the City of South Lake Tahoe.

However, I noted some typographical errors regarding the case numbers which we had requested the State Auditor reconsider and include as eligible cases on Page 2 of the City's March 7, 2018 Response to Draft Audit (found in Exhibit 2). It should read case number 0810-1766 instead of 0801-1766 and case number 0811-0181 instead of 1811-0181. (See Exhibit C for State Controller's spreadsheets analyzing these cases)

As stated in the IRC narrative, the Dispatch staff/division is the communications center for the entire police department and provide necessary support to the officers working on child abuse investigations as well as to the entire sworn staff for all departmental matters. Dispatch staff take all calls from the public, assign and track the case, and monitor officers in the field. The officer would not be able to obtain the call for assistance or initiate the case without the efforts of the dispatch staff.

Similarly, Evidence staff must collect, store, maintain and process evidence from child abuse cases, as well as from all other cases that the police department responds to. Both dispatch and evidence staff provide benefit and necessary support to the sworn staff working on the activities of the child abuse mandate program, as well on all types of cases.

I am personally conversant with the foregoing facts, and if so required, I could and would testify to the statements made herein and declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 9th day of March 2021 in South Lake Tahoe, California.

Shannon Laney
Lieutenant
South Lake Tahoe Police Department

DECLARATION OF ANNETTE S. CHINN

I, Annette S. Chinn, do hereby declare as follows:

1) I am a consultant of Cost Recovery Systems, Inc. and representative to the City of South Lake Tahoe for this Incorrect Reduction Claim. I have been involved in the preparation of the city's Claims for State Reimbursement since 2004, including the preparation of the Interagency Child Abuse and Neglect Reporting claims (Child Abuse).

2) I have personal knowledge of the facts stated in this Declaration and if called as a witness, I could and would testify to the statements made herein.

3) Information attached to Exhibits A and B are true and correct copies of the time studies, actual Police Department system generated time reports, time analysis, and actual correspondences related to the computation of time for these subject reimbursement claims and were provided to the State Controller's Office during the audit.

4) Attached hereto as Exhibit C are true and correct copies of the reports from State Controller auditors provided to the City to explain how they determined Child Abuse case eligibility and to determine the percentage of allowable of cases.

5) Attached hereto as Exhibit D is a true and correct copy of the 2005 "A Guide to Reporting Child Abuse to the California Department of Justice"

6) Attached hereto as Exhibit E are true and correct redacted copies of actual Child Abuse reports and support documents requested by and provided to the State Controller's Office by the South Lake Tahoe Police Department during the audit.

7) Attached hereto as Exhibit F are true and correct copies of the Commission on State Mandates Statement of Decision and Parameters and Guidelines for the Interagency Child Abuse and Neglect program.

8) Attached hereto as Exhibit G are true and correct copies of Job Descriptions reviewed by and notated by the State Controller's auditors that they found 0% allowable indirect costs.

9) Attached hereto as Exhibit H is a true and correct copy of the "List of Common Clerical Duties" downloaded from the Indeed.com website https://www.indeed.com/career-advice/career-development/clerical-duties on 2/22/21

10) Attached hereto as Exhibit I is a true and correct copy of the 2015 State of California, Local Agencies Mandated Cost Manual.

11) Attached hereto as Exhibit I is a true and correct copy of Federal **2 CFR Ch. II (1–1–14 Edition)** PART 200 UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS.

12) Attached hereto as Exhibit I is a true and correct copy of the 2015 State of California, Local Agencies Mandated Cost Manual.

13) Attached hereto as Exhibit 1 is a true and correct copy of the Interagency Child Abuse and Neglect (ICAN) Investigation Reports Claiming Instructions

14) Attached hereto as Exhibit 2 is a true and correct copy of the City of South Lake Tahoe, Audit Report of the Interagency Child Abuse and Neglect (ICAN) Investigation Reports program.

15) Attached hereto as Exhibit 3 are true and correct copies of the City of South Lake Tahoe's, FY 1999-00 through FY 2011-12 Interagency Child Abuse and Neglect (ICAN) Investigation Reports program.

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 March 1, 2021 in El Dorado Hills, California.

Annette S. Chinn
President
Cost Recovery Systems, Inc.

EXHIBIT A

ORIGINAL INFORMATION PROVIDED TO SCO AUDITOR REGARDING HOW TIME COMPONENT WAS DERIVED FOR THE CLAIMS

COMPONENTS CLAIMED AND METHODOLOGY

Activity 1). CROSS REPORT cases of Suspected Child Abuse or Neglect to County Welfare & DA's Office

The **Sergeant** was claimed at 10 mins /case and each case's status was forwarded to the appropriate agencies.

The **Records Technician** was claimed at 10 mins /case and each case's status was forwarded to the appropriate agencies.

It was estimated that 24% of total cases were Cross Reported.

Activity 2). PRELIMINARY INVESTIGATION – complete an investigation in order to determine if a report of suspected child abuse or severe neglect is founded, unfounded or inconclusive.

The **Officer** spent an average of 3.55 hours completing the preliminary investigation to make this determination. This time also includes other ancillary mandated activities pertaining to calling and forwarding reports as mandated.

The **Officer** spent an average of 30 minutes writing and editing the report,

The **Sergeant** spent 10 min per case reviewing and approving the report

The **Records Technician** spent 5 minutes processing these reports

------ IF the Case was FOUNDED/SUBSTANTIATED then ----

ACTIVITY 3) Claimed under "Prepare a report for substantiated cases" component

The **Officer** had to spend an extra 5 mins to write these founded reports

The **Sergeant** had to spend an additional 5 min to review these founded reports

The **Records Technician** spent an added 15 minutes processing these founded reports

---

Subj: **RE: Child Abuse call time**
Date: 6/17/2015 2:34:05 P.M. Pacific Daylight Time
From: dougherty@cityofslt.us
To: AChinnCRS@aol.com

Hi Annette,
Out of 31 cases of child abuse the average time was 5hours26 minutes.
Hope this helps. Sorry I am too busy to do more for you.
Kathleen

From: AChinnCRS@aol.com [mailto:AChinnCRS@aol.com]
Sent: Monday, June 15, 2015 3:05 PM
To: Kathleen Dougherty
Subject: Re: Child Abuse call time

A sample of about a dozen cases would be wonderful. Pick every case within a pre-selected time frame so we aren't accused of cherry picking the larger cases.

As soon as possible - by mid next week would be perfect. Claims have to be mailed out to Finance by the end of the month

Thank you,

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

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

In a message dated 6/15/2015 3:00:26 P.M. Pacific Daylight Time, dougherty@cityofslt.us writes:

> I will have to check with the Dispatch Sup(she's not here today) but I don't see a way to run a report on that. I would have to go through each case because all are different. I will check with her. Maybe we could get a sample, but right now we are swamped with multiple events.
> K
>
> ---
>
> **From:** AChinnCRS@aol.com [mailto:AChinnCRS@aol.com]
> **Sent:** Monday, June 15, 2015 2:56 PM
> **To:** Nicholaus Carlquist; Kathleen Dougherty
> **Cc:** Brian Williams
> **Subject:** Re: Child Abuse call time
>
> Kathleen - so you can't you do a CAD review of time on field for any cases? Is it going back to FY 10-11 that's the problem? I'd imagine you could at least run a sampling of cases to get an estimate?
>
> Thank you,
>
> Annette S. Chinn
> Cost Recovery Systems, Inc.
> 705-2 E. Bidwell Street #294
> Folsom, CA 95630
>
> phone (916) 939-7901
> fax (916) 939-7801

Interagency Child Abuse and Neglect Reporting
2014 Time Analysis

Case #	Case Description	Prelim Investigation
	child abuse	0.1
	(see attached detailed Crime Analysis Results)	0.45
		1.05
		1.35
		1.5
		2.05
		2.05
		2.05
		2.05
		3.05
		3.05
		3.12
		3.46
		3.51
		4.05
		4.05
		4.05
		4.1
		4.4
		4.4
		5
		5.05
		5.1
		5.35
		6.05
		6.2
		9.2
		10
		11.05
		41.2
		5.27
	avg total time per case	

3 largest omitted from avg. time

LESS THREE LARGEST CASES	avg total time per case	3.55

Crime Analysis Results

DateRange: 01/01/2014 to 12/31/2015
TimeRange: (None)
SearchCriteria: Offense Types: 11166 (A) | PC; Mandated Reporter Fail T
Addresses: (None)

Offense / MO	Case # / Event #		Datetime Occurred		Address
11166 (A) [125000] PC; Mandated Reporter I	1411-0625	.10	11/10/2014	14:33	1352_Johnson Boulevard___
273 a(a) [102400] PC; Willful Cruelty to Chil	1404-0825	.45	04/13/2014	17:15	1144_Stockton Av___
273 a(a) [102400] PC; Willful Cruelty to Chil	1404-1335	1.05	04/21/2014	10:09	913_Friday Av___
273 a(a) [102400] PC; Willful Cruelty to Chil	1406-0898	1.35	06/12/2014	17:40	1352_Johnson Boulevard___
273 a(a) [102400] PC; Willful Cruelty to Chil	1410-0486	3.05	10/07/2014	11:15	3740_Blackwood Rd__8_
273 a(a) [102400] PC; Willful Cruelty to Chil	1410-1368	4.05	08/15/2014	07:15	1675_Marshall Ct___
273 a(a) [102400] PC; Willful Cruelty to Chil	1410-1822	5.05	10/27/2014	11:38	1735_Lake Tahoe Bl___
273 a(a) [102400] PC; Willful Cruelty to Chil	1501-1290	5.10	01/20/2015	07:14	Emerald Bay Rd_AND_C St
273 a(a) [102400] PC; Willful Cruelty to Chil	1502-0172	6.20	02/03/2015	19:27	2375_Lake Tahoe Bl__164_
273 a(a) [102400] PC; Willful Cruelty to Chil	1502-0681	4.05	02/05/2015	15:00	917_San Francisco Av__3_
273 a(a) [13500] PC; Willful Cruelty to Child	1402-0465	3.51	02/08/2014	00:08	1038_Winnemucca Av__5_
273 a(a) [13500] PC; Willful Cruelty to Child	1402-0513	3.46	02/08/2014	18:27	3535_Lake Tahoe Bl__456_
273 a(a) [13500] PC; Willful Cruelty to Child	1404-0797	11.05	04/13/2014	11:05	947_Poplar St__1_
273 a(a) [13500] PC; Willful Cruelty to Child	1404-1304	4.05	04/20/2014	19:12	1360_Johnson Boulevard__100_
273 a(a) [13500] PC; Willful Cruelty to Child	1405-1658	9.20	05/25/2014	06:28	985_Park Av__103_
273 a(a) [13500] PC; Willful Cruelty to Child	1406-0693	4.40	06/09/2014	21:11	1038_Emerald Bay Rd___
273 a(a) [13500] PC; Willful Cruelty to Child	1407-3245	3.12	07/31/2014	16:10	2061_Lake Tahoe Bl___
273 a(a) [13500] PC; Willful Cruelty to Child	1408-0526	4.40	08/07/2014	02:51	772_James Av__C_
273 a(a) [13500] PC; Willful Cruelty to Child	1409-0111	2.05	09/02/2014	13:35	1170_Bonanza Av___
273 a(a) [13500] PC; Willful Cruelty to Child	1409-1046	2.05	09/16/2014	09:20	2685_Bertha Av__A_
273 a(a) [13500] PC; Willful Cruelty to Child	1410-0614	10 -	10/09/2014	10:48	1352_Johnson Boulevard___
273 a(a) [13500] PC; Willful Cruelty to Child	1410-1828	6.05	10/27/2014	12:59	1352_Johnson Boulevard___
273 a(a) [13500] PC; Willful Cruelty to Child	1411-0958	3.05	11/15/2014	14:52	1106_Ski Run Blvd___
273 a(a) [13500] PC; Willful Cruelty to Child	1411-1675	5.35	11/28/2014	20:42	2469_Conestoga St___
273 a(a) [13500] PC; Willful Cruelty to Child	1412-0801	1.50	12/11/2014	19:59	1080_Julie Ln__260_
273 a(a) [13500] PC; Willful Cruelty to Child	1501-1290	5.10	01/20/2015	07:14	1782_Southern Pines Rd___
273 a(a) [13500] PC; Willful Cruelty to Child	1502-0069	2.05	02/01/2015	22:49	2659_Lake Tahoe Bl__133_
273 a(a) [13500] PC; Willful Cruelty to Child	1503-0151	2.05	03/03/2015	09:23	1074_Chonokis Rd__2_
273 a(a) [13500] PC; Willful Cruelty to Child	1503-0288	41.20	03/03/2015	12:00	1735_Lake Tahoe Bl___
273 a(a) [13500] PC; Willful Cruelty to Child	1504-1166	5	04/17/2015	21:30	1134_3rd St__3_
273 a(a) [13500] PC; Willful Cruelty to Child	1505-1262	4.10	05/20/2015	08:44	1801_Lake Tahoe Bl__L1_

31 | 163.19

5.26

2015 SLT Time Study
Activity = report writing

Date	
6-Nov	78
3-Nov	16
11-Nov	26
11-Nov	16
11-Nov	26
11-Nov	16
11-Nov	16
11-Nov	16
11-Nov	16
11-Nov	16
11-Nov	36
25-Nov	60
2-Dec	76
2-Dec	36

32.1429 claimed 30 mins per case avg

2015 TIME STUDIES NOT USED IN CLAIM DONE FOR VERIFICATION IN CASE OF AUDIT

TIME LOG

CITY OF: S. LAKE TAHOE
DEPARTMENT: DETECTIVE
PROCESS: CHILD ABUSE

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
10/29	Kallstrom	log & read	18
10/29	Kallstrom	ck to see if report written 261	6
10/29	Kallstrom	check prior history 261	48
11/3	Kallstrom	attempt to ID parties/locations 261.5 261	60
10/29-11/6	Kallstrom	email contact w/victim	102
11/3	Kallstrom	check prior history 261 261.5	36
11/4	Kallstrom	Interview prep/questions 261.5/261	54
11/6	Kallstrom	Interview by phone	84
11/6	Kallstrom	Report writing	78
11/10	Kallstrom	FU/REPORT WRITING	8hr.
11/11	Kallstrom	FU/11166/REPORT WRITING	8hr.
11/12	Kallstrom	RPT WRITING/REVIEW	8hr.

Certification:

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

Prepared by: JAKE HOMINGTONS
Title: DETECTIVE
Date: 12/22/15
Signature: _____

TIME LOG

CITY OF: S. LAKE TAHOE

DEPARTMENT: CHILD CRIMES, DETECTIVE BUREAU

PROCESS: _____

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
11/3/15	DET. HERMINGHAUS (1509-1374)	INTERVIEW & REPORT FOR CHILD SEXUAL ABUSE UIC	4 hr
11/3/15	DET. HERMINGHAUS (1502-1381)	ATTEMPTED TO SET UP INTERVIEW W/ 261.5 UIC	16 min
11/3/15	DET. HERMINGHAUS (1502-1381)	CASE REVIEW & FILED AWAY	16 min.
11/03/15	DET. HERMINGHAUS (1506-0819)	CASE REVIEW. ATC. UIC WHO IS OUT OF THE AREA	20 min.
11/03/15	DET. HERMINGHAUS (1509-1094)	CASE BACKGROUND & REVIEW. CASE CROSS REPORT TO 15SV-0983	25 min.
11/03/15	DET. HERMINGHAUS (1509-1086)	BACKGROUND NOTES FOR PREP FOR INTERVIEW ON 11/9	1 hr
11/03/15	DET. HERMINGHAUS (1509-1096)	CASE REVIEW	16 min
11/03/15	DET. HERMINGHAUS (1509-1085)	CASE REVIEW. NEED TO SET INTERVIEW	20 min.
11/03/15	DET. HERMINGHAUS (1509-1088)	CASE REVIEW. HISTORICAL REVIEW, CASE STARTED	16 min.
11/03/15	DET. HERMINGHAUS (1509-1087)	CASE REVIEW. CASE REPORT FILED	16 min
11/03/15	DET. HERMINGHAUS (1509-1090)	CASE REVIEW. REPORT STARTED.	16 min.
11/03/15	DET. HERMINGHAUS (1509-1092)	PHONE CONTACT W/ CPS WORKER RE CASE	6 min.
11/03/15	DET. HERMINGHAUS (1509-1093)	CLOSED CASE	16 min.

Certification:

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

Prepared by: DET. HERMINGHAUS

Title: DETECTIVE

Date: 11/3/15

Signature: _____

TIME LOG

CITY OF: SOUTH LAKE TAHOE

DEPARTMENT: DETECTIVES

PROCESS: CHILD CRIMES

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
11/5/15	VACATION	DAY	

Certification:

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

Prepared by: JAKE HEMINGWAYS

Title: DETECTIVE

Date: 11/11/15

Signature:

TIME LOG

CITY OF: SOUTH LAKE TAHOE PD

DEPARTMENT: DETECTIVES

PROCESS: CHILD CRIMES

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
NOV	6th	VACATION DAY	

Certification:

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

Prepared by: JAKE HEMMINGHAUS

Title: DETECTIVE

Date: 11/11/15

Signature:

TIME LOG

CITY OF: SOUTH LAKE TAHOE PD

DEPARTMENT: DETECTIVES

PROCESS: CHILD ABUSE

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME	
11/11/15	DET. HERMINGHAUS	REPORT 1511-0768	26min	✓
11/11/15	DET. HERMINGHAUS	REPORT 1511-0769	26min.	✓
11/11/15	DET. HERMINGHAUS	REPORT 1511-0770	16min	✓
11/11/15	DET. HERMINGHAUS	REPORT 1511-0771	26min	✓
11/11/15	DET. HERMINGHAUS	REPORT 1511-0772	16min.	✓
11/11/15	DET. HERMINGHAUS	REPORT 1511-0773	16min.	✓
11/11/15	DET. HERMINGHAUS	REPORT 1511-0774	16min.	✓
11/11/15	DET. HERMINGHAUS	REPORT 1511-0775	16min.	✓
11/11/15	DET. HERMINGHAUS	REPORT 1511-0776	16min	✓

Certification:

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

Prepared by: J. HERMINGHAUS

Title: DETECTIVE

Date: 11/11/15

Signature:

TIME LOG

CITY OF: SOUTH LAKE TAHOE

DEPARTMENT: DETECTIVES

PROCESS: CHILD CRIMES

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
11/11/15	DET HERMINGHAUS 1506-2096	PHONE CONTACT WITH VICTIMS MOTHER	36MIN
11/11/15	DET HERMINGHAUS 1504-0715	PHONE CONTACT TO SET UP INTERVIEW WITH VIC	16MIN
11/11/15	DET HERMINGHAUS	CASE REVIEW, BACKGROUND OPEN CASE	6MIN
11/11/15	DET HERMINGHAUS	CASE REVIEW #11166 FORM BACKGROUND, OPEN CASE	16MIN
11/11/15	DET. HERMINGHAUS	CASE REVIEW	6MIN
11/11/15	DET. HERMINGHAUS	CASE REVIEW, BACKGROUND OPEN CASE	26MIN
11/11/15	DET. HERMINGHAUS	CASE REVIEW, BACKGROUND	6MIN
11/11/15	DET. HERMINGHAUS	CASE REVIEW, BACKGROUND	6MIN.
11/11/15	DET. HERMINGHAUS	CASE REVIEW, BACKGROUND	6MIN.
11/11/15	DET. HERMINGHAUS	CASE REVIEW, BACKGROUND	6MIN
11/11/15	DET. HERMINGHAUS	CASE REVIEW, BACKGROUND	6MIN
11/11/15	DET. HERMINGHAUS	CASE REVIEW, BACKGROUND	6MIN
11/11/15	DET. HERMINGHAUS	CASE REVIEW, BACKGROUND	6MIN
11/11/15	DET. HERMINGHAUS	REPORT 1510-0767	36MIN.

Certification:

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

Prepared by: DET. JAKE HERMINGHAUS

Title: DETECTIVE

Date: 11/11/15

Signature: [signature]

TIME LOG

CITY OF: SOUTH LAKE TAHOE
DEPARTMENT: DETECTIVES
PROCESS: CHILD ABUSE

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
11/16	DET. HERMINGHAUS	CHILD ABUSE CLASS	8
11/17	DET HERMINGHAUS	CHILD ABUSE CLASS	8
11/18	DET. HERMINGHAUS	CHILD ABUSE CLASS	8
11/19	DET. HERMINGHAUS	CHILD ABUSE CLASS	8
11/20	DET. HERMINGHAUS	CHILD ABUSE CLASS	8
11/21	DET. HERMINGHAUS	CHILD ABUSE CLASS	8

Certification:

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

Prepared by: HERMINGHAUS #61
Title: DETECTIVE
Date: 11/21/15
Signature:

TIME LOG

CITY OF: S. LAKE TAHOE
DEPARTMENT: DETECTIVES
PROCESS: CHILD ABUSE

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
11/24/15	DET. HERMINGHAUS	FU w/ VICTIM OF 288 1509-1505	46 min.
11/24/15	DET. HERMINGHAUS	FU w/ PHASICIAN REF 288 1509-1042	16 min.
11/24/15	DET. HERMINGHAUS	REPORT CASE 203PC 1511-1504	1/4 hr.
11/24/15	DET. HERMINGHAUS	FU WITH CPS REF 1509-1086	36 min.
11/24/15	DET. HERMINGHAUS	FU WITH CPS REF LOCATION OF SUSPECTS	36 min.
11/24/15	DET. HERMINGHAUS	FU WITH VIC FATHER 288.7 PC	6 min.
11/24/15	DET. HERMINGHAUS	FU WITH [redacted] 1509-1086	6 min.
11/24/15	DET. HERMINGHAUS	FU WITH SUSP. BACKGROUND ON 288.7 PC CASE	1 hr.
11/24/15	DET. HERMINGHAUS	CALLED VICTIM. REF 261.5	6 min.
11/25/15	DET HERMINGHAUS	REPORT FOR 273a CASE DOJ BFS FORM 8583 SUPERVISOR APPROVAL	60 min. ←
11/25/15	DET. HERMINGHAUS	REPORT FOR [redacted] 261.5b. RE SUSP. CONTACT	1.36 hr.
11/25/15	DET. HERMINGHAUS	211 OF 16 rom, FIELD FOLLOW UP	3 hr.
12/1/15	DET. HERMINGHAUS	PHONE INTERVIEWS 288 @ SCHOOL	2 hr.
12/1/15	DET. HERMINGHAUS	PHONE CONSULT WITH CPS REF 288	26 min.

Certification:

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

Prepared by: J. HERMINGHAUS
Title: DETECTIVE
Date: 12/1/15
Signature: [signature]

TIME LOG

CITY OF: _____

DEPARTMENT: _____

PROCESS: _____

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
11/26	DET. HERMINGHAUS	VACATION	
11/27	DET. HERMINGHAUS	VACATION.	

Certification:

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

Prepared by: DET. HERMINGHAUS

Title: DETECTIVE

Date: 12/22/15

Signature: _____

TIME LOG

CITY OF: SOUTH LAKE TAHOE PD

DEPARTMENT: DETECTIVES

PROCESS: CHILD ABUSE

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
12/1	DET. HERMINGHAUS	CPS REFERAL ON 273a	36min
12/1	DET. HERMINGHAUS	TALKED TO SCHOOL REFERNCE LOCATION OF 273a	12min
12/1	DET. HERMINGHAUS	FU REF. 290	36min
12/1	DET. HERMINGHAUS	CALL OF CHILD PORNOGRAPHY CASE FROM SRO	30min
12/1	DET. HERMINGHAUS	FU WITH SRO FROM NEV. REF. 273/288.	36min.
12/1	DET. HERMINGHAUS	FU @ HIGH SCHOOL 243e1 PC INTERV.	1hr
12/1	DET. HERMINGHAUS	FU WITH CPS REF 288. & WITH SCHOOL	1hr.
12/2	DET. HERMINGHAUS	261.5(b) INVESTIGATION TYPING. REPORT	2hr.
12/2	DET. HERMINGHAUS	MISSING JUVENILE FOLLOW UP. REPORT	46min
12/2	DET. HERMINGHAUS	288 VICTIM PHONE CALL. SET UP INTERVIEW	16min
12/2	DET. HERMINGHAUS	286 REPORT	1hr 16min ←
12/2	DET. HERMINGHAUS	288 OF VIC. REPORT IMPUT, CASE REVIEW	36min ←
12/2	DET HERMINGHAUS	FU WITH CPS REF. NEGLECT CASE	36min
12/2	DET. HERMINGHAUS	SUSPECT BACKGROUND 288/286	16min

Certification:

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

Prepared by: DET. JAKE HERMINGHAUS

Title: Detective

Date: 12/2/15

Signature: [signature]

TIME LOG

CITY OF: SOUTH LAKE TAHOE
DEPARTMENT: DETECTIVES
PROCESS: CHILD ABUSE

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
12/2	DET. HERMINGHAUS	CPS REFERAL / SUSP. BACKGROUND	1hr
12/2	DET. HERMINGHAUS	INTERVIEW WITH 288 VIC. & BACKGROUND	2½hr.
12/10	DET. HERMINGHAUS	CASE REVIEW & BACKGROUND 273a	30min
12/10	DET. HERMINGHAUS	CASE REVIEW & BACKGROUND 11166	26min.
12/10/15	DET. HERMINGHAUS	CASE REVIEW & BACKGROUN	30 min.
12/10/15	DET. HERMINGHAUS	PHONE INTERVIEW WITH 273a REPORT	46min.
12/10/15	DET. HERMINGHAUS	SURVEILLANCE ON 288 SUSP. RESIDENCE	1hr.
12/10/15	DET. HERMINGHAUS	CASE REVIEW & BACKGROUND 288	46min
12/10/15	DET. HERMINGHAUS	CASE REVIEW & BACKGROUND	36min.
12/10/15	DET. HERMINGHAUS	REPORT 273a	2hr.
12/10/15	DET. HERMINGHAUS	FOLLOW UP ON 273a INVEST.	4hr.

(didn't use - received high)

Certification:

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

Prepared by: HERMINGHAUS 1010
Title: DETECTIVE
Date: 12/10/15
Signature:

TIME LOG

CITY OF: SOUTH LAKE TAHOE
DEPARTMENT: Detectives
PROCESS: CHILD ABUSE

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
12/3	DET. HERMINGHAUS	FOLLOW UP 245 & 2 CASE	10
12/4	DET. HERMINGHAUS	SEARCH WARRANT 245 & 2	4
12/4/15	DET HERMINGHAUS	SEARCH WARRANT SERVICE	2
12/4/15	DET. HERMINGHAUS	REPORTS 245 & 2 CASE	8.

Certification:

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

Prepared by: HERMINGHAUS 140
Title: Detectives
Date: 12/4/15
Signature:

EXHIBIT B

ADDITIONAL ANALYSIS OF TIME COMPONENT

BASED ON 2015 TIME STUDY

(SEE LT WILLIAMS 3/10/17 EMAIL TO SCO AUDIT MANAGER M. VOROBYOVA)

From: bwilliams@cityofslt.us,
To: MVorobyova@sco.ca.gov, AAghestani@sco ca.gov, dmcintyre@cityofslt.us, slaney@cityofslt us,
Cc bhannink@cityofs t.us, AChinnCRS@aol.com,
Subject: FW: Information for Telephone Conference
Date Fri, Mar 10, 2017 1:33 pm
Attachments 2015 TIME STUDY COLOR CODED BY ACTIVITY pdf (10294K).

Masha & Amy,

Let's try to set up a conference call for Monday or Tuesday of next week. As I am understanding the audit progress thus far:

1) You are ready to conclude but still need to determine how much time to allot for the few SLTPD investigated cases the audit has reviewed per your "Report Sampling"

2) You want to determine how much time we think it is reasonable to claim for conducting the Child Abuse Investigation to the point of determining if the cases is founded, unfounded, or inconclusive.

3) The audit finds that over 90% of our cases are not actually investigated by PD. We would like an opportunity to address and correct this false assumption

Here's what our 2015 time logs indicated:

SLT Process and times involved in conducting a Child Abuse Investigation per time study:

16 18 minutes to log and read the SCAR (Detective)

6 minutes to check to see if a report was already written – see if it's a duplicate (Detective)

6 minutes to check if a report was already written (Records)

26 36 minutes to call CPS or reporting agency to obtain more details of the case (Detective)

30 60 minutes to check prior history/background (Detective)

60 minutes Attempt to identify involved parties (Detective)

6 26 mins Call/email contact /set up interviews with parties (Detective)

36 mins to 3 hours per interview per party (averages of 5 interviews per case) (victim, reporting party, parents, witnesses, suspect) (Detective)

78 minutes up to 8 hours to close and document case (Detective)

5-10 minutes to process file is spent by (Records)

15 30 minutes to review and approve (Sergeant)

Attached again is the back up (2015 time study marked up by activity) that shows eligible costs enumerated in the memo

Please clarify that the 2015 time study, while not used in developing the time in the claim, has all the info needed to show all the eligible time and activities pertinent to the claim in detail.

Lt. Brian Williams

South Lake Tahoe Police Dept

1352 Johnson Blvd

South Lake Tahoe, Ca. 96150

(530)542-6130 Desk

(530)208-6250 Cell

Debbie

2015 time study

TIME LOG

CITY OF: S. LAKE TAHOE
DEPARTMENT: DETECTIVE
PROCESS: CHILD ABUSE

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
10/29	Kallstrom	log & read	18
10/29	Kallstrom	ck to see if report written Z01	6
10/29	Kallstrom	check prior history Z01	48
11/3	Kallstrom	attempt to ID parties/locations Z01.5	60
10/29-11/6	Kallstrom	email contact w/victim	102
11/3	Kallstrom	check prior history Z01 Z01.5	36
11/4	Kallstrom	Interview prep/questions Z01.5	54
11/6	Kallstrom	Interview by phone	84
11/4	Kallstrom	Report writing	78
11/10	Kallstrom	FU/REPORT WRITING	8hr.
11/11	Kallstrom	FU/11166/REPORT WRITING	8hr.
11/12	Kallstrom	RPT WRITING/REVIEW	8hr.

Certification:

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

Prepared by: JAKE HOLMINGTON
Title: DETECTIVE
Date: 12/2/15
Signature:

TIME LOG

CITY OF: S. LAKE TAHOE

DEPARTMENT: CHILD CRIMES, DETECTIVE BUREAU

PROCESS: _____

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
11/3/15	DET. HERMINGHAUS (1509-1374)	INTERVIEW & REPORT FOR CHILD SEXUAL ABUSE VIC	4 hr
11/3/15	DET. HERMINGHAUS (1502-1381)	ATTEMPTED TO SET UP INTERVIEW W/ 261.5 VIC	16 min.
11/3/15	DET. HERMINGHAUS (1502-1381)	CASE REVIEW & FILED AWAY	16 min.
11/03/15	DET. HERMINGHAUS (1506-0819)	CASE REVIEW. ATC. VIC WHO IS OUT OF THE AREA	20 MIN.
11/03/15	DET. HERMINGHAUS (1509-1094)	CASE BACKGROUND & REVIEW. CASE CROSS REPORT TO 15BV-0953	25 min.
11/03/15	DET. HERMINGHAUS (1509-1086)	BACKGROUND NOTES FOR PREP FOR INTERVIEW ON 11/4	1 hr
11/03/15	DET. HERMINGHAUS (1509-1096)	CASE REVIEW	16 MIN
11/03/15	DET. HERMINGHAUS (1509-1085)	CASE REVIEW. NEED TO SET INTERVIEW	26 min.
11/03/15	DET. HERMINGHAUS (1509-1088)	CASE REVIEW - HISTORICAL REVIEW, CASE STARTED	16 min.
11/03/15	DET. HERMINGHAUS (1509-1087)	CASE REVIEW. CASE REPORT FILLED	16 min.
11/03/15	DET. HERMINGHAUS (1509-1090)	CASE REVIEW. REPORT STARTED.	16 min.
11/03/15	DET. HERMINGHAUS (1509-1092)	PHONE CONTACT W/ CPS WORKER RE: CASE	6 min.
11/03/15	DET. HERMINGHAUS (1509-1953)	CLOSED CASE	16 min.

Certification:

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

Prepared by: DET. HERMINGHAUS

Title: DETECTIVE

Date: 11/3/15

Signature: _____

TIME LOG

CITY OF: SOUTH LAKE TAHOE

DEPARTMENT: DETECTIVES

PROCESS: CHILD CRIMES

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
11/5/15	VACATION	DAY	

Certification:

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

Prepared by: JAKE HEMINGWAYS

Title: DETECTIVE

Date: 11/11/15

Signature:

TIME LOG

CITY OF: SOUTH LAKE TAHOE PD

DEPARTMENT: DETECTIVES

PROCESS: CHILD CRIMES

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
NOV	6th VACATION	DAY	

Certification:

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

Prepared by: JALE HEMMINGWAYS

Title: Detective

Date: 11/11/15

Signature:

TIME LOG

CITY OF: SOUTH LAKE TAHOE PD

DEPARTMENT: DETECTIVES

PROCESS: CHILD ABUSE

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
11/11/15	DET. HERMINGHAUS	REPORT 1511-0768	26min
11/11/15	DET. HERMINGHAUS	REPORT 1511-0769	26min
11/11/15	DET. HERMINGHAUS	REPORT 1511-0770	16min
11/11/15	DET. HERMINGHAUS	REPORT 1511-0771	26min
11/11/15	DET HERMINGHAUS	REPORT 1511-0772	16min.
11/11/15	DET-HERMINGHAUS	REPORT 1511-0773	16min.
11/11/15	DET. HERMINGHAUS	REPORT 1511-0774	16min.
11/11/15	DET. HERMINGHAUS	REPORT 1511-0775	16min.
11/11/15	DET. HERMINGHAUS	REPORT 1511-0776	16min

Certification:

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

Prepared by: J. HERMINGHAUS

Title: DETECTIVE

Date: 11/11/15

Signature:

TIME LOG

CITY OF: SOUTH LAKE TAHOE

DEPARTMENT: DETECTIVES

PROCESS: CHILD CRIMES

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
11/11/15	DET HERMINGHAUS 1506-2096	PHONE CONTACT WITH VICTIMS MOTHER	36MIN
11/11/15	DET HERMINGHAUS 1504-0315	PHONE CONTACT TO SET UP INTERVIEW WITH VIC	16MIN
11/11/15	DET HERMINGHAUS	CASE REVIEW, BACKGROUND OPEN CASE	6MIN
11/11/15	DET HERMINGHAUS	CASE REVIEW #1166 FORM BACKGROUND, OPEN CASE	16MIN
11/11/15	DET. HERMINGHAUS	CASE REVIEW	6MIN
11/11/15	DET. HERMINGHAUS	CASE REVIEW, BACKGROUND OPEN CASE	26MIN
11/11/15	DET. HERMINGHAUS	CASE REVIEW, BACKGROUND	6MIN
11/11/15	DET. HERMINGHAUS	CASE REVIEW, BACKGROUND	6MIN.
11/11/15	DET. HERMINGHAUS	CASE REVIEW, BACKGROUND	6MIN.
11/11/15	DET. HERMINGHAUS	CASE REVIEW, BACKGROUND	6MIN
11/11/15	DET. HERMINGHAUS	CASE REVIEW, BACKGROUND	6MIN
11/11/15	DET. HERMINGHAUS	CASE REVIEW, BACKGROUND	6MIN
11/11/15	DET. HERMINGHAUS	CASE REVIEW, BACKGROUND	6MIN
11/11/15	DET. HERMINGHAUS	REPORT 1510-0767	36MIN.

Certification:

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

Prepared by: DET. JAKE HERMINGHAUS

Title: DETECTIVE

Date: 11/11/15

Signature:

TIME LOG

CITY OF: SOUTH LAKE TAHOE
DEPARTMENT: DETECTIVES
PROCESS: CHILD ABUSE

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
11/16	DET. HERMINGHAUS	CHILD ABUSE CLASS	~~8~~
11/17	DET HERMINGHAUS	CHILD ABUSE CLASS	8
11/18	DET. HERMINGHAUS	CHILD ABUSE CLASS	8
11/19	DET. HERMINGHAUS	CHILD ABUSE CLASS	8
11/20	DET. HERMINGHAUS	CHILD ABUSE CLASS	8
11/21	DET. HERMINGHAUS	CHILD ABUSE CLASS	8

Certification:

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

Prepared by: HERMINGHAUS 191
Title: DETECTIVE
Date: 11/21/15
Signature:

TIME LOG

CITY OF: S LAKE TAHOE

DEPARTMENT: DETECTIVES

PROCESS: CHILD ABUSE

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
11/24/15	DET. HERMINGHAUS	FU W/ VICTIM OF 288 1509-1505	46 min.
11/24/15	DET. HERMINGHAUS	FU W/ PHYSICIAN REF 288 1509-1642	16 min.
11/24/15	DET. HERMINGHAUS	REPORT CASE 203 PC 1511-1504	4hr.
11/24/15	DET. HERMINGHAUS	FU WITH CPS REF 1509-1086	36 min.
11/24/15	DET. HERMINGHAUS	FU WITH CPS REF LOCATION OF SUSPECTS	36 min.
11/24/15	DET. HERMINGHAUS	FU WITH VIC FATHER 288.7 PC	6 min.
11/24/15	DET. HERMINGHAUS	FU WITH [redacted] 1509-1086	6 min.
11/24/15	DET. HERMINGHAUS	FU WITH SUSP. BACKGROUND ON 288.7 PC CASE	1hr.
11/24/15	DET. HERMINGHAUS	CALLED VICTIM. REF 261.5	6 min.
11/25/15	DET HERMINGHAUS	REPORT FOR 273a CASE DOJ BCIS FORM 8583 SUPERVISOR APPROVAL	60 min. [redacted]
11/25/15	DET. HERMINGHAUS	REPORT FOR [redacted].261.5b. & SUSP. CONTACT	1.36 hr.
11/25/15	DET. HERMINGHAUS	211 OF 16 rom, FRENO FACEWUP	3 hr.
12/1/15	DET. HERMINGHAUS	PHONE INTERVIEWS 288 @ SCHOOL	2 hr.
12/1/15	DET. HERMINGHAUS	PHONE CONSULT WITH CPS REF 288	26 min.

Certification:

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

Prepared by: J. HERMINGHAUS

Title: DETECTIVE

Date: 12/1/15

Signature: [signature]

TIME LOG

CITY OF: _____

DEPARTMENT: _____

PROCESS: _____

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
11/26	DET. HERMINGHAUS	VACATION	
11/27	DET. HERMINGHAUS	VACATION.	

Certification:

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

Prepared by: DET. HERMINGHAUS

Title: DETECTIVE

Date: 12/22/15

Signature: _____

TIME LOG

CITY OF: SOUTH LAKE TAHOE PD

DEPARTMENT: DETECTIVES

PROCESS: CHILD ABUSE

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
12/1	DET. HERMINGHAUS	CPS REFERAL ON 273a	36min.
12/1	DET. HERMINGHAUS	TALKED TO SCHOOL REFERANCE LOCATION OF 273	12min
12/1	DET. HERMINGHAUS	FU REF 290	36min
12/1	DET. HERMINGHAUS	CALL OF CHILD PORNOGRAPHY CASE FROM SRO	30min
12/1	DET. HERMINGHAUS	FU WITH SRO FROM NEV. REF. 273/288.	36min.
12/1	DET. HERMINGHAUS	FU @ HIGH SCHOOL 243e1 PC INTERV.	1hr
12/1	DET. HERMINGHAUS	FU WITH CPS REF 288. & WITH SCHOOL	1hr.
12/2	DET. HERMINGHAUS	261.5CDJ INVESTIGATION TYPING. REPORT	2hr.
12/2	DET. HERMINGHAUS	MISSING JUVENILE FOLLOW UP. REPORT	46min
12/2	DET. HERMINGHAUS	288 VICTIM PHONE CALL. SET UP INTERVIEW	16min.
12/2	DET. HERMINGHAUS	286 REPORT	1hr 16min.
12/2	DET. HERMINGHAUS	288 OF VIC. REPORT IMPUT, CASE REVIEW	36min
12/2	DET HERMINGHAUS	FU WITH CPS REF. NEGLECT CASE	36min
12/2	DET. HERMINGHAUS	SUSPECT BACKGROUND 288/286	16min.

Certification:

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

Prepared by: DET. JAKE HERMINGHAUS

Title: Detective

Date: 12/2/15

Signature: [signature]

TIME LOG

CITY OF: SOUTH LAKE TAHOE
DEPARTMENT: DETECTIVES
PROCESS: CHILD ABUSE

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
12/2	DET. HERMINGHAUS	CPS REFERAL / SUSP. BACKGROUND	1hr
12/2	DET. HERMINGHAUS	INTERVIEW WITH 288 VIC. & BACKGROUND	2½hr.
12/10	DET. HERMINGHAUS	CASE REVIEW & BACKGROUND 273a	30min
12/10	DET. HERMINGHAUS	CASE REVIEW & BACKGROUD 11166	26min.
12/10/15	DET. HERMINGHAUS	CASE REVIEW & BACKGROUN	30 min.
12/10/15	DET. HERMINGHAUS	PHONE INTERVIEW WITH 273a REPORT	46min.
12/10/15	DET. HERMINGHAUS	SURVEILLANCE ON 288 SUSP. RESIDENCE	1hr.
12/10/15	DET. HERMINGHAUS	CASE REVIEW & BACKGROUND 288	46min
12/10/15	DET. HERMINGHAUS	CASE REVIEW & BACKGROUND	36min
12/10/15	DET. HERMINGHAUS	REPORT 273a	2hr. (I don't use reserved hrs)
12/10/15	DET. HERMINGHAUS	FOLLOW UP ON 273a INVEST.	4hr.

Certification:

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

Prepared by: HERMINGHAUS 1010
Title: DETECTIVE
Date: 12/10/15
Signature: [signature]

TIME LOG

CITY OF: SOUTH LAKE TAHOE
DEPARTMENT: Detectives
PROCESS: CHILD ABUSE

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

DATE	NAME/TITLE	ACTIVITY	AMOUNT OF TIME
12/3	DET. HERMINGHAUS	FOLLOW UP 24502 CASE	10
12/4	DET. HERMINGHAUS	SEARCH WARRANT 24502	4
12/4/15	DET. HERMINGHAUS	SEARCH WARRANT SERVICE	2
12/4/15	DET. HERMINGHAUS	REPORTS 24502 CASE	8.

Certification:

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

Prepared by: HERMINGHAUS 140
Title: Detectives
Date: 12/4/15
Signature:

Your email below is a bit puzzling as you are referring to findings we have not provided. We're still computing our audit findings and the conference call we attempted to set for this week was simply an informational discussion to get last pieces of information needed to finalize our computations of preliminary audit findings. At this point, we have not provided the city any write-up of audit findings, so I am unclear to which findings you are referring to. Up to this point, all information provided to the city included only audit status to date.

I believe you were not present at the entrance conference and you may not be understanding the audit process as it was explained in detail during our initiation of the audit. So let me try to clarify the audit process again:

Audit Process

We're still in the fieldwork portion of our audit. Our requests to conduct a conference call is our invitation to have open-forum discussions about where the audit is at the moment. It is also our attempt to ask a few questions and receive information. Once we receive all pieces of information we need to conclude our analysis, we would draft actual preliminary findings for your review. At that point, we'd schedule a second status meeting, where once again, all parties will have a chance to discuss the information presented. Following the second status meeting, the city will have time to provide any rebuttals or additional information as they desire. Following this period, we would schedule an exit conference, which would formally conclude our fieldwork stage. Once a draft report is issued, the city will be given time to provide written response to the audit findings. The city's response will be incorporated into the final audit report and the SCO will address the city's comments in the final audit report.

Sampling of Cases and Testing Results Provided

Your stated that "Your assumption that CPS cases noted in Amy's report require no preliminary investigation to determine if the case was founded or unfounded is inaccurate." This assertion points out that you might be misinterpreting information we provided to the city this far. And this statement more so demonstrates the need to have a conference call to discuss this issue.

The testing results we shared with the city contain no assumptions on anyone's part. We are in full agreement that both CPS and the Police Department can perform preliminary investigations simultaneously, as required by law. However, our testing points out that such activities simply did not take place. As we selected our random sample of cases from three fiscal years, we discovered that very few cases, reported from CPS, actually get investigated by the SLT Police Department. There is no disagreement here whether two agencies can investigate simultaneously or not. The actual cases we sampled and reviewed factually show that preliminary investigation simply did not take place for majority of cases documented in our random sample. And because activities did not take place, the city cannot claim those cases for reimbursement. Our audit analysis does not include any assumptions, estimates, or guesses. Our audit analysis is based on factual data we collect during the audit.

Time Increments and Time Study

-

We are not sure which time study you might be referring to in your email. The time increments claimed for this program were determined to be unallowable, as they did not relate at all to performing any reimbursable activities on the suspected child abuse cases, as described in detail in our status conference narrative on 12/20/16. The supporting documentation, provided by the city, does not contain any time studies performing preliminary investigation activities that include conducting initial interviews. We do have a "2015 Time Study" that the city's consultant provided. We are not sure if this is the time study you are referring to. If this is the case, the "time study" seems to have been used by the consultant to arrive at an average of 30 minute time increment for report writing under the investigation cost component. However, this time study is irrelevant for those cases in which none of the investigative activities took place. And that is another reason why we should hold a status phone conference to address these issues in the open forum discussion.

-

Time Line

-

12/14/16 – first results of the testing emailed to the city in Excel (99 cases reviewed)

12/20/16 – first status phone conference took place to discuss preliminary observations

03/01/17 – updated case sampling results emailed to the PD in PDF (148 cases); requested phone conference to discuss time increments

03/06/17—another update sent to the fiscal department to clarify topics for discussion at the phone conference

Your email suggests that we have not provided the police department adequate time to respond to status we've shared. To be fair, we shared the first results of our testing in December, 2016 and held a phone status conference, in which we explained exactly what we discovered with the first 99 cases we sampled. The second set of testing results (148 cases total) essentially included the same information for additional cases. However, the results of the testing did not drastically change.

Neither of our emails or requests to hold a conference call contained any requests for documentation or required the city to provide any written responses. It would be very premature and inefficient for the city to draft any responses to preliminary issues we've identified this far. As I indicated earlier, we're still in the

process of completing our analysis for this audit and therefore no preliminary findings have been drafted or finalized yet. Having a conference call would clarify many questions your department or PD might have and would assist in moving the audit along in the most efficient manner.

Statutorily, we do have a two-year period to complete the audit. However, this is not a required time frame, if the audit could be completed more efficiently. In fact, in order for the audit to be effective, we're required to conduct it in a timely manner. There are no reasons to delay having a status phone conference to clarify where we stand with audit issues this far.

Outstanding Information

We did not state that we have all of the information needed; rather, we stated that we only need to finalize two outstanding issues and would like to address the time increment issue with Lt. Williams, as he's been involved in this audit from the beginning. First, we wanted to discuss the results of our case sampling once again and also address the allowable time increment for the completing an initial investigation cost component for those cases, in which reimbursable activities actually did take place. We highlighted those cases in yellow in the PDF document we submitted on 03/01/17 and 03/06/17. The conference call would help to understand how much time it took the city to perform preliminary investigation and interviews for those highlighted cases.

Lastly, another outstanding issue is salaries identified as 100% indirect on the ICRP. This issue does not involve the Lieutenant as it deals with the financial aspect of the audit. For the indirect costs, we would primarily be working with the finance department, and for the time increments, the police department. We had stated to Lt. Williams that once we finalize the time increment issue, we do not expect to be requiring anything further from the police department.

We are not attempting to rush through the audit. We have been working at the city's pace and respecting the time frames quoted by the city for providing documents. We are at a point now where there are only a few outstanding questions left. Lt. Williams has had direct involvement with this audit from the beginning, and it would be most effective and efficient for all involved to work with him to finalize the portions of the audit directly relating to police department activities rather than starting over with a new staff person. I believe this has been the goal from the beginning.

Request for Status Conference

At this point, we strongly feel that a status phone conference is necessary to clarify where we stand with this audit. It's imperative that all parties understand what is and is not reimbursable so that the city doesn't waste valuable resources and time preparing rebuttals for something that might be a moot point.

Please provide some dates that will work for the city to have a status phone conference prior to Lt. William's retirement. It will be beneficial for yourself, Lt. Williams, and his replacement Lt. Laney be present for the meeting.

Thank you.

Masha Vorobyova

Audit Manager

State Controller's Office

Division of Audits / Mandated Cost Audits Bureau

Office: (916) 324-5610 / Fax: (916) 324-7223

mvorobyova@sco.ca.gov

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From: Debbie McIntyre [mailto:dmcintyre@cityofslt.us]
Sent: Thursday, March 09, 2017 1:52 PM
To: Brian Williams <bwilliams@cityofslt.us>; Vorobyova, Mariya <MVorobyova@sco.ca.gov>
Cc: Shannon Laney <slaney@cityofslt.us>; Brian Hannink <bhannink@cityofslt.us>; Arghestani, Amy <AArghestani@sco.ca.gov>; AChinnCRS@aol.com
Subject: RE: Information for Telephone Conference

Marsha,

We disagree that you have all the information that you need to finalize this audit. Our PD staff has yet to respond to your earlier findings. Your assumption that CPS cases noted in Amy's report require no preliminary investigation to determine if the case was founded or unfounded is inaccurate.

SLT PD is required by law to investigate all cases forwarded to it, whether or not CPS is also conducting a concurrent investigation. I realize that you do not believe local agency generated cases qualify; however, we have records from CPS proving hundreds of cases that we investigate each year, that you are saying are not investigated because you see a note in the file that CPS is also investigating the case or has originated the case. Our consultant has requested from Amy her excel spreadsheet so that we can review the findings for each case, pull the file and review notes, and then document our agreement or disagreement on each case examined.

We have a time study from 2015 that documents our time and activities for this preliminary investigative process, and are working on indirect vs. direct costs for some job assignments as requested by Amy.

We are aware that you have two years from start of audit date to conclusion, so delaying a month or two should not be an issue.

Lt Williams is not the only person in the Police department who has supervised and is familiar with the Child Abuse Investigative process, so this should not be a factor in rushing though our audit, in a manner that we feel is of determinant to us. We have not yet have had a chance to respond to Amy's earlier material and you are moving forward on other items that we are busy drafting a response to.

We request additional time to address your preliminary findings and to provide additional support for our case.

Thank you.

Debbie McIntyre, C.P.A.

Director of Finance

City of South Lake Tahoe

(530) 542-7402

dmcintyre@cityofslt.us

We will be closed November 24 25 and December 23-January 2

From: Brian Williams
Sent: Thursday, March 09, 2017 1:39 PM
To: 'MVorobyova@sco.ca.gov'
Cc: Shannon Laney; Brian Hannink; Debbie McIntyre; AArghestani@sco.ca.gov
Subject: RE: Information for Telephone Conference

Masha,

Just returned from my meeting & lunch. We will not be able to make the call today. Sorry. We are dealing with a stabbing which just occurred, and will not be available for the rest of today. I will contact you tomorrow. I'll be working 7a-5p

Brian

Lt. Brian Williams

South Lake Tahoe Police Dept.

1352 Johnson Blvd.

South Lake Tahoe, Ca. 96150

(530)542-6130 Desk

(530)208-6250 Cell

From: MVorobyova@sco.ca.gov [mailto:MVorobyova@sco.ca.gov]
Sent: Thursday, March 09, 2017 10:46 AM
To: Brian Williams
Cc: Shannon Laney; Brian Hannink; Debbie McIntyre; AArghestani@sco.ca.gov
Subject: RE: Information for Telephone Conference

Morning Lt. Williams

First of all, congratulations on your upcoming retirement. We realize you're very busy at the moment preparing your team for transition. We appreciate all the time the police department staff devoted to this audit this far. However, we really feel it's imperative to have a brief conference call with you specifically, because you've been part of our fieldwork and testing this far and have a direct knowledge about the issues we already discussed.

Just to clarify, the conference call we proposed for today did not contain any requests or work to be performed on your part or your staff. We simply shared the results of our case testing with you, so that we can both review the information as we talk. The main purpose of the conference scheduled for today was for us to share the final results of our testing of cases and review only a few cases (that we highlighted in yellow in our attachment) to come to a consensus on the time increment for the work documented in those cases. This phone call should not take more than 30 minutes or so and it really was meant to be just an open discussion, no preparation necessary.

This discussion is really the only last item left for the SLT PD to clarify prior to us finalizing our analysis for this audit. We will no longer make additional document request or require involvement of any of the police department staff, following this discussion. So we don't really see it feasible to postpone it any further as it would require us to delay the audit and to a certain extent start all over again with a new contact person, when in reality we have majority of the information we need to concluded this audit.

We'd greatly appreciate if you can find a brief window for us to have this discussion. If today might still work, please let us know as soon as you can. Please let me know by this afternoon what time we can have this information conversation.

I really appreciate it. Thank you so much!

Masha Vorobyova

Audit Manager

State Controller's Office

Division of Audits / Mandated Cost Audits Bureau

Office: (916) 324-5610 / Fax: (916) 324-7223

mvorobyova@sco.ca.gov

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From: Arghestani, Amy
Sent: Thursday, March 09, 2017 10:12 AM
To: Vorobyova, Mariya <MVorobyova@sco.ca.gov>
Subject: FW: Information for Telephone Conference

From: Brian Williams [mailto:bwilliams@cityofslt.us]
Sent: Thursday, March 09, 2017 10:06 AM
To: Arghestani, Amy <AArghestani@sco.ca.gov>; Shannon Laney <slaney@cityofslt.us>; Brian Hannink <bhannink@cityofslt.us>
Cc: Debbie McIntyre <dmcintyre@cityofslt.us>
Subject: RE: Information for Telephone Conference

Amy,

I am afraid we need to postpone our conference call today. The police department is in a significant transition at this time, with my retirement and the promotion of Sgt. Shannon Laney to Lieutenant. I have but 7 more working days to help acquaint Sgt. Laney to his new position. At the same time, he must train his own successor to his prior Administrative Sergeant position. Lt. Laney is just discovering the existence and particulars of this very complex ICAN audit situation. Our records staff is down to just a single tech and a supervisor while we are in the process of hiring more staff. This list could go on, but the point is we are not prepared to cover this ground with you today. We ARE working on this, and we are gathering more information to facilitate your request. The reality however is that we will not be prepared to move forward with this before April, and potentially May, given the high training priorities of the individuals who will be responsible for participating in this audit. Please accept our apology, but we must postpone for some time to get our transitions completed to ensure full and accurate responsiveness.

Lt. Brian Williams

South Lake Tahoe Police Dept.

1352 Johnson Blvd.

South Lake Tahoe, Ca. 96150

(530)542-6130 Desk

(530)208-6250 Cell

From: AArghestani@sco.ca.gov [mailto:AArghestani@sco.ca.gov]
Sent: Wednesday, March 08, 2017 4:05 PM
To: Shannon Laney; Brian Hannink
Cc: Brian Williams
Subject: Information for Telephone Conference

Hello,

In preparation for tomorrow's 2:00 telephone conference, please see the email below that was sent to Lieutenant Williams a few days ago. The email provides a background for the purpose of the call. Attached are the two files mentioned in the email. Specifically, we will be discussing the Excel spreadsheet. Also, if not already done so, please accept the calendar request that was sent yesterday.

Thank so much for your time.

****

Good afternoon Lieutenant Williams,

We wanted to touch base with you regarding the time increments the city claimed for the **"Complete an Investigation for Purposes of Preparing an 8583 Report"** cost component. In the absence of supporting documentation for the time increments claimed, we need your assistance in determining a reasonable increment so that allowable costs can be calculated. If you recall from our December status conference, the time increments claimed were not related to performing an initial investigation of a SCAR. Therefore, the time increments claimed are unallowable and should not have been used to claim costs. For your reference, I have attached a copy of the status conference handout that we discussed.

Our initial objective in performing sampling of the SCAR files was to review the contents in order to help determine a reasonable time increment for performing an initial investigation of a SCAR. As you know, in reviewing the files, we also discovered that the police department investigates very few "other agency generated" SCAR cases each year. Attached are the results of the 148 total cases sampled. The results are similar to those shared at the status conference, where 99 total cases had been sampled at that point. **The cases eligible for reimbursement are highlighted in yellow** (those cases where the SCAR was "other agency generated" and then investigated by the police department). Since there is no sort of time stamping, all we have to go by to determine a time increment are the contents of the files, mainly the narratives. You will see in the attached results that we described in detail, the investigative work performed by the officers. **We would like to schedule a telephone conference with you where we focus on the cases eligible for reimbursement (those in yellow), and using the information contained in the files, discuss what a reasonable average time increment might be to perform an initial investigation of a SCAR.**

I know that you are set to leave for retirement soon. At your earliest possible convenience, please provide a date and time when you are available for a telephone conference. We appreciate your assistance and feedback.

Thank you.

Amy Arghestani

Auditor

State Controller's Office

Division of Audits / Mandated Cost Audits Bureau

Office: (916) 327-0490 / Fax: (916) 324-7223

AArghestani@sco.ca.gov

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EXHIBIT C

City of South Lake Tahoe
Interagency Child Abuse and Neglect (ICAN) Investigation Reports
July 1, 1999, through June 30, 2012
Audit ID #: S17-MCC-0008
SCARs Testing Results Summary

Sample Selection:

Percent of Cases Sampled

FY 2008-09	FY 2009-10	FY 2010-11	Total	Weighted Average
32	66	50	148	11.62%
163	654	457	1,274	
20%	10%	11%		

Percent of "Other Agency" Generated SCARs

FY 2008-09	FY 2009-10	FY 2010-11	Total	Weighted Average
26	54	41	121	81.76%
32	66	50	148	
81%	82%	82%		

Percent of LEA Generated SCARs

FY 2008-09	FY 2009-10	FY 2010-11	Total	Weighted Average
6	12	9	27	18.24%
32	66	50	148	
19%	18%	18%		

Percent of "Other Agency" SCARs Investigated by Police Department

FY 2008-09	FY 2009-10	FY 2010-11	Total	Weighted Average
2	7	3	12	8.45%
26	66	50	142	
8%	11%	6%		

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SCARs Sample Testing for FY 2008-09

p&e is "property & evidence"
SLT is South Lake Tahoe Police
CPS is Child Protective Services

Reimbursable

Count	Case Number	Case on First Two Pages of List?	Copy of SCAR in File?		Who is the Mandated Reporter	Investigating Agency	8583 Form in File	CACI Notice in File?	Type of Reports in File		Number of Police Officer In-Person Interviews	Officer Interview(s) related to a SCAR?	Auditor Notes	Action Taken	Type of Abuse
1	0811-0952	x	√	1	El Dorado CPS	CPS	X	X	CR-1, person profile		None		Evaluated out to Washoe County	closed	neglect
2	0901-3045	x	√	2	El Dorado CPS	CPS	X	X	CR-1, person profile		None		CPS referred to Washoe County and cross reported to SLT	closed, unfounded	general neglect
3	0901-3059	x	√	3	El Dorado CPS	CPS	X	X	CR-1, person profile		None		CPS cross reported to SLT	closed, unfounded	physical
4	0903-1641	√	x		SLT	CPS	X	X	various- CR-1, person profile, p&e, dui, narrative of arrest, supplemental		None		DUI arrest also involving possible injury to child. No SCAR present. SLT cross reported to CPS.	Arrest. closed by CPS	neglect
5	0906-1245	√	x		SLT	none	X	X	CR-1, person profile, p&e, narrative of arrest, dui, supplemental		None		DUI and under the influence arrest involving possible injury to child. No SCAR present. Arrest report recommends forward to DA's office for complaint and CPS	arrest	neglect/injury
6	1003-1190	√	x		SLT	SLT	X	√	various- CR-1, person profile, p&e, narrative of interviews	4	mother, women's center advocate, victim, suspect (2-3 times)	No	Officer's narrative states he received a 11166 PC report involving lewd or lascivious acts with a minor.	investigated, forwarded to DA's office for complaint	abuse
7	0807-1008	x	√	4	El Dorado CPS	CPS	X	X	Cr-1, person profile		None		CPS deemed no immediate risk. Situation stabilized.	Unfounded. Closed by CPS	neglect
8	0807-1011	x	√	5	El Dorado CPS	CPS	X	X	Cr-1, person profile		None		SCAR in file completed by CPS. SCAR states that police were called to a scene where a female was attempting to leave a video store with 2 young children and get in her car while intoxicated. Citizens stopped her from driving off with children in car. An arrest was made. SLT police reported the incident to CPS. CPS in turn cross-reported back to SLT police.	arrest made by SLT police. Case closed by CPS	physical
9	0807-1016	x	√	6	El Dorado CPS	CPS	X	X	None		None		Joint investigation with Nevada CPS. Case originated with Nevada CPS, as child lives part-time in Nevada with the Dad. Nevada referred to El Dorado County CPS. El Dorado CPS cross-reported to SLT. SCAR completed by El Dorado CPS. Closed by CPS - inconclusive, situation stabilized.	Inconclusive, closed by CPS	physical/sexual
10	0808-2584	x	√	7	El Dorado CPS	CPS	X	X	None		None		Originated at School. The school referred to CPS, stating child comes to school dirty and under dressed for the weather. CPS completed SCAR and cross-reported to SLT. CPS found inconclusive for general neglect, unfounded for abuse.	Inconclusive/ unfounded. Closed by CPS	physical
11	0808-2590	x	√	8	El Dorado CPS	CPS	X	X	Cr-1, person profile		None		SCAR in file completed by CPS. SCAR states that based on police report received, father was DUI with 2 yr. old unrestrained in front seat. Suspect arrested. Child released to mother. CPS cross-reported to SLT. Closed by CPS. Inconclusive/situation stabilized.	Inconclusive/ stabilized. Closed by CPS	neglect
12	0808-2594	x	√ (2)	9	Mental Health Worker and El Dorado CPS	CPS	X	X	None		None		First SCAR originated with a mental health worker (MHW?), who cross-reported to El Dorado CPS. El Dorado CPS then completed a 2nd SCAR and cross-reported to SLT police. Reporting party states that a 12 yr. old foster child had sex with an 18 yr. old man in the foster home. CPS did not perform an investigation. No perpetrator and minor's whereabouts unknown. Closed by CPS.	closed by CPS. Evaluated out.	sexual
13	0809-2418	x	√	10	El Dorado CPS	CPS	X	X	Cr-1, person profile		None		Parents of newborn were refusing life-saving medical treatment/diagnosis. CPS got the parents to comply with the doctor's recommendations. Case closed by CPS.	closed by CPS. Evaluated out.	neglect
14	0809-2422	x	√	11	El Dorado CPS	CPS	X	X	None		None		Mandated reporter was mother of child. Mother reported to El Dorado County CPS. El Dorado County CPS completed a SCAR and cross-reported to SLT. Mother states that child reported to her that father kicked, punched, and slapped child during last visit to Tahoe where dad lives. CPS referred out to LA County CPS where child lives with mother.	closed by CPS. Evaluated out.	physical
15	0809-2434	x	√	12	El Dorado CPS	CPS	X	X	Cr-1, person profile		None		CPS social worker witnessed arrest of child's father while visiting the home. Arrested for warrant and possession of controlled substance and paraphernalia. While in the home, the worker noticed the residence to be cluttered and in complete disarray. Concerned the child may come into contact with narcotics. Worker completed SCAR and cross reported to SLT. The case was closed by CPS as inconclusive/unable to locate family.	Inconclusive. Closed by CPS.	neglect
16	0809-2463	x	√	13	El Dorado CPS	CPS	X	X	None		None		This case seems to have originated at school. CPS completed SCAR and cross reported to SLT. Case closed by CPS as unfounded.	Unfounded. Closed by CPS	physical
17	0810-1386	x	√	14	El Dorado CPS	CPS	X	X	Cr-1, person profile		None		SCAR in file completed by El Dorado CPS. SCAR is based on a police report referred by SLT police. SCAR states officers were called to house due to domestic dispute. Husband was angry and drunk and resisted arrest. Two young children in the home. He was arrested and booked. CPS investigated and found that the mother appears to be protecting the children. CPS found Inconclusive-situation stabilized. Closed the case.	Inconclusive/ stabilized. Closed by CPS.	neglect
18	0810-1398	x	√	15	El Dorado CPS	CPS	X	X	None		None		Father of child reported to CPS that the mother's home has mold and is unhealthy. Also reported that grandmother and grandmother's sister smoke marijuana around the child. Both parents have arrest records. CPS evaluated out to family court.	Closed by CPS. Evaluated out to family court.	neglect
19	0810-1766	x	x		SLT	SLT	X	X	Cr-1, person profile, narrative report	3	witness, suspect, victim	No	Narrative states that officer responded to a child abuse report call. Upon arrival, officer was met by the mother of the victim's friend. It seems the friend's mother placed the call. The friend's mother stated that the victim told her son that he was scared to go home because the dad beats him. Officer also spoke to the victim and also the father. Victim turned his story around when speaking with officer. Child was released to the custody of the parents. Narrative states that officer recommends the report be forwarded to CPS for follow-up. No SCAR in file.	forwarded to CPS	physical
20	0810-2436	x	√	16	School Counselor	unknown	X	X	None		None		File is incomplete. Only the SCAR is in the file. Middle School Counselor completed the SCAR and cross reported to CPS. SCAR states child gets physically abused from time to time.	unknown	physical
21	0811-0181	x	x		SLT	SLT	X	X	Cr-1, person profile, narrative report	3	child, mother, father	No	Narrative states that officer was dispatched to residence regarding possible battery. While in route to residence, officer was informed that the caller stated that her father battered her. Upon arrival, 16 yr. old was yelling and screaming at her parents. Parents stated child was arrested the night before. They grounded her and she was trying to leave the house. Father blocked the doorway so she could not leave. She tried to leave anyway. Father carried her upstairs. Child states father pushed her into the wall. Officer found no bruises or evidence she had been pushed into the wall. Officer interviewed child, mother, and the father. Officer recommended forwarding the report to CPS for review. No SCAR in file.	Recommend forward to CPS	emotional
22	0811-0478	√	x	17	Social worker	SLT	X	X	CR-1, person profile, narrative report (initial interviews), supplemental report (follow-up interviews), CR-1, Additional Crimes, Persons, Vehicles	4	child, mother, suspect (mother's boyfriend), social worker	No SCAR in file	No SCAR in file. **Initial Interviews:** Reporter was a social worker at the Boys & Girls club. On 11/6/08 at 4:15 p.m. Officer Crawford was dispatched to the Boys& Girls Club on a report of Lewd or Lascivious Acts with a Minor. Upon arrival, the CPS worker stated that a special education student had reported to him that her mom's boyfriend had inappropriately touched her at home. Officer briefly interviewed the victim. Upon arrival to pick up the child, the officer also spoke with the mother and attempted to speak with the suspect, but could not because the suspect doesn't speak English. The officer found the victim's account of things credible enough and ended up placing the child under protective custody of the CPS worker pending review and follow-up by detectives (see protective custody order in file). **Follow-up Interviews:** On 11/11/08 Detective Herring was assigned the case for follow-up. Detective Herring conducted follow-up interviews with a Women's Ctr. Representative, the CPS worker, and the victim (SART interview) over the course of several days (11/11, 11/13, and 11/18). The detective concluded that there was no specific allegation for the SLT police department to investigate. Recommendations: "None. Documentation only."	None	sexual
23	0811-0940	x	√	18	El Dorado CPS	CPS	X	X	None		None		SCAR states child had argument with father. Father hit her in the mouth because she was talking back. Child has swollen lip. CPS found the case to be unfounded - no immediate risk/situation stabilized.	Unfounded. Closed by CPS	physical

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SCARs Sample Testing for FY 2008-09

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CPS is Child Protective Services

Reimbursable

Count	Case Number	Case on First Two Pages of List?	Copy of SCAR in File?	Who is the Mandated Reporter	Investigating Agency	8583 Form in File	CACI Notice in File?	Type of Reports in File	Number of Police Officer In-Person Interviews	Officer Interview(s) related to a SCAR?	Auditor Notes	Action Taken	Type of Abuse
24	0811-0942	x	√ 19	El Dorado CPS	CPS	X	X	Cr-1, person profile	None		SCAR completed by CPS states that during an assessment, mother admitted to having blacked out when she drinks a pint of Jack Daniels (about once a week). Also admitted to beating up a guy during a blackout. CPS has concerns about the safety of the children and the mother's ability to care for them. CPS opened a "service case" (family court).	Closed by CPS. Referred to family court	neglect
25	0901-3035	x	√ 20	El Dorado CPS	CPS	X	X	Cr-1, person profile	None		SCAR in file completed by El Dorado CPS. SCAR is based on a police report referred by SLT police. SCAR states that officers were called to a dispute that lead to domestic violence. Couple has history of battering. This time, the husband struck the wife. Their baby was in the home at the time. Husband has two rifles. Officer arrested husband and confiscated the two rifles. Referred the wife to the Women's Center. CPS marked the case as "substantiated", opened a "service case", and cross reported to SLT police.	Substantiated by CPS. Opened service case.	neglect
26	0901-3036	x	√ 21	El Dorado CPS	CPS	X	X	None	None		A family member reported to CPS allegations of sexual misconduct committed by mother of 2 children and also that mother is allowing her brother, who is under investigation for sexual abuse, to live in the home with her and her children. CPS found the case "substantiated" and opened a service case. CPS substantiated that the mom failed to protect when she allowed her brother to live in the home. CPS cross reported to SLT.	Substantiated by CPS. Opened service case.	sexual
27	0901-3042	x	√ 22	El Dorado CPS	CPS	√	X	Cr-1, person profile	None		Barton Memorial Hospital reported to CPS injury to child's arm. CPS completed a SCAR and found the case to be substantiated. CPS cross reported to SLT police and also completed and submitted form 8583. CPS later found the case "unfounded" due to the results of a medical examination report. Child returned to mother and CPS dismissed the case.	Substantiated by CPS, but then closed as unfounded	physical
28	0901-3050	x	√ 23	El Dorado CPS	CPS	X	X	Cr-1, person profile	None		CPS found the case "unfounded"- no immediate risk.	Unfounded. Closed by CPS	neglect
29	0901-3064	x	x 24	El Dorado CPS	CPS	X	X	Cr-1, person profile	None		No SCAR in file. Referral form states CPS is the investigating agency and that the case was closed as inconclusive/situation stabilized.	Inconclusive. Closed by CPS.	neglect.
30	0901-3072	x	x 25	School	CPS	X	X	CPS Investigative Report	None		Child Development Center was the original mandated reporter. Filled out and sent Emergency Response Referral Form to CPS and cross reported to SLT police. Child came to school with burn on neck saying his aunt did it. Turned out child bumped wall heater. Unfounded by CPS. Closed.	Unfounded. Closed by CPS	physical
31	0904-0493	√	x	SLT	SLT	X	X	CR-1, person profile, p&e, narrative report, 2 supplemental reports	4 victim, suspect, victim's mother, victim's sister	No SCAR in file	No SCAR in file. Officer responded to a call involving a fight between father and son. Upon arrival, father told officers son had been smoking marijuana the day before and was in trouble. Son said he attempted to leave his room and father told him to go back to bed. Son said father wrestled him to floor and choked him. Father said he was defending himself and wrestled his son to the floor just to restrain him. Child was transported to mother's residence. Officer recommended that the narrative report be reviewed by CPS and DA's Office. A supplemental report was later written documenting that an officer had followed up on this case at the request of the DA's office. During follow-up, Officer phoned victim's mother and interviewed her. Mother confirmed past instances of domestic violence and that father had hit son in the past. Officer also spoke with victim's sister. Officer forwarded supplemental reports to DA's office.	Referred to CPS and DA's Office	physical
32	0904-0656	x	√ 26	Santa Rosa PD	SLT/CPS	√	√	CR-1, person profile, p&e, arrest report, supplemental reports, CPS investigative report	6 victim, suspect, victim's mother, victim's step-mother, 2 witnesses	No	On 4/13/09 SLT PD received a "courtesy report" (not a SCAR) from Santa Rosa PD regarding rape of a 7-8 yr. old girl 7 yrs. Ago. The now teenage victim was seeking counseling services in Santa Rosa where she now lives and shared a story of sexual abuse by her mother's boyfriend when she was 7 and 8 yrs. old and living in S. Lake Tahoe. Between 8/18/09 and 9/4/09, the SLT PD conducted various interviews- victim's step mother, victim, mother, and suspect. On 9/4/09 SLT PD received probable cause to arrest suspect. Officers located suspect and arrested him. Minors in the home included a 6-year old and a set of 2-yr. old twins, who were transferred to the custody of CPS. Officer sent report to detective division to follow up. SLT PD completed a form 8583 (substantiated) and a CACI notice. There were also follow-up interviews conducted in Feb. and March of 2010 of 2 potential childhood witnesses. Forensic examinations did not show signs of sexual abuse. Too much time had passed. The SCAR in the file was completed by CPS on 8/27/09 and cross reported to SLT PD. CPS also conducted their own investigation. CPS closed the case and found allegations of neglect substantiated and of sexual abuse inconclusive.	Substantiated by SLT. Arrest	sexual
			23/32	26/32		2/32	2/32		2/26				
				81% "other agency" is the mandated reporter					8% percent of "other agency" generated SCARs investigated by police department				
Percent of Cases Sampled			32/163	20%									

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SCARs Sample Testing for FY 2009-10

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Reimbursable

Count	Case Number	Case on First Two Pages of List?	Copy of SCAR in File?	Who is the Mandated Reporter	Investigati g Agency	8583 Form in Fil ?	CACI Notice in File?	Type of Reports in File	Number of Police Officer In-Person Interviews	Officer Interview(s) related to a SCAR?	Auditor Notes	Action Taken	Type of Abuse
1	0907-2506	√	x	SLT	SLT	x	x	CR-1, p&e, person profile, narrative of investigation, supplemental report (photos)	4 mother, victim 1, victim 2, (siblings), suspect	No	Officer's narrative states he received a report of a male hitting his step son. Went on scene to investigate. Second officer also arrived. Conducted 4 interviews on the scene. Made an arrest. Forwarded to DA for prosecution.	arrest	abuse/injury
2	0907-2594	x	√	1 El Dorado CPS	CPS	x	x	CPS investigative report	none		Originated at hospital. Referred to CPS. CPS cross reported to SLT. Inconclusive	Inconclusive. closed by CPS	emotional
3	0907-2601	x	√	2 El Dorado CPS	CPS	x	x	CPS investigative report	none		Inconclusive/situation stabilized.	Inconclusive. closed by CPS	neglect
4	0907-2604	x	√	3 El Dorado CPS	CPS	x	x	none	none		Situation inconclusive. CPS Unable to contact family.	Inconclusive. closed by CPS	neglect
5	0907-2610	x	x	4 El Dorado CPS	CPS	x	x	CPS investigative report	none		Originated in SLT Superior Court. Referred to CPS. CPS cross reported to SLT. Unfounded	Unfounded. closed by CPS	physical
6	0907-2612	x	√ (2)	5 SLT Women's Center and El Dorado CPS	CPS	x	x	CPS investigative report	none		Originated with SLT Women's Center. Cross reported to CPS. CPS cross reported to SLT. At first the case was substantiated based on the SCAR originated by SLT Women's Center. CPS opened a "service case". CPS investigation determined case was unfounded and closed it.	Unfounded. closed by CPS	physical
7	0907-3465	x	√	6 El Dorado CPS	CPS	x	x	none	none		Already investigated by another social worker. Parent neglecting to provide dental care to child. Closed. Evaluated out.	closed by CPS	neglect
8	0907-3466	x	√	7 El Dorado CPS	CPS	x	x	none	none		Suspicious circumstances involving unborn child. CPS referred to Barton Hospital and closed. File indicated both CPS and SLT investigated. No evidence investigated by SLT police dept.	closed by CPS	neglect
9	0907-3485	x	√	8 El Dorado CPS	CPS	x	x	none	none		Suspicious circumstances regarding child's behavior at boys & girls club. Acting out sexually. Parents indicated they would "deal with it" at home. CPS evaluated out- determined does not constitute abuse or neglect. Parents will discipline inappropriate behavior.	closed by CPS	sexual
10	0907-3524	x	x	SLT	SLT/CPS	x	x	Emergency Response Referral Information	none		There is an Emergency Response Referral Information form in the file. It appears the victim's mother made a report to the SLT police that her child was propositioned by a 59 yr. old adult male while riding the bus. This individual was later located and arrested. The SLT police is indicated as the mandated reporter on form. This form was sent to CPS. CPS later sent a "disposition" of the case to the SLT police, stating the case does not meet the state requirements for intervention and the family has been referred to mental health services.	referred out by CPS	neglect
11	0908-3050	x	√	9 El Dorado CPS	CPS	x	x	CR-1, p&e, person profile, narrative of arrest, supplemental reports, CPS Investigative Report	4 on scene spoke with 4 individuals. Suspect, one other male, two females	No	8/31/09 SLT responded to a call about loud screams coming from an apartment. Upon arrival, police encountered two intoxicated individuals. There were also two minors in the home. Altercation with police lead to an arrest. Resisting arrest, battery, felony. SLT police notes they forwarded the entire file to CPS. 9/1/09 CPS in turn cross reported to SLT police for some reason. The SCAR in the file was completed by CPS. CPS investigated and found the case unfounded for the Mom and inconclusive for the Dad who was arrested.	closed. arrest	neglect
12	0909-0062	x	x	10 El Dorado Superior Court	CPS	x	x	CPS Investigative Report and Emergency Response Referral Form.	none		Court referred to CPS using Emergency Response Referral Form. Court is listed as the mandated reporter on this form. CPS cross-reported to SLT police. CPS found the case unfounded. No SCAR in the file.	Unfounded. Closed by CPS.	neglect
13	0910-1276	x	√	11 El Dorado CPS	CPS	x	x	CPS Investigative Report	none		CPS determined no immediate risk. Closed.	Unfounded. Closed.	physical/ emotional
14	0910-2229	x	√	12 El Dorado CPS	CPS	x	x	none	none		Originated at elementary school. Referred to CPS. Cross reported to SLT.	Inconclusive. Closed by CPS	physical
15	0911-0966	x	√	13 El Dorado CPS	CPS	x	x	CPS Investigative Report	none		Substantiated by CPS as general neglect - unborn baby. Social worker sent referral to hospital. Closed the case.	substantiated	neglect
16	0911-0967	x	√	14 El Dorado CPS	CPS	x	x	CPS Investigative Report	none		Situation stabilized. Closed by CPS.	Unfounded. Closed by CPS	neglect
17	0911-1045	x	√	15 El Dorado CPS	CPS	x	x	CPS Investigative Report	none		Pregnant juvenile missing school. Suspected of smoking pot. Closed by CPS. Unfounded.	Unfounded. Closed by CPS	neglect
18	0911-1047	x	√	16 El Dorado CPS	CPS	x	x	CPS Investigative report	none		CPS narrative cites a police report from 2008 where mother was caught with meth. Known meth user. Custody warrant was written and granted. CPS closed this case and opened a "service case" where mother is now seeking services and making progress.	Substantiated by CPS. Closed by CPS	neglect
19	0912-0082	√	x	SLT	SLT	x	x	DUI, p&e, person profile, additional crimes, persons, & vehicles	none		Suspect pulled over for erratic driving. DUI and drugs arrest. Possible injury to child- 2 yr. old in back seat, no car seat.	arrest	abuse/injury
20	1001-0532	x	√	17 El Dorado CPS	CPS	x	x	CPS Investigative report	none		Case originated at school. Referred to CPS. CPS cross reported to SLT. CPS determined the case is unfounded.	Unfounded. Closed by CPS.	neglect
21	1001-0533	x	√	18 El Dorado CPS	CPS	x	x	none	none		CPS states allegations did not constitute specific abuse or neglect.	Evaluated out. Closed by CPS	neglect/ emotional
22	1002-1571	√	√	SLT	SLT	x	√	CR-1, p&e, person profile, narrative of arrest, supplemental reports (lewd & lascivious acts with a minor)	3 suspect, victim's mother, victim	No	SLT police received a call about a 20 yr. old male trespassing at hotel. Suspect was previously banned from property by the hotel security. Upon arrival, police found possession of a bong and was with a 14 yr. old female. Suspect and victim had previous sexual relationship. On and off again relationship. Arrested for possession of weapon and vandalism. Police later interviewed suspect in jail for sexual relationship with a minor. Also interviewed the victim's mother at home and the victim at school. SLT police reported to DA's office and completed CACI form and hand-delivered CACI notice to suspect in jail. Also referred to CPS. CPS completed a SCAR and cross reported to SLT police. CPS then closed the case because it was already investigated by SLT police.	Substantiated. Arrest made.	sexual
23	1003-1054	√	√	SLT	SLT	x	√	CR-1, p&e, person profile, narrative of arrest, supplemental reports (oral copulation, sexual intercourse with a minor)	4 victim's mother, victim, suspect 1, suspect 2	Yes	SLT police received a call from victim's mother. Mother stated daughter had been sexually assaulted by adults at a friend's party. SLT police interviewed mother, the victim, and both suspects. Made an arrest of both suspects. Completed CACI forms and delivered the forms to both suspects in jail. SLT police completed SCAR and cross reported to CPS.	Substantiated. Arrest made.	sexual

Count	Case Number	Case on First Two Pages of List?	Copy of SCAR in File?	Who is the Mandated Reporter	In estigating gency	8583 Form	CAC Notic le?	ype of eports in File	Number of Police Officer In-Person Interviews	Officer Interview(s) related to a SCAR?	Auditor Notes	Action Taken	Type of Abuse
24	1003-1282	x	√	19 El Dorado CPS	CPS	x	x	none	none		CPS states no allegations of abuse. Fighting between siblings.	Evaluated out. Closed by CPS.	neglect
25	1003-1283	x	√	20 El Dorado CPS	CPS	x	x	CPS Investigative report	none		Originated with Placerville Police Department. Referred to CPS. CPS cross reported to SLT police. CPS closed as unfounded.	Unfounded. Closed by CPS	neglect
26	1003-1313	x	√	21 El Dorado CPS	CPS	x	x	CPS Investigative Report	none		CPS determined mother protecting children from perpetrator (father). Unfounded for mother. Inconclusive for father.	Unfounded/ Inconclusive. Closed by CPS.	neglect/ physical/ emotional
27	1003-1317	x	√	22 El Dorado CPS	CPS	x	x	CPS Investigative Report	none		CPS determined allegations of general neglect and physical abuse unfounded.	Unfounded. Closed by CPS.	neglect/ physical
28	1004-1845	x	√	23 El Dorado CPS	CPS	x	x	none	none		Reports of parents arguing at home. Divorcing. Case closed by CPS.	Evaluated out. Closed by CPS.	neglect
29	1004-1846	x	√	24 El Dorado CPS	CPS	x	x	CPS Investigative Report	none		Anonymous report to CPS. CPS states allegations of general neglect by mother inconclusive. CPS closed case as inconclusive and situation stabilized.	Inconclusive. Closed by CPS	neglect
30	1005-0178	√	√	SLT	SLT	x	x	Domestic violence arrest report, p&e, person profile, narrative of arrest, supplemental reports	none	No	SLT police received a call about a domestic violence in progress outside an apartment building. Suspect inflicted injury upon a female who was holding a baby. Suspect was arrested for domestic violence and causing possible injury to a child. SLT police sent report to CPS. CPS opened a case as substantiated. CPS conducted investigation. Found case was substantiated against father. CPS completed SCAR form and cross reported to SLT police. CPS closed case. Found situation stabilized.	Substantiated then closed by CPS because found situation stabilized	neglect
31	1006-1336	√	x	25 Hospital	SLT	x	x	CR-1, p&e, person profile, narrative of arrest, supplemental reports (violation of parole and willful cruelty to child)	6 2 witnesses, mother, suspect, 2 contacts	No SCAR in file.	SLT police received a suspicious circumstance call from Barton Hospital. SLT police arrived on scene. Witnessed injury to 8 month old baby. Spoke to victim's mother. Mother indicated father of the baby inflicted the injuries. Suspect later came to hospital where police interviewed him and made an arrest for willful cruelty to child and parole violations. SLT police forwarded report to DA's office, parole department, and CPS for further review and investigation.	Closed. Arrest made.	physical
32	1006-1943	√	√	26 Doctor	SLT	x	x	CR-1, p&e, person profiles, narrative report, supplemental reports (lewd & lascivious acts with a minor, sodomy of a child under 10)	8 2 doctors, child's mother, 2 potential suspects, 3 day care employees, victim's biological father	Yes	SLT police narrative reports states that officer was dispatched to Barton Hospital for a possible sexual assault to a 13 month old. After arriving on scene, officer spoke with doctor and child's mother. There was evidence of sexual abuse. Officers/detectives conducted several interviews and collected evidence over a period of several months. Evidence was sent to DOJ for forensic testing. Several months later, the SLT received a letter form DOJ stating "negative results". The file shows the SLT police performed a CACI search of potential suspects. No matches showed up. The SLT police finally made the case "inactive pending further leads". There is a SCAR in the file that names the emergency room doctor as the mandated reporter; however, it was completed by the officer who originally arrived on scene at the hospital.	Inactive pending further leads	sexual
2nd Round of Sampling Starts Here													
33	0907-2522	√	x	SLT	SLT	x	x	CR-1, p&e, person profiles, narrative report, supplemental reports, additional crimes, persons, & vehicles	6 on-scene: suspect, mother, 1 child, 3 witnesses	No	Officers were dispatched to a residence on a domestic violence/attempted suicide call. Upon arrival, suspect was fleeing the scene. Suspect was eventually apprehended and arrested. Officers conducted on-scene interviews and learned that suspect had a gun and was threatening to kill himself. The call that dispatch got was that someone was holding a gun to his daughter's head. The suspect does not have a daughter, but there were children inside the house. During the husband and wife physical altercation, suspect had picked one of the children up and threw him in the playpen, causing injury to an eye. Suspect then proceeded to threaten to kills himself with a gun. Officers referred this case to CPS. CPS followed up with the mother and child at Barton Hospital where they were taken for injuries. No SCAR in file.	Arrest. Referred to CPS.	Physical
34	0907-2600	x	√	27 El Dorado CPS	CPS	x	x	CR-1, person profile, CPS Investigative Report	none		Father of child complained to social worker at welfare office that the mother of the child (who is 16) and the child are living with him, but that the maternal grandparents are receiving the aid. CPS completed a SCAR and cross-reported to SLT. CPS conducted an investigation. Closed the case as unfounded.	Unfounded. Closed by CPS.	Neglect
35	0907-2614	x	√	28 El Dorado CPS	CPS	x	x	CR-1, person profile	none		Teenager told home visitor she is pregnant but is afraid to tell her step father because he might in turn beat the mother. Home visitor is concerned for child's safety and need for medical care. CPS completed a SCAR and cross-reported to SLT. CPS closed the case as unfounded.	Unfounded. Closed by CPS.	Emotional
36	0908-1301	√	√	29 El Dorado CPS	SLT	√	x	CR-1, p&e, person profiles, narrative report, supplemental reports, SS8583	4 victim, mother, suspect, social worker	Yes	(1) 8/12 SLT police received a call from CPS social worker regarding reports that a 6-year old had been sexually abused by a family member. (2) 8/13 next day, officer arranged for a SART interview at the Women's Center. Both a social worker and the officer interviewed the child. Officer then interviewed the mother. (3) 8/21 interviewed the suspect at the police station. Officer then forwarded to the DA's office for complaint. (4) 8/25 completed an SS8583 report. SCAR in file completed by CPS.	Substantiated by police. Forwarded to DA.	sexual
37	1003-0186	√	√	30 SLT Women's Center	SLT	x	x	CR-1, p&e, person profiles, narrative report, supplemental reports,	7 victim, mother, suspect, social worker, sister, witness, school employee	Yes	(1) 3/3 SLT responded to a report from the SLT Women's Center regarding sexual battery on a juvenile. Officer spoke with the women's center employee and had her complete a SCAR. Officer forwarded the case to the detective division for a complete investigation. (2) 4/6 Officer spoke with victim's adult sister regarding what victim had reported to her. (3) 4/28 Officer/Detective spoke with Women's Center advocate to arrange for a SART interview. (4) 5/12 Officer met with victim and mother at the SART interview. (5) 5/14 Officer spoke with employee at middle school regarding the name of a potential witness. (6) 5/18 Officer went to middle school and spoke with witness and school receptionist. Also spoke with victim and the mother again to clarify dates. (7) 6/14 Officer spoke with suspect via phone and arranged for an interview date. Officer also spoke to the witness again regarding the date of the incident. (8) 6/22 Officer spoke with suspect on the phone again. Suspect said he had retained a lawyer and would not be answering any questions. Officer forwarded the case to the DA's office for complaint.	Police forwarded to DA.	sexual
38	1006-0268	√	x	SLT	SLT	x	x	CR-1, p&e, person profile, narrative report	3 suspect, wife, women's center advocate	No	Officers were dispatched to a domestic violence call in progress. Husband and wife argument became physical when husband hit wife in the face while she was driving with two young children in the back seat. Upon arrival, wife was standing in the driveway of a residence and the husband had left on foot. Officer referred the wife to the Women's Center and forwarded the case to the DA's office for filing and also to the Domestic Violence Desk. Police later located the suspect at work and served him with a restraining order. No SCAR in file.	Closed. Restraining Order served.	n/a
39	0907-2602	x	√	31 El Dorado CPS	CPS	x	x	CR-1, person profile	none		Mother of child told home visitor that family member hit her son. Mother was upset because she has no place to live. Home visitor reported to CPS. CPS completed a SCAR and cross reported to SLT. CPS closed the case as inconclusive.	Inconclusive. Closed by CPS	physical
40	0907-2617	x	√	32 El Dorado CPS	CPS	x	x	CR-1, person profile	none		School completed a SCAR and cross reported to CPS that child's father kicked and spanked him and this is not the first time. CPS then completed a SCAR and cross-reported to SLT. Child was in the other's care for spring break. CPS found the case inconclusive.	Inconclusive. Closed by CPS	physical
41	0907-3480	x	√	33 El Dorado CPS	CPS	x	x	CR-1	none		School reported that juvenile boy inappropriately touching girls at school. This is not the first time. CPS completed SCAR and cross reported to SLT. CPS investigated as "suspicious circumstance", evaluated the case out, and closed.	Closed. Evaluated out by CPS.	sexual
42	0907-3525	x	x	34 El Dorado CPS	CPS	x	x	CR-1, person profile	none		CPS reports on an Emergency Response Referral form that 17 year old juvenile telling an 8 year old juvenile to do sexually explicit things. CPS referred the case out. File says the 17 year old was arrested and is in a juvenile treatment center. No SCAR in file. CPS evaluated the case out and closed.	Closed. Evaluated out by CPS.	sexual
43	0910-1274	x	√	35 Teacher	CPS	x	x	CR-1, CPS Investigative Report	none		A teacher completed a SCAR and cross reported to CPS. The SCAR states that the children's mother expressed concerns to the teacher that her daughter is not being allowed to attend school while with father. Also, father's roommate is a registered child molester, father has driven the children while intoxicated, father openly smokes marijuana, etc. CPS completed an Emergency Response Referral Form and cross reported to SLT. CPS conducted an investigation and found the allegations of general neglect unfounded. Closed the case.	Unfounded. Closed by CPS.	neglect

Count	Case Number	Case on First Two Pages of List?	Copy of SCAR in File?		Who is the Mandated Reporter	In estigating gency	8583 Form	CAC Notic le?	ype of eports in File		Number of Police Officer In-Person Interviews	Officer Interview(s) related to a SCAR?	Auditor Notes	Action Taken	Type of Abuse
44	0910-2230	x	√	36	El Dorado CPS	CPS	x	x	CR-1, person profile		none		SCAR says suspect was arrested for punching his step son. Though suspect was already arrested, the SCAR was completed by CPS and cross-reported to SLT.	Inconclusive. Closed by CPS.	physical
45	1001-0534	x	√	37	El Dorado CPS	CPS	x	x	CR-1, person profile, CPS Investigative Report		none		Reporting party is mother's roommate. The roommate reported to CPS that mother neglects child and uses drugs and alcohol. CPS completed SCAR and cross reported to SLT. CPS went to the residence many times attempting to contact the mother. CPS closed the case as inconclusive after not being able to contact the family.	Inconclusive. Closed by CPS	neglect
46	1003-1280	x	√	38	Teacher & El Dorado CPS	CPS	x	x	CR-1		none		Reporting party is child's teacher. The teacher reported to CPS that child continually comes to school in clothes smelling of cat urine. CPS has received several referrals already. CPS completed SCAR and cross-reported to SLT.	Evaluated out and closed by CPS.	neglect
47	1003-1284	x	√	39	El Dorado CPS	CPS	x	x	CR-1, person profile, CPS Investigative Report		none		Unknown reporting party reported to CPS that child disclosed to them that dad hit mom and threw her across the room. Child also stated that dad left the home for good. CPS completed a SCAR and cross reported to SLT. CPS conducted an investigation and closed as unfounded, as the father is out of the home.	Unfounded. Closed by CPS.	neglect
48	1003-1308	x	√	40	El Dorado CPS	CPS	x	x	CR-1, person profile		none		Unknown reporting party reported to CPS that child told her that "grandmother spanked her in the head and moth". CPS completed a SCAR and cross-reported to SLT. There is a CPS history with mother and father. Mother lives in Fresno, there is a CPS case there. El Dorado CPS closed the case and evaluated out to Fresno CPS.	Closed by CPS. Evaluated out.	physical
49	1003-1318	x	x	41	El Dorado CPS	CPS	x	x	CR-1, person profile		none		Unknown reporting party reported to CPS that they overheard the mother speaking with the father on the phone when she stated that she did not want her son anymore and if the father could give her some money in exchange for the son. Mother also stated that the landlord kicked her out and she has no place to live. Reporting party says she was kicked out because she uses drugs. CPS completed an Emergency Response Referral Form and cross reported to SLT. This case is already under investigation, so CPS closed the case and evaluated out.	Closed by CPS. Evaluated out.	neglect/ physical
50	1004-1844	x	√	42	El Dorado CPS	CPS	x	x	CR-1, person profile, CPS Investigative Report		none		Unknown reporting party reported to CPS that dad dresses daughter very provocatively. Father does not feed the children and talks bad about the mother. CPS completed a SCAR and cross reported to SLT.. CPS conducted an investigation and closed as unfounded.	Unfounded. Closed by CPS.	neglect
51	1004-1847	x	√	43	El Dorado CPS	CPS	x	x	CR-1, person profile, CPS Investigative Report		none		Unknown reporting party reported to CPS that father picked up from and drove children to school without a car seat. Reporting person called this to father's attention, but he did not seem to care. CPS completed a SCAR and cross reported to SLT. CPS investigated and closed the case as unfounded.	Unfounded. Closed by CPS.	neglect
52	1004-2466	x	x		SLT	SLT	x	x	CR-1, person profile, narrative report, supplemental report	1	mother	No	Officer was dispatched to a residence regarding a report of possible child molestation. Upon arrival, mother explained to officer her suspicions of possible child molestation by the father. The mother and father now live in Tahoe, but at the time of the suspected molestation, they were living in Syracuse, NY. After interviewing the mother, officer forwarded to detectives. The case was then forwarded to the Syracuse NY police department for their review.	Closed. Forwarded to NY PD	sexual
53	0907-2605	x	√	44	El Dorado CPS	CPS	x	x	CR-1, person profile, CPS Investigative Report		none		Anonymous report called into CPS that there are drugs and paraphinallia all over the house that are accessible to a two-year old. CPS completed a SCAR and cross reported to SLT. CPS conducted an investigation and found this to be a false claim made in retaliation. Case closed as unfounded.	Unfounded. Closed by CPS.	neglect
54	0907-3468	x	√	45	El Dorado CPS	CPS	x	x	CR-1, person profile		none		Several subjects found to be at an under age party. CPS completed SCAR and cross reported to El Dorado County Probation Department. CPS closed case- evaluated out to probation.	Closed. CPS evaluated out to probation.	neglect
55	0908-2559	x	√	46	El Dorado CPS	CPS	x	x	CR-1, person profile, CPS Investigative Report		none		Unknown reporter tells CPS that daugher has bad lice bottle rot and mother is doing nothing about it. Mother is using drugs again as well and is living in bay area. Father has custody of daughter only half the time and lives in Tahoe. Though mother is on probation in bay area, she was potted in Tahoe. CPS completed a SCAR and cross reported to SLT. CPS conducted an investigation - mother is back in Hayward with the child. CPS referred the case to Alameda CPS.	Closed. CPS evaluated out to Alameda CPS.	neglect
56	0909-0063	x	x		unknown	unknown	x	x	CR-1, person profile		none		Nothing in file.	unknown	neglect
57	0909-2714	√	x		SLT	SLT	x	x	CR-1, person profile, narrative report, supplemental arrest report, other supplemental report, p&e	5	father, mother, victim 1, victim 2, suspect	No	Child's father reported to SLT police of possible molestation of his 7 year old daughter by his 27 year old cousin, who had been living with him, his wife, and daughter. Officer went to apartment and interviewed the father and the mother. Officer also spoke with mother's sister, who has a 9 year old daughter. The sister also reported that her daughter made the same molestation complaints against the cousin. Another officer arrived on scene and collected basic personal information from the two victims. At this time, the officer determined that the suspect committed the acts. Officer forwarded the information to the Detective Division for review & follow up. Detectives then reviewed the case and conducted SART interviews of both victims. Suspect was later arrested and booked. Officers conducted an interview of the suspect after he was arrested. Forwarded case to DA's office for complaint. No SCAR completed.	Arrest made. Forwarded to DA's office.	sexual
58	0911-0964	x	√	47	El Dorado CPS	SLT	x	x	CR-1, CPS Investigative Report	1	mother	Yes	Per CPS' Investigative Report, Barton Hospital reported to CPS that a mother had been in the hospital seeking treatment for hand saying she needed pills. Hospital thought she was "tweaking". CPS then called SLT police seeking assistance with the investigation. The Sergeant immediately went to the residence and spoke with the mother. She has carpel tunnel and wanted treatment. Sergeant found no evidence that she was under the influence of any substance and that her wrist did appear to be badly swollen. CPS completed the SCAR and cross reported to SLT. CPS later conducted their own investigation with a home visit. CPS closed the case as unfounded.	Unfounded by police. Unfounded by CPS.	neglect
59	0911-0968	x	√	48	Washoe County CPS/El Dorado CPS	CPS	x	x	CR-1, person profile, CPS Investigative Report		none		Washoe County (Nevada) CPS referred a case to El Dorado County CPS, as the parents recently moved to SLT. Washoe County CPS could not investigate before they moved. El Dorado CPS completed a SCAR and forwarded to SLT. Washoe County reported that four-year old son is missing a patch of hair on his head. El Dorado CPS made a home visit to investigate and determined it was accidental and not intentional. Closed the case as unfounded.	Unfounded. Closed by CPS.	neglect
60	0911-1048	x	√	49	El Dorado CPS	CPS	x	x	CR-1, person profile, CPS Investigative Report		none		Unknown reporter reported to CPS that a 17 year old was pregnant by her 17 year old boyfriend and the mother was allowing the boyfriend to live in the apartment. CPS completed a SCAR and cross reported to SLT. CPS conducted an investigation and found the boyfriend is actually 22 years old. CPS determined the allegation of general neglect is founded. CPS drew up a family safety plan and had the mother and daughter sign. Situation stabilized.	Substantiated by CPS. Situation stabilized.	neglect
61	1001-0531	x	√	50	El Dorado CPS	none	x	x	CR-1, person profile		none		Per the SCAR, an unknown reporter reported to CPS that a nine year old boy from a CPS case in Placerville is a victim of father's abuse. Children are now living with grandparents. SCAR in file completed by CPS and cross reported to SLT. No documentation of an investigation by CPS or any other agency.	unknown	emotional/ neglect
62	1002-1571	√	x		SLT	SLT	x	√	CR-1, person profile, narrative report, supplemental arrest report, other supplemental reports, p&e, CACI form	3	suspect, victim, victim's mother	No	Officers were called to Marriott Timberlodge regarding an individual tresspassing. Upon arrival, hotel security handed over 20 year old male who had already been banned from the property. He had two outstanding warrants, was in posession of a weapon (blade), and was vandalizing the property with friends. One of those friends was his 14 year old girl friend. Through questioning, police learned he had a sexual relationship with girlfriend. Suspect was arrested and booked. Three days after arrest, CPS completed a SCAR and cross reported to SLT. PD forwarded case to Detective Bureau (Child Crimes) for interview and investigation. Many follow-up interviews were conducted. SLT PD completed a CACI form and forwarded to DOJ and also delivered a CACI notification to suspect in jail.	Arrest.	sexual
63	0907-3464	x	√	51	El Dorado CPS	none	x	x	CR-1, person profile		none		CPS worker received a sworn statement from a mother that she has no permanent address and moves around to different friend's places. CPS worker completed a SCAR, citing concern for the child with the mother moving around on a nightly basis. CPS history in Placerville. El Dorado CPS closed and evaluated out.	Closed. Evaluated out.	neglect
64	0911-1043	x	√	52	Barton Hospital/El Dorado CPS	CPS	x	x	CR-1, person profile, CPS Investigative Report		none		CPS Investigative Report states that mandated reported (Barton Hospital) called, stating that a woman had been brought in with injuries to her face, neck, and jaw. Hospital was suspicious that she was beat-up (domestic violence). Police had been called to the back of a casino where the woman was found in a tank top. Police called an ambulance, which took her to the hospital. At the hospital, woman denied domestic violence and stated she fell on ice. CPS completed a SCAR, as there are two children in the home. SCAR cross reported to SLT. CPS conducted an investigation and closed the case as inconclusive.	Inconclusive. Closed by CPS.	neglect

Count	Case Number	Case on First Two Pages of List?	Copy of SCAR in File?	Who is the Mandated Reporter	In estigating gency	8583 Form	CAC Notic le?	ype of eports in File		Number of Police Officer In-Person Interviews	Officer Interview(s) related to a SCAR?	Auditor Notes	Action Taken	Type of Abuse
65	0912-2101	√	x	Barton Hospital	SLT	x	x	CR-1, p&e, person profiles, narrative report, supplemental reports		Initial: (4) neighbor, nurse, mother, father, Follow-up: 6	Yes	Police received a suspicious injury report from hospital staff regarding an infant that was brought in with head & skull injuries. (1) Officer first went to known residence looking for the parents. They were not there. Officer spoke with a neighbor, who is a relative. Officer then learned the parents were at the hospital with the child. Officer went to hospital to conduct initial interviews. Officer interviewed the on-duty nurse, the mother (2 times), and the father (2 times). At this point, officer notes that there was enough information and evidence present to show possible evidence of criminal activity. Officer forwarded information to the detective division for follow-up, forwarded to CPS, and placed the baby into the protective custody of hospital staff. (2) Supplemental Reports/investigations: Officers interviewed grandmother (maternal), treating doctor, the mother, the father (suspect), grandfather (paternal), lawyer. Detectives eventually determined the baby's injuries werelikely intentionally caused by the father. Case forwarded to DA's office for review.	Substantiated by police. Forwarded to DA.	physical
66	1005-0341	√	x	El Dorado CPS	SLT	x	x	CR-1, p&e, person profiles, narrative report, supplemental reports		victim, W1, W2, W3	Yes	5/5/10 SLT PD was contacted by a CPS worker at the high school asking for assistance with a report of abuse. That same day, officer interviews victim at school. Victim says she is abused by mother's boyfriend and sometimes the mom. 5/6/10 Officer interviews 3 witnesses (victim's friends) at school: one at 10:50, another at 11:05, and the third at 11:25. After the third interview, officer and CPS worker determine that victim should be removed from the home and from the parents until a thorough investigation is conducted. Case forwarded to Detective and CPS. The Detective later followed up on this case with the CPS worker, and the suspect had fled to Mexico and the mother could not be located. Forwarded to DA's office for review. No SCAR in file.	Forwarded to DA's office	physical/ sexual

			53						4					
			54											

			50	54		1	3			7				
			66	66		66	66			66				

				82%						11%				
				"other agency" is the mandated reporter						percent of "other agency generated" SCARs investigated by police department				

Percent of Cases Sampled		66	10%											
		654												

City of South Lake Tahoe
Interagency Child Abuse and Neglect (ICAN) Investigation Reports
July 1, 1999, through June 30, 2012
Audit ID #: S17-MCC-0008

p&e is "property & evidence"
SLT is South Lake Tahoe Police
CPS is Child Protective Services

SCARs Sample Testing for FY 2010-11

Reimbursable

Count	Case Number	Case on First Two Pages of List?	Copy of SCAR in File?	Who is the Mandated Reporter	Investigating Agency	8 3 m in e?	C CI ce in le?	pe of eports n File	Number of Police Officer In-Person Interviews	Officer Interview(s) Related to a SCAR?	Auditor Notes	Action Taken	Type of Abuse
1	1007-2312	x	x	1 El Dorado County Employee	CPS	x	x	CPS Investigative report	None		Mandated reporter is an employee of El Dorado County. Referred suspected neglect to CPS. There is an Emergency Response Referral form completed by CPS in the file. No SCAR. Case was closed by CPS as unfounded.	Unfounded. Closed by CPS	neglect
2	1007-2327	x	√	2 El Dorado CPS	CPS	x	x	CPS Investigative report	None		Anonymous reporter. CPS completed SCAR and cross reported to SLT. Case was closed by CPS as unfounded.	Unfounded. Closed by CPS	neglect
3	1007-2347	x	√	3 El Dorado CPS	CPS	x	x	CPS Investigative report	None		Reporter was a mediator. CPS completed SCAR and cross reported to SLT. CPS determined this is a family law matter (custody battle). Case was closed by CPS as unfounded/no immediate risk/situation stabilized.	Unfounded. Closed by CPS	neglect
4	1007-2359	x	√	4 El Dorado CPS	CPS	x	x	CPS Investigative report	None		High School reported to CPS suspected child abuse. CPS completed SCAR and cross reported to SLT. Case was closed by CPS as inconclusive/situation stabilized.	Inconclusive. Closed by CPS	physical/ emotional
5	1007-3424	x	√	5 El Dorado CPS	CPS	x	x	CR-1, person, p&e, officer narrative, supplemental, CPS Investigative report	2 suspect, witness	No	7/31/10 Officer was dispatched to a report of possible child abuse. Neighbor called police after seeing child wandering street by himself. Mother later came out and disciplined (hit) the child for playing in the street. Officer interviewed the witness and the mother and determined no crime occurred. Officer documented the call and referred to CPS. CPS completed a SCAR and cross reported back to SLT PD. CPS conducted an investigation and found the case substantiated for general neglect. Minor taken into custody.	Substantiated by CPS as general neglect	neglect
6	1009-0043	x	√	6 El Dorado CPS	CPS	x	x	CPS Investigative report	None		Anonymous party reported to CPS that they witnessed father trafficking drugs out of apartment. CPS completed SCAR and cross reported to SLT. CPS investigated and determined unfounded for general neglect.	Unfounded. Closed by CPS	neglect
7	1009-1115	√	√	7 El Dorado CPS	CPS	x	x	CR-1, person, p&e, arrest report, narrative, supplemental reports, CPS Investigative report	5 victim, victim's sister, witness, mother, father	No	9/12/10 Officers were dispatched to a report of 9-year old boy left stranded on the beach by himself. The caller was a passerby whom the boy asked if she could call his house to see when his parents would pick him up. Upon arrival, officers interviewed the child and the caller. Child said his parents dropped him off at the beach so they could go on a boat with friends. He had been there all day by himself. Officers also leaned there was a 10-year old sister at home by herself. Officers took both children into custody. CPS later picked the children up from police station. Officers later found parents at the beach. Interviewed both parents. Arrested both of them and took into custody. Officer's narrative states the case was forwarded to DA for prosecution and CPS for review. CPS opened a service case and completed a SCAR.CPS cross reported the SCAR to SLT. CPS performed investigation and found severe neglect to be substantiated. Referred to the courts.	Substantiated by CPS as severe neglect. Referred to courts.	neglect
8	1009-1848	x	x	n/a	SLT	x	x	CR-1, person, p&e, narrative report,	2 father, school	No	Father who lives in San Diego contacted SLT PD and asked them to do a welfare check on his children. Father is in Tahoe to visit and suspects mother is using meth. Officers go to mother's residence. She is not there. Officers go to local middle school to see if children are enrolled. They are not. Mother may be living in Reno. Officers recommend father contact CPS. Officers forward case to CPS for further investigation. No SCAR in file.	SLT forward to CPS	neglect
9	1010-0549	√	√	SLT	SLT	x	x	CR-1, person, p&e, arrest report, narrative, supplemental reports, forensic medical report	5 father, mother, victim, suspect, older sister	Yes	Older adult sister contacted SLT PD regarding sexual assault of her younger brother (6 yrs.) by an older brother (15 yrs.). The mother had instructed the daughter not to contact the police. The daughter did any way because it was the right thing to do. Police department conducted an investigation, including SART interviews. Police arrested the older brother and booked him into juvenile hall. SLT completed a SCAR and cross reported it to CPS.	Arrest.	sexual
10	1010-1776	x	√ (2)	8 Teacher and CPS	CPS	x	x	CPS Investigative report	None		First mandated reporter was a middle school teacher. Teacher completed a SCAR and cross reported to CPS. Teacher was concerned child was being left home alone too often with no supervision. CPS also completed a SCAR and cross reported to SLT. CPS conducted an investigation and found the case unfounded for general neglect.	unfounded. Closed by CPS	neglect
11	1011-0542	√	√	9 El Dorado CPS	CPS	x	x	CPS Investigative report	None		CPS received a SLT police report regarding a domestic violence arrest. The arrest reports are also in the file. CPS opened a service case, as there is a 1.5 yr. old child in the home. CPS completed SCAR and cross reported to SLT. CPS conducted an investigation. Substantiated for severe neglect by father and general neglect by mother. Custody warrant issued.	Substantiated by CPS. Custody warrant issued	neglect
12	1011-1924	x	√ (2)	10 Mental Health Worker and CPS	CPS	x	x	CPS Investigative report	None		First mandated reporter was a mental health worker. Worker completed a SCAR and cross reported to CPS. Child reported to worker that dad grabs her and kicks her. CPS also completed a SCAR and cross reported to SLT. CPS conducted an investigation and found the case unfounded for abuse. Referred the parents to parenting classes.	unfounded. Closed by CPS	neglect
13	1011-1945	x	√ (2)	11 Teacher and CPS	CPS	x	x	None	None		First mandated reporter was a teacher. The teacher completed a SCAR and cross reported to CPS. Child reported to teacher conflicting stories as to how he got a black eye. CPS also completed a SCAR and cross reported to SLT. CPS closed the case and evaluated out.	Closed by CPS. Evaluated out	physical
14	1011-1948	x	√ (2)	12 Neighbor and CPS	CPS	x	x	None	None		First reporter was a library assistant (and neighbor). The neighbor completed a SCAR and cross reported to CPS. Neighbor reported that child lives across the street from her with mother and live-in boyfriend. The boyfriend was loud and drunk for most of the night before. CPS also completed a SCAR and cross reported to SLT. CPS closed the case and evaluated out.	Closed by CPS. Evaluated out	neglect
15	1011-2089	x	x	n/a	n/a	x	x	Arrest reports	Numerous during arrest	No	Hotel management called police regarding violent fight among family members. Police arrived at the scene and arrested 30 yr. old suspect who had wielded a knife at a juvenile family member. Suspect was showing signs of mental instability. Suspect's father got involved and tried to stop officers from arresting his son. After a struggle, officers needed up arresting suspect as well as suspect's father. There were a total of 4 minor children in the hotel suite. After arrest, the SLT PD issued an Emergency Protective Order (EPO) for the family members, as they feared what suspect would do after being released from jail. The police report states that the case was forwarded to the detective division and also to mental health.	Arrest	n/a
16	1012-0966	x	√ (2)	13 Housing Advocate and CPS	CPS	x	x	CPS Investigative report	None		First reporter was a bilingual housing advocate. The housing advocate completed a SCAR and cross reported to CPS. Advocate reported that mother disclosed her son had been acting out sexually. Son was being exposed to things while around father. Housing staff noticed child acting aggressively. CPS also completed a SCAR and cross reported to SLT. CPS conducted an investigation and noted unfounded for sexual abuse and substantiated for general neglect.	unfounded by CPS for sexual abuse, substantiated for general neglect.	sexual/ neglect
17	1012-1766	x	√	14 El Dorado CPS	CPS	x	x	CPS Investigative report	None		Mother called CPS asking for assistance. She has been unable to provide clothing for her children. A couple of months prior, CPS had received a call that mother was using drugs and not taking care of the children. CPS completed SCAR and cross reported to SLT. CPS investigated and referred mother to services. Tried to follow up and cannot locate her. CPS closed the case as unfounded.	Unfounded by CPS. Closed	neglect

Count	Case Number	Case on First Two Pages of List?	Copy of SCAR in File?	Who is the Mandated Reporter	Investigating Agency	83 Form in File?	CNI Clear?	Type of Reports in File	Number of Police Officer In-Person Interviews	Officer Interview(s) Related to a SCAR?	Auditor Notes	Action Taken	Type of Abuse
18	1101-1273	√	x	15 Hospital	SLT	x	x	Suspicious circumstance reports, arrest reports, crime reports detailing investigations	3 Numerous throughout entire investigation. During the initial investigation at the hospital, the suspect, the ER doctor, and the ER nurse were interviewed. File states the initial interview of the suspect was recorded and lasted approx. 34 min. and 21 sec.	No SCAR in file	Barton Hospital staff called PD and reported suspicious circumstances with an infant child that was brought in by her parents. Officers were dispatched to the hospital for an initial investigation. Officers interviewed the suspect, the ER doctor, and the ER nurse. The doctor indicated that the father's story of falling over an infant gate while holding the child did not add up. The injuries and preliminary exams indicate shaken baby syndrome. The infant's prognosis does not look good. After these initial interviews, officers collected evidence (car seat, photos taken at hospital, other baby items from car) and returned to the station. Officers' recommendation that evening was to forward to the detective division. A through investigation was conducted in the days that followed and both the mother and father were arrested. There is no SCAR in the file.	Arrest	physical/ possible death
19	1103-2088	x	√	16 El Dorado CPS	CPS	x	x	None	None		Social worker and mother stopped father, whom mother had a TRO against, from taking their son from Boys and Girls Club. Child out of harm. Closed by CPS.	Closed by CPS. Evaluated out	neglect
20	1103-2107	x	√	17 El Dorado CPS	CPS	x	x	CPS Investigative report	None		Following a Child Abuse Prevention Presentation, a child became upset and reported to social worker that she thinks she might be neglected at home. CPS conducted an investigation and found the child's claims unfounded. Closed the case.	Unfounded. Closed by CPS	neglect
21	1103-2126	x	√ (2)	18 Boys & Girls Club employee, CPS	CPS	x	x	CPS Investigative report	None		First mandated reporter was a Boys & Girls Club employee. The employee completed a SCAR and cross reported to CPS. Child reported to employee that she got into trouble over Thanksgiving break and her father began punching her. CPS also completed a SCAR and cross reported to SLT. CPS investigated and found the child's claims of physical abuse to be exaggerated, but found general neglect to be substantiated.	Substantiated as general neglect by CPS. Closed	physical
22	1103-2131	x	√	19 El Dorado CPS	CPS	x	x	CPS Investigative report	None		Someone at child's school reported to CPS that he came to school in swim trunks on a below 0 degree day. CPS conducted investigation. School reporter should have investigated further before reporting to CPS. Closed case as unfounded.	Unfounded. Closed by CPS	neglect
23	1103-2148	x	√	20 El Dorado CPS	CPS	x	x	CPS Investigative report	None		CPS reports states that on 3/12/11 Mother's ex-boyfriend had called the PD stating that mother was threatening suicide and was drunk. Police arrived at the hotel and had her go to hospital mental health for a 5150 evaluation. She was not 5150'd. 3/13/11 The next day, CPS requested police escort to the motel to conduct an investigation. CPS completed SCAR and cross reported to SLT. CPS conducted their investigation over the course of two days and substantiated the case for general neglect. Referred the mother for services.	Substantiated for general neglect by CPS	neglect
24	1103-2169	x	√	21 El Dorado CPS	CPS	x	x	CPS Investigative report	None		Child reported at school that his eye hurts. Said his dad hit him in the eye. CPS completed a SCAR and cross reported to SLT. CPS conducted investigation. There were no marks on the child's eye. No evidence of being hit. Child has anger problem at school and at home. CPS closed case as unfounded.	Unfounded. Closed by CPS	neglect
25	1103-2188	x	√	22 El Dorado CPS	CPS	x	x	None	None		Minor reported that when she was 8 yrs. Old, her uncle touched her inappropriately. Said the uncle "went to jail and then was departed to Mexico." SCAR completed by CPS and cross reported to SLT. Case closed by CPS - already investigated by another agency.	Closed by CPS. Found already investigated by another agency.	sexual
26	1103-2192	x	√	23 El Dorado CPS	CPS	x	x	CPS Investigative report	None		Child's father reported to CPS that child's mother is allowing someone to babysit their daughter who uses cocaine and has threatened a police officer with a knife in the past. Does not want this person babysitting his child or transporting his child places. CPS completed a SCAR and cross reported to SLT. CPS conducted investigation. Father has a CPS history. Found the father's claims to be unfounded.	Unfounded. Closed by CPS	neglect
27	1104-0427	x	x	24 Social Services Aide	CPS	x	x	CPS Investigative report	None		Allegations by schizophrenic grandmother that son is abusive toward her and 4 yr. old daughter. Grandmother in a care facility under psychiatric hold. No SCAR in file, just an Emergency Response Referral Form, which was cross reported to SLT. CPS conducted investigation. Claims are unfounded. closed case.	Unfounded. Closed by CPS	physical
28	1104-1061	x	√	25 El Dorado CPS	CPS	x	x	None	None		Child reported at school that she does not feel safe at home. Always arguing and fighting. CPS completed SCAR and cross reported to SLT. CPS concluded that minor has a history of making reports that are unfounded and is delayed. Closed by CPS and evaluated out.	Closed by CPS. Evaluated out.	neglect
29	1105-0295	x	√ (2)	26 Teacher and CPS	CPS	x	x	None	None		First mandated reporter was a teacher. The teacher completed a SCAR and cross reported to CPS. The teacher reported that the child was inside a playhouse at school and had called other children in. They were laughing. When asked what they were laughing about, other children said she had pooped inside the playhouse and wanted them to play in it. CPS also completed a SCAR and cross reported to SLT. Case closed by CPS and evaluated out.	Closed by CPS. Evaluated out.	neglect
30	1105-0319	√	x	SLT	SLT	x	x	Arrest reports, supplemental reports, person, p&e	5 2 suspects, 3 children	No	Police responded to a domestic violence call on the side of the road. Upon arrival, there was a car on the side of the road with two adults (mother of the children and her boyfriend) and three children. The two adults had been arguing, and an altercation between them had caused the car to crash into a rock. The officers ended up arresting the mother and the boyfriend for endangering the children. Children were turned over to boyfriend's mother (step grandmother). Officers also discovered marijuana and drug paraphernalia in the vehicle. Officer referred the case to the DA's office and CPS for follow-up. No SCAR in file.	Arrest	physical
31	1105-2176	x	√	27 El Dorado CPS	CPS	x	x	CPS Investigative report	None		Community member reported to CPS that a family is using drugs again and the home is filthy and unsafe for the children. The next day, CPS worker made an unannounced visit to the home. Upon inspection of the home, the worker phone SLT PD for assistance. The parents have a CPS history and are supposed to be working on the plan CPS made for them. The home was in worse condition than before. Children were taken in to protective custody. CPS completed SCAR and cross reported to SLT. Parents submitted to drug tests. tested positive. Referred for services. Substantiated as general neglect by CPS.	Substantiated by CPS	neglect
32	1106-0602	x	√	28 El Dorado CPS	CPS	x	x	None	None		SCAR completed by Social Services Aide (CPS). While interviewing a probationer, it was reported that he has been using meth for the past 6 months. CPS closed. No allegations of abuse or neglect.	Closed by CPS. Evaluated out	neglect
33	1106-0607	x	x	29 El Dorado CPS	CPS	x	x	CPS Investigative report	None		Child reported that mother hit him in shoulder and neck. Emergency Response Referral form is in the file, which was cross reported to SLT. No SCAR in file. CPS investigated and found allegations of physical abuse to be unfounded. Child had an inconsistent story. Unfounded and closed by CPS.	Unfounded. Closed by CPS	physical
34	1106-2117	√	x	SLT	SLT	x	x	CR-1, person, p&e, narrative, supplemental reports	4 victim, suspect, mother, father	No	Mother called police dispatch saying that she believed her daughter was forced to have sex with an 18 yr. old. The 18 yr. old was known to be the child's boyfriend. A taped SART interview concluded that minor had consented. Recommendation was to forward to DA's office for complaint. No SCAR in file.	Forwarded to DA's office	sexual
35	1107-0778	x	√ (2)	30 Child Development Center/CPS	unknown	x	x	None	None		First mandate reporter was an employee at the Child Development Center, who completed a SCAR and cross reported to CPS. CPS also completed a SCAR and cross reported to SLT PD. The SLT Referral Form in the file lists SLT PD and CPS and the investigating agencies. However, there is nothing else in the file. No documentation of an investigation.	Closed by CPS. Evaluated out	sexual
2nd Round of Sampling Starts Here													
36	1007-0857	√	x	SLT	SLT	x	x	CR-1, person, p&e, narrative, supplemental reports, arrest reports	1 children's' mother	No	Officers respond to a domestic disturbance call. Upon arrival, there are three adults present and four children. The male at the residence was served with a DV restraining order and the dispute was mediated. Officers later received another call to return to the residence for a noise disturbance. Upon arrival, officers learned the suspect had returned and took two of the children and drove off with them under the influence of alcohol. Officers later spotted the suspect in his vehicle, arrested him, and placed the children into protective custody of El Dorado County Child Protective Services. Case was also forwarded to the DA's office.	Forwarded to DA's office	neglect
37	1007-2344	x	√	31 El Dorado CPS	CPS	x	x	CPS Investigative report	None		Reporting party was the father. Reported to CPS that mother has relapsed and is drinking again. CPS conducted investigation. CPS substantiated the claim, opened a services case and referred mother to services. CPS completed a SCAR and cross reported to SLT.	Substantiated by CPS	neglect
38	1007-2345	x	√	32 Boys & Girls Club employee, CPS	CPS	x	x	CPS Investigative report	None		Original reporting party was a boys' and girls' club counselor. Reported to CPS that child arrived with black eye. Child says his brother punched him and then the dad hit the brother in the leg. CPS completed a SCAR and cross reported to SLT. CPS conducted an investigation (interviewed the children and parents). Case worker completed a safety plan for the family and closed the case as unfounded.	Unfounded. Closed by CPS	neglect

Count	Case Number	Case on First Two Pages of List?	Copy of SCAR in File?	Who is the Mandated Reporter	Inves gating A ncy	8 3 F m in e?	C N in CI ce le?	pe of eports n File		Number of Police Officer In-Person Interviews	Officer Interview(s) Related to a SCAR?	Auditor Notes	Action Taken	Type of Abuse
39	1007-2551	√	x	33 Barton Hospital	SLT	x	x	CR-1, person profile, narrative report, supplemental report	2	victim, victim's mother	No SCAR in file	Officers were called to Barton Hospital on a rape report. Officers interviewed juvenile victim and her mother at the hospital. Officer made a report of the interviews and referred to detectives for follow-up. Detectives followed up and could not locate the victim, who is a continual run-away. Were not able to locate the suspect either. Case deemed inactive until juvenile can be found for follow-up.	Inactive. Closed.	sexual
40	1008-0445	x	x	SLT	SLT	x	x	CR-1, person, p&e, domestic violence report, arrest report/narrative, supplemental reports	2	victim, suspect	No	Police respond to a domestic violence call. Upon arrival, officers interview the victim (wife) and the suspect. Officers determine husband hit the wife and would not let her in the home. Their 16 month old child was in the house at the time. Officers arrested suspect and booked him. Notes in the file state the case was forwarded to the DA, the detective division, CPS, and probation. No SCAR in file.	Arrest	emotional
41	1008-1005	√	x	34 Women's Center Advocate	SLT	x	√	CR-1, person profile, p&e, narrative report, supplemental reports, CACI form	5	women's center advocate, victim, victim's mother	No SCAR in file	(1) Officers received a call from an advocate (employee) of the Women's Center regarding reported sexual abuse of an 8 year old by the victim's father. Upon arrival, officer spoke with the employee of the center as well as the victim's mother. After these two interviews, the officer arranged for a SART interview of the child later that day. The women's center advocate conducted the SART interview. (2) Approximately 2 days later a SART exam took place. Officer interviewed the doctor who conducted the exam. There were injuries consistent with the allegation. (3) Two days later, officer went to the Kmart store where the assault took place and interviewed the store's security officer and obtained video footage. Officer determined there was probable cause to arrest the suspect. (4) The suspect was arrested the following day. (5) After the arrest, officer conducted follow-up interviews with the victim and the mother. Officer completed a CACI form and mailed to the DOJ; also mailed a notification letter to the suspect.	Arrest	sexual
42	1009-1784	x	√	SLT	SLT/CPS	x	x	CR-1, person profile, narrative report (arrest), supplemental reports, probable cause for warrantless arrest, CPS Investigative Report	2	suspect, neighbor	No	Officers responded to a call of a 2-year old child locked in a front bedroom. Upon arrival, officers located the mother, who had been down the street visiting a neighbor. The mother admitted to locking her child in the room, unattended. Officers determined the mother willfully placed the child in danger. They arrested the mother and the child was placed into the care of a Social Worker. Officers forwarded their report to CPS and the DA's office. CPS performed their own investigation, interviewing the mother in jail. Though this case was referred to CPS by the SLT police, CPS completed a SCAR and cross-reported back to the police department.	Arrest	neglect
43	1009-2109	x	√	35 Hospital	CPS	x	x	CR-1, person profile, CPS Investigative Report		None		SLT police department originally forwarded a report of a domestic violence incident that occurred between two parents. The mother was 9 months pregnant at the time. At the time, CPS could no take any action, as the child was unborn. A few weeks later, after the child was born, CPS was called to Barton Hospital. Hospital staff said the mother tested positive for opiates. The baby showed signs of withdrawal. The baby was placed in the care of CPS and then a foster mother. CPS opened a service case and completed an investigation. CPS completed a SCAR and cross-reported to SLT police. The case was closed by CPS as substantiated.	Substantiated. Closed by CPS	neglect
44	1012-1749	x	√	36 CASA Employee	CPS	x	x	CR-1, person profile, CPS Investigative Report, Emergency Response Referral Form		None		Mandated reporter was a CASA employee. This employee completed the SCAR and cross-reported to CPS. Allegations include neglect and drug use by parents. CPS completed an Emergency Response Referral Form and cross reported to SLT. CPS opened a case and completed an investigation. After much searching, CPS could not locate the parents. CPS closed the case as inconclusive due to not being able to locate the family.	Inconclusive. Closed by CPS.	neglect
45	1012-1750	x	√	37 El Dorado CPS	CPS	x	x	CR-1, person profile, CPS Investigative Report		None		CPS received a report that a mother sleeps 24/7 and does not take care of her children. Management at the apartment fear for the children's safety. CPS completed a SCAR and cross-reported to SLT. CPS conducted an investigation and found the case unfounded for general neglect. Case was closed.	Unfounded. Closed by CPS	neglect
46	1103-2115	x	x	38 El Dorado CPS	CPS	x	x	CR-1		None		Case closed by CPS. Evaluated out. No SCAR in file.	Evaluated out. Closed by CPS.	neglect
47	1103-2117	x	√	39 El Dorado CPS	CPS	x	x	CR-1, person profile		None		Women's shelter employee reports to CPS that they witnessed a child making and saying inappropriate sexual remarks to his mother. Also witnessed the child battering the mother. CPS completed a SCAR and cross-reported to SLT. Case was closed by CPS and evaluated out.		
48	1103-2182	x	√	40 El Dorado CPS	CPS	x	x	CR-1, person profile, CPS Investigative Report		None		Referral originated from the Family resource Center. An employee reported to CPS that a child brought a knife to school and threatened other students with it. Other siblings in the home act out and miss school routinely. CPS completed a SCAR and cross-reported to CPS. CPS conducted an investigation and substantiated the case for general neglect and opened a service case on the family.	Substantiated by CPS. Opened a service case.	neglect
49	1103-2183	x	√	41 El Dorado CPS	CPS	x	x	CR-1, person profile, CPS Investigative Report		None		A relative called to CPS to report a mother had been arrested for drinking and driving when going to pick her children up from school. The father is also concerned for the children's well-being. CPS completed a SCAR and cross-reported to SLT. CPS conducted an investigation. CPS found the claim substantiated and opened a service case.	Substantiated by CPS. Opened a service case.	neglect
50	1104-1560	x	x	SLT	SLT	x	x	CR-1, person profile, p&e, narrative, supplemental reports	4	victim, father, mother, sibling	No	Officers were called out to a house for a potential residential burglary. Upon speaking with the resident of the house, officers were informed the mother of his children may be responsible for the break-in. The father proceeded to tell the officers of a recent incident of physical abuse between his one son and the mother. Officers conducted and investigation and concluded the mother had abused the child. Officers referred the case to the DA's office and to CPS. No SCAR in file.	Substantiated by SLT. Referred to DA and CPS.	physical
			36	41		0	1			3				
			50	50		50	50			50				

	82%	6%
	"other agency" is the mandated reporter	**percent of "other agency generated" SCARs investigated by police department**

Percent of Cases Sampled	50	11%
	457	

EXHIBIT D

A Guide to Reporting Child Abuse to the California Department of Justice

2005

Division of California Justice Information Services
Bureau of Criminal Information and Analysis
Child Protection Program

BILL LOCKYER
Attorney General

About this Guide

This guide is designed as a reference manual to assist individuals responsible for submitting the Child Abuse Investigative Report to the Department of Justice (DOJ).

The Attorney General's Child Protection Program (CPP) has prepared this guide to:

- Explain and define statutory requirements and responsibilities.
- Explain how to obtain child abuse information from DOJ.
- Assist agencies in complying with reporting requirements.

The Appendix contains forms used to request and report information; abbreviations, acronyms, and definitions; and a simplified chart showing how the process works.

Further information is available on the Attorney General website at:

http://www.ag.ca.gov/childabuse/

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Definitions, Abbreviations, and Acronyms

Forms:
- SS 8583 - Child Abuse Investigation Report
- SS 8583 - Instruction Page
- SS 8572 - Suspected Child Abuse Report (SCAR)
- SS 8572 - Instruction Page
- BCIA 4084 - Facsimile Inquiry

Flowchart

INTRODUCTION

The Child Abuse Central Index (Index) is a tool for state and local agencies to help protect the health and safety of California's children. The Index was created by the Legislature in 1965, and is defined in Penal Code (PC) sections 11164 through 11174.31. These statutes are referred to as the Child Abuse and Neglect Reporting Act (CANRA).

The Index reflects reports of investigations completed by child protection agencies, and is used to aid with investigations and prosecutions. Information from the Index is also provided to agencies to help screen applicants for licensing or employment in childcare facilities and foster homes, to aid in background checks for child placement and adoptions, as well as peace officer pre-employment checks.

The CPP administers the Index by processing information extracted from Child Abuse Investigation Report (Form SS 8583). The CPP updates information to, and disseminates information from, the Index to authorized agencies.

As a child protective agency investigator, you may contact the CPP to determine if another agency has submitted a report with information relating to suspects and/or victims in your current investigation. Likewise, child abuse investigators from other agencies may need information you have submitted. Therefore, the reports you submit are vitally important throughout California.

The CPP disseminates Index information, including notices of new child abuse investigation reports involving the same reported suspects and/or victims.

Information on file in the Index includes:

- Names and personal descriptors of the suspects and victims;
- Reporting agency that investigated the incident;
- The name and/or number assigned to the case by the investigating agency;
- Type(s) of abuse investigated; and
- The findings of an investigation for the incident, which are either substantiated or inconclusive. (See 11165.12 PC)

Each reporting agency is required by law to forward to the DOJ a summary of every child abuse incident it investigates, unless the incident is determined to be unfounded or of general neglect. Each reporting agency is responsible for the accuracy, completeness and retention of the investigative file that substantiates a report submitted to the DOJ.

REPORTING TO THE INDEX (Form SS 8583)

11169 PC mandates reporting child abuse to the DOJ.

Specifically, 11169 PC states "An agency specified in 11165.9 PC shall forward to the DOJ a report in writing of every case it investigates of known or suspected child abuse or severe neglect...."

Child abuse investigators who work for police and sheriff's departments, county welfare departments, and county probation departments must report to the DOJ all investigated cases of child abuse:

1) determined not to be unfounded, and

2) mandated by law to be reported (Refer to "What to Report" on page 9).

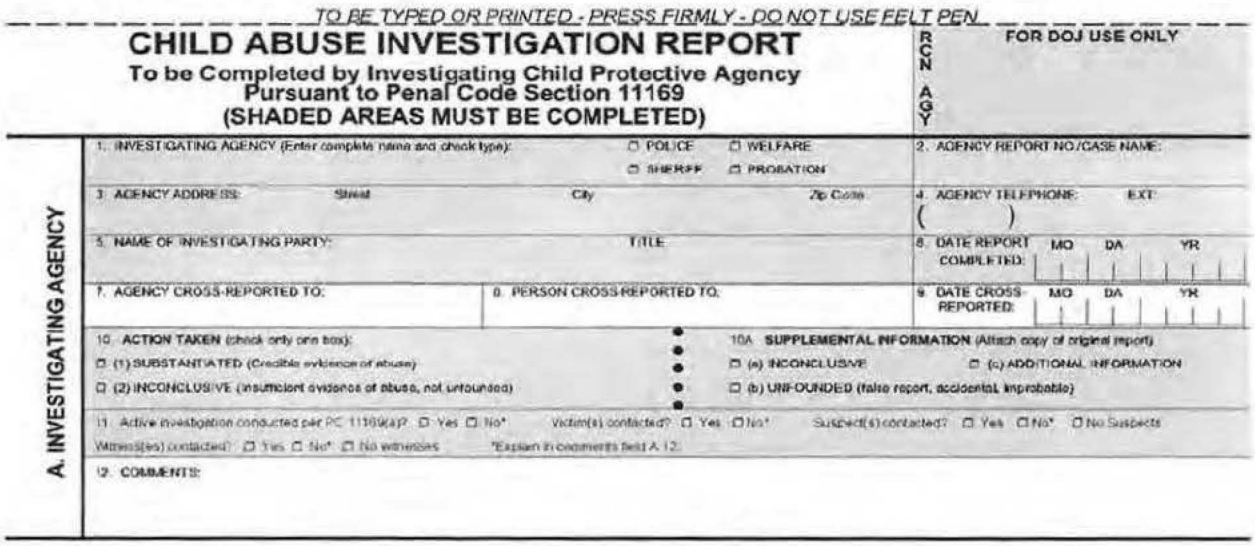
Reporting to DOJ is done once your investigation is complete.

The DOJ has prepared standardized forms for the reporting of child abuse. To help ensure the accuracy and completeness of your reports, the following is an explanation of each section of the Child Abuse Investigation Report (Form SS 8583):

GENERAL INSTRUCTIONS

- For reporting to the DOJ, use current Form SS 8583 only.
- All shaded areas on Form SS 8583 are mandatory fields. Print clearly or type.
- All information blocks should be completed by the Child Abuse Investigator (law enforcement and/or child protection agencies).
- To allow complete reporting to DOJ, mark "UK" in any field for which information is unknown or not available.
- Incomplete forms submitted to DOJ may be returned for correction. Ensure accurate and timely resubmission of forms returned to your agency.
- If you have any questions about completing the Form SS 8583, please contact the DOJ at (916) 227-3285.

FILLING OUT THE FORM SS 8583



TO BE TYPED OR PRINTED - PRESS FIRMLY - DO NOT USE FELT PEN

CHILD ABUSE INVESTIGATION REPORT

To be Completed by Investigating Child Protective Agency
Pursuant to Penal Code Section 11169
(SHADED AREAS MUST BE COMPLETED)

RCN AGY — FOR DOJ USE ONLY

A. INVESTIGATING AGENCY

1. INVESTIGATING AGENCY (Enter complete name and check type): ☐ POLICE ☐ WELFARE ☐ SHERIFF ☐ PROBATION
2. AGENCY REPORT NO./CASE NAME:
3. AGENCY ADDRESS: Street City Zip Code
4. AGENCY TELEPHONE: EXT: ( )
5. NAME OF INVESTIGATING PARTY: TITLE:
6. DATE REPORT COMPLETED: MO DA YR
7. AGENCY CROSS-REPORTED TO:
8. PERSON CROSS-REPORTED TO:
9. DATE CROSS-REPORTED: MO DA YR
10. ACTION TAKEN (check only one box):
☐ (1) SUBSTANTIATED (Credible evidence of abuse)
☐ (2) INCONCLUSIVE (Insufficient evidence of abuse, not unfounded)
10A. SUPPLEMENTAL INFORMATION (Attach copy of original report)
☐ (a) INCONCLUSIVE ☐ (c) ADDITIONAL INFORMATION
☐ (b) UNFOUNDED (false report, accidental, improbable)
11. Active investigation conducted per PC 11169(a)? ☐ Yes ☐ No* Victim(s) contacted? ☐ Yes ☐ No* Suspect(s) contacted? ☐ Yes ☐ No* ☐ No Suspects
Witness(es) contacted? ☐ Yes ☐ No* ☐ No witnesses *Explain in comments field A 12.
12. COMMENTS:

Section A. Investigating Agency

(Items in bold are mandatory data elements.)

1. Name and Type of Investigating Agency

Fill in the name of your agency and check box for appropriate type, whether police, sheriff, welfare or probation.

2. Agency Report Number/Case Number

Fill in your report number and/or the name you've assigned to the case.

3. Agency Address

Fill in the complete address of your agency.

4. Agency Telephone and Extension

Fill in either your telephone number and extension number or a number where an investigator can locate the records.

5. Name of Investigating Party and Title

Fill in your name and title.

6. Date Report Completed

Fill in date of actual completion of Form SS 8583.

7. Agency Cross-reported to

If cross-reporting was required, fill in the name of the CPA you notified about report of suspected child abuse.

8. Person Cross-reported to

Fill in the name of the person you notified about report of suspected child abuse.

9. Date Cross-reported

Fill in actual date you notified the CPA about report of suspected child abuse.

10. Action Taken

Only one action per Form SS 8583 can be submitted. The options are;

a) Substantiated finding (abuse more likely than not occurred), or
b) Inconclusive finding (insufficient evidence of abuse, but not unfounded).

10. A. Supplemental information

Use this section if you have previously completed and submitted to DOJ a Form SS 8583, and you want to report additional significant information. Complete information blocks 1 through 5 in Section A; and the following pertinent information blocks pertaining to the additional information:

a) You are modifying your initial findings, or
b) You are reporting additional facts discovered during your investigation that are significant to the case. Fill in appropriate information blocks on form (e.g., addition or deletion of suspects or victims). Attach a copy of the Original Form SS 8583.

11. Active investigation conducted per 11169(a) PC...
(...and if victims, suspect and witnesses were contacted).

In a completed active investigation, the suspects and witnesses would be contacted and interviewed. If you were unable to notice the suspect of this investigation, place explanation in the Comments field (A-12).

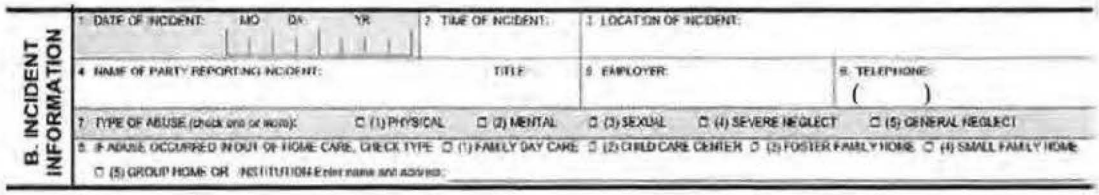
NOTE: an active investigation is critical and that in order to comply with the DOJ Regulations, you must complete an active investigation.

12. Comments

If you are submitting a supplemental Form SS 8583, you can describe the reason for submitting this here.

If you were unable to contact suspect for any reason, enter the reason here.

Please contact the CPP if you have any questions concerning meeting the requirements of an "active investigation."



Section B. Incident Information

(Items in bold are mandatory data elements.)

1. **Date of Incident**

   Fill in date the incident occurred. If you only know the month and year, and not the date, submit using the following example format: 02/00/1998.

2. Time of Incident

   Fill in time the incident occurred.

3. Location of Incident

   Fill in address and description of premises where incident occurred.

4. Name of Party Reporting Incident

   This is the person who has contacted the CPA to report the suspected abuse. Remember, if you are the investigating party, you will list that information in Section A. Law Enforcement and Child Protection Services should not be listed in this section as the reporting party.

5. Employer

   Pertains to person listed in #4.

6. Telephone

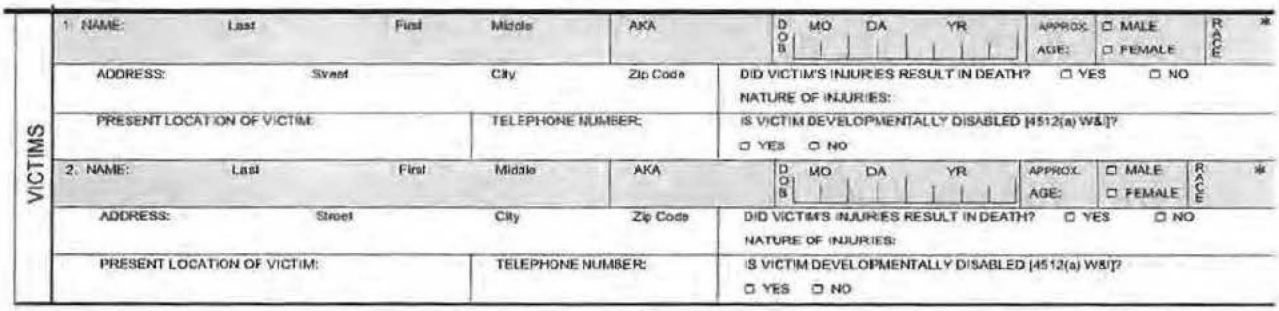
   Pertains to person listed in #4.

7. **Type of Abuse**

   Check the type of abuse. You may check one or more, as appropriate. The types of abuse captured are Physical, Mental, Sexual and Severe Neglect. General Neglect is only listed here and available as a selection when submitting a supplemental report, if applicable.

8. If Abuse occurred in Out-of Home Care, check type

   The types are: Family Day Care, Child Care Center, Foster Family Home, Small Family Home or Group Home or Institution.



C. Involved Parties

Victims

(This section allows for the entry of two victims.)

(Items in bold are mandatory data elements.)

Name, A.K.A., DOB, Sex, Race

- Name of Victim: This includes nicknames or other names used, such as maiden names.
- DOB: Fill in the victim's date of birth. (This is important to establish victim as a minor at the time of the abuse.)
- Sex: Check appropriate box to indicate whether victim is male or female.
- Race: Refer to race types on bottom of reporting form.

Address: Fill in complete address of victim.

Did victim's injuries result in death?

Check appropriate box.

Nature of Injuries:

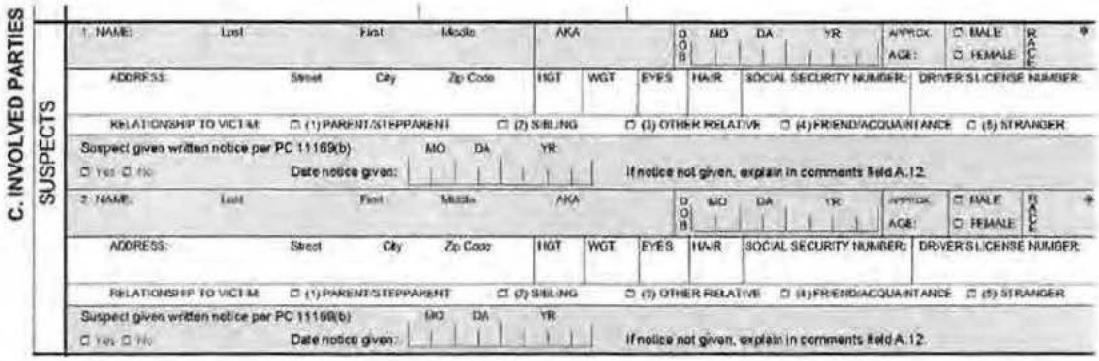
Describe injuries (e.g., broken bones, burns, bruises). If this information is uncovered once a report has initially been submitted, a supplemental report should be submitted responding to this question.

Present location of victim:

Fill in victim's current location, including the phone number.

Is victim Developmentally Disabled?

Refer to Welfare & Institutions Code, section 4512(a) for definition, and check appropriate box.



C. Involved Parties (Continued)

Suspects

(This section allows for the entry of two suspects)

(Items in bold are mandatory data elements.)

Name, A.K.A., DOB, Sex, Race

- Fill in complete name of suspect, including any nicknames or other names used, such as maiden names. If all, or any part of the suspect's name is unknown or not available, indicate by writing "UK."
- Fill in the complete date of birth of the suspect
- Check appropriate box to indicate whether suspect is male or female.
- Fill in the race of the suspect. Codes appear at the bottom of the reporting form.

Address, Height, Weight, Eyes, Hair, Social Security Number

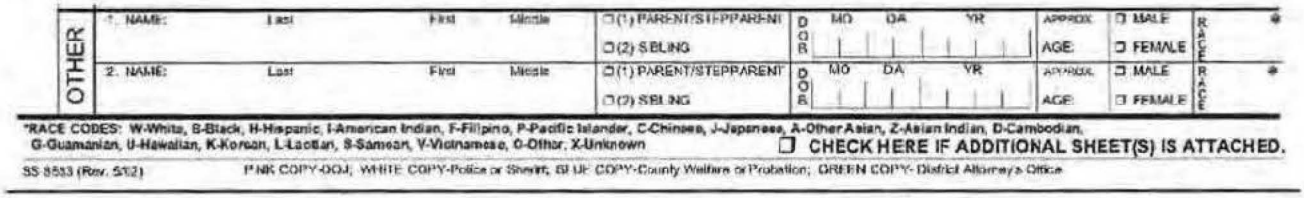
- Fill in the complete address, height, weight, eye color, hair color and social security number and drivers license number of the suspect, if known. If not known, you may provide comments.

Relationship to Victim - Check box the appropriate category:

- parent or stepparent of victim
- brother or sister of victim
- other relative of victim
- friend or acquaintance of victim
- stranger or unknown to victim

Suspect given written notice per 11169 (b) PC

- Respond Yes or No and the date notice given. If notice was not given, explanation must be provided in Comment field (A –12).



OTHER									
1. NAME: Last	First	Middle	☐(1) PARENT/STEPPARENT ☐(2) SIBLING	DOB MO DA YR	APPROX AGE:	☐ MALE ☐ FEMALE	RACE*		
2. NAME: Last	First	Middle	☐(1) PARENT/STEPPARENT ☐(2) SIBLING	DOB MO DA YR	APPROX AGE:	☐ MALE ☐ FEMALE	RACE*		

*RACE CODES: W-White, B-Black, H-Hispanic, I-American Indian, F-Filipino, P-Pacific Islander, C-Chinese, J-Japanese, A-Other Asian, Z-Asian Indian, D-Cambodian, G-Guamanian, U-Hawaiian, K-Korean, L-Laotian, S-Samoan, V-Vietnamese, O-Other, X-Unknown ☐ CHECK HERE IF ADDITIONAL SHEET(S) IS ATTACHED.

SS 8583 (Rev. 5/12) PINK COPY-DOJ; WHITE COPY-Police or Sheriff; BLUE COPY-County Welfare or Probation; GREEN COPY- District Attorney's Office

C. Involved Parties (Continued)

Other

(This section allows for entry of two additional involved parties.)

- Name, Relationship, Date of Birth or approximate age, Sex, and Race

  This section includes anyone else who was involved in the incident, but is neither a victim nor suspect.

Check here if additional sheet(s) is attached.

At the bottom of the form is a box to check if you are attaching additional information. If checked, this box alerts CPP staff to look for attachments. If there are more than two names for any of the above-mentioned areas; an additional page can be submitted attached to the original SS 8583 report.

Notate the RCN listed on the initial report, and include case number and date of report.

WHAT TO REPORT

11169(a) PC mandates the reporting of specific types of child abuse.

The basic categories of reportable child abuse are sexual, physical, severe neglect and willful harming or endangering (which includes mental abuse). Listed below are the statutory references and definitions thereof.

Sexual Abuse as defined in 11165.1 PC includes all of the following:

1. Rape (261 PC and 264.1 PC)
2. Incest (285 PC)
3. Sodomy (286 PC)
4. Lewd and lascivious acts upon body of child under 14 [288(a)(b) PC]
5. Oral copulation [288(a) PC]
6. Penetration of genital or anal openings by foreign object (289 PC)
7. Child molesting (647.6 PC)
8. Certain other sexual acts [11165.1(b) PC] including:
    a. Penetration of vagina or anus by penis.
    b. Sexual contact between genitals or anus by mouth or tongue.
    c. Intrusion into genitals or anus by any object.
    d. Intentional touching or genitals or intimate parts to arouse or gratify.
    e. Intentional masturbation of perpetrator's genitals in child's presence.
9. Sexual Exploitation to include:
    a. Sending/bringing into state for sale/distribution matter depicting sexual conduct by minors (311.2 PC)
    b. Employment of minor to perform prohibited acts [311.4 (a) PC]
    c. Depicting by film, photograph, videotape, etc. sexual conduct by person under 14 [311.4(a) PC]
    d. Aiding, promoting, coercing, etc., a child to perform obscene sexual acts for the purpose of producing pictorial depictions (311.3 PC)

Physical Abuse as defined in 11165.4 PC includes all of the following:

1. Unlawful corporal punishment or injury (11165.4 PC)
2. Any acts or omissions cited in 273a PC and 273d PC

Severe Neglect as defined in 11165.2 PC

The child's welfare has been risked or endangered or has been ignored to a point that the child has failed to thrive. Generally, the standard is that a child has been physically harmed or that a very high probability exists that acts or omissions by responsible person would lead to physical harm.

Willful harming or endangering (which includes mental abuse) as defined in 11165.3 PC

The infliction of mental/emotional suffering. Although 11166(b) PC allows mandated reporters discretion of whether or not to report to you, you must still report to DOJ.

Child Death referenced in 11174.35 PC

Report any deaths resulting from physical abuse, evidence of prior physical abuse or severe neglect. If the death occurs after the initial Form SS 8583 is submitted, you must submit a supplemental Form SS 8583 indicating the change to your initial report.

WHAT NOT TO REPORT

11169(a) PC identifies what may not be reported to DOJ.

Sexual

1. Statutory Rape, as defined in section 261.5 PC, except section 261.5(d) PC .
2. Acts of consensual sexual behavior between children under 14 who are of a similar age; or, acts of unlawful sexual intercourse (statutory rape) (261.5 PC).

Physical

1. Incidents of accidental injury or injuries.
2. Reasonable force by public school employee to stop violent disturbance or to exercise physical control. (11165.4 PC, Education Code sections 44807 and 49001)
3. Mutual fights between minors. (11165.6 PC)

Neglect

1. General Neglect, which means that the person responsible for the child's welfare has failed to provide adequate care but has not physically injured the child.
2. Fetal abuse. Fetal abuse may include adversely affecting the well-being of an unborn child and evidence of illegal drugs or alcohol in just-born infant.

Child stealing unless it involves child abuse

Unfounded Reports

Reasons for unfounded reports as defined in 11169 PC, may include false reporting, improbable incidents, accidents, and events that do not constitute child abuse as defined by law.

If you have not conducted an Active Investigation

"Active Investigation" per DOJ regulations Title 11 California Administrative Code, section 901(a) means the activities of an agency in response to a report of known or suspected child abuse. For purposes of reporting information to the Child Abuse Central Index, suspected abuse; Active Investigation" means the activities of an agency in response to a report of known or suspected child abuse. For purposes of reporting information to the Child Abuse Central Index, suspected abuse; conducting interview of the victim(s) and any known suspect (s) and witness(es); gathering and preserving evidence: determining whether the incident is substantiated, inconclusive, or unfounded; and preparing a report that will be retained in the files of the investigating agency.

If you have not contacted the suspect

This does not apply if you were unable to locate the suspect or another agency (i.e. law enforcement) has asked you not to notify the suspect. Please use the Comment field to identify the reason suspect was not contacted.

WHEN TO REPORT

Send Form SS 8583 to DOJ after;

a) you've made investigative contacts,

b) determined that the child abuse report was not unfounded,

c) confirmed that the suspected abuse or neglect is reportable to the DOJ as stipulated in previously mentioned statutes,

d) and completed the investigation.

11166(j) PC requires the cross-reporting by phone immediately, and by mail within 36 hours of receiving a report of suspected child abuse from a mandated reporter or from a citizen. You may use either Forms SS 8572 or SS 8583 to cross-report.

The 36-hour cross-reporting requirement does not apply to DOJ reporting requirements. For DOJ reporting purposes, you must submit the required Form SS 8583 once you have completed your investigation.

WHERE TO SEND THE REPORT

Mail the completed, original Form SS 8583 to:

Department of Justice
Bureau of Criminal Information and Analysis
Child Protection Program
P.O. Box 903387
Sacramento, CA 94203-3870

RETENTION OF INVESTIGATIVE FILES

Sections 11170 PC and 11169 PC govern the retention of child abuse reports in the Index and affect the retention of reports by local investigative agencies.

1) Agency Retention Requirements

11169(c) PC establishes a basic requirement for agency retention of information.

"Agencies shall retain child abuse or neglect investigative reports that result in a report filed with the DOJ for the same period of time that the information is required to be maintained on the Index... Nothing in this section precludes an agency from retaining the reports for a longer period of time if required by law."

2) DOJ Retention Requirements

11170(a)(3) PC allows for a 10 year purge for Inconclusive Reports.

"The Department of Justice shall delete *unsubstantiated* or *inconclusive* child abuse investigation reports from the Child Abuse Central Index after ten years...."

This is true only if the suspect of a report is not linked to a subsequent report. When a suspect of an Index report is linked to a subsequent report, the ten years commence from the date of receipt of the most recent report. (Originating agency will be notified via mail, by DOJ, when this occurs.)

There is no statutory or regulatory authority for the DOJ to purge information from the Index relating to a child abuse investigation if the finding of that investigation was substantiated. Therefore, investigating agencies must maintain their investigative files of substantiated child abuse investigations permanently.

INQUIRIES TO THE INDEX

11170 PC governs access to Index information.

The Index contains pertinent information from investigated reports of suspected child abuse and offers information not found in the state criminal history system that are derived from arrest and conviction data.

Information relayed by us is intended to direct you to information held by other agencies. We do not conduct investigations and do not have complete investigative files. We are a pointer system to the agency with the investigative file.

HOW TO ACCESS INFORMATION

There are three ways to request Index information. Authorized agencies may access Index information via fax, teletype, or US mail.

1. Fax Inquiries

A. Submitting Your Request:

Index inquiries will be processed via facsimile request under the following circumstances:

- Placement Of Child In Emergency Situation
- Care-Taker For Ward Of Court Or Dependent Child*
- Guardianship*
- Investigation Of Current Allegation Of Child Abuse*

Use Form BCIA 4084 for this purpose. Please indicate if you would like your response returned by telephone or by fax by circling the appropriate return phone/fax number.

Fax your inquiry request to:

Department of Justice, Child Protection Program

Fax number: (916) 227-5054

(After 4:30 p.m. on weekdays, and weekends and holiday fax requests will be automatically referred to the DOJ Command Center, which will provide the same service.)

B. Responses To Your Request

Searches resulting in a no match, and those possible matches not requiring confirmation, will generate a reply within two hours. Replies on inquiries requiring confirmation may be delayed up to 30 thirty days while DOJ contacts the reporting agency to confirm the availability and accuracy of the original report.

C. Obtaining The Form

The Form BCIA 4084 can be faxed to your agency or you may request an electronic copy. Please contact DOJ/CPP with your electronic mailing address.

* Possible matches with an existing Index record will require confirmation prior to the release of information.

2. Teletype

To access the Index via the California Law Enforcement Telecommunications System (CLETS), authorized agencies should use the following example as a format:

[Mnemonic for the Department of Justice: DOJ]

ATTENTION: Child Abuse Unit

SUBJECT: Child Abuse Central Index check for the below listed subjects.

TYPE OF INVESTIGATION: Physical

Name of Subject	Sex	Race	DOB	Subject Status
JONES, Dorothy Louise	F	W	010185	V (Victim)
JONES, William Robert	M	W	020246	S (Suspect)
JONES, Louise Ann	F	W	030347	S

REFER: Detective Joe Watkins, Child Abuse Unit Mnemonic YB

AGENCY: Los Angeles County Sheriff's Office

Responses to teletype requests will be returned via teletype unless otherwise specified.

3. US Mail

Agencies may request information via the US Mail. Complete Form BCIA 4084, and mail to DOJ/BCIA/CPP, P.O. Box 903387, Sacramento, CA 94203-3870.

APPENDIX

Definition of Terms

Active Investigation - the activities of an agency in response to a report of known or suspected child abuse. For purposes of reporting information to the Child Abuse Central Index, the activities shall include, at a minimum: assessing the nature and seriousness of the known or suspected abuse; conducting interviews of the victim(s) and any known suspect(s) and witness(es); gathering and preserving evidence; determining whether the incident is substantiated, inconclusive, or unfounded; and preparing a report that will be retained in the files of the investigating agency.

Automated Child Abuse System (ACAS) - the current system used by DOJ to electronically store reports of child abuse incidents submitted by investigating agencies. Also known as the Index and CACI.

Child - person who was a victim under the age of 18 at the time of the alleged abuse.

Child Abuse - is the same term as defined in Penal Code section 11165.6, which states the term "child abuse or neglect" includes physical injury inflicted by other than accidental means upon a child by another person, sexual abuse as defined in Section11165.1, neglect as defined in Section 11165.2, the willful harming or injuring of a child or the endangering of the person or health of a child, as defined in Section 11165.3, and unlawful corporal punishment or injury as defined in Section 11165.4. "Child abuse or neglect" does not include a mutual affray between minors. "Child abuse or neglect" does not include an injury caused by reasonable and necessary force used by a peace officer acting within the course and scope of his or her employment as a peace officer.

Child Abuse Central Index - also known as CACI, Index, and ACAS.

Child Protective Agency (CPA) - is the investigating agency, which includes a police department, a sheriff's department, a county welfare department, or a county probation department.

Child Protective Agency Investigator - is a person employed by a child abuse investigative agency who is responsible for inquiring into the details of a report of suspected child abuse. *(NOTE: Throughout this guide the use of the term "investigator" shall mean a child abuse agency investigator.)*

Child Protection Program - also known as CPP, is the unit within the DOJ responsible for the maintenance of the Index.

CLETS - California Law Enforcement Telecommunications System.

Confirmation - the DOJ process of contacting the agency that submitted the report to confirm that the investigative file is still available and is not unfounded.

DOJ - Department of Justice.

General Neglect - is the same term as used in Penal Code section 11165.2(b) means the negligent failure of a person having the care or custody of a child to provide adequate food,

clothing, shelter, medical aer, or supervision where no physical injury to the child has occurred. This is not reportable to DOJ.

Inconclusive Report - is the same term as defined in Penal Code section 11165.12(c). This category was originally termed "unsubstantiated report" and was renamed by Chapter 842 of the Statutes of 1997 and became effective January 1, 1998. Inconclusive as defined means a report that is determined by the investigator who conducted the investigation not to be unfounded, but the findings are inconclusive and there is insufficient evidence to determine whether child abuse or neglect, as defined in Section 11165.6, has occurred.

Index - is the same term as used in Penal Code section 11170(a). The Index is currently known as the Automated Child Abuse System (ACAS).

Investigative File or Underlying Investigative File - is the original and supplemental investigative documents developed by an agency during an investigation of a child abuse incident and that resulted in a report to DOJ.

Possible Match - this is when DOJ staff have checked a specific name as the result of an inquiry and has, based on the name and other items of personal description (date of birth, social security number, driver's license number, or address), matched that name to an existing report(s) in ACAS. The match is considered possible because it has not been confirmed absolutely with positive matching processes such as a fingerprint comparison.

Report - an entry in ACAS reporting the investigation of a suspected incident of child abuse. All mandatory information as specified in Title 11, section 903 of the California Code of Regulations must be included for the report to be entered into ACAS.

Severe Neglect - is the same term as used in Penal Code section 11165.2, which states; the negligent failure of a person having the care or custody of a child to protect the child from severe malnutrition or medically diagnosed non-organic failure to thrive. "Severe neglect" also means those situations of neglect where any person having the care or custody of a child willfully causes or permits the person or health of the child to be placed in a situation such that his or her person or health is endangered, as proscribed by Section 11165.3, including the intentional failure to provide adequate food, clothing, shelter, or medical care.

Submitting Agency - the agency that forwarded the completed report on which an ACAS entry is based.

Substantiated - an investigator has determined based upon evidence that makes it more likely than not that child abuse or neglect, as defined, occurred. Definition in Penal Code section 11165.12 (b), amended on January 1, 2005.

Suspect - a person who has been designated as a suspect in an agency's child abuse investigation and subsequently reported as such to DOJ.

Unfounded - an investigator has determined, based on facts, that there was no child abuse. Penal Code section 11165.12 states: "unfounded means . . . to be false, to be inherently improbable, to involve an accidental injury.

Victim - a person who has been designated as a victim in a child abuse investigation report and subsequently reported as such to DOJ.

APPENDIX

TO BE TYPED OR PRINTED - PRESS FIRMLY - DO NOT USE FELT PEN

CHILD ABUSE INVESTIGATION REPORT

To be Completed by Investigating Child Protective Agency Pursuant to Penal Code Section 11169
(SHADED AREAS MUST BE COMPLETED)

RCN
AGY
FOR DOJ USE ONLY

A. INVESTIGATING AGENCY

1. INVESTIGATING AGENCY (Enter complete name and check type): ☐ POLICE ☐ WELFARE ☐ SHERIFF ☐ PROBATION
2. AGENCY REPORT NO./CASE NAME:
3. AGENCY ADDRESS: Street City Zip Code
4. AGENCY TELEPHONE: ( ) EXT:
5. NAME OF INVESTIGATING PARTY: TITLE
6. DATE REPORT COMPLETED: MO DA YR
7. AGENCY CROSS-REPORTED TO:
8. PERSON CROSS-REPORTED TO:
9. DATE CROSS-REPORTED: MO DA YR
10. **ACTION TAKEN** (check only one box):
☐ (1) SUBSTANTIATED (Credible evidence of abuse)
☐ (2) INCONCLUSIVE (Insufficient evidence of abuse, not unfounded)
10A. **SUPPLEMENTAL INFORMATION** (Attach copy of original report)
☐ (a) INCONCLUSIVE ☐ (c) ADDITIONAL INFORMATION
☐ (b) UNFOUNDED (false report, accidental, improbable)
11. Active investigation conducted per PC 11169(a)? ☐ Yes ☐ No* Victim(s) contacted? ☐ Yes ☐ No* Suspect(s) contacted? ☐ Yes ☐ No* ☐ No Suspects
Witness(es) contacted? ☐ Yes ☐ No* ☐ No witnesses *Explain in comments field A.12.
12. COMMENTS:

B. INCIDENT INFORMATION

1. DATE OF INCIDENT: MO DA YR
2. TIME OF INCIDENT:
3. LOCATION OF INCIDENT:
4. NAME OF PARTY REPORTING INCIDENT: TITLE:
5. EMPLOYER:
6. TELEPHONE: ( )
7. TYPE OF ABUSE (check one or more): ☐ (1) PHYSICAL ☐ (2) MENTAL ☐ (3) SEXUAL ☐ (4) SEVERE NEGLECT ☐ (5) GENERAL NEGLECT
8. IF ABUSE OCCURRED IN OUT-OF-HOME CARE, CHECK TYPE ☐ (1) FAMILY DAY CARE ☐ (2) CHILD CARE CENTER ☐ (3) FOSTER FAMILY HOME ☐ (4) SMALL FAMILY HOME
☐ (5) GROUP HOME OR INSTITUTION-Enter name and address:

C. INVOLVED PARTIES

VICTIMS

1. NAME: Last First Middle AKA DOB MO DA YR APPROX. AGE: ☐ MALE ☐ FEMALE RACE *
ADDRESS: Street City Zip Code
DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☐ NO
NATURE OF INJURIES:
PRESENT LOCATION OF VICTIM: TELEPHONE NUMBER:
IS VICTIM DEVELOPMENTALLY DISABLED [4512(a) W&I]? ☐ YES ☐ NO

2. NAME: Last First Middle AKA DOB MO DA YR APPROX. AGE: ☐ MALE ☐ FEMALE RACE *
ADDRESS: Street City Zip Code
DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☐ NO
NATURE OF INJURIES:
PRESENT LOCATION OF VICTIM: TELEPHONE NUMBER:
IS VICTIM DEVELOPMENTALLY DISABLED [4512(a) W&I]? ☐ YES ☐ NO

SUSPECTS

1. NAME: Last First Middle AKA DOB MO DA YR APPROX. AGE: ☐ MALE ☐ FEMALE RACE *
ADDRESS: Street City Zip Code HGT WGT EYES HAIR SOCIAL SECURITY NUMBER: DRIVER'S LICENSE NUMBER:
RELATIONSHIP TO VICTIM: ☐ (1) PARENT/STEPPARENT ☐ (2) SIBLING ☐ (3) OTHER RELATIVE ☐ (4) FRIEND/ACQUAINTANCE ☐ (5) STRANGER
Suspect given written notice per PC 11169(b) ☐ Yes ☐ No Date notice given: MO DA YR If notice not given, explain in comments field A.12.

2. NAME: Last First Middle AKA DOB MO DA YR APPROX. AGE: ☐ MALE ☐ FEMALE RACE *
ADDRESS: Street City Zip Code HGT WGT EYES HAIR SOCIAL SECURITY NUMBER: DRIVER'S LICENSE NUMBER:
RELATIONSHIP TO VICTIM: ☐ (1) PARENT/STEPPARENT ☐ (2) SIBLING ☐ (3) OTHER RELATIVE ☐ (4) FRIEND/ACQUAINTANCE ☐ (5) STRANGER
Suspect given written notice per PC 11169(b) ☐ Yes ☐ No Date notice given: MO DA YR If notice not given, explain in comments field A.12.

OTHER

1. NAME: Last First Middle ☐ (1) PARENT/STEPPARENT ☐ (2) SIBLING DOB MO DA YR APPROX. AGE: ☐ MALE ☐ FEMALE RACE *
2. NAME: Last First Middle ☐ (1) PARENT/STEPPARENT ☐ (2) SIBLING DOB MO DA YR APPROX. AGE: ☐ MALE ☐ FEMALE RACE *

*RACE CODES: W-White, B-Black, H-Hispanic, I-American Indian, F-Filipino, P-Pacific Islander, C-Chinese, J-Japanese, A-Other Asian, Z-Asian Indian, D-Cambodian, G-Guamanian, U-Hawaiian, K-Korean, L-Laotian, S-Samoan, V-Vietnamese, O-Other, X-Unknown

☐ CHECK HERE IF ADDITIONAL SHEET(S) IS ATTACHED.

SS 8583 (Rev. 5/02) PINK COPY-DOJ; WHITE COPY-Police or Sheriff; BLUE COPY-County Welfare or Probation; GREEN COPY- District Attorney's Office

CHILD ABUSE INVESTIGATION REPORT
DEPARTMENT OF JUSTICE (DOJ) FORM SS 8583
Guidelines for Use and Completion of Form SS 8583

(For Specific Requirements Refer to the Child Abuse Reporting Law, California Penal Code Section 11165 through 11174.5)

For immediate information on potential suspects/victims, please contact the Child Abuse Unit at (916) 227-3285.

Who Must Report

Interagency Reporting

- Any police or sheriff's department, county welfare department, or county probation department (if designated by the county to receive mandated reports) must report every suspected incident of child abuse it receives to:
  - the law enforcement agency having jurisdiction over the case
  - the agency responsible for investigations under Welfare and Institutions Code Section 300
  - the district attorney's office

DOJ Reporting

- An agency must report every incident of suspected child abuse for which it conducts an active investigation and determines not to be unfounded to DOJ on the Form SS 8583.

NOTE: Reports are not accepted from non-California agencies.

What Incidents Must *Not* Be Reported

Interagency Reporting

- Incidents specifically exempted under cooperative arrangements with other agencies in your jurisdiction.

DOJ Reporting

- Unfounded reports - Reports that are determined to be false, to be inherently improbable, to involve an accidental injury, or not to constitute child abuse or neglect, as defined in Section 11165.6 PC (Section 11165.12 PC).
- Acts of nonexploitive, consensual sexual behavior between minors under the age of 14 years who are of similar age.
- Acts of negligence by a pregnant woman or other person(s) which adversely affect the well-being of a fetus.
- Past abuse of a child who is an adult at the time of disclosure.
- Child stealing, as defined in Sections 277 PC and 278 PC, unless it involves sexual abuse, physical abuse, mental/emotional abuse, and/or severe neglect.
- Reasonable and necessary force by school employees to quell a disturbance threatening physical injury to person or damage to property (Section 11165.4 PC).
- Statutory rape, as defined in Section 261.5 PC, except Section 261.5(d) PC (Statutes of 1997).
- Mutual fights between minors (Section 11165.6 PC).

What Incidents Must Be Reported

- Abuse of a minor child, i.e., a person under the age of 18 years, involving any one of the below abuse types:

Interagency Reporting

- sexual abuse
- physical abuse
- general neglect
- mental/emotional abuse
- severe neglect

(Refer to Section 11165.1 through 11165.6 PC for citations and definitions)

DOJ Reporting

- All of the above, excluding general neglect.
- Deaths of minors resulting from abuse or neglect.

When Must the Report be Submitted

Interagency Reporting

- Telephone notification - immediately or as soon as practical.
- Written notification - within 36 hours of receiving information concerning the incident.
- When an agency takes a report for which it lacks jurisdiction the agency shall immediately refer the case by telephone, fax, or electronic transmission to an agency with proper jurisdiction.

DOJ Reporting

A Form SS 8583 must be submitted after an active investigation has been conducted and the incident has been determined not to be unfounded. DOJ defines "active investigation" as: the activities of an agency in response to a report of known or suspected child abuse. For purposes of reporting information to the Child Abuse Central Index, the activities shall include, at a minimum: assessing the nature and seriousness of the suspected abuse; conducting interviews of the victim(s), and any known suspect(s) and witness(es); gathering and preserving evidence; determining whether the incident is substantiated, inconclusive or unfounded; and preparing a report that will be retained in the files of the investigating agency.

NOTE: No other form will be accepted in lieu of the Form SS 8583.

The suspect(s) must be notified in writing that he/she has been reported to the Child Abuse Central Index per PC Section 11169(b).

What Information is Required

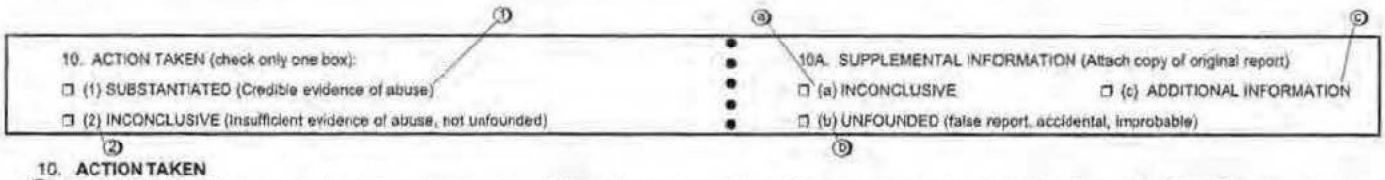
General Instructions

- All information blocks contained on the Form SS 8583 should be completed by the investigating agency. If information is not available, indicate "UNK" in the applicable information block.

Specific Instructions

- INFORMATION BLOCKS ON THE FORM SS 8583 WHICH ARE SHADED GRAY MUST BE COMPLETED. ***THE SUBMITTED FORM WILL BE RETURNED TO THE CONTRIBUTOR WITHOUT FURTHER DEPARTMENT OF JUSTICE ACTION IF THE CONTRIBUTOR FAILS TO COMPLETE ANY OF THE FOLLOWING ITEMS:*** the agency name and type, the agency's report number or case name; the action taken by the investigating agency; the specific type of abuse; the victim's name, birthdate or approximate age, and gender; and the suspect's name and birthdate or approximate age, and gender. If the suspect is not known, UNKNOWN must be entered. Verification must be provided that an active investigation was conducted, that victim(s), and any known suspect(s), and witness(es) were contacted. An explanation must be provided if these contacts were not made. Verification must be provided that the suspect was given written notification that he/she has been reported to the Child Abuse Central Index per Section 11169(b) PC. An explanation must be provided if there was no notification.

Section A. "INVESTIGATING AGENCY," information block 10. "ACTION TAKEN" or 10A. "SUPPLEMENTAL INFORMATION" must be completed in accordance with the following definitions (Check one of the boxes):



10. **ACTION TAKEN**

① SUBSTANTIATED - Acts determined, based upon some credible evidence, to constitute child abuse or neglect, as defined in Section 11165.6 PC.

② INCONCLUSIVE - Acts determined not to be unfounded, but there is insufficient evidence to determine whether child abuse or neglect, as defined in Section 11165.6 PC, has occurred.

10A. **SUPPLEMENTAL INFORMATION** - Only use this section to update information previously submitted on Form SS 8583.

ⓐ INCONCLUSIVE - A previously submitted Form SS 8583 indicated as "SUBSTANTIATED" is being reclassified to "INCONCLUSIVE."

ⓑ UNFOUNDED - A previously submitted Form SS 8583 indicated as "SUBSTANTIATED," "UNSUBSTANTIATED" or "INCONCLUSIVE" is being reclassified to "UNFOUNDED."

ⓒ ADDITIONAL INFORMATION - Supplementary information is being provided for a previously submitted Form SS 8583.

Where To Send The Report Form SS 8583

(For DOJ reporting only)

Department of Justice
Bureau of Criminal Information and Analysis
P. O. Box 903387
Sacramento, CA 94203-3870
ATTENTION: Child Abuse Unit

REMEMBER

Submit completed Form SS 8583 to DOJ as soon as possible after completion of the investigation because the case information may contribute to the success of another investigation. It is essential that the report be complete, accurate and timely to provide the maximum benefit in protecting children and identifying and prosecuting suspects. If you have questions about DOJ REPORTING or need a victim or suspect name check, call the DOJ Child Abuse Unit at (916) 227-3285 or CALNET 498-3285.

SS 8583 (5/02)

SUSPECTED CHILD ABUSE REPORT

To Be Completed by **Mandated Child Abuse Reporters**
Pursuant to Penal Code Section 11166

PLEASE PRINT OR TYPE

CASE NAME: _____

CASE NUMBER: _____

A. REPORTING PARTY

NAME OF MANDATED REPORTER	TITLE	MANDATED REPORTER CATEGORY
REPORTER'S BUSINESS/AGENCY NAME AND ADDRESS — Street / City / Zip		DID MANDATED REPORTER WITNESS THE INCIDENT? ☐ YES ☐ NO
REPORTER'S TELEPHONE (DAYTIME) ( )	SIGNATURE	TODAY'S DATE

B. REPORT NOTIFICATION

☐ LAW ENFORCEMENT ☐ COUNTY PROBATION ☐ COUNTY WELFARE / CPS (Child Protective Services) — AGENCY

ADDRESS — Street / City / Zip — DATE/TIME OF PHONE CALL

OFFICIAL CONTACTED - TITLE — TELEPHONE ( )

C. VICTIM
One report per victim

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
ADDRESS — Street / City / Zip	TELEPHONE ( )		
PRESENT LOCATION OF VICTIM	SCHOOL	CLASS	GRADE
PHYSICALLY DISABLED? ☐ YES ☐ NO	DEVELOPMENTALLY DISABLED? ☐ YES ☐ NO	OTHER DISABILITY (SPECIFY)	PRIMARY LANGUAGE SPOKEN IN HOME
IN FOSTER CARE? ☐ YES ☐ NO	IF VICTIM WAS IN OUT-OF-HOME CARE AT TIME OF INCIDENT, CHECK TYPE OF CARE: ☐ DAY CARE ☐ CHILD CARE CENTER ☐ FOSTER FAMILY HOME ☐ FAMILY FRIEND ☐ GROUP HOME OR INSTITUTION ☐ RELATIVE'S HOME		TYPE OF ABUSE *(CHECK ONE OR MORE)* ☐ PHYSICAL ☐ MENTAL ☐ SEXUAL ☐ NEGLECT ☐ OTHER (SPECIFY)
RELATIONSHIP TO SUSPECT	PHOTOS TAKEN? ☐ YES ☐ NO		DID THE INCIDENT RESULT IN THIS VICTIM'S DEATH? ☐ YES ☐ NO ☐ UNK

D. INVOLVED PARTIES

VICTIM'S SIBLINGS

NAME	BIRTHDATE	SEX	ETHNICITY	NAME	BIRTHDATE	SEX	ETHNICITY
1.				3.			
2.				4.			

VICTIM'S PARENTS/GUARDIANS

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
ADDRESS — Street / City / Zip	HOME PHONE ( )	BUSINESS PHONE ( )	
NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
ADDRESS — Street / City / Zip	HOME PHONE ( )	BUSINESS PHONE ( )	

SUSPECT

SUSPECT'S NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
ADDRESS — Street / City / Zip	TELEPHONE ( )		
OTHER RELEVANT INFORMATION			

E. INCIDENT INFORMATION

IF NECESSARY, ATTACH EXTRA SHEET(S) OR OTHER FORM(S) AND CHECK THIS BOX ☐ *IF MULTIPLE VICTIMS, INDICATE NUMBER:* _____

DATE / TIME OF INCIDENT	PLACE OF INCIDENT

NARRATIVE DESCRIPTION (What victim(s) said/what the mandated reporter observed/what person accompanying the victim(s) said/similar or past incidents involving the victim(s) or suspect)

SS 8572 (Rev. 12/02)

DEFINITIONS AND INSTRUCTIONS ON REVERSE

DO NOT submit a copy of this form to the Department of Justice (DOJ). The investigating agency is required under Penal Code Section 11169 to submit to DOJ a Child Abuse Investigation Report Form SS 8583 if (1) an active investigation was conducted and (2) the incident was determined not to be unfounded.

WHITE COPY-Police or Sheriff's Department; BLUE COPY-County Welfare or Probation Department; GREEN COPY- District Attorney's Office; YELLOW COPY-Reporting Party

DEFINITIONS AND GENERAL INSTRUCTIONS FOR COMPLETION OF FORM SS 8572

All Penal Code (PC) references are located in Article 2.5 of the PC. This article is known as the Child Abuse and Neglect Reporting Act (CANRA). The provisions of CANRA may be viewed at: http://www.leginfo.ca.gov/calaw.html (specify "Penal Code" and search for Sections 11164-11174.3). A mandated reporter must complete and submit the form SS 8572 even if some of the requested information is not known. (PC Section 11167(a).)

I. MANDATED CHILD ABUSE REPORTERS

- Mandated child abuse reporters include all those individuals and entities listed in PC Section 11165.7.

II. TO WHOM REPORTS ARE TO BE MADE ("DESIGNATED AGENCIES")

- Reports of suspected child abuse or neglect shall be made by mandated reporters to any police department or sheriff's department (not including a school district police or security department), the county probation department (if designated by the county to receive mandated reports), or the county welfare department. (PC Section 11165.9.)

III. REPORTING RESPONSIBILITIES

- Any mandated reporter who has knowledge of or observes a child, in his or her professional capacity or within the scope of his or her employment, whom he or she knows or reasonably suspects has been the victim of child abuse or neglect shall report such suspected incident of abuse or neglect to a designated agency immediately or as soon as practically possible by telephone and shall prepare and send a written report thereof ***within 36 hours*** of receiving the information concerning the incident. (PC Section 11166(a).)
- No mandated reporter who reports a suspected incident of child abuse or neglect shall be held civilly or criminally liable for any report required or authorized by CANRA. Any other person reporting a known or suspected incident of child abuse or neglect shall not incur civil or criminal liability as a result of any report authorized by CANRA unless it can be proven the report was false and the person knew it was false or made the report with reckless disregard of its truth or falsity. (PC Section 11172(a).)

IV. INSTRUCTIONS

- **SECTION A - REPORTING PARTY:** Enter the mandated reporter's name, title, category (from PC Section 11165.7), business/agency name and address, daytime telephone number, and today's date. Check yes-no whether the mandated reporter witnessed the incident. The signature area is for either the mandated reporter or, if the report is telephoned in by the mandated reporter, the person taking the telephoned report.

IV. INSTRUCTIONS (Continued)

- **SECTION B - REPORT NOTIFICATION:** Complete the name and address of the designated agency notified, the date/time of the phone call, and the name, title, and telephone number of the official contacted.
- **SECTION C - VICTIM (One Report per Victim):** Enter the victim's name, address, telephone number, birth date or approximate age, sex, ethnicity, present location, and, where applicable, enter the school, class (indicate the teacher's name or room number), and grade. List the primary language spoken in the victim's home. Check the appropriate yes-no box to indicate whether the victim may have a developmental disability or physical disability and specify any other apparent disability. Check the appropriate yes-no box to indicate whether the victim is in foster care, and check the appropriate box to indicate the type of care if the victim was in out-of-home care. Check the appropriate box to indicate the type of abuse. List the victim's relationship to the suspect. Check the appropriate yes-no box to indicate whether photos of the injuries were taken. Check the appropriate box to indicate whether the incident resulted in the victim's death.
- **SECTION D - INVOLVED PARTIES:** Enter the requested information for: Victim's Siblings, Victim's Parents/Guardians, and Suspect. Attach extra sheet(s) if needed (provide the requested information for each individual on the attached sheet(s)).
- **SECTION E - INCIDENT INFORMATION:** If multiple victims, indicate the number and submit a form for each victim. Enter date/time and place of the incident. Provide a narrative of the incident. Attach extra sheet(s) if needed.

V. DISTRIBUTION

- **Reporting Party:** After completing Form SS 8572, retain the yellow copy for your records and submit the top three copies to the designated agency.
- **Designated Agency:** ***Within 36 hours*** of receipt of Form SS 8572, send **white copy** to police or sheriff's department, **blue copy** to county welfare or probation department, and **green copy** to district attorney's office.

ETHNICITY CODES

1 Alaskan Native	6 Caribbean	11 Guamanian	16 Korean	22 Polynesian	27 White-Armenian
2 American Indian	7 Central American	12 Hawaiian	17 Laotian	23 Samoan	28 White-Central American
3 Asian Indian	8 Chinese	13 Hispanic	18 Mexican	24 South American	29 White-European
4 Black	9 Ethiopian	14 Hmong	19 Other Asian	25 Vietnamese	30 White-Middle Eastern
5 Cambodian	10 Filipino	15 Japanese	21 Other Pacific Islander	26 White	31 White-Romanian

EXHIBIT E

1008-1005 ~~1008-1005~~

STATE OF CALIFORNIA
BCIA 8583
(orig 8/03; rev 3/08)

DEPARTMENT OF JUSTICE

CHILD ABUSE OR SEVERE NEGLECT INDEXING FORM

To be completed by Submitting Child Protective Agency pursuant to Penal Code section 11169

☒ INITIAL REPORT

☐ AMENDED REPORT (attach copy of original BCIA 8583. Complete sections A, C, and all other applicable fields)

A. SUBMITTING AGENCY

SUBMITTING AGENCY (Enter complete name and check type)			AGENCY REPORT NUMBER/CASE NAME
SOUTH LAKE TAHOE POLICE DEPARTMENT	☒ POLICE ☐ SHERIFF ☐ WELFARE ☐ PROBATION		1008-1005
AGENCY ADDRESS Street: 1352 JOHNSON BLVD	City: SOUTH LAKE TAHOE	State: CA	Zip Code: 96150
PARTY: [redacted]	TITLE: DETECTIVE	AGENCY TELEPHONE: (530) 542-6100	

B. INCIDENT INFORMATION

DATE OF REPORT	The finding that allegations of child abuse or severe neglect are not unfounded is: (Check only one box)
08/10/10	☒ SUBSTANTIATED (Penal Code section 11165.12(a)) ☐ INCONCLUSIVE (Penal Code section 11165.12(c))

DATE OF INCIDENT	TYPE OF ABUSE (Check one or more)			
08/07/10	☐ PHYSICAL INJURY	☐ MENTAL/EMOTIONAL SUFFERING	☒ SEXUAL ABUSE, ASSAULT, EXPLOITATION	
	☐ SEVERE NEGLECT	☐ WILLFUL HARMING/ENDANGERMENT	☐ UNLAWFUL CORPORAL PUNISHMENT OR INJURY	

C. AMENDED REPORT INFORMATION

Original Agency Report Number/Case Name: _____ Date of Incident: _____ Type of Abuse: _____

☐ CHANGED TO INCONCLUSIVE ☐ ADDED ADDITIONAL INFORMATION
☐ CHANGED TO SUBSTANTIATED ☐ CORRECTED REPORT INFORMATION
☐ NOW UNFOUNDED ☐ UNDERLYING INVESTIGATIVE FILE NO LONGER AVAILABLE

Comment:

D. INVOLVED PARTIES

VICTIM(S)

NAME: Last	First	Middle	AKA	DOB	Approx. AGE		RACE*
			N/A	11/28/01	8	☐ MALE ☒ FEMALE	W

DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☒ NO ☐ UNKNOWN
IS VICTIM DEVELOPMENTALLY DISABLED (4512(a) W&I)? ☐ YES ☒ NO ☐ UNKNOWN

NAME: Last	First	Middle	AKA	DOB	Approx. AGE		RACE*
						☐ MALE ☐ FEMALE	

DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☐ NO ☐ UNKNOWN
IS VICTIM DEVELOPMENTALLY DISABLED (4512(a) W&I)? ☐ YES ☐ NO ☐ UNKNOWN

NAME: Last	First	Middle	AKA	DOB	Approx. AGE		RACE*
						☐ MALE ☐ FEMALE	

DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☐ NO ☐ UNKNOWN
IS VICTIM DEVELOPMENTALLY DISABLED (4512(a) W&I)? ☐ YES ☐ NO ☐ UNKNOWN

SUSPECT(S)

NAME: Last	First	Middle	AKA	DOB	Approx. AGE		RACE*
			N/A		50	☒ MALE ☐ FEMALE	W

ADDRESS Street	City	State	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE NUMBER
	N. HIGHLANDS	CA	95660	508	135	BRO	BRO		

RELATIONSHIP TO VICTIM: ☒ PARENT/STEPPARENT ☐ SIBLING ☐ OTHER RELATIVE ☐ FRIEND/ACQUAINTANCE ☒ STRANGER

NAME: Last	First	Middle	AKA	DOB	Approx. AGE		RACE*
						☐ MALE ☐ FEMALE	

ADDRESS Street	City	State	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE NUMBER

RELATIONSHIP TO VICTIM: ☐ PARENT/STEPPARENT ☐ SIBLING ☐ OTHER RELATIVE ☐ FRIEND/ACQUAINTANCE ☐ STRANGER

OTHER

NAME: Last	First	Middle	DOB	Approx. AGE		RACE*
					☐ MALE ☐ FEMALE	
					☐ MALE ☐ FEMALE	
					☐ MALE ☐ FEMALE	
					☐ MALE ☐ FEMALE	

*RACE CODES:
W - White
B - Black
H - Hispanic
I - American Indian
F - Filipino
P - Pacific Islander
C - Chinese
J - Japanese
A - Other Asian
Z - Asian Indian
O - Cambodian
G - Guamanian
U - Hawaiian
K - Korean
L - Laotian
S - Samoan
V - Vietnamese
O - Other
X - Unknown

☐ CHECK HERE IF ADDITIONAL SHEET(S) ATTACHED

FOR DOJ USE ONLY
RCN
AGY

STATE OF CALIFORNIA
SS 8583
(orig. 6/05; rev 4/09)

DEPARTMENT OF JUSTICE

CHILD ABUSE SUMMARY REPORT

To be completed by investigating Child Protective Agency pursuant to Penal Code section 11169 (SHADED AREAS MUST BE COMPLETED)

A. INVESTIGATION AGENCY

INVESTIGATING AGENCY (Enter complete name and check type): SOUTH LAKE TAHOE POLICE DEPARTMENT	☒ POLICE ☐ SHERIFF ☐ WELFARE ☐ PROBATION				AGENCY REPORT NUMBER/CASE NAME: 0908-1301
AGENCY ADDRESS Street: 1352 JOHNSON BLVD	City: SOUTH LAKE TAHOE	State: CA	Zip Code: 96150	AGENCY TELEPHONE: (530) 542-6100	
NAME OF INVESTIGATING PARTY: DOUG SENTELL	TITLE: DETECTIVE			DATE REPORT COMPLETED (MM/DD/YYYY): 08/25/2009	
AGENCY CROSS-REPORTED TO: N/A	PERSON CROSS-REPORTED TO			DATE CROSS-REPORTED (MM/DD/YYYY)	

ACTION TAKEN (Check only one box)
☒ SUBSTANTIATED (Abuse more likely than not to have occurred)
☐ INCONCLUSIVE (Insufficient evidence to substantiate or unfounded)

SUPPLEMENTAL INFORMATION (Attach copy of original report)
☐ INCONCLUSIVE ☐ ADDITIONAL INFORMATION
☐ UNFOUNDED (False report, accidental, improbable)

Active investigation conducted per PC 11166(c)? ☒ Yes ☐ No* Victim(s) contacted? ☒ Yes ☐ No* Suspect(s) contacted? ☒ Yes ☐ No* ☐ No Suspect(s)
Witness(es) contacted? ☐ Yes ☐ No* ☒ No Witnesses * Explain in comments field

COMMENTS

B. INCIDENT INFORMATION

DATE OF INCIDENT (MM/DD/YYYY)	TIME OF INCIDENT	LOCATION OF INCIDENT	
UNK	UNK	OUTH LAKE TAHOE, CA 96150	
NAME AND TITLE OF PERSON REPORTING INCIDENT	EMPLOYER: EL DORADO COUNTY CPS		TELEPHONE NUMBER

TYPE OF ABUSE (Check one or more) ☐ PHYSICAL ☐ MENTAL ☒ SEXUAL ☐ SEVERE NEGLECT ☐ GENERAL NEGLECT

IF ABUSE OCCURRED IN OUT-OF-HOME CARE, CHECK TYPE ☐ FAMILY DAY CARE ☐ CHILD CARE CENTER ☐ FOSTER FAMILY HOME ☐ SMALL FAMILY HOME
☐ GROUP HOME OR INSTITUTION - Enter name and address

C. INVOLVED PARTIES

VICTIM(S)

NAME: Last	First	Middle	AKA	DOB (MM/DD/YYYY)	Approx. AGE	SEX	RACE*
[redacted]					6	☒ MALE ☐ FEMALE	H

ADDRESS Street	City	State	Zip Code	DID VICTIM'S INJURIES RESULT IN DEATH? NATURE OF INJURIES:
	SOUTH LAKE TAHO	CA	96150	☐ YES ☒ NO

PRESENT LOCATION OF VICTIM	TELEPHONE NUMBER	IS VICTIM DEVELOPMENTALLY DISABLED (4512(a) W&I)?
SAME		☐ YES ☒ NO

NAME: Last	First	Middle	AKA	DOB (MM/DD/YYYY)	Approx. AGE	SEX	RACE*
N/A						☐ MALE ☐ FEMALE	

ADDRESS Street	City	State	Zip Code	DID VICTIM'S INJURIES RESULT IN DEATH? NATURE OF INJURIES:
				☐ YES ☐ NO

PRESENT LOCATION OF VICTIM	TELEPHONE NUMBER	IS VICTIM DEVELOPMENTALLY DISABLED (4512(a) W&I)?
		☐ YES ☐ NO

SUSPECT(S)

NAME: Last	First	Middle	AKA	DOB (MM/DD/YYYY)	Approx. AGE	SEX	RACE*
[redacted]				[redacted]	19	☒ MALE ☐ FEMALE	H

ADDRESS Street	City	State	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE NUMBER
[redacted]	SOUTH LAKE TAHO	CA	96150	506	150	BLK	BRO	UNK	UNK

RELATIONSHIP TO VICTIM: ☐ PARENT/STEPPARENT ☐ SIBLING ☒ OTHER RELATIVE ☐ FRIEND/ACQUAINTANCE ☐ STRANGER

SUSPECT GIVEN WRITTEN NOTICE PER PC 11166(b)	DATE NOTICE GIVEN (MM/DD/YYYY)	IF NOTICE NOT GIVEN, EXPLAIN IN COMMENTS FIELD ABOVE
☒ YES ☐ NO	08/26/2009	

NAME: Last	First	Middle	AKA	DOB (MM/DD/YYYY)	Approx. AGE	SEX	RACE*
N/A						☐ MALE ☐ FEMALE	

ADDRESS Street	City	State	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE NUMBER

RELATIONSHIP TO VICTIM: ☐ PARENT/STEPPARENT ☐ SIBLING ☐ OTHER RELATIVE ☐ FRIEND/ACQUAINTANCE ☐ STRANGER

SUSPECT GIVEN WRITTEN NOTICE PER PC 11166(b)	DATE NOTICE GIVEN (MM/DD/YYYY)	IF NOTICE NOT GIVEN, EXPLAIN IN COMMENTS FIELD ABOVE
☐ YES ☐ NO		

OTHER

NAME: Last	First	Middle		DOB (MM/DD/YYYY)	Approx. AGE	SEX	RACE*
[redacted]			☒ PARENT/STEPPARENT ☐ SIBLING	04/16/1985	24	☐ MALE ☒ FEMALE	H
NAME: Last	First	Middle	☐ PARENT/STEPPARENT ☐ SIBLING	DOB (MM/DD/YYYY)	Approx. AGE	☐ MALE ☐ FEMALE	RACE*

*RACE CODES:
W - White
B - Black
H - Hispanic
I - American Indian
F - Filipino
P - Pacific Islander
C - Chinese
J - Japanese
A - Other Asian
Z - Asian Indian
D - Cambodian
G - Guamanian
U - Hawaiian
K - Korean
L - Laotian
S - Samoan
V - Vietnamese
O - Other
X - Unknown

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DISTRIBUTION: Original to DOJ, Copy to Police or Sheriff, Copy to County Welfare or Probation, Copy to District Attorney's Office

STATE OF CALIFORNIA
BCIA 8583
(orig. 6/05, rev 3/08)

DEPARTMENT OF JUSTICE

CHILD ABUSE OR SEVERE NEGLECT INDEXING FORM

To be completed by Submitting Child Protective Agency pursuant to Penal Code section 11169

☒ INITIAL REPORT

☐ AMENDED REPORT (attach copy of original BCIA 8583. Complete sections A, C, and all other applicable fields)

A. SUBMITTING AGENCY

SUBMITTING AGENCY (Enter complete name and check type)			AGENCY REPORT NUMBER/CASE NAME
SOUTH LAKE TAHOE POLICE	☒ POLICE ☐ SHERIFF	☐ WELFARE ☐ PROBATION	1002-1571

AGENCY ADDRESS Street	City	State	Zip Code
1352 JOHNSON BLVD	SOUTH LAKE TAHOE	CA	96150

NAME OF SUBMITTING PARTY	TITLE	AGENCY TELEPHONE
DOUG SENTELL	DETECTIVE	(530) 542-6100

B. INCIDENT INFORMATION

DATE OF REPORT: 02/25/2010

The finding that allegations of child abuse or severe neglect are not unfounded is: (Check only one box)

☒ SUBSTANTIATED (Penal Code section 11165.12(d)) ☐ INCONCLUSIVE (Penal Code section 11165.12(c))

DATE OF INCIDENT: 02/19/10

TYPE OF ABUSE (Check one or more)

☐ PHYSICAL INJURY ☐ MENTAL/EMOTIONAL SUFFERING ☒ SEXUAL ABUSE, ASSAULT, EXPLOITATION

☐ SEVERE NEGLECT ☐ WILLFUL HARMING/ENDANGERMENT ☐ UNLAWFUL CORPORAL PUNISHMENT OR INJURY

C. AMENDED REPORT INFORMATION

Original Agency Report Number/Case Name: _____ Date of Incident: _____ Type of Abuse: _____

☐ CHANGED TO INCONCLUSIVE ☐ ADDED ADDITIONAL INFORMATION

☐ CHANGED TO SUBSTANTIATED ☐ CORRECTED REPORT INFORMATION

☐ NOW UNFOUNDED ☐ UNDERLYING INVESTIGATIVE FILE NO LONGER AVAILABLE

Comment:

D. INVOLVED PARTIES

VICTIM(S)

NAME: Last	First	Middle	AKA	DOB	Approx AGE		RACE*
			N/A		14	☐ MALE ☒ FEMALE	W

DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☐ NO ☐ UNKNOWN

IS VICTIM DEVELOPMENTALLY DISABLED (4512(a) W&I)? ☐ YES ☐ NO ☒ UNKNOWN

NAME: Last	First	Middle	AKA	DOB	Approx AGE		RACE*
						☐ MALE ☐ FEMALE	

DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☐ NO ☐ UNKNOWN

IS VICTIM DEVELOPMENTALLY DISABLED (4512(a) W&I)? ☐ YES ☐ NO ☐ UNKNOWN

NAME: Last	First	Middle	AKA	DOB	Approx AGE		RACE*
						☐ MALE ☐ FEMALE	

DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☐ NO ☐ UNKNOWN

IS VICTIM DEVELOPMENTALLY DISABLED (4512(a) W&I)? ☐ YES ☐ NO ☐ UNKNOWN

SUSPECT(S)

NAME: Last	First	Middle	AKA	DOB	Approx AGE		RACE*
[redacted]			N/A		0	☒ MALE ☐ FEMALE	W

ADDRESS Street	City	State	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE NUMBER
	SO LAKE TAHOE	CA	96150	6-03	160	BLU	BLN		

RELATIONSHIP TO VICTIM: ☐ PARENT/STEPPARENT ☐ SIBLING ☐ OTHER RELATIVE ☒ FRIEND/ACQUAINTANCE ☐ STRANGER

NAME: Last	First	Middle	AKA	DOB	Approx AGE		RACE*
						☐ MALE ☐ FEMALE	

ADDRESS Street	City	State	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE NUMBER

RELATIONSHIP TO VICTIM: ☐ PARENT/STEPPARENT ☐ SIBLING ☐ OTHER RELATIVE ☐ FRIEND/ACQUAINTANCE ☐ STRANGER

OTHER

NAME: Last	First	Middle	DOB	Approx AGE		RACE*
					☐ MALE ☐ FEMALE	
					☐ MALE ☐ FEMALE	
					☐ MALE ☐ FEMALE	
					☐ MALE ☐ FEMALE	

*RACE CODES:

W - White
B - Black
H - Hispanic
I - American Indian
F - Filipino
P - Pacific Islander
C - Chinese
J - Japanese
A - Other Asian
Z - Asian Indian
D - Cambodian
G - Guamanian
U - Hawaiian
K - Korean
L - Laotian
S - Samoan
V - Vietnamese
O - Other
X - Unknown

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0904-656

STATE OF CALIFORNIA
SS 8583
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DEPARTMENT OF JUSTICE
Page 1 of 1

CHILD ABUSE SUMMARY REPORT

To be completed by investigating Child Protective Agency pursuant to Penal Code section 11168 (SHADED AREAS MUST BE COMPLETED)

A. INVESTIGATION AGENCY

INVESTIGATING AGENCY (Enter complete name and check type): SOUTH LAKE TAHOE POLICE DEPARTMENT	☒ POLICE ☐ SHERIFF ☐ WELFARE ☐ PROBATION	AGENCY REPORT NUMBER/CASE NAME: 0904-0656		
AGENCY ADDRESS Street: 1352 JOHNSON BLVD.	City: SOUTH LAKE TAHOE	State: CA	Zip Code: 96150	AGENCY TELEPHONE: (530) 542-6100
NAME OF INVESTIGATING PARTY: DOUG SENTELL	TITLE: DETECTIVE	DATE REPORT COMPLETED (mm/dd/yyyy): 09/04/2009		
AGENCY CROSS-REPORTED TO: N/A	PERSON CROSS-REPORTED TO:	DATE CROSS-REPORTED (mm/dd/yyyy):		

ACTION TAKEN (Check only one box)
☒ SUBSTANTIATED (Abuse more likely than not to have occurred)
☐ INCONCLUSIVE (Insufficient evidence of abuse, not unfounded)

SUPPLEMENTAL INFORMATION (Attach copy of original report)
☐ INCONCLUSIVE ☐ ADDITIONAL INFORMATION
☐ UNFOUNDED (False report, accidental, impossible)

Active investigation conducted per PC 11169(a)? ☒ Yes ☐ No* Victim(s) contacted? ☒ Yes ☐ No* Suspect(s) contacted? ☒ Yes ☐ No* ☐ No Suspect(s)
Witness(es) contacted? ☐ Yes ☐ No* ☒ No Witnesses * Explain in comments field

COMMENTS

B. INCIDENT INFORMATION

DATE OF INCIDENT (mm/dd/yyyy)	TIME OF INCIDENT	LOCATION OF INCIDENT
UNKNOWN	UNKNOWN	SOUTH LAKE TAHOE, CA

NAME AND TITLE OF PARTY REPORTING INCIDENT	EMPLOYER	TELEPHONE NUMBER

TYPE OF ABUSE (Check one or more) ☐ PHYSICAL ☐ MENTAL ☒ SEXUAL ☐ SEVERE NEGLECT ☐ GENERAL NEGLECT

IF ABUSE OCCURRED IN OUT-OF-HOME CARE, CHECK TYPE ☐ FAMILY DAY CARE ☐ CHILD CARE CENTER ☐ FOSTER FAMILY HOME ☐ SMALL FAMILY HOME
☐ GROUP HOME OR INSTITUTION - Enter name and address

C. INVOLVED PARTIES

VICTIM(S)

NAME: Last	First	Middle	AKA		Approx. AGE		RACE*
			NONE		15	☐ MALE ☒ FEMALE	H

ADDRESS Street	City	State	Zip Code	DID VICTIM'S INJURIES RESULT IN DEATH? NATURE OF INJURIES:
	SANTA ROSA	CA	95403	☐ YES ☒ NO

PRESENT LOCATION OF VICTIM	TELEPHONE NUMBER	IS VICTIM DEVELOPMENTALLY DISABLED (4512(a) W&I)?
SAME		☐ YES ☒ NO

NAME: Last	First	Middle	AKA	DOB (mm/dd/yyyy)	Approx. AGE		RACE*
						☐ MALE ☐ FEMALE	

ADDRESS Street	City	State	Zip Code	DID VICTIM'S INJURIES RESULT IN DEATH? NATURE OF INJURIES:
				☐ YES ☐ NO

PRESENT LOCATION OF VICTIM	TELEPHONE NUMBER	IS VICTIM DEVELOPMENTALLY DISABLED (4512(a) W&I)?
		☐ YES ☐ NO

SUSPECT(S)

NAME: Last	First	Middle	AKA	DOB (mm/dd/yyyy)	Approx. AGE		RACE*
				Unknown	2	☒ MALE ☐ FEMALE	H

ADDRESS Street	City	State	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE NUMBER
	SOUTH LAKE TAHO	CA	96150	505	150	BRO	BRO	NONE	NONE

RELATIONSHIP TO VICTIM: ☐ PARENT/STEPPARENT ☐ SIBLING ☐ OTHER RELATIVE ☐ FRIEND/ACQUAINTANCE ☐ STRANGER

SUSPECT GIVEN WRITTEN NOTICE PER PC 11169(b)	DATE NOTICE GIVEN (mm/dd/yyyy)	IF NOTICE NOT GIVEN, EXPLAIN IN COMMENTS FIELD ABOVE
☒ YES ☐ NO	09/18/2009	

NAME: Last	First	Middle	AKA	DOB (mm/dd/yyyy)	Approx. AGE		RACE*
						☐ MALE ☐ FEMALE	

ADDRESS Street	City	State	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE NUMBER

RELATIONSHIP TO VICTIM: ☐ PARENT/STEPPARENT ☐ SIBLING ☐ OTHER RELATIVE ☐ FRIEND/ACQUAINTANCE ☐ STRANGER

SUSPECT GIVEN WRITTEN NOTICE PER PC 11169(b)	DATE NOTICE GIVEN (mm/dd/yyyy)	IF NOTICE NOT GIVEN, EXPLAIN IN COMMENTS FIELD ABOVE
☐ YES ☐ NO		

OTHER

NAME: Last	First	Middle		DOB (mm/dd/yyyy)	Approx. AGE		RACE*
			☐ PARENT/STEPPARENT ☐ SIBLING			☐ MALE ☐ FEMALE	
NAME: Last	First	Middle	☐ PARENT/STEPPARENT ☐ SIBLING	DOB (mm/dd/yyyy)	Approx. AGE	☐ MALE ☐ FEMALE	RACE*

*RACE CODES:
W - White
B - Black
H - Hispanic
I - American Indian
F - Filipino
P - Pacific Islander
C - Chinese
J - Japanese
A - Other Asian
Z - Asian Indian
D - Cambodian
G - Guamanian
U - Hawaiian
K - Korean
L - Laotian
S - Samoan
V - Vietnamese
O - Other
X - Unknown

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STATE OF CALIFORNIA
BCIA 8583
(orig. 8/05; rev 3/08)

DEPARTMENT OF JUSTICE

CHILD ABUSE OR SEVERE NEGLECT INDEXING FORM

To be completed by Submitting Child Protective Agency pursuant to Penal Code section 11169

☒ INITIAL REPORT

☐ AMENDED REPORT (attach copy of original BCIA 8583. Complete sections A, C, and all other applicable fields)

A. SUBMITTING AGENCY

SUBMITTING AGENCY (Enter complete name and check type)		AGENCY REPORT NUMBER/CASE NAME
SOUTH LAKE TAHOE POLICE DEPARTMENT	☒ POLICE ☐ WELFARE ☐ SHERIFF ☐ PROBATION	1003-1054

AGENCY ADDRESS Street	City	State	Zip Code
1352 JOHNSON BLVD	SOUTH LAKE TAHOE	CA	96150

NAME OF SUBMITTING PARTY	TITLE	AGENCY TELEPHONE
DOUG SENTELL	DETECTIVE	(530) 542-6100

B. INCIDENT INFORMATION

DATE OF REPORT: 03/15/2010

The finding that allegations of child abuse or severe neglect are not unfounded is: (Check only one box)
☒ SUBSTANTIATED (Penal Code section 11165.12(d)) ☐ INCONCLUSIVE (Penal Code section 11165.12(c))

DATE OF INCIDENT: 03/14/2010

TYPE OF ABUSE (Check one or more)
☐ PHYSICAL INJURY ☐ MENTAL/EMOTIONAL SUFFERING ☒ SEXUAL ABUSE, ASSAULT, EXPLOITATION
☐ SEVERE NEGLECT ☐ WILLFUL HARMING/ENDANGERMENT ☐ UNLAWFUL CORPORAL PUNISHMENT OR INJURY

C. AMENDED REPORT INFORMATION

Original Agency Report Number/Case Name: _____ Date of Incident: _____ Type of Abuse: _____

☐ CHANGED TO INCONCLUSIVE ☐ ADDED ADDITIONAL INFORMATION
☐ CHANGED TO SUBSTANTIATED ☐ CORRECTED REPORT INFORMATION
☐ NOW UNFOUNDED ☐ UNDERLYING INVESTIGATIVE FILE NO LONGER AVAILABLE

Comment:

D. INVOLVED PARTIES

VICTIM(S)

NAME: Last	First	Middle	AKA	DOB	Approx. AGE		RACE*
					14	☐ MALE ☒ FEMALE	W

DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☒ NO ☐ UNKNOWN
IS VICTIM DEVELOPMENTALLY DISABLED (4512(e) W&I)? ☐ YES ☒ NO ☐ UNKNOWN

NAME: Last	First	Middle	AKA	DOB	Approx. AGE		RACE*
					14	☒ MALE ☐ FEMALE	W

DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☒ NO ☐ UNKNOWN
IS VICTIM DEVELOPMENTALLY DISABLED (4512(e) W&I)? ☐ YES ☐ NO ☒ UNKNOWN

NAME: Last	First	Middle	AKA	DOB	Approx. AGE		RACE*
						☐ MALE ☐ FEMALE	

DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☐ NO ☐ UNKNOWN
IS VICTIM DEVELOPMENTALLY DISABLED (4512(e) W&I)? ☐ YES ☐ NO ☐ UNKNOWN

SUSPECT(S)

NAME: Last	First	Middle	AKA	DOB	Approx. AGE		RACE*
			N/A		27	☒ MALE ☐ FEMALE	W

ADDRESS Street	City	State	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE NUMBER
	SO LAKE TAHOE	CA	96150	509	140	BRO	BRO		

RELATIONSHIP TO VICTIM: ☐ PARENT/STEPPARENT ☐ SIBLING ☐ OTHER RELATIVE ☒ FRIEND/ACQUAINTANCE ☐ STRANGER

NAME: Last	First	Middle	AKA	DOB	Approx. AGE		RACE*
			N/A		24	☒ MALE ☐ FEMALE	W

ADDRESS Street	City	State	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE NUMBER
	SO LAKE TAHOE	CA	96150	510	135	BRO	BRO		

RELATIONSHIP TO VICTIM: ☐ PARENT/STEPPARENT ☐ SIBLING ☐ OTHER RELATIVE ☒ FRIEND/ACQUAINTANCE ☐ STRANGER

NAME: Last	First	Middle	DOB	Approx. AGE		RACE*
					☐ MALE ☐ FEMALE	

NAME: Last	First	Middle	DOB	Approx. AGE		RACE*
					☐ MALE ☐ FEMALE	

NAME: Last	First	Middle	DOB	Approx. AGE		RACE*
					☐ MALE ☐ FEMALE	

NAME: Last	First	Middle	DOB	Approx. AGE		RACE*
					☐ MALE ☐ FEMALE	

*RACE CODES:
W - White
B - Black
H - Hispanic
I - American Indian
F - Filipino
P - Pacific Islander
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J - Japanese
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Z - Asian Indian
D - Cambodian
G - Guamanian
U - Hawaiian
K - Korean
L - Laotian
S - Samoan
V - Vietnamese
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X - Unknown

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DEPARTMENT OF JUSTICE

CHILD ABUSE OR SEVERE NEGLECT INDEXING FORM

To be completed by Submitting Child Protective Agency pursuant to Penal Code section 11169

☒ INITIAL REPORT

☐ AMENDED REPORT (attach copy of original BCIA 8583. Complete sections A, C, and all other applicable fields)

A. SUBMITTING AGENCY INFORMATION

SUBMITTING AGENCY (Enter complete name and check type)			AGENCY REPORT NUMBER/CASE NAME
SOUTH LAKE TAHOE POLICE DEPARTMENT	☒ POLICE ☐ SHERIFF ☐ WELFARE ☐ PROBATION		1003-1190
AGENCY ADDRESS Street: 1352 JOHNSON BLVD	City: SOUTH LAKE TAHOE	State: CA	Zip Code: 96150
NAME OF SUBMITTING PARTY: DOUG SENTELL	TITLE: DETECTIVE	AGENCY TELEPHONE: (530) 542-6100	

B. INCIDENT INFORMATION

DATE OF REPORT	The finding that allegations of child abuse or severe neglect are not unfounded is: (Check only one box)
03/17/09	☒ SUBSTANTIATED (Penal Code section 11165.12(d)) ☐ INCONCLUSIVE (Penal Code section 11165.12(c))

DATE OF INCIDENT	TYPE OF ABUSE (Check one or more)			
01/01/2009	☐ PHYSICAL INJURY	☐ MENTAL/EMOTIONAL SUFFERING	☒ SEXUAL ABUSE, ASSAULT, EXPLOITATION	
	☐ SEVERE NEGLECT	☐ WILLFUL HARMING/ENDANGERMENT	☐ UNLAWFUL CORPORAL PUNISHMENT OR INJURY	

C. AMENDED REPORT INFORMATION

Original Agency Report Number/Case Name: _____ Date of Incident: _____ Type of Abuse: _____

☐ CHANGED TO INCONCLUSIVE ☐ ADDED ADDITIONAL INFORMATION
☐ CHANGED TO SUBSTANTIATED ☐ CORRECTED REPORT INFORMATION
☐ NOW UNFOUNDED ☐ UNDERLYING INVESTIGATIVE FILE NO LONGER AVAILABLE

Comment:

D. VICTIM(S)

NAME: Last	First	Middle	AKA	DOB	Approx. AGE	SEX	RACE*
			NONE		9	☐ MALE ☒ FEMALE	H

DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☒ NO ☐ UNKNOWN
IS VICTIM DEVELOPMENTALLY DISABLED (4512(a) W&I)? ☐ YES ☒ NO ☐ UNKNOWN

NAME: Last	First	Middle	AKA	DOB	Approx. AGE	SEX	RACE*
						☐ MALE ☐ FEMALE	

DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☐ NO ☐ UNKNOWN
IS VICTIM DEVELOPMENTALLY DISABLED (4512(a) W&I)? ☐ YES ☐ NO ☐ UNKNOWN

NAME: Last	First	Middle	AKA	DOB	Approx. AGE	SEX	RACE*
						☐ MALE ☐ FEMALE	

DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☐ NO ☐ UNKNOWN
IS VICTIM DEVELOPMENTALLY DISABLED (4512(a) W&I)? ☐ YES ☐ NO ☐ UNKNOWN

NAME: Last	First	Middle	AKA	DOB	Approx. AGE	SEX	RACE*
	A				61	☒ MALE ☐ FEMALE	H

ADDRESS: Street	City	State	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE NUMBER
	SO LAKE TAHOE	CA	96150	506	150	BRO	BLK	NONE	

RELATIONSHIP TO VICTIM: ☐ PARENT/STEPPARENT ☐ SIBLING ☒ OTHER RELATIVE ☐ FRIEND/ACQUAINTANCE ☐ STRANGER

E. SUSPECT(S) INVOLVED

NAME: Last	First	Middle	AKA	DOB	Approx. AGE	SEX	RACE*
						☐ MALE ☐ FEMALE	

ADDRESS: Street	City	State	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE NUMBER

RELATIONSHIP TO VICTIM: ☐ PARENT/STEPPARENT ☐ SIBLING ☐ OTHER RELATIVE ☐ FRIEND/ACQUAINTANCE ☐ STRANGER

NAME: Last	First	Middle	DOB	Approx. AGE	SEX	RACE*
					☐ MALE ☐ FEMALE	
					☐ MALE ☐ FEMALE	
					☐ MALE ☐ FEMALE	
					☐ MALE ☐ FEMALE	

*RACE CODES:
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P - Pacific Islander
C - Chinese
J - Japanese
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SS 8583
(orig. 8/05; rev 4/07)

DEPARTMENT OF JUSTICE
Page 1 of 1

CHILD ABUSE SUMMARY REPORT

To be completed by investigating Child Protective Agency pursuant to Penal Code section 11169 (SHADED AREAS MUST BE COMPLETED)

A. INVESTIGATION AGENCY

INVESTIGATING AGENCY (Enter complete name and check type): SOUTH LAKE TAHOE POLICE DEPARTMENT	☒ POLICE ☐ SHERIFF ☐ WELFARE ☐ PROBATION			AGENCY REPORT NUMBER/CASE NAME: 0904-0656
AGENCY ADDRESS: Street: 1352 JOHNSON BLVD	City: SOUTH LAKE TAHOE	State: CA	Zip Code: 96150	AGENCY TELEPHONE: (530) 542-6100
NAME OF INVESTIGATING PARTY: DOUG SENTELL	TITLE: DETECTIVE			DATE REPORT COMPLETED (MM/DD/YYYY): 09/04/2009
AGENCY CROSS-REPORTED TO: N/A	PERSON CROSS-REPORTED TO			DATE CROSS-REPORTED (MM/DD/YYYY)

ACTION TAKEN (Check only one box):
☒ SUBSTANTIATED (Report more likely than not to have occurred)
☐ INCONCLUSIVE (Insufficient evidence of abuse, not unfounded)

SUPPLEMENTAL INFORMATION (Attach copy of original report):
☐ INCONCLUSIVE ☐ ADDITIONAL INFORMATION
☐ UNFOUNDED (False report, accidental, unfounded)

Active investigation conducted per PC 11169(a)? ☒ Yes ☐ No* Victim(s) contacted? ☒ Yes ☐ No* Suspect(s) contacted? ☒ Yes ☐ No* ☐ No Suspect(s)
Witness(es) contacted? ☐ Yes ☐ No* ☒ No Witnesses * Explain in comments field

COMMENTS

B. INCIDENT INFORMATION

DATE OF INCIDENT (MM/DD/YYYY)	TIME OF INCIDENT	LOCATION OF INCIDENT
UNKNOWN	UNKNOWN	SOUTH LAKE TAHOE, CA

NAME AND TITLE OF PARTY REPORTING INCIDENT	EMPLOYER	TELEPHONE NUMBER

TYPE OF ABUSE (Check one or more): ☐ PHYSICAL ☐ MENTAL ☒ SEXUAL ☐ SEVERE NEGLECT ☐ GENERAL NEGLECT

IF ABUSE OCCURRED IN OUT-OF-HOME CARE, CHECK TYPE: ☐ FAMILY DAY CARE ☐ CHILD CARE CENTER ☐ FOSTER FAMILY HOME ☐ SMALL FAMILY HOME
☐ GROUP HOME OR INSTITUTION - Enter name and address

C. INVOLVED PARTIES

VICTIM(S)

NAME: Last	First	Middle	AKA	DOB (MM/DD/YYYY)	Approx. Age	Sex	Race*
			NONE		15	☐ MALE ☒ FEMALE	H

ADDRESS: Street	City	State	Zip Code	DID VICTIM'S INJURIES RESULT IN DEATH? NATURE OF INJURIES:
	SANTA ROSA	CA	95403	☐ YES ☒ NO

PRESENT LOCATION OF VICTIM	TELEPHONE NUMBER	IS VICTIM DEVELOPMENTALLY DISABLED (4512(e) W&I)?
SAME		☐ YES ☒ NO

NAME: Last	First	Middle	AKA	DOB (MM/DD/YYYY)	Approx. Age	Sex	Race*
						☐ MALE ☐ FEMALE	

ADDRESS: Street	City	State	Zip Code	DID VICTIM'S INJURIES RESULT IN DEATH? NATURE OF INJURIES:
				☐ YES ☐ NO

PRESENT LOCATION OF VICTIM	TELEPHONE NUMBER	IS VICTIM DEVELOPMENTALLY DISABLED (4512(e) W&I)?
		☐ YES ☐ NO

SUSPECT(S)

NAME: Last	First	Middle	AKA		Approx. Age	Sex	Race*
	R				32	☒ MALE ☐ FEMALE	H

ADDRESS: Street	City	State	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE NUMBER
	SOUTH LAKE TAHO	CA	96150	505	150	BRO	BRO	NONE	NONE

RELATIONSHIP TO VICTIM: ☐ PARENT/STEPPARENT ☐ SIBLING ☐ OTHER RELATIVE ☐ FRIEND/ACQUAINTANCE ☐ STRANGER

SUSPECT GIVEN WRITTEN NOTICE PER PC 11169(b)	DATE NOTICE GIVEN (MM/DD/YYYY)	IF NOTICE NOT GIVEN, EXPLAIN IN COMMENTS FIELD ABOVE
☒ YES ☐ NO		

NAME: Last	First	Middle	AKA	DOB (MM/DD/YYYY)	Approx. Age	Sex	Race*
						☐ MALE ☐ FEMALE	

ADDRESS: Street	City	State	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE NUMBER

RELATIONSHIP TO VICTIM: ☐ PARENT/STEPPARENT ☐ SIBLING ☐ OTHER RELATIVE ☐ FRIEND/ACQUAINTANCE ☐ STRANGER

SUSPECT GIVEN WRITTEN NOTICE PER PC 11169(b)	DATE NOTICE GIVEN (MM/DD/YYYY)	IF NOTICE NOT GIVEN, EXPLAIN IN COMMENTS FIELD ABOVE
☐ YES ☐ NO		

OTHER

NAME: Last	First	Middle		DOB (MM/DD/YYYY)	Approx. Age	Sex	Race*
			☐ PARENT/STEPPARENT ☐ SIBLING			☐ MALE ☐ FEMALE	
			☐ PARENT/STEPPARENT ☐ SIBLING			☐ MALE ☐ FEMALE	

* RACE CODES:
W - White
B - Black
H - Hispanic
I - American Indian
F - Filipino
P - Pacific Islander
C - Chinese
J - Japanese
A - Other Asian
Z - Asian Indian
D - Cambodian
G - Guamanian
U - Hawaiian
K - Korean
L - Laotian
S - Samoan
V - Vietnamese
O - Other
X - Unknown

☐ CHECK HERE IF ADDITIONAL SHEET(S) ATTACHED

FOR DOJ USE ONLY
RCN
AGY

DISTRIBUTION: Original to DOJ; Copy to Police or Sheriff; Copy to County Welfare or Probation; Copy to District Attorney's Office

0704-0626

State of California
Child Abuse Summary Report

Department of Justice

SS8583(Rev6/06)

CHILD ABUSE SUMMARY REPORT

To be Completed by Investigating Child Protective Agency
Pursuant to Penal code Section 11169
(SHADED AREAS MUST BE COMPLETED)

FOR DOJ USE ONLY

A. INVESTIGATING AGENCY

1. INVESTIGATING AGENCY (Enter name and check type): South Lake Tahoe Police Department — ☒ POLICE ☐ WELFARE ☐ SHERIFF ☐ PROBATION
2. AGENCY PHONE AND CASE NAME:
AGENCY ADDRESS: 352 Johnson Blvd — City: South Lake Tahoe — ZIP: 96150 — TELEPHONE: (530) 542-6100
REPORTING OFFICER'S NAME: Detectives Norsard — TITLE: — DATE REPORTED: 12/24/2007
7. AGENCY CROSS-REPORTED TO:
8. PERSON CROSS-REPORTED TO:
9. DATE CROSS-REPORTED:
10. ACTION TAKEN: ☒ (1) SUBSTANTIATED (Victim or Suspect) ☐ (2) INCONCLUSIVE — 10A. SUPPLEMENTAL INFORMATION (Attach copy of report): ☐ (3) INCONCLUSIVE ☐ (4) UNFOUNDED (Not child abuse per PC 11165.12) ☐ (5) ADDITIONAL INFORMATION
11. Victim(s) contacted by phone? ☐ Yes ☐ No ☒ — Victim(s) interviewed? ☒ Yes ☐ No — Suspect(s) contacted? ☐ Yes ☐ No ☒ — Suspect(s) interviewed? ☐ Yes ☐ No ☒
12. COMMENTS:

B. INCIDENT INFORMATION

1. DATE OF INCIDENT: 5/1/2006
2. TIME OF INCIDENT: unk
3. LOCATION OF INCIDENT: South Lake Tahoe
4. NAME OF PARTY REPORTING INCIDENT: CPS Alameda County — TITLE:
5. EMPLOYER:
6. TELEPHONE: ( )
7. TYPE OF ABUSE (Check all that apply): ☐ (1) PHYSICAL ☐ (2) MENTAL ☒ (3) SEXUAL ☐ (4) SEVERE NEGLECT ☐ (5) GENERAL NEGLECT
8. IF ABUSE OCCURRED IN OUT-OF-HOME CARE, CHECK TYPE ☐ (1) FAMILY DAY CARE ☐ (2) CHILD CARE CENTER ☐ (3) FOSTER FAMILY HOME ☐ (4) SMALL FAMILY HOME ☐ (5) GROUP HOME OR INSTITUTION – Enter name and address:

C. INVOLVED PARTIES

VICTIMS

NAME: — SEX: — DOB: 5/1/1991 — APPROX. AGE: — ☐ MALE ☐ FEMALE — RACE:
ADDRESS: Street — City: Fremont — Zip Code: 94583
DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☒ NO
NATURE OF INJURIES:
PRESENT LOCATION OF VICTIM: Same
TELEPHONE NUMBER:
IS VICTIM DEVELOPMENTALLY DISABLED (4512(A) W&I)? ☐ YES ☒ NO

NAME: — SEX: — DOB: — APPROX. AGE: — ☐ MALE ☐ FEMALE — RACE:
ADDRESS: Street — City: — Zip Code:
DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☐ NO
NATURE OF INJURIES:
PRESENT LOCATION OF VICTIM:
TELEPHONE NUMBER:
IS VICTIM DEVELOPMENTALLY DISABLED (4512(A) W&I)? ☐ YES ☐ NO

SUSPECTS

NAME: — SEX: — DOB: — APPROX. AGE: — ☐ MALE ☐ FEMALE — RACE:

ADDRESS: Street	City	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER:	DRIVER'S LICENSE NUMBER:
	SLT	96150	509	182	GRN	BLN		

RELATIONSHIP TO VICTIM: ☒ (1) PARENT/STEPPARENT ☐ (2) SIBLING ☐ (3) OTHER RELATIVE ☐ (4) FRIEND/ACQUAINTANCE ☐ (5) STRANGER
Suspect given written notice per PC 11169(b)? ☒ Yes ☐ No — Date notice given: 5/1/2006 — If notice not given, explain in comments field A12
2. NAME: — SEX: — DOB: — APPROX. AGE: — ☐ MALE ☐ FEMALE — RACE:

ADDRESS: Street	City	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER:	DRIVER'S LICENSE NUMBER

RELATIONSHIP TO VICTIM: ☐ (1) PARENT/STEPPARENT ☐ (2) SIBLING ☐ (3) OTHER RELATIVE ☐ (4) FRIEND/ACQUAINTANCE ☐ (5) STRANGER
Suspect given written notice per PC 11169(b)? ☐ Yes ☐ No — Date notice given: — If notice not given, explain in comments field A12

OTHER

1. NAME Last	First	Middle		DOB	APPROX. AGE		RACE
			☐ (1) PARENT/STEPPARENT ☐ (2) SIBLING			☐ MALE ☐ FEMALE	
1. NAME Last	First	Middle	☐ (1) PARENT/STEP PARENT ☐ (2) SIBLING	DOB	APPROX AGE	☐ MALE ☐ FEMALE	RACE

RACE CODES: W-White, B-Black, H-Hispanic, I-American Indian, F-Filipino, P-Pacific Islander, C-Chinese, J-Japanese, A-Other Asian, Z-Asian Indian, D-Cambodian, G-Guamanian, U-Hawaiian, K-Korean, L-Laotian, S-Samoan, V-Vietnamese, O-Other, X-Unknown

☐ CHECK HERE IF ADDITIONAL SHEET(S) IS ATTACHED.

0711-0451

State of California
Child Abuse Summary Report

Department of Justice

SS8583(Rev6/05)

CHILD ABUSE SUMMARY REPORT

To be Completed by Investigating Child Protective Agency
Pursuant to Penal code Section 11169
(SHADED AREAS MUST BE COMPLETED)

FOR DOJ USE ONLY

A. INVESTIGATING AGENCY

1. INVESTIGATING AGENCY (Enter complete name and address) ☒ POLICE ☐ WELFARE ☐ SHERIFF ☐ PROBATION
South Lake Tahoe Police Department

2. AGENCY REPORT/DOCUMENT NUMBER

3. AGENCY ADDRESS: 1352 Johnson Blvd | City: South Lake Tahoe | ZIP Code: 96150 | AREA CODE/TELEPHONE: (530) 542-6100

4. NAME OF INVESTIGATING PARTY: Detective S. Nordgren | TITLE:

5. DATE REPORT COMPLETED: 1/7/2007

7. AGENCY CROSS-REPORTED TO:

8. PERSON CROSS-REPORTED TO:

9. DATE CROSS-REPORTED:

10. ACTION TAKEN (Check one box only)
☒ (1) SUBSTANTIATED (Abuse must be clearly more reasonable than not to have occurred)
☐ (2) UNFOUNDED (Unreasonable, accidental, or exonerated)

10A. SUPPLEMENTAL INFORMATION (Check one box only)
☐ (1) INCONCLUSIVE
☐ (2) UNFOUNDED (Check appropriate box below)
☐ (3) ADDITIONAL INFORMATION

11. Agency investigation completed per PC 11169 (f)? ☒ Yes ☐ No | Victim(s) contacted? ☒ Yes ☐ No | Suspect(s) contacted? ☒ Yes ☐ No ☐ No Suspects | Witness(es) contacted? ☒ Yes ☐ No, Witness | ☐ Parent(s) contacted

12. COMMENTS:

B. INCIDENT INFORMATION

1. DATE OF INCIDENT: 1/1/2005 | 2. TIME OF INCIDENT: unk | 3. LOCATION OF INCIDENT: South Lake Tahoe

4. NAME OF PARTY REPORTING INCIDENT: Victim's mother | TITLE: | 5. EMPLOYER: | 6. TELEPHONE: ( )

7. TYPE OF ABUSE (Check one or more): ☐ (1) PHYSICAL ☐ (2) MENTAL ☒ (3) SEXUAL ☐ (4) SEVERE NEGLECT ☐ (5) GENERAL NEGLECT

8. IF ABUSE OCCURRED IN OUT-OF-HOME CARE, CHECK TYPE ☐ (1) FAMILY DAY CARE ☐ (2) CHILD CARE CENTER ☐ (3) FOSTER FAMILY HOME ☐ (4) SMALL FAMILY HOME
☐ (5) GROUP HOME OR INSTITUTION – Enter name and address:

C. INVOLVED PARTIES

VICTIMS

NAME: Last | First | Middle | AKA | DOB: 3/21/1995 | APPROX. AGE: 12 | ☐ MALE ☒ FEMALE | ETHNICITY

ADDRESS: Street | City: SLT | Zip Code: 96150 | DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☒ NO
NATURE OF INJURIES:

PRESENT LOCATION OF VICTIM: Same | TELEPHONE NUMBER: | IS VICTIM DEVELOPMENTALLY DISABLED (4512(A) W&I)? ☐ YES ☒ NO

NAME: Last | First | Middle | AKA | DOB | APPROX. AGE | ☐ MALE ☐ FEMALE | ETHNICITY

ADDRESS: Street | City | Zip Code | DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☐ NO
NATURE OF INJURIES:

PRESENT LOCATION OF VICTIM: | TELEPHONE NUMBER: | IS VICTIM DEVELOPMENTALLY DISABLED (4512(A) W&I)? ☐ YES ☐ NO

SUSPECTS

NAME: Last | First | Middle | AKA | DOB: 3/25/1979 | APPROX. AGE: 28 | ☒ MALE ☐ FEMALE | ETHNICITY

ADDRESS: Street	City	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER	DRIVER'S LICENCE NUMBER
	SLT	96156	511	320	BRO	BLK		

RELATIONSHIP TO VICTIM: ☐ (1) PARENT/STEPPARENT ☐ (2) SIBLING ☐ (3) OTHER RELATIVE ☒ (4) FRIEND/ACQUAINTANCE ☐ (5) STRANGER

Suspect given written notice per PC 11169(b)? ☒ Yes ☐ No | Date notice given: 1/31/2008 | If notice not given, explain in comments field A-12.

NAME: Last | First | Middle | AKA | DOB | APPROX. AGE | ☐ MALE ☐ FEMALE | ETHNICITY

ADDRESS: Street	City	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER	DRIVER'S LICENCE NUMBER

RELATIONSHIP TO VICTIM: ☐ (1) PARENT/STEPPARENT ☐ (2) SIBLING ☐ (3) OTHER RELATIVE ☐ (4) FRIEND/ACQUAINTANCE ☐ (5) STRANGER

Suspect given written notice per PC 11169(b)? ☐ Yes ☐ No | Date notice given: | If notice not given, explain in comments field A-12.

OTHER

1. NAME: Last | First | Middle | ☐ (1) PARENT/STEPPARENT ☐ (2) SIBLING | DOB | APPROX. AGE | ☐ MALE ☐ FEMALE | RACE

1. NAME: Last | First | Middle | ☐ (1) PARENT/STEPPARENT ☐ (2) SIBLING | DOB | APPROX. AGE | ☐ MALE ☐ FEMALE | RACE

RACE CODES: W-White, B-Black, H-Hispanic, I-American Indian, F-Filipino, P-Pacific Islander, C-Chinese, J-Japanese, A-Other Asian, Z-Asian Indian, D-Cambodian, G-Guamanian, U-Hawaiian, K-Korean, L-Laotian, S-Samoan, V-Vietnamese, O-Other, X-Unknown

☐ CHECK HERE IF ADDITIONAL SHEET(S) IS ATTACHED.

0708-2812

State of California
Child Abuse Summary Report

Department of Justice

SS8583(Rev8/05)

CHILD ABUSE SUMMARY REPORT

To be Completed by Investigating Child Protective Agency
Pursuant to Penal code Section 11169
(SHADED AREAS MUST BE COMPLETED)

FOR DOJ USE ONLY

A. INVESTIGATING AGENCY

INVESTIGATING AGENCY (City or County) [X] POLICE [ ] SHERIFF | [ ] PROBATION [X] WELFARE | AGENCY REPORT NO. | CASE NAME
South Lake Tahoe Police Department | | | | [redacted]

ADDRESS (Street) | CITY | TELEPHONE
1352 Johnson Blvd | South Lake Tahoe | (530) 542-6100

NAME OF PERSON REPORTING | TITLE | DATE REPORT COMPLETED
Detective Norgaard | | 10/24/2007

7. AGENCY CROSS-REPORTED TO:

8. PERSON CROSS-REPORTED TO:

9. DATE CROSS-REPORTED:

10. ACTION TAKEN (Check all that apply) [X] INITIATED A REPORT [ ] SERVICE CALL ONLY [ ] OTHER

11. SUPPLEMENTAL INFORMATION (Attach copy of original report) [ ] (1) INCONCLUSIVE [ ] ADDITIONAL INFORMATION [ ] (2) UNFOUNDED

Victim Photos Taken? [X] Yes [ ] No | Suspect Photos Taken? [X] Yes [ ] No | Evidence Collected? [ ] Yes [ ] No [X] Not Known

12. COMMENTS:

B. INCIDENT INFORMATION

1. DATE OF INCIDENT: 9/27/2007 | 2. TIME OF INCIDENT: unk | 3. LOCATION OF INCIDENT: South Lake Tahoe

4. NAME OF PARTY REPORTING INCIDENT: CPS | TITLE: | 5. EMPLOYER: | 6. TELEPHONE: ( )

7. TYPE OF ABUSE (Check all that apply) [X] (1) PHYSICAL [ ] (2) MENTAL [X] (3) SEXUAL [ ] (4) SEVERE NEGLECT [ ] (5) GENERAL NEGLECT

8. IF ABUSE OCCURRED IN OUT-OF-HOME CARE, CHECK TYPE [ ] (1) FAMILY DAY CARE [ ] (2) CHILD CARE CENTER [ ] (3) FOSTER FAMILY HOME [ ] (4) SMALL FAMILY HOME
[ ] (5) GROUP HOME OR INSTITUTION -- Enter name and address:

C. INVOLVED PARTIES

VICTIMS

1. NAME: Last [redacted] First [redacted] Middle | AKA | DOB 3/3/1990 | APPROX. AGE 17 | [ ] MALE [X] FEMALE | RACE W

ADDRESS: Street | City: SLT | Zip Code: 96150 | DID VICTIM'S INJURIES RESULT IN DEATH? [ ] YES [X] NO | NATURE OF INJURIES:

PRESENT LOCATION OF VICTIM: Same | TELEPHONE NUMBER: | IS VICTIM DEVELOPMENTALLY DISABLED (4512(A) W&I)? [ ] YES [X] NO

1. NAME: Last [redacted] First [redacted] Middle | AKA | DOB 3/3/1990 | APPROX. AGE 17 | [ ] MALE [X] FEMALE | RACE W

ADDRESS: Street [redacted] | City: SLT | Zip Code: 96150 | DID VICTIM'S INJURIES RESULT IN DEATH? [ ] YES [X] NO | NATURE OF INJURIES:

PRESENT LOCATION OF VICTIM: Same | TELEPHONE NUMBER: | IS VICTIM DEVELOPMENTALLY DISABLED (4512(A) W&I)? [ ] YES [ ] NO

SUSPECTS

1. NAME: Last [redacted] First [redacted] Middle | AKA | DOB [redacted] | APPROX. AGE 17 | [X] MALE [ ] FEMALE | RACE W

ADDRESS: Street	City	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER:	DRIVER'S LICENCE NUMBER:
[redacted]	SLT	96150	508	160	BRO	GRY		

RELATIONSHIP TO VICTIM: [ ] (1) PARENT/STEPPARENT [ ] (2) SIBLING [ ] (3) OTHER RELATIVE [X] (4) FRIEND/ACQUAINTANCE [ ] (5) STRANGER

Suspect given written notice per PC 11166(b) [X] Yes [ ] No | Date notice given: 10/31/2007 | If notice not given, explain in comments field A 12

1. NAME: Last [redacted] First [redacted] Middle | AKA | DOB [redacted] | APPROX. AGE [redacted] | [ ] MALE [ ] FEMALE | RACE [redacted]

ADDRESS: Street	City	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER:	DRIVER'S LICENCE NUMBER:
[redacted]								

RELATIONSHIP TO VICTIM: [ ] (1) PARENT/STEPPARENT [ ] (2) SIBLING [ ] (3) OTHER RELATIVE [ ] (4) FRIEND/ACQUAINTANCE [ ] (5) STRANGER

Suspect given written notice per PC 11166(b) [ ] Yes [ ] No | Date notice given: | If notice not given, explain in comments field A 12

OTHER

1. NAME Last	First	Middle		DOB	APPROX. AGE:		RACE
			[ ] (1) PARENT/STEPPARENT [ ] (2) SIBLING			[ ] MALE [ ] FEMALE	
1. NAME Last	First	Middle	[ ] (1) PARENT/STEPPARENT [ ] (2) SIBLING	DOB	APPROX. AGE:	[ ] MALE [ ] FEMALE	RACE

RACE CODES: W-White, B-Black, H-Hispanic, I-American Indian, F-Filipino, P-Pacific Islander, C-Chinese, J-Japanese, A-Other Asian, Z-Asian Indian, D-Cambodian, G-Guamanian, U-Hawaiian, K-Korean, L-Laotian, S-Samoan, V-Vietnamese, O-Other, X-Unknown

[ ] CHECK HERE IF ADDITIONAL SHEET(S) IS ATTACHED.

0702-0557

State of California
Child Abuse Summary Report

Department of Justice

SS8583(Rev6/05)

CHILD ABUSE SUMMARY REPORT

To be Completed by Investigating Child Protective Agency
Pursuant to Penal code Section 11169
(SHADED AREAS MUST BE COMPLETED)

FOR DOJ USE ONLY

A. INVESTIGATING AGENCY

7. AGENCY CROSS-REPORTED TO:	8. PERSON CROSS-REPORTED TO:	9. DATE CROSS-REPORTED:

12. COMMENTS:

B. INCIDENT INFORMATION

1. DATE OF INCIDENT:	2. TIME OF INCIDENT:	3. LOCATION OF INCIDENT:
[redacted]	unk	South Lake Tahoe

4. NAME OF PARTY REPORTING INCIDENT:	TITLE:	5. EMPLOYER:	6. TELEPHONE:
UC Davis Medical Center			( )

TYPE OF ABUSE (CHECK ALL THAT APPLY): ☒ (1) INJURY ☐ (2) MENTAL ☐ (3) SEXUAL ☐ (4) SEVERE NEGLECT ☐ (5) GENERAL NEGLECT

8. IF ABUSE OCCURRED IN OUT-OF-HOME CARE, CHECK TYPE ☐ (1) FAMILY DAY CARE ☐ (2) CHILD CARE CENTER ☐ (3) FOSTER FAMILY HOME ☐ (4) SMALL FAMILY HOME
☐ (5) GROUP HOME OR INSTITUTION – Enter name and address:

C. INVOLVED PARTIES

VICTIMS

NAME: [redacted] SEX: ☐ MALE ☒ FEMALE

ADDRESS: Street	City	Zip Code	DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☒ NO
[redacted]	Sacramento	95822	NATURE OF INJURIES: Broken nose.

PRESENT LOCATION OF VICTIM:	TELEPHONE NUMBER:	IS VICTIM DEVELOPMENTALLY DISABLED (4512(A) W&I)?
Same		☐ YES ☒ NO

NAME: [redacted] SEX: ☐ MALE ☐ FEMALE

ADDRESS: Street	City	Zip Code	DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☐ NO
			NATURE OF INJURIES:

PRESENT LOCATION OF VICTIM:	TELEPHONE NUMBER:	IS VICTIM DEVELOPMENTALLY DISABLED (4512(A) W&I)?
		☐ YES ☐ NO

SUSPECTS

NAME: [redacted] SEX: ☐ MALE ☒ FEMALE

ADDRESS: Street	City	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER:	DRIVER'S LICENCE NUMBER:
[redacted]	SLT	96158	511	155	BLU	BLN		

RELATIONSHIP TO VICTIM: ☒ (1) PARENT/STEPPARENT ☐ (2) SIBLING ☐ (3) OTHER RELATIVE ☐ (4) FRIEND/ACQUAINTANCE ☐ (5) STRANGER

Suspect given Miranda per PC 1170.2? ☒ Yes ☐ No Statement given? ☐ Yes ☐ No Tape recorded? ☐ Yes ☐ No

NAME: [redacted] SEX: ☐ MALE ☒ FEMALE

ADDRESS: Street	City	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER:	DRIVER'S LICENCE NUMBER:
[redacted]	SLT	96158	505	125	BRO	BRO		

RELATIONSHIP TO VICTIM: ☒ (1) PARENT/STEPPARENT ☐ (2) SIBLING ☐ (3) OTHER RELATIVE ☐ (4) FRIEND/ACQUAINTANCE ☐ (5) STRANGER

Suspect given Miranda per PC 1170.2? ☐ Yes ☐ No Statement given? ☐ Yes ☐ No Tape recorded? ☐ Yes ☐ No

OTHER

1. NAME Last	First	Middle			APPROX AGE:		RACE*
			☐ (1) PARENT/STEPPARENT ☐ (2) SIBLING	SEX		☐ MALE ☐ FEMALE	
1. NAME Last	First	Middle	☐ (1) PARENT/STEPPARENT ☐ (2) SIBLING	SEX	APPROX AGE	☐ MALE ☐ FEMALE	RACE*

RACE CODES: W-White, B-Black, H-Hispanic, I-American Indian, F-Filipino, P-Pacific Islander, C-Chinese, J-Japanese, A-Other Asian, Z-Asian Indian, D-Cambodian, G-Guamanian, U-Hawaiian, K-Korean, L-Laotian, S-Samoan, V-Vietnamese, O-Other, X-Unknown

☐ CHECK HERE IF ADDITIONAL SHEET(S) IS ATTACHED.

STATE OF CALIFORNIA
SS 8583
(orig. 4/05; rev 4/09)

DEPARTMENT OF JUSTICE
Page 1 of 1

CHILD ABUSE SUMMARY REPORT

To be completed by investigating Child Protective Agency pursuant to Penal Code section 11169 (SHADED AREAS MUST BE COMPLETED)

A. INVESTIGATION AGENCY

INVESTIGATING AGENCY (Enter complete name and check type): SOUTH LAKE TAHOE POLICE DEPARTMENT	☒ POLICE ☐ SHERIFF ☐ WELFARE ☐ PROBATION	AGENCY REPORT NUMBER/CASE NAME: 0908-1424	
AGENCY ADDRESS - Street: 1352 JOHNSON BLVD	City: SOUTH LAKE TAHOE	State: CA	Zip Code: 96150
AGENCY TELEPHONE: (530) 542-6100			
NAME OF INVESTIGATING PARTY: DOUG SENTELL	TITLE: DETECTIVE	DATE REPORT COMPLETED (MM/DD/YYYY): 08/14/2009	
AGENCY CROSS-REPORTED TO: N/A	PERSON CROSS-REPORTED TO	DATE CROSS-REPORTED (MM/DD/YYYY)	

ACTION TAKEN (Check one box):
☒ SUBSTANTIATED (Abuse report filed; does not to have occurred)
☐ INCONCLUSIVE (Investigation evidence of abuse, but not substantial)

SUPPLEMENTAL INFORMATION (Attach copy of original report):
☒ INCONCLUSIVE ☐ ADDITIONAL INFORMATION
☐ UNFOUNDED (False report, accidental, lack of abuse)

Active investigation conducted per PC 11169(a)? ☒ Yes ☐ No* Victim(s) contacted? ☒ Yes ☐ No* Suspect(s) contacted? ☒ Yes ☐ No* ☐ N/A suspect(s)
Witness(es) contacted? ☐ Yes ☐ No* ☒ No Witnesses * Explain in comments field

COMMENTS

B. INCIDENT INFORMATION

DATE OF INCIDENT (MM/DD/YYYY): UNK POSSIBLY IN 2005	TIME OF INCIDENT: UNK	LOCATION OF INCIDENT: 4 LAKE TAHOE, CA 96150	
NAME AND TITLE OF PARTY RESPONSIBLE FOR INCIDENT:	EMPLOYER: EL DORADO COUNTY CPS	TELEPHONE: ( )	

TYPE OF ABUSE (Check one or more): ☐ PHYSICAL ☐ MENTAL ☒ SEXUAL ☐ SEVERE NEGLECT ☐ GENERAL NEGLECT

IF ABUSE OCCURRED IN OUT-OF-HOME CARE, CHECK TYPE: ☐ FAMILY DAY CARE ☐ CHILD CARE CENTER ☐ FOSTER FAMILY HOME ☐ SMALL FAMILY HOME
☐ GROUP HOME OR INSTITUTION - Enter name and address

C. INVOLVED PARTIES

VICTIM(S)

NAME: Last / First / Middle	AKA: UNK	DOB (MM/DD/YYYY)	Approx. Age: 13	☐ MALE ☒ FEMALE	RACE*: W			
ADDRESS: Street	City: SOUTH LAKE TAHO	State: CA	Zip Code: 96150	DID VICTIM'S INJURIES RESULT IN DEATH? NATURE OF INJURIES: ☐ YES ☒ NO				
PRESENT LOCATION OF VICTIM: HOME	TELEPHONE NUMBER: 07	IS VICTIM DEVELOPMENTALLY DISABLED (4512(a) W&I)? ☐ YES ☒ NO						

NAME: Last / First / Middle: N/A	AKA	DOB (MM/DD/YYYY)	Approx. Age	☐ MALE ☐ FEMALE	RACE*			
ADDRESS: Street	City	State	Zip Code	DID VICTIM'S INJURIES RESULT IN DEATH? NATURE OF INJURIES: ☐ YES ☐ NO				
PRESENT LOCATION OF VICTIM	TELEPHONE NUMBER	IS VICTIM DEVELOPMENTALLY DISABLED (4512(a) W&I)? ☐ YES ☐ NO						

SUSPECT(S)

NAME: Last / First / Middle	AKA: UNK	DOB (MM/DD/YYYY)	Approx. Age: 20	☐ MALE ☒ FEMALE	RACE*: W			
ADDRESS: Street: UNK	City: FOREST HILL	State: CA	Zip Code: 95631	HGT: 602	WGT: 200	EYES: GRN	HAIR: BRO	SOCIAL SECURITY NUMBER:	DRIVER'S LICENSE NUMBER: UNK

RELATIONSHIP TO VICTIM: ☐ PARENT/STEPPARENT ☒ SIBLING ☐ OTHER RELATIVE ☐ FRIEND/ACQUAINTANCE ☐ STRANGER

SUSPECT GIVEN WRITTEN NOTICE PER PC 11166(b): ☒ YES ☐ NO — DATE NOTICE GIVEN (MM/DD/YYYY): 8/21/2009 — IF NOTICE NOT GIVEN, EXPLAIN IN COMMENTS FIELD ABOVE

NAME: Last / First / Middle: N/A	AKA	DOB (MM/DD/YYYY)	Approx. Age	☐ MALE ☐ FEMALE	RACE*			
ADDRESS: Street	City	State	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE NUMBER

RELATIONSHIP TO VICTIM: ☐ PARENT/STEPPARENT ☐ SIBLING ☐ OTHER RELATIVE ☐ FRIEND/ACQUAINTANCE ☐ STRANGER

SUSPECT GIVEN WRITTEN NOTICE PER PC 11166(b): ☐ YES ☐ NO — DATE NOTICE GIVEN (MM/DD/YYYY) — IF NOTICE NOT GIVEN, EXPLAIN IN COMMENTS FIELD ABOVE

OTHER

NAME: Last: S / First / Middle	☒ PARENT/STEPPARENT ☐ SIBLING	DOB (MM/DD/YYYY): UNK	Approx. Age: UNK	☐ MALE ☐ FEMALE	RACE*: X			
NAME: Last / First / Middle	☐ PARENT/STEPPARENT ☐ SIBLING	DOB (MM/DD/YYYY)	Approx. Age	☐ MALE ☐ FEMALE	RACE*			

* RACE CODES:
W - White, B - Black, H - Hispanic, I - American Indian, F - Filipino, P - Pacific Islander, C - Chinese, J - Japanese, A - Other Asian, Z - Asian Indian, D - Cambodian, G - Guamanian, U - Hawaiian, K - Korean, L - Laotian, S - Samoan, V - Vietnamese, O - Other, X - Unknown

☐ CHECK HERE IF ADDITIONAL SHEET(S) ATTACHED

FOR DOJ USE ONLY
R
C
N
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Y

DISTRIBUTION: Original to DOJ, Copy to Police or Sheriff, Copy to County Welfare or Probation, Copy to District Attorney's Office

STATE OF CALIFORNIA
BCIA 8583
(orig. 8583; rev 3/08)

DEPARTMENT OF JUSTICE

CHILD ABUSE OR SEVERE NEGLECT INDEXING FORM

To be completed by Submitting Child Protective Agency pursuant to Penal Code section 11169

☒ INITIAL REPORT

☐ AMENDED REPORT (attach copy of original BCIA 8583. Complete sections A, C, and all other applicable fields)

A. SUBMITTING AGENCY

SUBMITTING AGENCY (Enter complete name and check type)		AGENCY REPORT NUMBER/CASE NAME
SOUTH LAKE TAHOE POLICE	☒ POLICE ☐ WELFARE ☐ SHERIFF ☐ PROBATION	1103-2189
AGENCY ADDRESS Street: 1352 JOHNSON BLVD	City: SOUTH LAKE TAHOE	State: CA Zip Code: 96150
NAME OF SUBMITTING PARTY: DOUG SENTELL	TITLE: DETECTIVE	AGENCY TELEPHONE: (530) 542-6100

B. INCIDENT INFORMATION

DATE OF REPORT	The finding that allegations of child abuse or severe neglect are not unfounded is: (Check only one box)
03/24/2011	☒ SUBSTANTIATED (Penal Code section 11165.12(a)) ☐ INCONCLUSIVE (Penal Code section 11165.12(c))

DATE OF INCIDENT	TYPE OF ABUSE (Check one or more)			
01/01/2005	☐ PHYSICAL INJURY	☐ MENTAL/EMOTIONAL SUFFERING	☒ SEXUAL ABUSE, ASSAULT, EXPLOITATION	
	☐ SEVERE NEGLECT	☐ WILLFUL HARMING/ENDANGERMENT	☐ UNLAWFUL CORPORAL PUNISHMENT OR INJURY	

C. AMENDED REPORT INFORMATION

Original Agency Report Number/Case Name: Date of Incident: Type of Abuse:

☐ CHANGED TO INCONCLUSIVE ☐ ADDED ADDITIONAL INFORMATION
☐ CHANGED TO SUBSTANTIATED ☐ CORRECTED REPORT INFORMATION
☐ NOW UNFOUNDED ☐ UNDERLYING INVESTIGATIVE FILE NO LONGER AVAILABLE

Comment:

D. INVOLVED PARTIES

VICTIM(S)

NAME: Last	First	Middle	AKA	DOB	Approx. AGE	SEX	RACE*
			N/A		10	☐ MALE ☒ FEMALE	H

DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☒ NO ☐ UNKNOWN
IS VICTIM DEVELOPMENTALLY DISABLED (4512(a) W&I)? ☐ YES ☒ NO ☐ UNKNOWN

NAME: Last	First	Middle	AKA	DOB	Approx. AGE	SEX	RACE*
						☐ MALE ☐ FEMALE	

DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☐ NO ☐ UNKNOWN
IS VICTIM DEVELOPMENTALLY DISABLED (4512(a) W&I)? ☐ YES ☐ NO ☐ UNKNOWN

NAME: Last	First	Middle	AKA	DOB	Approx. AGE	SEX	RACE*
						☐ MALE ☐ FEMALE	

DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☐ NO ☐ UNKNOWN
IS VICTIM DEVELOPMENTALLY DISABLED (4512(a) W&I)? ☐ YES ☐ NO ☐ UNKNOWN

SUSPECT(S)

NAME: Last	First	Middle	AKA	DOB	Approx. AGE	SEX	RACE*
			N/A		36	☒ MALE ☐ FEMALE	H

ADDRESS Street	City	State	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE NUMBER
UNK	UNK	N/A	N/A	505	160	BRO	BLK	N/A	N/A

RELATIONSHIP TO VICTIM: ☐ PARENT/STEPPARENT ☐ SIBLING ☒ OTHER RELATIVE ☐ FRIEND/ACQUAINTANCE ☐ STRANGER

NAME: Last	First	Middle	AKA	DOB	Approx. AGE	SEX	RACE*
						☐ MALE ☐ FEMALE	

ADDRESS Street	City	State	Zip Code	HGT	WGT	EYES	HAIR	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE NUMBER

RELATIONSHIP TO VICTIM: ☐ PARENT/STEPPARENT ☐ SIBLING ☐ OTHER RELATIVE ☐ FRIEND/ACQUAINTANCE ☐ STRANGER

OTHER

NAME: Last	First	Middle	DOB	Approx. AGE	SEX	RACE*
					☐ MALE ☐ FEMALE	
					☐ MALE ☐ FEMALE	
					☐ MALE ☐ FEMALE	
					☐ MALE ☐ FEMALE	

* RACE CODES:
W - White
B - Black
H - Hispanic
I - American Indian
F - Filipino
P - Pacific Islander
C - Chinese
J - Japanese
A - Other Asian
K - Asian Indian
O - Cambodian
G - Guamanian
U - Hawaiian
R - Korean
L - Laotian
S - Samoan
V - Vietnamese
O - Other
X - Unknown

☐ CHECK HERE IF ADDITIONAL SHEET(S) ATTACHED

FOR DOJ USE ONLY
I
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FACSIMILE INQUIRY FOR CHILD ABUSE CENTRAL INDEX CHECK (CACI)
DEPARTMENT OF JUSTICE
CHILD PROTECTION PROGRAM
FACSIMILE NUMBERS (916) 227-5054
OR (916) 227-3253

ONLY FOR TEMPORARY PLACEMENTS OCCURRING AFTER HOURS, HOLIDAYS & WEEKENDS • FAX (916) 455-0351

FOR CHILD PROTECTION PROGRAM USE ONLY

ACTION	INITIALS	DATE & TIME	RESPONDED
RECEIVED BY:			
1st CALLBACK			
2nd CALLBACK			

PLEASE TYPE OR PRINT CLEARLY

1. AGENCY/INVESTIGATOR INFORMATION (ALL INFORMATION IS MANDATORY):

REQUESTER'S NAME AND TITLE: Det. Maggie Hugh

AGENCY NAME (SOCIAL SERVICES & SHERIFFS INCLUDE NAME OF COUNTY): So Lake Tahoe PD / El Dorado Co

CACI SEARCH RESULTS (PLEASE INCLUDE TELEPHONE NUMBER FOR RESPONSE AND CIRCLE TYPE OF RESPONSE PREFERRED):

TELEPHONE: [redacted] FACSIMILE: [redacted]

2. PURPOSE AND AUTHORIZATION FOR NAME CHECK (A purpose must be indicated - Use one form per purpose).

_____ **PLACEMENT OF CHILD IN EMERGENCY SITUATION** (DO NOT LIST MINORS & DO NOT CIRCLE 'SUSPECT'/VICTIM') Penal Code Section 11170(c)

_____ **CARE-TAKER FOR WARD OF COURT OR DEPENDENT CHILD** - (DO NOT LIST MINORS & DO NOT CIRCLE 'SUSPECT'/VICTIM') Per Penal Code Section 11170 (b)(5)

_____ **GUARDIANSHIP** (MUST INCLUDE FACE SHEET OF PETITION/NOTICE OF HEARING NAMING 'SUBJECT' AS POTENTIAL GUARDIAN - DO NOT LIST MINORS - DO NOT CIRCLE 'SUSPECT'/VICTIM') Per Penal Code Section 11170 (b)(5)

✓ **INVESTIGATION OF CURRENT ALLEGATION OF CHILD ABUSE** Per Penal Code Section 11169 (CIRCLE SUSPECT AND/OR VICTIM)

I am authorized to receive CACI information. I understand that I can not use or rely on any CACI information received as the basis for any decision; but rather, I must obtain the original investigation report from the reporting agency and will draw my own independent conclusions regarding the quality of evidence disclosed and its sufficiency for making a decision in compliance with the provisions of Penal Code Section 11170 (b)(A). I understand that if this information is obtained for the temporary placement of a child, I am required by Penal Code Section 11170 (b)(5) and (c) to notify the person whose name was searched that she/he is a suspect in the Child Abuse Central Index.

Requester's Signature: [signature] Name Check will not be processed without Requester's Signature

3. SUBJECT DESCRIPTION (complete as much information as possible):				DOJ USE ONLY	
CIRCLE ONE	PERSONAL DESCRIPTION INFORMATION			RESULTS	RCN
SUSPECT OR VICTIM	1. LAST	FIRST	MIDDLE	No Match	
	AKA and MAIDEN (If Applicable)	PRIOR COUNTIES OF RESIDENCE Nevada		Poss Match	
	DOB	SSN #	CDL #		
SUSPECT OR VICTIM	2. LAST	FIRST	MIDDLE	No Match	
	AKA and MAIDEN (If Applicable)	PRIOR COUNTIES OF RESIDENCE		Poss Match	
	DOB	SSN #	CDL #		
SUSPECT OR VICTIM	3. LAST	FIRST	MIDDLE	No Match	
	AKA and MAIDEN (If Applicable)	PRIOR COUNTIES OF RESIDENCE		Poss Match	
	DOB	SSN #	CDL #		
SUSPECT OR VICTIM	4. LAST	FIRST	MIDDLE	No Match	
	AKA and MAIDEN (If Applicable)	PRIOR COUNTIES OF RESIDENCE		Poss Match	
	DOB	SSN #	CDL #		
COMMENTS:					

BCIA - 4084 (Rev 12/03)

TO BE TYPED OR PRINTED - PRESS FIRMLY - DO NOT USE FELT PEN D611069

CHILD ABUSE INVESTIGATION REPORT

To be Completed by Investigating Child Protective Agency
Pursuant to Penal Code Section 11169
(SHADED AREAS MUST BE COMPLETED)

FOR DOJ USE ONLY

A. INVESTIGATING AGENCY

INVESTIGATING AGENCY (Enter complete name and check one): ☐ POLICE ☐ WELFARE ☐ PROBATION ☐ DA ☐ FBI ☐ MILITARY

AGENCY REPORTING CASE NUMBER:

ADDRESS: City: State:

NAME OF INVESTIGATOR: TITLE:

DATE REPORT COMPLETED: MO DA YR

7. AGENCY CROSS-REPORTED TO:

8. PERSON CROSS-REPORTED TO:

9. DATE CROSS-REPORTED: MO DA YR

10. ACTION TAKEN (Check all that apply): ☐ DA SUPPLEMENTAL REPORT REQUESTED ☐ ARREST(S) MADE ☐ REFERRED TO PROSECUTOR ☐ DETENTION(S) MADE ☐ REFERRED TO JUVENILE PROBATION DEPT. ☐ NO ACTION TAKEN

11. COMMENTS:

B. INCIDENT INFORMATION

1. DATE(S) OF INCIDENT: 2. TIME OF INCIDENT: 3. LOCATION OF INCIDENT:

4. NAME OF PARTY REPORTING INCIDENT: TITLE: 5. EMPLOYER: 6. TELEPHONE: ( )

TYPE(S) OF ABUSE (Check all that apply): ☐ (1) PHYSICAL ☐ (2) MENTAL ☐ (3) SEXUAL ☐ (4) SEVERE NEGLECT ☐ (5) GENERAL NEGLECT

8. IF ABUSE OCCURRED IN OUT-OF-HOME CARE, CHECK TYPE
☐ (1) FAMILY DAY CARE ☐ (2) CHILD CARE CENTER ☐ (3) FOSTER FAMILY HOME ☐ (4) SMALL FAMILY HOME ☐ (5) GROUP HOME OR INSTITUTION-Enter name and address:

C. INVOLVED PARTIES

VICTIMS

NAME: Last First Middle AKA DOB: MO DA YR APPROX AGE: ☐ MALE ☐ FEMALE RACE

ADDRESS: Street City State DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☐ NO
NATURE OF INJURIES:

PRESENT LOCATION OF VICTIM: TELEPHONE NUMBER: IS VICTIM DEVELOPMENTALLY DISABLED (4512(e) W&I)? ☐ YES ☐ NO

NAME: Last First Middle AKA DOB: MO DA YR APPROX AGE: ☐ MALE ☐ FEMALE RACE

ADDRESS: Street City State DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☐ NO
NATURE OF INJURIES:

PRESENT LOCATION OF VICTIM: TELEPHONE NUMBER: IS VICTIM DEVELOPMENTALLY DISABLED (4512(e) W&I)? ☐ YES ☐ NO

SUSPECTS

NAME: Last First Middle AKA DOB: MO DA YR APPROX AGE: ☐ MALE ☐ FEMALE RACE

ADDRESS: Street City State HGT 511 WGT 215 EYES BRN HAIR BLK SOCIAL SECURITY NUMBER:

RELATIONSHIP TO VICTIM: ☐ (1) PARENT/STEPPARENT ☐ (2) SIBLING ☒ (3) OTHER RELATIVE ☐ (4) FRIEND/ACQUAINTANCE ☐ (5) STRANGER DRIVER'S LICENSE NUMBER:

2. NAME: Last First Middle AKA DOB: MO DA YR APPROX AGE: ☐ MALE ☐ FEMALE RACE

ADDRESS: Street City State HGT WGT EYES HAIR SOCIAL SECURITY NUMBER:

RELATIONSHIP TO VICTIM: ☐ (1) PARENT/STEPPARENT ☐ (2) SIBLING ☐ (3) OTHER RELATIVE ☐ (4) FRIEND/ACQUAINTANCE ☐ (5) STRANGER DRIVER'S LICENSE NUMBER:

OTHER

1. NAME: Last First Middle ☐ (1) PARENT/STEPPARENT ☐ (2) SIBLING DOB: MO DA YR APPROX AGE: ☐ MALE ☐ FEMALE RACE

2. NAME: Last First Middle ☐ (1) PARENT/STEPPARENT ☐ (2) SIBLING DOB: MO DA YR APPROX AGE: ☐ MALE ☐ FEMALE RACE

RACE CODES: W-White, B-Black, H-Hispanic, I-American Indian, F-Filipino, P-Pacific Islander, C-Chinese, J-Japanese, A-Other Asian, Z-Asian Indian, K-Cambodian, G-Guamanian, U-Hawaiian, K-Korean, L-Laotian, S-Samoan, V-Vietnamese, O-Other, X-Unknown

☐ CHECK HERE IF ADDITIONAL SHEET(S) IS ATTACHED.

KB Initials

SS 8583 (Rev 4/98) PINK COPY-DOJ, WHITE COPY-Police or Sheriff, BLUE COPY-County Welfare or Probation; SCAN COPY - District Attorney's Office check

Arrest ☐
Crime ☐
Non-Criminal ☒

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200
CR-1

CASE# 0811-0952
PAGE 1

OFFENSE(S)	OFFENSE(S) cont'd.
SUSCIRC-CAN SUSP CHILD ABUSE-NEGLECT	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED	MORE CHARGES	ESTIMATED LOSS VALUE
11/11/08 15:29 Tuesday	11/11/08 15:29	YES ☐ NO ☒	$ 0.00

LOCATION OF OCCURRENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
, S Lake Tahoe			5	504

PERSONS

Codes: V = Victim W = Witness C = Complainant P = Parent G = Guardian R = Party O = Other

MORE NAMES YES ☐ NO ☒

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	RESIDENCE	HOME
V 1 OF 1	,	, Reno, NV	(

OCCUPATION	RACE	SEX	AGE	ID	ADDRESS 2	PHONE 2
		F	4 WKS	.		

DL STATE		SS#	INJURIES	ADDRESS 3	PHONE 3

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	ADDRESS 1	PHONE 1
OF			

OCCUPATION	RACE	SEX	AGE	DOB	ADDRESS 2	PHONE 2

DL STATE		SS#	INJURIES	ADDRESS 3	PHONE 3

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	ADDRESS 1	PHONE 1
OF			

OCCUPATION	RACE	SEX	AGE	DOB	ADDRESS 2	PHONE 2

DL STATE		SS#	INJURIES	ADDRESS 3	PHONE 3

CASE SUMMARY / VEHICLE INFORMATION

SUMMARY
Suspected Child Abuse Report PC 11166

VEHICLE USED IN CRIME		LICENSE (NO. AND STATE)	YEAR	MAKE	MODEL	BODY TYPE	COLOR	VIN	MORE VEHICLES
YES ☐ NO ☐ UNK ☐	OF								YES ☐ NO ☒

TOW REPORT	GARAGE NAME AND PHONE	REGISTERED OWNER	R/O ADDRESS
YES ☐ NO ☐			

SUSPECT(S) / ARRESTEE(S)

Codes: S = Suspect A = Arrestee D = Detainee SV - Suspect/Victim AV - Arrestee/Victim DV - Detainee/Victim

MORE NAMES YES ☐ NO ☒

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	ADDRESS 1	PHONE 1
OF			

RACE	SEX	HT	WT	HAIR	EYE	AGE	DOB	ADDRESS 2	PHONE 2

OCCUPATION	INJURIES	ADDRESS 3	PHONE 3

SCARS / MARKS / TATTOOS	AKA's	ARRESTEE DISPOSITION	RELEASE LOCATION	ARREST DATE / TIME
YES ☐ NO ☐				/

DL STATE	ARRESTED	BOOKING #	WARRANT	CITATION #	SS#	CII#
	YES ☐ NO ☐		YES ☐ NO ☐			

CHARGES

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	ADDRESS 1	PHONE 1
OF			

RACE	SEX	HT	WT	HAIR	EYE	AGE	DOB	ADDRESS 2	PHONE 2

OCCUPATION	INJURIES	ADDRESS 3	PHONE 3

SCARS / MARKS / TATTOOS	AKA's	ARRESTEE DISPOSITION	RELEASE LOCATION	ARREST DATE / TIME
YES ☐ NO ☐				/

DL STATE	ARRESTED	BOOKING #	WARRANT	CITATION #	SS#	CII#
	YES ☐ NO ☐		YES ☐ NO ☐			

CHARGES

ADMINISTRATION

VICTIM OF DOMESTIC VIOLENCE	DOCUMENTED	COMPLETED	APPROVED	DATE APPROVED
YES ☐ NO ☐	YES ☐ NO ☐	☐ PAT ☐ DOA ☐ DOA ☐ CHARGE ☐ PROSECUTE ☐ WARR ☐ OTHER		11/17/08

BY (REVIEW)	DATE/TIME	APPROVED BY	CASE STATUS
P. Herring 175	11/17/08 09:27		Closed
REVIEW	ASSIGNED TO		

CR-1 Herr/175 Entered by: Kathleen Dougherty

APD CR-1 (Rev. 08/10/16) Print Date: 11/17/2016

Arrest ☐
Crime ☐
Non-Criminal ☒

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200

Person Profile

CASE # 08110952

PAGE 1 OF 1

OFFENSE(S)	OFFENSE(S) cont'd.
SUSCIRC-CAN SUSP CHILD ABUSE-NEGLECT	

DATE, TIME AND DAY OF OCCURRENCE	DATE AND TIME REPORTED
11/11/08 15:29 Tuesday	11/11/08 15:29

LOCATION OF OCCURRENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
[redacted], S Lake Tahoe			5	504

PERSONS

Codes: V = Victim W = Witness S = Suspect A = Arrestee D = Detainee C = Complainant R = Party O = Other

MORE NAMES YES ☐ NO ☒

CODE		NAME - LAST, FIRST, MIDDLE, SUFFIX	DOB
V	1 OF 1	[redacted]	

This report contains Person Profile information only.
Please refer to the primary report(s) for additional information.

CLOTHING

CONTACTS INFORMATION

Name	Address	Contact Type	Phone Number(s)
	[redacted]	Parent	[redacted]

ADMINISTRATION

P. Hering 173	11/12/08 09:27		11/12/08
			Closed

CR Hem#172 Entered by Kathleen Dougherty

APDC [Rev 08/27/03] Print Date 11/12/2008

Arrest ☐
Crime ☐
Non-Criminal ☒

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA009020●

Narrative Report

CASE #
0811-0952

Page 1 of 1

OFFENSE(S)	OFFENSE(S) cont'd.
SUSCIRC-CAN SUSP CHILD ABUSE-NEGLECT	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
11/11/08 15:29 Tuesday	11/11/08 15:29

LOCATION OF OCCURRENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
, S Lake Tahoe			5	504

NARRATIVE

See PC 11166 in file

ADMINISTRATION

ASSIGNED TO	DATE DUE	APPROVED BY	DATE APPROVED
P. Herring 175	11/12/2008 09:27		11/12/08
DATE ENTERED			CASE STATUS
			Closed

CR-I Herr/175 Entered by: Kathleen Dougherty — Page 1 of 1 — APDC (Rev 08/2016) Print Date 11/2016

Case Number 0811-0952

South Lake Tahoe Police Department
11166 PC Referral Form

Type of Abuse:

- [x] Neglect
- [ ] Physical
- [ ] Sexual
- [ ] Emotional
- [ ] Other :

Investigating Agency:

- [x] CPS
- [ ] SLT Police
- [ ] Other

Type of Investigation

- [ ] Suspicious Circumstance
- [ ] 261 PC – Rape
- [x] 270 PC – Child Neglect
- [ ] 273a (a) PC – Willful Injury (Felony)
- [ ] 273a (b) PC – Willful Injury (Misd.)
- [ ] 288(a) PC – Lewd and Lascivious Acts
- [ ] 286 PC – Sodomy
- [ ] 288a PC – Oral Copulation
- [ ] 289 PC – Penetration w/Foreign Object
- [ ] 261.5 PC – Unlawful Sex w/Minor
- [ ] Other

Assigned Social Worker

Roger Hardin

Preliminary Case Status

- [ ] Active
- [ ] Inactive
- [x] Closed

Reviewed By:
P. Herring #175

Comments: Evaluated out to Washoe County. (

0811-0952

Pre-Disposition Sheet

El Dorado County
Child Protective Services

El Dorado County Sheriff

From Office (check one): **Date:** 11-4-08

☐ **El Dorado County Child Protective Services**
3057 Briw Road, Placerville, CA 95667
Phone: (530) 642-7300 - **Fax:** (530) 626-9060

☐ **El Dorado County Child Protective Services**
981 Silver Dollar, South Lake Tahoe, CA 96150
Phone: (530) 573-3201 - **Fax:** (530) 541-2803

Assigned Worker: A. Hardin **Phone #:** 573-3205

SUSPECTED CHILD ABUSE REPORT SENT TO:

☐ El Dorado County Sheriff Department – Detective Division
Attention: Sgt. Tom Hoagland
☐ Placerville Police Department
☐ SLT Police Department
☐ Other Law Enforcement Agency: _____

REFERRAL DISPOSITION:

☐ 10-Day Assignment
☐ Immediate Response
☐ Immediate Response with Law Enforcement
☑ Evaluated Out

☐ Other/Comments): Walker County Case

RECEIVED
NOV 6
EDC CPS

SUSPECTED CHILD ABUSE REPORT

To Be Completed by Mandated Child Abuse Reporters
Pursuant to Penal Code Section 11166
PLEASE PRINT OR TYPE

CASE NAME: [redacted] – 11/04/2008
CASE NUMBER: 0442-5295-0385-2066083

A. REPORTING PARTY

NAME OF MANDATED REPORTER	TITLE	MANDATED REPORTER CATEGORY
[redacted]	Office Assistant III	Child Welfare Employee

REPORTER'S BUSINESS/AGENCY NAME AND ADDRESS (Street, City, Zip): El Dorado County Dept. of Human Services Child Protective Services — 981 Silver Dollar, South Lake Tahoe, CA 96150

DID MANDATED REPORTER WITNESS THE INCIDENT? [ ] YES [X] NO

REPORTER'S TELEPHONE (DAYTIME): (530) 573-3201

SIGNATURE: [redacted]

TODAY'S DATE: 11/05/2008

B. REPORT NOTIFICATION

[X] LAW ENFORCEMENT [ ] COUNTY PROBATION [ ] COUNTY WELFARE / CPS (Child Protective Services)

AGENCY: SLT POLICE DEPT

ADDRESS (Street, City, Zip): [redacted] South Lake Tahoe, CA 96150

DATE/TIME OF PHONE CALL: 11/04/2008 11:10am

OFFICIAL CONTACTED - TITLE:

TELEPHONE:

C. VICTIM (One report per victim)

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
[redacted]		F	

ADDRESS (Street, City, Zip): Reno, NV

TELEPHONE:

PRESENT LOCATION OF VICTIM: Reno, Nevada

SCHOOL:

CLASS:

GRADE:

PHYSICALLY DISABLED? [ ] YES [X] NO

DEVELOPMENTALLY DISABLED? [ ] YES [X] NO

OTHER DISABILITY (SPECIFY):

PRIMARY LANGUAGE SPOKEN IN HOME:

IN FOSTER CARE? [ ] YES [X] NO

IF VICTIM WAS IN OUT-OF-HOME CARE AT TIME OF INCIDENT, CHECK TYPE OF CARE: [ ] DAY CARE [ ] CHILD CARE CENTER [ ] FOSTER FAMILY HOME [ ] FAMILY FRIEND [ ] GROUP HOME OR INSTITUTION [ ] RELATIVE'S HOME

TYPE OF ABUSE (CHECK ONE OR MORE): [ ] PHYSICAL [ ] MENTAL [ ] SEXUAL [X] NEGLECT [ ] OTHER (SPECIFY)

RELATIONSHIP TO SUSPECT: Daughter (Birth)

PHOTOS TAKEN? [ ] YES [X] NO

DID THE INCIDENT RESULT IN THIS VICTIM'S DEATH? [ ] YES [ ] NO [X] UNK

D. INVOLVED PARTIES

VICTIM'S SIBLINGS

NAME	BIRTHDATE	SEX	ETHNICITY	NAME	BIRTHDATE	SEX	ETHNICITY

VICTIM'S PARENTS/GUARDIANS

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
[redacted]		F	

ADDRESS (Street, City, Zip): [redacted] Lake Tahoe, CA 96150

HOME PHONE:

BUSINESS PHONE:

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
Unknown, Father		M	

ADDRESS (Street, City, Zip):

HOME PHONE:

BUSINESS PHONE:

SUSPECT

SUSPECT'S NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
[redacted]		F	

ADDRESS (Street, City, Zip): South Lake Tahoe, CA 96150

TELEPHONE:

OTHER RELEVANT INFORMATION:

SUSPECT

SUSPECT'S NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
Unknown, Father		M	

ADDRESS (Street, City, Zip):

TELEPHONE:

OTHER RELEVANT INFORMATION:

DO NOT submit a copy of this form to the Department of Justice (DOJ). The investigating agency is required under Penal Code Section 11169 to submit to DOJ a Child Abuse Investigation Report Form SS 8583 if (1) an active investigation was conducted and (2) the incident was determined not to be unfounded.

cc: Police or Sheriff's Department; County Welfare or Probation Department; District Attorney's Office; Reporting Party

SUSPECTED CHILD ABUSE REPORT

CASE NAME:	REPORT NO./CASE NAME: 0442-5295-0385-2066083

E. INCIDENT INFORMATION

IF NECESSARY, ATTACH EXTRA SHEETS(S) OR OTHER FORM(S) AND CHECK THIS BOX ☐ IF MULTIPLE VICTIMS INDICATE NUMBER:

DATE/TIME OF INCIDENT	PLACE OF INCIDENT

NARRATIVE DESCRIPTION (What victim(s) said/What the mandated reporter observed/What person accompanying the victim(s) said/similar or past incidents involving the victim(s) or suspect)

RP states that the child comes for visits with her father with whooping cough. Has had it for a month an a half. The mother and father have not provided any medical care for this condition. The RP has confronted the father and he has not taken any action. The RP states that the parents and child live in Reno. Referred to Washoe County CPS.

Case Number 0811-0940

South Lake Tahoe Police Department
11166 PC Referral Form

Type of Abuse:

- ☐ Neglect
- ☒ Physical
- ☐ Sexual
- ☐ Emotional
- ☐ Other :

Investigating Agency:

- ☒ CPS
- ☐ SLT Police
- ☐ Other

Type of Investigation

- ☐ Suspicious Circumstance
- ☐ 261 PC – Rape
- ☐ 270 PC – Child Neglect
- ☐ 273a (a) PC – Willful Injury (Felony)
- ☒ 273a (b) PC – Willful Injury (Misd.)
- ☐ 288(a) PC – Lewd and Lascivious Acts
- ☐ 286 PC – Sodomy
- ☐ 288a PC – Oral Copulation
- ☐ 289 PC – Penetration w/Foreign Object
- ☐ 261.5 PC – Unlawful Sex w/Minor
- ☐ Other

Assigned Social Worker

Roger Hardin

Preliminary Case Status

- ☐ Active
- ☐ Inactive
- ☒ Closed

Reviewed By:
P. Herring #175

Comments: Unfounded. No immediate risk. Situation stabilized. (_____)

0811-0940

Disposition Sheet

El Dorado County
Child Protective Services

El Dorado County Sheriff

Date: 10-9-08

From Office (check one): **Case or 11166 #:**

☐ **El Dorado County Child Protective Services**
3057 Briw Road, Placerville, CA 95667
Phone: (530) 642-7300 - **Fax:** (530) 626-9060

☒ **El Dorado County Child Protective Services**
981 Silver Dollar, South Lake Tahoe, CA 96150
Phone: (530) 573-3201 - **Fax:** (530) 541-2803

RECEIVED
OCT 17 [illegible]

Assigned Worker: R. Hardia **Phone #:**

WHO DID YOU CROSS REPORT TO?

☐ El Dorado County Sheriff Department – Detective Division
Attention: Sgt. Tom Hoagland
☐ Placerville Police Department
☒ SLT Police Department
☒ Other _____

WHERE DID REFERRAL ORIGINATE?

☐ El Dorado County Sheriff Department – Detective Division_____
☐ Placerville Police Department
☐ SLT Police Department
☒ Other _____

REFERRAL DISPOSITION:

Allegation(s) appear: ☐ Substantiated ☐ Inconclusive ☒ Unfounded

☒ No Immediate Risk
☒ Situation Stabilized:
☐ Opened Service Case
☐ Closed
☐ Unable to Contact/Locate Family

☐ Other/Comments): _____

Revised 04/2007

Pre-Disposition Sheet

El Dorado County
Child Protective Services

El Dorado County Sheriff

From Office (check one): **Date:** 10-9-08

☐ **El Dorado County Child Protective Services**
3057 Briw Road, Placerville, CA 95667
Phone: (530) 642-7300 - **Fax:** (530) 626-9060

☒ **El Dorado County Child Protective Services**
981 Silver Dollar, South Lake Tahoe, CA 96150
Phone: (530) 573-3201 - **Fax:** (530) 541-2803

Assigned Worker: R. Hardin **Phone #:** 3205

SUSPECTED CHILD ABUSE REPORT SENT TO:

☐ El Dorado County Sheriff Department – Detective Division
Attention: Sgt. Tom Hoagland
☐ Placerville Police Department
☒ SLT Police Department
☐ Other Law Enforcement Agency: _____

RECEIVED OCT 14

REFERRAL DISPOSITION:

☐ 10-Day Assignment
☒ Immediate Response
☐ Immediate Response with Law Enforcement
☐ Evaluated Out

☐ Other/Comments): _____

SUSPECTED CHILD ABUSE REPORT

To Be Completed by **Mandated Child Abuse Reporters**
Pursuant to Penal Code Section 11166

CASE NAME:

10/09/2008

PLEASE PRINT OR TYPE

CASE NUMBER: 0559-9962-4638-0066083

A. REPORTING PARTY

NAME OF MANDATED REPORTER	TITLE	MANDATED REPORTER CATEGORY
[redacted]	Office Assistant III	Child Welfare Employee

REPORTER'S BUSINESS/AGENCY NAME AND ADDRESS (Street, City, Zip)	DID MANDATED REPORTER WITNESS THE INCIDENT?
El Dorado County Dept. of Human Services Child Protective Services 981 Silver Dollar, South Lake Tahoe, CA 96150	[ ] YES [X] NO

REPORTER'S TELEPHONE (DAYTIME)	SIGNATURE	TODAY'S DATE
(530) 573-3201		10/09/2008

B. REPORT NOTIFICATION

[X] LAW ENFORCEMENT [ ] COUNTY PROBATION
[ ] COUNTY WELFARE / CPS (Child Protective Services)

AGENCY: SLT POLICE DEPT

ADDRESS (Street, City, Zip)	DATE/TIME OF PHONE CALL
[redacted], South Lake Tahoe, CA 96150	10/09/2008 04:56pm

OFFICIAL CONTACTED - TITLE	TELEPHONE

C. VICTIM (One report per victim)

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
[redacted]	[redacted]	F	

ADDRESS (Street, City, Zip)	TELEPHONE
[redacted] South Lake Tahoe, CA 96150	

PRESENT [illegible] OF VICTIM	SCHOOL	CLASS	GRADE
South Lake Tahoe, California 96150	STHS		

PHYSICALLY DISABLED?	DEVELOPMENTALLY DISABLED?	OTHER DISABILITY (SPECIFY)	PRIMARY LANGUAGE SPOKEN IN HOME
[ ] YES [X] NO	[ ] YES [X] NO		

IN FOSTER CARE?	IF VICTIM WAS IN OUT-OF-HOME CARE AT TIME OF INCIDENT, CHECK TYPE OF CARE:	TYPE OF ABUSE (CHECK ONE OR MORE)
[ ] YES [X] NO	[ ] DAY CARE [ ] CHILD CARE CENTER [ ] FOSTER FAMILY HOME [ ] FAMILY FRIEND [ ] GROUP HOME OR INSTITUTION [ ] RELATIVE'S HOME	[X] PHYSICAL [ ] MENTAL [ ] SEXUAL [ ] NEGLECT [ ] OTHER (SPECIFY)

RELATIONSHIP TO SUSPECT	PHOTOS TAKEN?	DID THE INCIDENT RESULT IN THIS VICTIM'S DEATH?
Daughter (Birth)	[ ] YES [X] NO	[ ] YES [ ] NO [X] UNK

D. INVOLVED PARTIES

VICTIM'S SIBLINGS

NAME	BIRTHDATE	SEX	ETHNICITY	NAME	BIRTHDATE	SEX	ETHNICITY

VICTIM'S PARENTS/GUARDIANS

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
[redacted]		F	

ADDRESS (Street, City, Zip)	HOME PHONE	BUSINESS PHONE
[redacted] South Lake Tahoe, CA 96150	[redacted]	

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
[redacted]		M	

ADDRESS (Street, City, Zip)	HOME PHONE	BUSINESS PHONE
[redacted] South Lake Tahoe, CA 96150		

SUSPECT

SUSPECT'S NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
[redacted]	[redacted]	M	

ADDRESS (Street, City, Zip)	TEL PHONE
[redacted]	

OTHER RELEVANT INFORMATION

DO NOT submit a copy of this form to the Department of Justice (DOJ). The investigating agency is required under Penal Code Section 11169 to submit to DOJ a Child Abuse Investigation Report Form SS 8583 if (1) an active investigation was conducted and (2) the incident was determined not to be unfounded.

cc: Police or Sheriff's Department; County Welfare or Probation Department; District Attorney's Office; Reporting Party

SUSPECTED CHILD ABUSE REPORT

CASE NAME:	REPORT NO./CASE NAME:
- 10/09/2008	0559-9962-4638-0066083

E. INCIDENT INFORMATION

IF NECESSARY, ATTACH EXTRA SHEETS(S) OR OTHER FORM(S) AND CHECK THIS BOX ☐ IF MULTIPLE VICTIMS INDICATE NUMBER: _____

DATE/TIME OF INCIDENT	PLACE OF INCIDENT

NARRATIVE DESCRIPTION (What victim(s) said/what the mandated reporter observed/what person accompanying the victim(s) said/similar or past incidents involving the victim(s) or suspect)

, had an argument with her father a couple of nights ago and her father hit her in her mouth because she was talking back. has a swollen lip. No history.

ATTENTION: A. [illegible] 08-2436

SUSPECTED CHILD ABUSE REPORT

To Be Completed by Reporting Party Pursuant to Penal Code Section 11166

A. CASE IDENTIFICATION — TO BE COMPLETED BY INVESTIGATING CPA: VICTIM NAME: ____ REPORTING AGENCY CASE NAME: ____ DATE OF REPORT: ____

B. REPORTING PARTY

NAME/TITLE: / Counselor S. Tahoe Middle School

ADDRESS: 1140 Lake Tahoe Blvd, S. Lake Tahoe CA 96158

PHONE: ( ) ____ DATE OF REPORT: 10-27-08 SIGNATURE: ____

C. REPORT SENT TO

☐ POLICE ☐ SHERIFF'S OFFICE ☐ COUNTY WELFARE ☐ COUNTY PROBATION

AGENCY: Child Protective Service ADDRESS: 981 Silver Dollar Ave

OFFICIAL CONTACTED: ____ PHONE: ( ) ____ DATE/TIME: 10-27-08 9:30

D. INVOLVED PARTIES

VICTIM — NAME (LAST, FIRST, MIDDLE): ____ ADDRESS: ____ BIRTHDATE: ____ SEX: F RACE: Hispanic

PRESENT LOCATION OF CHILD: S. Tahoe Middle School PHONE: ( ) ____

SIBLINGS

NAME	BIRTHDATE	SEX	RACE	NAME	BIRTHDATE	SEX	RACE
1.				4.			
2.				5.			
3.				6.			

PARENTS

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE	SEX	RACE	NAME (LAST, FIRST, MIDDLE)	BIRTHDATE	SEX	RACE
M							
ADDRESS: #3 SLT. CA.				ADDRESS: Same			
HOME PHONE: ( ) ____ BUSINESS PHONE: ( ) ____				HOME PHONE: ( ) ____ BUSINESS PHONE: ( ) ____			

E. INCIDENT INFORMATION

IF NECESSARY, ATTACH EXTRA SHEET OR OTHER FORM AND CHECK THIS BOX. ☐

1. DATE/TIME OF INCIDENT: 10/25/08 7:00 AM PLACE OF INCIDENT: Home (CHECK ONE) ☑ OCCURRED ☐ OBSERVED

IF CHILD WAS IN OUT-OF-HOME CARE AT TIME OF INCIDENT, CHECK TYPE OF CARE:
☐ FAMILY DAY CARE ☐ CHILD CARE CENTER ☐ FOSTER FAMILY HOME ☐ SMALL FAMILY HOME ☐ GROUP HOME OR INSTITUTION

2. TYPE OF ABUSE: (CHECK ONE OR MORE) ☐ PHYSICAL ☑ MENTAL ☐ SEXUAL ASSAULT ☐ NEGLECT ☐ OTHER

3. NARRATIVE DESCRIPTION:
. . . . . and her father argued on Saturday morning at the end of it, the dad asked her to leave the house for good. Monica refused. . states that she does

4. SUMMARIZE WHAT THE ABUSED CHILD OR PERSON ACCOMPANYING THE CHILD SAID HAPPENED:
get physically abused from time to time. She showed me bruises on her left forearm. I state that her mom punched her there. The

5. EXPLAIN KNOWN HISTORY OF SIMILAR INCIDENT(S) FOR THIS CHILD:
punching occured 2 weeks ago.

SS 8572 (Rev. 1/93)

INSTRUCTIONS AND DISTRIBUTION ON REVERSE

DO NOT submit a copy of this form to the Department of Justice (DOJ). A CPA is required under Penal Code Section 11169 to submit to DOJ a Child Abuse Investigation Report Form SS-8583 if (1) an active investigation has been conducted and (2) the incident is not unfounded.

Police or Sheriff-WHITE Copy; County Welfare or Probation-BLUE Copy; District Attorney-GREEN Copy; Reporting Party-YELLOW Copy

Arrest ☐
Crime ☐
Non-Criminal ☒

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200

Person Profile

CASE # 0810-1766

OFFENSE(S)	OFFENSE(S) cont'd.
SUSCIRC-CAP SUSP CHILD ABUSE-PHYSICAL	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
10/20/08 18:11 Monday	10/20/08 18:11

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				403

PERSONS

Codes: V = Victim W = Witness S = Suspect A = Arrestee D = Detainee C = Complainant R = Party O = Other

MORE NAMES YES ☐ NO ☐

CODE		NAME - LAST, FIRST, MIDDLE, SUFFIX	DOB	
S	1 OF 1			This report contains Person Profile information only. Please refer to the primary report(s) for additional information.

CLOTHING

CODE		NAME - LAST, FIRST, MIDDLE, SUFFIX	DOB	
V	1 OF 1			This report contains Person Profile information only. Please refer to the primary report(s) for additional information.

CLOTHING

CODE		NAME - LAST, FIRST, MIDDLE, SUFFIX	DOB	
W	1 OF 1			This report contains Person Profile information only. Please refer to the primary report(s) for additional information.

CLOTHING

ADMINISTRATION

R. Liles 197	10/21/08 04:22		10/21/08
			Closed

CR [illegible] Liles/197 Entered by: Russell Liles

APDR (Rev 01/2010) Print Date: 12/02/2016

Arrest ☐
Crime ☐
Non-Criminal ☒

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200

Narrative Report

CASE # 0810-1766

OFFENSE(S)	OFFENSE(S) cont'd.
SUSCIRC-CAP SUSP CHILD ABUSE-PHYSICAL	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
10/20/08 18:11 Monday	10/20/08 18:11

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				403

NARRATIVE

On 10/20/2008 around 18:45 hours I responded to a child abuse report call at [redacted] Ave. Apt. # 4. Upon my arrival, I was greeted by [redacted] who told me that a friend of her son, [redacted], told her he was scared to go home because his dad beats him. [redacted] told me the following in summary:

Statement

[redacted] stated that on 10/20/2008 [redacted] had been hanging out with her son [redacted] at their house since 17:00 hours. Around 18:30 hours, [redacted] and [redacted] asked [redacted] if they could order pizza and if [redacted] could stay the night. [redacted] called [redacted] parents to see if it would be alright and they told her no and that [redacted] needed to come home. [redacted] told [redacted] that his parents said no and that he needed to go home. [redacted] made a phone call. [redacted] told [redacted] that the person on the phone wanted to talk to her. [redacted] got on the phone and the person announced herself as [redacted], a CPS worker. [redacted] told [redacted] to call 911 if [redacted] parents show up. After [redacted] hung up the phone [redacted] told her that he was scared to go home because his dad [redacted] beats him.

End of statement

I talked to [redacted] who related the following in summary:

Statement: [redacted]

[redacted] stated that [redacted] beats him. [redacted] said that his dad takes him into the "smoking room" in their house and hits him. [redacted] said that three days ago [redacted] burned his hand with a cigarette. [redacted] could not remember why [redacted] burned him. Also, [redacted] said that approx. one month ago [redacted] hit him in the face. [redacted] said that he gets in trouble approx. 3 to 4 times a month because he does not do what his parents ask. [redacted] said that [redacted] does not hit him every time he is in trouble, just some of the time. [redacted] stated that he wants to get out of his current home environment and would like to go to a foster home.

End of statement

ADMINISTRATION

DICTATED	DATE TYPED	ASSIGNED TO	DATE APPROVED
R. Liles 197	10/21/2008 04:22		10/24/08
DATE DUE	PRIORITY	WORK UNIT	CASE STATUS
			Closed

Arrest ☐ Crime ☐ Non-Criminal ☒

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200

Narrative Report

CASE # 0810-1766

OFFENSE(S)	OFFENSE(S) cont'd.
SUSCIRC-CAP SUSP CHILD ABUSE-PHYSICAL	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
10/20/08 18:11 Monday	10/20/08 18:11

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				403

NARRATIVE

I observed the hand that . said was burned b . There was no sign of a burn; only a small heeled scar approx. 1/4 inch in diameter. did not claim to have any other injuries.

When I questioned . about the allegations he changed his story around. said that accidentally burned him was unable to give specific details to the abuse other than hits him.

I contacted , who related the following to me in summary:

Statement:

said that does not do what he is told and is a discipline problem. said that gets in trouble about once a week for not doing what he is told. stated that he spanks on his butt with his hand to discipline him. said that he slapped in the face about a month ago but has never burned him.

End of statement

was returned backed to the custody of his parents.

Disposition:

In 2006 there was a prior child abuse investigation (0602-2110) conducted by the South Lake Tahoe Police Department. That case was documented as unfounded.

I recommend that this report be forwarded to CPS for follow up.

ADMINISTRATION

197	10/21/2008 04:22		10/21/08
			Closed

Arrest ☐
Crime ☐
Non-Criminal ☒

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200
CR-1

CASE# 0810-1766
PAGE 1

OFFENSE(S): SUSCIRC-CAP SUSP CHILD ABUSE-PHYSICAL
OFFENSE(S) cont'd.

DATE, TIME AND DAY OF OCCURRENCE: 10/20/08 18:11 Monday
DATE AND TIME REPORTED: 10/20/08 18:11
MORE CHARGES: YES ☐ NO ☒
ESTIMATED LOSS VALUE: $ 0.00
[illegible] 4
LOCATION NAME:
TYPE OF LOCATION:
BEAT:
SECTOR: 403

PERSONS

Codes: V = Victim W = Witness C = Complainant P = Parent G = Guardian R = Party O = Other
MORE NAMES: YES ☐ NO ☒

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	RESIDENCE	PHONE 1
V 1 OF 1	T	Lake Tahoe, CA 96150	

OCCUPATION	RACE	SEX	AGE	DOB	ADDRESS 2	PHONE 2
	W	M	14			

DL	STATE	SS#	INJURIES	ADDRESS 3	PHONE 3

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	RESIDENCE	HOME
W 1 OF 1		[illegible] Lake Tahoe, CA 96150	

OCCUPATION	RACE	SEX	AGE	DOB	ADDRESS 2	PHONE 2
	W	F	34			

DL	STATE	SS#	INJURIES	ADDRESS 3	PHONE 3
[illegible]	CA				

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	ADDRESS 1	PHONE 1
OF			

OCCUPATION	RACE	SEX	AGE	DOB	ADDRESS 2	PHONE 2

DL	STATE	SS#	INJURIES	ADDRESS 3	PHONE 3

CASE SUMMARY / VEHICLE INFORMATION

SUMMARY: Report of child abuse. Crime was unfounded

VEHICLE USED IN CRIME	OF	LICENSE (NO. AND STATE)	YEAR	MAKE	MODEL	BODY TYPE	COLOR	VIN	MORE VEHICLES
YES ☐ NO ☐ UNK ☐									YES ☐ NO ☒

TOW REPORT	GARAGE NAME AND PHONE	REGISTERED OWNER	R/O ADDRESS
YES ☐ NO ☐			

SUSPECT (S) / ARRESTEE (S)

Codes: S = Suspect A = Arrestee D = Detainee SV - Suspect/Victim AV - Arrestee/Victim DV - Detainee/Victim
MORE NAMES: YES ☐ NO ☒

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	RESIDENCE	HOME
S 1 OF 1	[illegible]	[illegible] ake Tahoe, CA 96150	[illegible]

RACE	SEX	HT	WT	HAIR	EYE	AGE	DOB	ADDRESS 2	PHONE 2
W	M	5'10"	210	BRO	GRN	48			

OCCUPATION	INJURIES	ADDRESS 3	PHONE 3
Harveys			

SCARS / MARKS / TATTOOS	AKA's		ARRESTEE DISPOSITION	RELEASE LOCATION	ARREST DATE / TIME
YES ☐ NO ☐					/

DL	STATE	ARRESTED	BOOKING #	WARRANT	CITATION #	SS#	CR#
[illegible]	CA	YES ☐ NO ☒		YES ☐ NO ☒			

CHARGES

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	ADDRESS 1	PHONE 1
	OF		

[illegible]									
[illegible]									

[illegible]									
[illegible]									

ADMINISTRATION

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible] NO ☒	[illegible] YES ☒ NO ☐	[illegible] PAT ☐ [illegible] ☐ DA ☐ [illegible] ☐ [illegible] ☐ WMD ☐ OTHER ☐	197	10/21/08 04:22

[illegible]	[illegible]	DATE APPROVED	CASE STATUS
		10/21/08	Closed

CR 1 Liles/197 Entered by: Russell Liles

APDC (Rev 08/10/16) Print Date 1/20/2016

Case Number 0810-1398

South Lake Tahoe Police Department
11166 PC Referral Form

Type of Abuse:

- [x] Neglect
- [ ] Physical
- [ ] Sexual
- [ ] Emotional
- [ ] Other :

Investigating Agency:

- [x] CPS
- [ ] SLT Police
- [ ] Other

Type of Investigation

- [ ] Suspicious Circumstance
- [ ] 261 PC – Rape
- [x] 270 PC – Child Neglect
- [ ] 273a (a) PC – Willful Injury (Felony)
- [ ] 273a (b) PC – Willful Injury (Misd.)
- [ ] 288(a) PC – Lewd and Lascivious Acts
- [ ] 286 PC – Sodomy
- [ ] 288a PC – Oral Copulation
- [ ] 289 PC – Penetration w/Foreign Object
- [ ] 261.5 PC – Unlawful Sex w/Minor
- [ ] Other

Assigned Social Worker

Roger Hardin

Preliminary Case Status

- [ ] Active
- [ ] Inactive
- [x] Closed

Reviewed By:
P. Herring #175

Comments: Evaluated out to Family Court. (

080-1398

Pre-Disposition Sheet

El Dorado County
Child Protective Services

El Dorado County Sheriff

From Office (check one):

Date: 9-3-08

☐ **El Dorado County Child Protective Services**
3057 Briw Road, Placerville, CA 95667
Phone: (530) 642-7300 - **Fax:** (530) 626-9060

☒ **El Dorado County Child Protective Services**
981 Silver Dollar, South Lake Tahoe, CA 96150
Phone: (530) 573-3201 - **Fax:** (530) 541-2803

RECEIVED
OCT - 3 2008
SOUTH LAKE TAHOE POLICE DEPT.

Assigned Worker: _____ **Phone #:** _____

SUSPECTED CHILD ABUSE REPORT SENT TO:

☐ El Dorado County Sheriff Department – Detective Division
Attention: Sgt. Tom Hoagland
☐ Placerville Police Department
☒ SLT Police Department
☐ Other Law Enforcement Agency: _____

REFERRAL DISPOSITION:

☐ 10-Day Assignment
☐ Immediate Response
☐ Immediate Response with Law Enforcement
☒ Evaluated Out to family law court

☐ Other/Comments): _____

SUSPECTED CHILD ABUSE REPORT

To Be Completed by **Mandated Child Abuse Reporters**
Pursuant to Penal Code Section 11166

CASE NAME:

09/30/2008

PLEASE PRINT OR TYPE

CASE NUMBER: 0574-2149-0417-2066083

A. REPORTING PARTY

NAME OF MANDATED REPORTER	TITLE	MANDATED REPORTER CATEGORY
	Office Assistant III	Child Welfare Employee

REPORTER'S BUSINESS/AGENCY NAME AND ADDRESS (Street, City, Zip)	DID MANDATED REPORTER WITNESS THE INCIDENT?
El Dorado County Dept. of Human Services Child Protective Services, 981 Silver Dollar, South Lake Tahoe, CA 96150	[ ] YES [X] NO

REPORTER'S TELEPHONE (DAYTIME)	SIGNATURE	TODAY'S DATE
(530) 573-3201		10/01/2008

B. REPORT NOTIFICATION

[X] LAW ENFORCEMENT [ ] COUNTY PROBATION [ ] COUNTY WELFARE / CPS (Child Protective Services)

AGENCY: SLT POLICE DEPT

ADDRESS (Street, City, Zip)	DATE/TIME OF PHONE CALL
, South Lake Tahoe, CA 96150	10/01/2008 04:17pm

OFFICIAL CONTACTED - TITLE:

TELEPHONE:

C. VICTIM (One report per victim)

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
	7	F	White

ADDRESS (Street, City, Zip)	TELEPHONE
, South Lake Tahoe, CA 96150	

PRESENT LOCATION OF VICTIM	SCHOOL	CLASS	GRADE
#1 - South Lake Tahoe, [illegible] 96150			

PHYSICALLY DISABLED?	DEVELOPMENTALLY DISABLED?	OTHER DISABILITY (SPECIFY)	PRIMARY LANGUAGE SPOKEN IN HOME
[ ] YES [X] NO	[ ] YES [X] NO		English

IN FOSTER CARE?	IF VICTIM WAS IN OUT-OF-HOME CARE AT TIME OF INCIDENT, CHECK TYPE OF CARE:	TYPE OF ABUSE (CHECK ONE OR MORE)
[ ] YES [X] NO	[ ] DAY CARE [ ] CHILD CARE CENTER [ ] FOSTER FAMILY HOME [ ] FAMILY FRIEND [ ] GROUP HOME OR INSTITUTION [ ] RELATIVE'S HOME	[ ] PHYSICAL [ ] MENTAL [ ] SEXUAL [X] NEGLECT [ ] OTHER (SPECIFY)

RELATIONSHIP TO SUSPECT	PHOTOS TAKEN?	DID THE INCIDENT RESULT IN THIS VICTIM'S DEATH?
Daughter (Birth)	[ ] YES [X] NO	[ ] YES [ ] NO [X] UNK

D. INVOLVED PARTIES

VICTIM'S SIBLINGS

NAME	BIRTHDATE	SEX	ETHNICITY	NAME	BIRTHDATE	SEX	ETHNICITY

VICTIM'S PARENT / GUARDIANS

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
[illegible]		F	

ADDRESS (Street, City, Zip)	HOME PHONE	BUSINESS PHONE
South Lake Tahoe, CA 96150		

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
[illegible] .el		M	White

ADDRESS (Street, City, Zip)	HOME PHONE	BUSINESS PHONE

SUSPECT

SUSPECT'S NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
		F	

ADDRESS (Street, City, Zip)	TELEPHONE
Un Lake Tahoe, CA 96150	

OTHER RELEVANT INFORMATION:

DO NOT submit a copy of this form to the Department of Justice (DOJ). The investigating agency is required under Penal Code Section 11169 to submit to DOJ a Child Abuse Investigation Report Form SS 8583 if (1) an active investigation was conducted and (2) the incident was determined not to be unfounded.

cc: Police or Sheriff's Department; County Welfare or Probation Department; District Attorney's Office; Reporting Party

SUSPECTED CHILD ABUSE REPORT

CASE NAME:	REPORT NO./CASE NAME:
- 09/30/2008	0574-2149-0417-2066083

E. INCIDENT INFORMATION

IF NECESSARY, ATTACH EXTRA SHEETS(S) OR OTHER FORM(S) AND CHECK THIS BOX ☐ IF MULTIPLE VICTIMS INDICATE NUMBER: _____

DATE/TIME OF INCIDENT	PLACE OF INCIDENT

NARRATIVE DESCRIPTION (What victim(s) said/what the mandated reporter observed/what person accompanying victim(s) said/what or persons/events involving the victim(s) or suspect)

is the father. When he went to the house the other day he found the mother's house was full of mold. Was concerned because the house could cause his daughter to become ill. also reported that the grandmother and the grandmother's sister smoke Marijuana around the child. RP stated that he had spoken with the mother and the home was still messy. RP was arrested for violation of probation (burglary) for restoration. The mother has been arrested on May on domestic violence on a spouse. Both people have been involved in domestic violence.

DISPO: Evaluate out to Family Law Court.

Arrest ☐
Crime ☐
Non-Criminal ☒

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150

CA0090200

CR-1

CASE# 0810-1386

PAGE 1

OFFENSE(S): SUSCIRC-CAN SUSP CHILD ABUSE-NEGLECT

OFFENSE(S) cont'd.:

DATE, TIME AND DAY OF OCCURRENCE	DATE AND TIME REPORTED	MORE CHARGES	ESTIMATED LOSS VALUE
10/16/08 14:12 Thursday	10/16/08 14:12	YES ☐ NO ☒	$0.00

LOCATION OF OCCURRENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
			4	40

PERSONS

Codes: V = Victim W = Witness C = Complainant P = Parent G = Guardian R = Party O = Other

MORE NAMES YES ☐ NO ☒

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	RESIDENCE	HOME
V 1 OF 1			

OCCUPATION	RACE	SEX	AGE	DOB	ADDRESS 2	PHONE 2
	W	F	2			

DL	STATE	DL#	INJURIES	ADDRESS 3	PHONE 3

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	ADDRESS 1	PHONE 1
OF			

OCCUPATION	RACE	SEX	AGE	DOB	ADDRESS 2	PHONE 2

DL	STATE	DL#	INJURIES	ADDRESS 3	PHONE 3

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	ADDRESS 1	PHONE 1
OF			

OCCUPATION	RACE	SEX	AGE	DOB	ADDRESS 2	PHONE 2

DL	STATE	DL#	INJURIES	ADDRESS 3	PHONE 3

CASE SUMMARY / VEHICLE INFORMATION

SUMMARY:
Suspected Child Abuse Report PC 11166

VEHICLE USED IN CRIME	OF	LICENSE (NO. AND STATE)	YEAR	MAKE	MODEL	BODY TYPE	COLOR	VIN	MORE VEHICLES
YES ☐ NO ☐ UNK ☐									YES ☐ NO ☒

TOW REPORT	GARAGE NAME AND PHONE	REGISTERED OWNER	RO ADDRESS
YES ☐ NO ☐			

SUSPECT(S) / ARRESTEE(S)

Codes: S = Suspect A = Arrestee D = Detainee SV - Suspect/Victim AV - Arrestee/Victim DV - Detainee/Victim

MORE NAMES YES ☐ NO ☒

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	ADDRESS 1	PHONE 1
OF			

RACE	SEX	HT	WT	HAIR	EYE	AGE	DOB	ADDRESS 2	PHONE 2

OCCUPATION	INJURIES	ADDRESS 3	PHONE 3

SCARS / MARKS / TATTOOS	AKA's	ARRESTEE DISPOSITION	RELEASE LOCATION	ARREST DATE / TIME
YES ☐ NO ☐				/

DL	STATE	ARRESTED	BOOKING #	WARRANT	CITATION #	DR#	CII#
		YES ☐ NO ☐		YES ☐ NO ☐			

CHARGES:

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	ADDRESS 1	PHONE 1
OF			

RACE	SEX	HT	WT	HAIR	EYE	AGE	DOB	ADDRESS 2	PHONE 2

OCCUPATION	INJURIES	ADDRESS 3	PHONE 3

SCARS / MARKS / TATTOOS	AKA's	ARRESTEE DISPOSITION	RELEASE LOCATION	ARREST DATE / TIME
YES ☐ NO ☐				/

DL	STATE	ARRESTED	BOOKING #	WARRANT	CITATION #	DR#	CII#
		YES ☐ NO ☐		YES ☐ NO ☐			

CHARGES:

ADMINISTRATION

VICTIM DESIRES PROSECUTION	FOLLOW-UP	COPIES TO
YES ☐ NO ☐	YE ☐ NO ☐	☐ PAT. ☐ DET. ☐ DA ☐ COURT ☐ PROBATION ☐ VWAP ☐ OTHER:

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
P. Herring 175	10/20/08 13:07		10/20/08

OFFICER	UNIT/SHIFT	ASSIGNED TO	CASE STATUS
			Closed

CR-1 Herri/175 Entered by: Kathleen Dougherty

APDC (Rev 08/10/16) Print Date: 12/01/2016

Arrest ☐
Crime ☐
Non-Criminal ☒

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200

Person Profile

CASE # 0810-1386

PAGE 1 OF 1

OFFENSE(S)	OFFENSE(S) cont'd.
SUSCIRC-CAN SUSP CHILD ABUSE-NEGLECT	

DATE, TIME AND DAY OF OCCURRENCE	DATE AND TIME REPORTED
10/16/08 14:12 Thursday	10/16/08 14:12

LOCATION OF OCCURRENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
			4	403

PERSONS

Codes: V = Victim W = Witness S = Suspect A = Arrestee D = Detainee C = Complainant R = Party O = Other

MORE NAMES YES ☐ NO ☐

CODE		NAME - LAST, FIRST, MIDDLE, SUFFIX	DOB	
V	1 OF 1			This report contains Person Profile information only. Please refer to the primary report(s) for additional information.

CLOTHING

CONTACTS INFORMATION

Name	Address	Contact Type	Phone Number(s)
[redacted]	S Lake Tahoe CA 96150	Parent	Hor

ADMINISTRATION

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
P. Herring 176	10/20/08 13:07		10/20/08
OFFICER	**UNIT/DEPT**	**ASSIGNED TO**	**CASE STATUS**
			Closed

CR-1 Herr/175 Entered by: Kathleen Dougherty

APDC (Rev 01/22/13) Print Date: 12/01/2016

Arrest ☐
Crime ☐
Non-Criminal ☒

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200

Narrative Report

CASE # 0810-1386

Page 1 of 1

OFFENSE(S)	OFFENSE(S) cont'd
SUSCIRC-CAN SUSP CHILD ABUSE-NEGLECT	

DATE, TIME AND DAY OF OCCURRENCE	DATE AND TIME REPORTED
10/16/08 14:12 Thursday	10/16/08 14:12

LOCATION OF OCCURRENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
			4	403

NARRATIVE

See PC 11166 report in file

ADMINISTRATION

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
P. Herring 175	10/20/2008 13:07		10/20/08
OFFICER	**UNIT/SHIFT**	**ASSIGNED TO**	**CASE STATUS**
			Closed

Case Number 0810-1386

South Lake Tahoe Police Department
11166 PC Referral Form

Type of Abuse:

- [x] Neglect
- [ ] Physical
- [ ] Sexual
- [ ] Emotional
- [ ] Other :

Investigating Agency:

- [x] CPS
- [ ] SLT Police
- [ ] Other

Type of Investigation

- [ ] Suspicious Circumstance
- [ ] 261 PC – Rape
- [x] 270 PC – Child Neglect
- [ ] 273a (a) PC – Willful Injury (Felony)
- [ ] 273a (b) PC – Willful Injury (Misd.)
- [ ] 288(a) PC – Lewd and Lascivious Acts
- [ ] 286 PC – Sodomy
- [ ] 288a PC – Oral Copulation
- [ ] 289 PC – Penetration w/Foreign Object
- [ ] 261.5 PC – Unlawful Sex w/Minor
- [ ] Other

Assigned Social Worker

Kate McCullough

Preliminary Case Status

- [ ] Active
- [ ] Inactive
- [x] Closed

Reviewed By:
P. Herring #175

Comments: Inconclusive. Situation stabilized. Mom appears to be protecting.
(C[illegible])

= Mother

0810-1386

Disposition Sheet

El Dorado County
Child Protective Services

El Dorado County Sheriff

Date: 10-7-08

From Office (check one): **Case or 11166 #:** 0766-2127-4532
4066083

☐ **El Dorado County Child Protective Services**
3057 Briw Road, Placerville, CA 95667
Phone: (530) 642-7300 - **Fax:** (530) 626-9060

☒ **El Dorado County Child Protective Services**
981 Silver Dollar, South Lake Tahoe, CA 96150
Phone: (530) 573-3201 - **Fax:** (530) 541-2803

Assigned Worker: Kate Mc **Phone #:** 573-3222

WHO DID YOU CROSS REPORT TO?

☐ El Dorado County Sheriff Department – Detective Division
Attention: Sgt. Tom Hoagland
☐ Placerville Police Department
☒ SLT Police Department
☐ Other _____

WHERE DID REFERRAL ORIGINATE?

☐ El Dorado County Sheriff Department – Detective Division_____
☐ Placerville Police Department
☒ SLT Police Department
☐ Other _____

REFERRAL DISPOSITION:

Allegation(s) appear: ☐ Substantiated ☒ Inconclusive ☐ Unfounded

☐ No Immediate Risk
☒ Situation Stabilized:
☐ Opened Service Case
☐ Closed
☐ Unable to Contact/Locate Family

☒ Other/Comments): Mom appears to be protective

Revised 04/2007

Pre-Disposition Sheet

El Dorado County
Child Protective Services

El Dorado County Sheriff

From Office (check one): **Date:** 9-10-08

☐ **El Dorado County Child Protective Services**
3057 Briw Road, Placerville, CA 95667
Phone: (530) 642-7300 - **Fax:** (530) 626-9060

☒ **El Dorado County Child Protective Services**
981 Silver Dollar, South Lake Tahoe, CA 96150
Phone: (530) 573-3201 - **Fax:** (530) 541-2803

Assigned Worker: Patricia Mc **Phone #:** 573-3221

SUSPECTED CHILD ABUSE REPORT SENT TO:

☐ El Dorado County Sheriff Department – Detective Division
Attention: Sgt. Tom Hoagland
☐ Placerville Police Department
☒ SLT Police Department
☐ Other Law Enforcement Agency: _____

REFERRAL DISPOSITION:

☒ 10-Day Assignment
☐ Immediate Response
☐ Immediate Response with Law Enforcement
☐ Evaluated Out

☒ Other/Comments): No history found.

RECEIVED
SEP 12 2008
SOUTH LAKE TAHOE POLICE DEPT.

SUSPECTED CHILD ABUSE REPORT

To Be Completed by **Mandated Child Abuse Reporters**
Pursuant to Penal Code Section 11166

CASE NAME:

09/10/2008

PLEASE PRINT OR TYPE

CASE NUMBER: 0766-2127-4532-4066083

A. REPORTING PARTY

NAME OF MANDATED REPORTER	TITLE	MANDATED REPORTER CATEGORY
	Office Assistant III	Child Welfare Employee

REPORTER'S BUSINESS/AGENCY NAME AND ADDRESS Street City Zip	DID MANDATED REPORTER WITNESS THE INCIDENT?
El Dorado County Dept. of Human Services Child Protective Services 981 Silver Dollar, South Lake Tahoe, CA 96150	[ ] YES [X] NO

REPORTER'S TELEPHONE (DAYTIME)	SIGNATURE	TODAY'S DATE
(530) 573-3201		09/10/2008

B. REPORT NOTIFICATION

[X] LAW ENFORCEMENT [ ] COUNTY PROBATION
[ ] COUNTY WELFARE / CPS (Child Protective Services)

AGENCY: SLT POLICE DEPT

ADDRESS Street City Zip	DATE/TIME OF PHONE CALL
Blvd., South Lake Tahoe, CA 96150	09/10/2008 03:11pm

OFFICIAL CONTACTED - TITLE	TELEPHONE

C. VICTIM One report per victim

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
		F	

ADDRESS Street City Zip	TELEPHONE

PRESENT LOCATION OF VICTIM	SCHOOL	CLASS	GRADE

PHYSICALLY DISABLED?	DEVELOPMENTALLY DISABLED?	OTHER DISABILITY (SPECIFY)	PRIMARY LANGUAGE SPOKEN IN HOME
[ ] YES [X] NO	[ ] YES [X] NO		English

IN FOSTER CARE?	IF VICTIM WAS IN OUT-OF-HOME CARE AT TIME OF INCIDENT, CHECK TYPE OF CARE:	TYPE OF ABUSE (CHECK ONE OR MORE)
[ ] YES [X] NO	[ ] DAY CARE [ ] CHILD CARE CENTER [ ] FOSTER FAMILY HOME [ ] FAMILY FRIEND [ ] GROUP HOME OR INSTITUTION [ ] RELATIVE'S HOME	[ ] PHYSICAL [X] MENTAL [ ] SEXUAL [ ] NEGLECT [ ] OTHER (SPECIFY)

RELATIONSHIP TO SUSPECT	PHOTOS TAKEN?	DID THE INCIDENT RESULT IN THIS VICTIM'S DEATH?
Unknown , Daughter (Birth)	[ ] YES [X] NO	[ ] YES [ ] NO [X] UNK

DO NOT submit a copy of this form to the Department of Justice (DOJ). The investigating agency is required under Penal Code Section 11169 to submit to DOJ a Child Abuse Investigation Report Form SS 8583 if (1) an active investigation was conducted and (2) the incident was determined not to be unfounded.

cc: Police or Sheriff's Department; County Welfare or Probation Department; District Attorney's Office; Reporting Party

SUSPECTED CHILD ABUSE REPORT

CASE NAME:	REPORT NO./CASE NAME:
/10/2008	0766-2127-4532-4066083

D. INVOLVED PARTIES

VICTIM'S SIBLINGS

NAME	BIRTHDATE	SEX	ETHNICITY
1.			
2.			

VICTIM'S PARENTS/GUARDIANS

NAME (LAST, FIRST, MIDDLE) | BIRTHDATE OR APPROX. AGE | SEX: F | ETHNICITY

ADDRESS: Street | City: South Lake Tahoe, CA | Zip: 96150 | HOME PHONE: (530) | BUSINESS PHONE

NAME (LAST, FIRST, MIDDLE) | BIRTHDATE OR APPROX. AGE | SEX | ETHNICITY

ADDRESS: Street | City | Zip | HOME PHONE | BUSINESS PHONE

SUSPECT

SUSPECT'S NAME (LAST, FIRST, MIDDLE) | BIRTHDATE OR APPROX. AGE | SEX: M | ETHNICITY

ADDRESS: Street | City | Zip | TELEPHONE

OTHER RELEVANT INFORMATION

SUSPECT

SUSPECT'S NAME (LAST, FIRST, MIDDLE) | BIRTHDATE OR APPROX. AGE | SEX: F | ETHNICITY

ADDRESS: Street | City | Zip | TELEPHONE

OTHER RELEVANT INFORMATION

E. INCIDENT INFORMATION

IF NECESSARY, ATTACH EXTRA SHEETS(S) OR OTHER FORM(S) AND CHECK THIS BOX ☐ | *IF MULTIPLE VICTIMS INDICATE NUMBER:* 2

DATE/TIME OF INCIDENT	PLACE OF INCIDENT

NARRATIVE DESCRIPTION (What victim(s) said/what the mandated reporter observed/what person accompanying the victim(s) said/similar or past incidents involving the victim(s) or suspect)

Police reports: (2 minor children in the home) I could hear a young child screaming, like a newborn baby crying. As I got to the side of the house, the rear door opened and a female came outside holding a baby. Both the woman and the baby was crying. I also noticed that the woman, identified as , was visibly shaking. I could hear her yell "You a look what you did, the cops are here!" also kept looking over her shoulder as if she were afraid of someone back inside of the house. She stated "I have never seen him like this before". then stated her husband, identified as , was out at a bar and just returned home a few minutes before we arrived. said he began to get upset and came into the bedroom and threw water from a cup or glass on her while she was in the bed. told him that she was going to call her sister and also call the police. said went and removed the batteries from the cordless phone to prevent her from making any phone calls. said she then went and started packing clothes for her and the two young children as she was going to leave. I told to just step down from the front porch since he was already outside but he kept saying he was ok. I asked him again if he could step down and then could stand at the doorway so that I could make sure that everyone was accounted for and safe. Due to his level of intoxication and being quite angry that the police were present and not knowing if he was reaching for a weapon, I went up the stairs and in the doorway and grabbed his left arm. took another step back and pulled his arm away, saying "Get out of my house!" I also heard someone else crying very loudly back inside of the residence. again reached back as if he were going to try and close the front door. I reached over and grabbed his

SUSPECTED CHILD ABUSE REPORT

CASE NAME:	REPORT NO/CASE NAME:
09/10/2008	0766-2127-4532-4066083

left arm again. I then told [redacted] that he was under arrest and to stop resisting arrest. At this time, Officer Wagoner, Officer Auxier and Officer Cabral stepped in to assist. [redacted] continued to struggle and after I grabbed his left arm and put it in a wrist lock, he turned and started to move to the hallway. [redacted] continued to resist by keeping his arms underneath his body. [redacted] sais she was afraid that when [redacted] got released from jail that he would kick her out of the house. I gave [redacted] information regarding the Women's Center and obtaining a restraining order. [redacted] was transported to EDC jail where he was booked.

C. VICTIM — One report per victim

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
		M	

ADDRESS Street City	Zip	TELEPHONE

PRESENT LOCATION OF VICTIM	SCHOOL	CLASS	GRADE

PHYSICALLY DISABLED?	DEVELOPMENTALLY DISABLED?	OTHER DISABILITY (SPECIFY)	PRIMARY LANGUAGE SPOKEN IN HOME
☐ YES ☒ NO	☐ YES ☒ NO		English

IN FOSTER CARE?	IF VICTIM WAS IN OUT-OF-HOME CARE AT TIME OF INCIDENT, CHECK TYPE OF CARE:	TYPE OF ABUSE (CHECK ONE OR MORE)
☐ YES ☒ NO	☐ DAY CARE ☐ CHILD CARE CENTER ☐ FOSTER FAMILY HOME ☐ FAMILY FRIEND ☐ GROUP HOME OR INSTITUTION ☐ RELATIVE'S HOME	☐ PHYSICAL ☒ MENTAL ☐ SEXUAL ☐ NEGLECT ☐ OTHER (SPECIFY)

RELATIONSHIP TO SUSPECT	PHOTOS TAKEN?	DID THE INCIDENT RESULT IN THIS VICTIM'S DEATH?
Unknown , Son (Birth)	☐ YES ☒ NO	☐ YES ☐ NO ☒ UNK

Arrest ☐
Crime ☐
Non-Criminal ☒

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200

CR-1

CASE# 0809-2434
PAGE 1

OFFENSE(S): SUSCIRC-CAN SUSP CHILD ABUSE-NEGLECT
OFFENSE(S) cont'd.:

DATE, TIME AND DAY OF OCCURRENCE	DATE AND TIME REPORTED	MORE CHARGES	ESTIMATED LOSS VALUE
09/24/08 10:24 Wednesday	09/24/08 10:24	YES ☐ NO ☒	$0.00

LOCATION OF OCCURRENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
			1	104

PERSONS

Codes: V = Victim W = Witness C = Complainant P = Parent G = Guardian R = Party O = Other

MORE NAMES: YES ☐ NO ☒

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	RESIDENCE	HOME
V 1 of 1			

OCCUPATION	RACE	SEX	AGE	DOB	ADDRESS 2	PHONE 2
	W	M	4			

DL	STATE	SS#	INJURIES	ADDRESS 3	PHONE 3

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	ADDRESS 1	PHONE 1
OF			

OCCUPATION	RACE	SEX	AGE	DOB	ADDRESS 2	PHONE 2

DL	STATE	SS#	INJURIES	ADDRESS 3	PHONE 3

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	ADDRESS 1	PHONE 1
OF			

OCCUPATION	RACE	SEX	AGE	DOB	ADDRESS 2	PHONE 2

DL	STATE	SS#	INJURIES	ADDRESS 3	PHONE 3

CASE SUMMARY / VEHICLE INFORMATION

SUMMARY:

VEHICLE USED IN CRIME	OF	LICENSE (NO. AND STATE)	YEAR	MAKE	MODEL	BODY TYPE	COLOR	VIN	MORE VEHICLES
YES ☐ NO ☐ UNK ☐									YES ☐ NO ☒

TOW REPORT	GARAGE NAME AND PHONE	REGISTERED OWNER	R/O ADDRESS
YES ☐ NO ☐			

SUSPECT(S) / ARRESTEE(S)

Codes: S = Suspect A = Arrestee D = Detainee SV = Suspect/Victim AV = Arrestee/Victim DV = Detainee/Victim

MORE NAMES: YES ☐ NO ☒

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	ADDRESS 1	PHONE 1
OF			

RACE	SEX	HT	WT	HAIR	EYE	AGE	DOB	ADDRESS 2	PHONE 2

OCCUPATION	INJURIES	ADDRESS 3	PHONE 3

SCARS / MARKS / TATTOOS	AKA's	ARRESTEE DISPOSITION	RELEASE LOCATION	ARREST DATE / TIME
YES ☐ NO ☐				/

DL	STATE	ARRESTED	BOOKING #	WARRANT	CITATION #	SS#	CII#
		YES ☐ NO ☐		YES ☐ NO ☐			

CHARGES:

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	ADDRESS 1	PHONE 1
OF			

RACE	SEX	HT	WT	HAIR	EYE	AGE	DOB	ADDRESS 2	PHONE 2

OCCUPATION	INJURIES	ADDRESS 3	PHONE 3

SCARS / MARKS / TATTOOS	AKA's	ARRESTEE DISPOSITION	RELEASE LOCATION	ARREST DATE / TIME
YES ☐ NO ☐				/

DL	STATE	ARRESTED	BOOKING #	WARRANT	CITATION #	SS#	CII#
		YES ☐ NO ☐		YES ☐ NO ☐			

CHARGES:

ADMINISTRATION

VICTIM DESIRES PROSECUTION	FOLLOW-UP	COPIES TO	
YES ☐ NO ☐	YES ☐ NO ☐	☐ PAT. ☐ DET. ☐ DA ☐ COURT ☐ PROBATION ☐ VWAP ☐ OTHER:	

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
P. Herring 175	10/17/08 13:38		10/17/08
OFFICER	UNIT/SHIFT	ASSIGNED TO	CASE STATUS
			Closed

CR-1 Herri/175 Entered by: Kathleen Dougherty

APDC (Rev 08/10/16) Print Date: 12/01/2016

Arrest ☐
Crime ☐
Non-Criminal ☒

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200

Person Profile

CASE # 0809 24 4

PAGE 1 OF 1

OFFENSE(S)	OFFENSE(S) cont'd.
SUSCIRC-CAN SUSP CHILD ABUSE-NEGLECT	

DATE, TIME AND DAY OF OCCURRENCE	DATE AND TIME REPORTED
09/24/08 10:24 Wednesday	09/24/08 10:24

LOCATION OF [illegible]	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
[illegible], S Lake Tahoe			1	104

PERSONS

Codes: V = Victim W = Witness S = Suspect A = Arrestee D = Detainee C = Complainant R = Party O = Other

LIVING MARKS: YES ☐ NO ☐

CODE	1 OF 1	NAME - LAST, FIRST, MIDDLE, SUFFIX	DOB
V			

This report contains Person Profile information only
Please refer to the primary report(s) for additional information.

CLOTHING

CONTACTS INFORMATION

Name	Address	Contact Type	Phone Number(s)
/	S Lake Tahoe CA 96150	Parent	Home

ADMINISTRATION

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
P. Herring 175	10/17/08 13:38		10/17/08
OFFICER	**UNIT/SHIFT**	**ASSIGNED TO**	**CASE STATUS**
			Closed

CR-1 Herri/175 Entered by: Kathleen Dougherty

APDC (Rev 01/22/13) Print Date: 12/01/2016

Arrest ☐
Crime ☐
Non-Criminal ☒

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200

Narrative Report

CASE # 0809-2434

OFFENSE(S)	OFFENSE(S) cont'd.
SUSCIRC-CAN SUSP CHILD ABUSE-NEGLECT	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
09/24/08 10:24 Wednesday	09/24/08 10:24

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
[redacted], S Lake Tahoe			1	104

NARRATIVE

See PC 11166 report in file

ADMINISTRATION

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
P. Herring 175	10/17/2008 13:38		10/17/08
OFFICER	**UNIT/SHIFT**	**ASSIGNED TO**	**CASE STATUS**
			Closed

Case Number 0809-2434

South Lake Tahoe Police Department
11166 PC Referral Form

Type of Abuse:

- [x] Neglect
- [ ] Physical
- [ ] Sexual
- [ ] Emotional
- [x] Other :possible drug use in home

Investigating Agency:

- [x] CPS
- [ ] SLT Police
- [ ] Other

Type of Investigation

- [x] Suspicious Circumstance
- [ ] 261 PC – Rape
- [x] 270 PC – Child Neglect
- [ ] 273a (a) PC – Willful Injury (Felony)
- [ ] 273a (b) PC – Willful Injury (Misd.)
- [ ] 288(a) PC – Lewd and Lascivious Acts
- [ ] 286 PC – Sodomy
- [ ] 288a PC – Oral Copulation
- [ ] 289 PC – Penetration w/Foreign Object
- [ ] 261.5 PC – Unlawful Sex w/Minor
- [ ] Other

Assigned Social Worker

Leah Brown

Preliminary Case Status

- [ ] Active
- [ ] Inactive
- [x] Closed

Reviewed By:
P. Herring #175

Comments: Closed by CPS. Inconclusive. Unable to contact/locate family.

SUSPECTED CHILD ABUSE REPORT

To Be Completed by **Mandated Child Abuse Reporters**
Pursuant to Penal Code Section 11166
PLEASE PRINT OR TYPE

CASE NAME: /18/2008
CASE NUMBER: 0577-8250-9706-8061533

A. REPORTING PARTY

NAME OF MANDATED REPORTER	TITLE	MANDATED REPORTER CATEGORY
	Case Aide	Child Welfare Employee

REPORTER'S BUSINESS/AGENCY NAME AND ADDRESS	Street	City	Zip	DID MANDATED REPORTER WITNESS THE INCIDENT?
El Dorado County Dept. of Human Services Child Protective Services	981 Silver Dollar, South Lake Tahoe 96150			[ ] YES [X] NO

REPORTER'S TELEPHONE (DAYTIME)	SIGNATURE	TODAY'S DATE
(530) 573-3201		06/20/2008

B. REPORT NOTIFICATION

[X] LAW ENFORCEMENT [ ] COUNTY PROBATION [ ] COUNTY WELFARE / CPS (Child Protective Services) AGENCY: EDC Sheriff SLT

ADDRESS Street	City	Zip	DATE/TIME OF PHONE CALL
1360 Johnson Ste 100, South Lake Tahoe 96150			06/20/2008 07:46am

OFFICIAL CONTACTED TITLE	TELEPHONE

C. VICTIM (One report per victim)

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
		M	White

ADDRESS Street City	Zip	TELEPHONE

PRESENT LOCATION OF VICTIM	SCHOOL	CLASS	GRADE

PHYSICALLY DISABLED?	DEVELOPMENTALLY DISABLED?	OTHER DISABILITY (SPECIFY)	PRIMARY LANGUAGE SPOKEN IN HOME
[ ] YES [X] NO	[ ] YES [X] NO		English

IN FOSTER CARE?	IF VICTIM WAS IN OUT-OF-HOME CARE AT TIME OF INCIDENT, CHECK TYPE OF CARE:	TYPE OF ABUSE (CHECK ONE OR MORE)
[ ] YES [X] NO	[ ] DAY CARE [ ] CHILD CARE CENTER [ ] FOSTER FAMILY HOME [ ] FAMILY FRIEND [ ] GROUP HOME OR INSTITUTION [ ] RELATIVE'S HOME	[ ] PHYSICAL [ ] MENTAL [ ] SEXUAL [X] NEGLECT [ ] OTHER (SPECIFY)

RELATIONSHIP TO SUSPECT	PHOTOS TAKEN?	DID THE INCIDENT RESULT IN THIS VICTIM'S DEATH?
Son (Birth)	[ ] YES [X] NO	[ ] YES [ ] NO [X] UNK

D. INVOLVED PARTIES

VICTIM'S SIBLINGS

NAME	BIRTHDATE	SEX	ETHNICITY	NAME	BIRTHDATE	SEX	ETHNICITY

VICTIM'S PARENTS/GUARDIANS

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
		F	White

ADDRESS Street City Zip	HOME PHONE	BUSINESS PHONE
South Lake Tahoe 96150		

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY

ADDRESS Street City Zip	HOME PHONE	BUSINESS PHONE

SUSPECT

SUSPECT'S NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
		F	White

ADDRESS Street City Zip	TELEPHONE
uth Lake Tahoe 96150	

OTHER RELEVANT INFORMATION

DO NOT submit a copy of this form to the Department of Justice (DOJ). The investigating agency is required under Penal Code Section 11169 to submit to DOJ a Child Abuse Investigation Report Form SS 8583 if (1) an active investigation was conducted and (2) the incident was determined not to be unfounded.

cc: Police or Sheriff's Department; County Welfare or Probation Department; District Attorney's Office; Reporting Party

no by found
gen neglect

Pre-Disposition Sheet

El Dorado County
Child Protective Services

El Dorado County Sheriff

From Office (check one): **Date:** 6/18/08

☐ **El Dorado County Child Protective Services**
3057 Briw Road, Placerville, CA 95667
Phone: (530) 642-7300 - **Fax:** (530) 626-9060

☐ **El Dorado County Child Protective Services**
981 Silver Dollar, South Lake Tahoe, CA 96150
Phone: (530) 573-3201 - **Fax:** (530) 541-2803

Assigned Worker: Lee Brown **Phone #:** 573-3279

SUSPECTED CHILD ABUSE REPORT SENT TO:

☒ El Dorado County Sheriff Department – Detective Division
Attention: Sgt. Tom Hoagland
☐ Placerville Police Department
☐ SLT Police Department
☐ Other Law Enforcement Agency: _____

REFERRAL DISPOSITION:

☒ 10-Day Assignment due Friday 6/27/08
☐ Immediate Response
☐ Immediate Response with Law Enforcement
☐ Evaluated Out

☐ Other/Comments): _____

Received
JUN 20 2008
South Lake Tahoe
Police Department

SUSPECTED CHILD ABUSE REPORT

CASE NAME:	REPORT NO./CASE NAME:
	0577-8250-9706-8061533

E. INCIDENT INFORMATION

IF NECESSARY, ATTACH EXTRA SHEETS(S) OR OTHER FORM(S) AND CHECK THIS BOX ☐ IF MULTIPLE VICTIMS INDICATE NUMBER: _____

DATE/TIME OF INCIDENT	PLACE OF INCIDENT

NARRATIVE DESCRIPTION (What victim(s) said/what the mandated reporter observed/what person accompanying the victim(s) said/similar or past incidents involving the victim(s) or suspect)

(victim) lives with mother ıspect). _ was arrested for warrant and possession of controlled substance paraphenalia at residence. witnessed the arrest. During the arrest, I observed the interior of the residence to be extremely cluttered and in complete disarray. It is unknown if thre were additional amounts of paraphenalia or narcotics inside of residence. If victim were to come into contact with possible narcotics, it could be hazardous to his health.

0809-2434

Disposition Sheet

El Dorado County
Child Protective Services

El Dorado County Sheriff

Date: 8/22/08

From Office (check one): **Case or 11166 #:** 11166

☐ **El Dorado County Child Protective Services**
3057 Briw Road, Placerville, CA 95667
Phone: (530) 642-7300 - **Fax:** (530) 626-9060

☐ **El Dorado County Child Protective Services**
981 Silver Dollar, South Lake Tahoe, CA 96150
Phone: (530) 573-3201 - **Fax:** (530) 541-2803

Assigned Worker: Carl Brown **Phone #:** 573-3279

WHO DID YOU CROSS REPORT TO?

☐ El Dorado County Sheriff Department – Detective Division
Attention: Sgt. Tom Hoagland
☒ Placerville Police Department
☐ SLT Police Department
☐ Other _____

WHERE DID REFERRAL ORIGINATE?

☐ El Dorado County Sheriff Department – Detective Division_____
☐ Placerville Police Department
☐ SLT Police Department
☐ Other _____

REFERRAL DISPOSITION:

Allegation(s) appear: ☐ Substantiated ☒ Inconclusive ☐ Unfounded

☐ No Immediate Risk
☐ Situation Stabilized:
☐ Opened Service Case

☒ Closed
☐ Unable to Contact/Locate Family

☐ Other/Comments): _____

Revised 04/2007

Case Number 0809-2463

South Lake Tahoe Police Department
11166 PC Referral Form

Type of Abuse:

- ☐ Neglect
- ☒ Physical
- ☐ Sexual
- ☐ Emotional
- ☐ Other :

Investigating Agency:

- ☒ CPS
- ☐ SLT Police
- ☐ Other

Type of Investigation

- ☐ Suspicious Circumstance
- ☐ 261 PC – Rape
- ☐ 270 PC – Child Neglect
- ☒ 273a (a) PC – Willful Injury (Felony)
- ☒ 273a (b) PC – Willful Injury (Misd.)
- ☐ 288(a) PC – Lewd and Lascivious Acts
- ☐ 286 PC – Sodomy
- ☐ 288a PC – Oral Copulation
- ☐ 289 PC – Penetration w/Foreign Object
- ☐ 261.5 PC – Unlawful Sex w/Minor
- ☐ Other

Assigned Social Worker

Jocelyn Mata

Preliminary Case Status

- ☐ Active
- ☐ Inactive
- ☒ Closed

Reviewed By:
P. Herring #175

Comments: Case closed by CPS. Unfounded. (

0869-246

Disposition Sheet

El Dorado County
Child Protective Services

El Dorado County Sheriff

Date: 9/12/2008

From Office (check one): **Case or 11166 #:** 021578545367606605

☐ **El Dorado County Child Protective Services**
3057 Briw Road, Placerville, CA 95667
Phone: (530) 642-7300 - **Fax:** (530) 626-9060

☑ **El Dorado County Child Protective Services**
981 Silver Dollar, South Lake Tahoe, CA 96150
Phone: (530) 573-3201 - **Fax:** (530) 541-2803

Assigned Worker: [illegible] **Phone #:** 5734305

WHO DID YOU CROSS REPORT TO?

☐ El Dorado County Sheriff Department – Detective Division
Attention: Sgt. Tom Hoagland
☐ Placerville Police Department
☐ SLT Police Department
☑ Other School

WHERE DID REFERRAL ORIGINATE?

☐ El Dorado County Sheriff Department – Detective Division
☐ Placerville Police Department
☑ SLT Police Department
☐ Other

REFERRAL DISPOSITION:

Allegation(s) appear: ☐ Substantiated ☐ Inconclusive ☑ Unfounded

☐ No Immediate Risk
☐ Situation Stabilized:
☐ Opened Service Case
☐ Closed
☐ Unable to Contact/Locate Family

☐ Oth er /Comm ent s):

RECEIVED
SEP 15 2008

Revised 04/2007

Pre-Disposition Sheet

El Dorado County
Child Protective Services
El Dorado County Sheriff

From Office (check one): **Date:** 9/10/2008

☐ **El Dorado County Child Protective Services**
3057 Briw Road, Placerville, CA 95667
Phone: (530) 642-7300 - **Fax:** (530) 626-9060

☑ **El Dorado County Child Protective Services**
981 Silver Dollar, South Lake Tahoe, CA 96150
Phone: (530) 573-3201 - **Fax:** (530) 541-2803

Assigned Worker: _____ **Phone #:** 573 4805

SUSPECTED CHILD ABUSE REPORT SENT TO:

☐ El Dorado County Sheriff Department – Detective Division
Attention: Sgt. Tom Hoagland
☐ Placerville Police Department
☑ SLT Police Department
☐ Other Law Enforcement Agency: _____

REFERRAL DISPOSITION:

☐ 10-Day Assignment
☑ Immediate Response
☐ Immediate Response with Law Enforcement
☐ Evaluated Out

☐ Other/Comments): _____

SEP 12 2008

SUSPECTED CHILD ABUSE REPORT

To Be Completed by Mandated Child Abuse Reporters
Pursuant to Penal Code Section 11166

PLEASE PRINT OR TYPE

CASE NAME: _____ - 09/10/2008

CASE NUMBER: 0215-7854-5367-6066083

A. REPORTING PARTY

NAME OF MANDATED REPORTER	TITLE	MANDATED REPORTER CATEGORY
[redacted]	Office Assistant III	Child Welfare Employee

REPORTER'S BUSINESS/AGENCY NAME AND ADDRESS (Street / City / Zip)	DID MANDATED REPORTER WITNESS THE INCIDENT?
El Dorado County Dept. of Human Services Child Protective Services — 981 Silver Dollar, South Lake Tahoe, CA 96150	[ ] YES [X] NO

REPORTER'S TELEPHONE (DAYTIME)	SIGNATURE	TODAY'S DATE
(530) 573-3201	[signature]	09/11/2008

B. REPORT NOTIFICATION

[X] LAW ENFORCEMENT [ ] COUNTY PROBATION [ ] COUNTY WELFARE / CPS (Child Protective Services) — AGENCY: SLT POLICE DEPT

ADDRESS (Street / City / Zip)	DATE/TIME OF PHONE CALL
1354 Johnson Blvd., South Lake Tahoe, CA 96150	09/11/2008 09:06am

OFFICIAL CONTACTED - TITLE: _____ TELEPHONE: _____

C. VICTIM (One report per victim)

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
[redacted]		M	Hispanic

ADDRESS (Street / City / Zip)	TELEPHONE
[redacted], South Lake Tahoe, CA 96150	

PRESENT LOCATION OF VICTIM	SCHOOL	CLASS	GRADE
[redacted] 1 - South Lake Tahoe, California 96150			

PHYSICALLY DISABLED?	DEVELOPMENTALLY DISABLED?	OTHER DISABILITY (SPECIFY)	PRIMARY LANGUAGE SPOKEN IN HOME
[ ] YES [X] NO	[ ] YES [X] NO		Spanish

IN FOSTER CARE?	IF VICTIM WAS IN OUT-OF-HOME CARE AT TIME OF INCIDENT, CHECK TYPE OF CARE:	TYPE OF ABUSE (CHECK ONE OR MORE)
[ ] YES [X] NO	[ ] DAY CARE [ ] CHILD CARE CENTER [ ] FOSTER FAMILY HOME [ ] FAMILY FRIEND [ ] GROUP HOME OR INSTITUTION [ ] RELATIVE'S HOME	[X] PHYSICAL [ ] MENTAL [ ] SEXUAL [ ] NEGLECT [ ] OTHER (SPECIFY)

RELATIONSHIP TO SUSPECT	PHOTOS TAKEN?	DID THE INCIDENT RESULT IN THIS VICTIM'S DEATH?
Son (Birth)	[ ] YES [X] NO	[ ] YES [ ] NO [X] UNK

D. INVOLVED PARTIES

VICTIM'S SIBLINGS

NAME	BIRTHDATE	SEX	ETHNICITY
1. [redacted]		F	Hispanic
2. [redacted]		F	
3. [redacted]		M	Hispanic

VICTIM'S PARENT/GUARDIAN

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
[redacted]		F	Hispanic

ADDRESS (Street / City / Zip)	HOME PHONE	BUSINESS PHONE
[redacted] uth Lake Tahoe, CA 96150	[redacted]	

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY

ADDRESS (Street / City / Zip)	HOME PHONE	BUSINESS PHONE

SUSPECT

SUSPECT'S NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
[redacted]		F	Hispanic

ADDRESS (Street / City / Zip)	TELEPHONE
[redacted] South Lake Tahoe, CA 96150	

OTHER RELEVANT INFORMATION: _____

DO NOT submit a copy of this form to the Department of Justice (DOJ). The investigating agency is required under Penal Code Section 11169 to submit to DOJ a Child Abuse Investigation Report Form SS 8583 if (1) an active investigation was conducted and (2) the incident was determined not to be unfounded.

cc: Police or Sheriff's Department; County Welfare or Probation Department; District Attorney's Office; Reporting Party

SUSPECTED CHILD ABUSE REPORT

CASE NAME:	REPORT NO/CASE NAME:
- 09/10/2008	0215-7854-5367-6066083

E. INCIDENT INFORMATION

IF NECESSARY, ATTACH EXTRA SHEETS(S) OR OTHER FORM(S) AND CHECK THIS BOX ☐ *IF MULTIPLE VICTIMS INDICATE NUMBER:* _____

DATE/TIME OF INCIDENT	PLACE OF INCIDENT

NARRATIVE DESCRIPTION (What victim(s) said/what the mandated reporter observed/what person accompanying the victim(s) said/similar or past incidents involving the victim(s) or suspect)

, has a scratch on the bridge of his nose to his mouth. He said mom got angry and hit him on the face. He said he was being bad.

EXHIBIT F

STATE OF CALIFORNIA
COMMISSION ON STATE MANDATES
980 NINTH STREET, SUITE 300
SACRAMENTO, CA 95814
PHONE: (916) 323-3562
FAX: (916) 445-0278
E-mail: csminfo@csm.ca.gov

December 16, 2013

Mr. Ed Jewik
County of Los Angeles,
Auditor-Controller's Office
500 West Temple Street, Room 603
Los Angeles, CA 90012-2766

And Affected State Agencies and Interested Parties (See Mailing List)

RE: Statement of Decision and Parameters and Guidelines
Interagency Child Abuse and Neglect Investigation Reports, 00-TC-22
Penal Code Sections 11165. 9 et al.
County of Los Angeles, Claimant

Dear Mr. Jewik:

On December 6, 2013, the Commission on State Mandates adopted the statement of decision and parameters and guidelines on the above-entitled matter.

Please contact Heidi Palchik at (916) 323-3562 if you have any questions.

Sincerely,

Heather Halsey
Executive Director

j:\mandates\2000\tc\00-tc-22 (ican)\correspondence\ps&gssodadopttrans.docx

BEFORE THE

COMMISSION ON STATE MANDATES

STATE OF CALIFORNIA

IN RE PARAMETERS AND GUIDELINES: Penal Code Sections 11165.9, 11166,11166.2, 11166.9,[1] 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapters 1289 and 1496; Statutes 1987, Chapters 82, 531 and 1459; Statutes 1988, Chapters 269, 1497 and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapters 650, 1330, 1363 and 1603; Statutes 1992, Chapters 163, 459 and 1338; Statutes 1993, Chapters 219 and 510; Statutes 1996, Chapters 1080 and 1081; Statutes 1997, Chapters 842, 843 and 844; Statutes 1999, Chapters 475 and 1012; and Statutes 2000, Chapter 916 California Code of Regulations, Title 11, Section 903 (Register 98, No. 29)[2] "Child Abuse Investigation Report" Form SS 8583 (Rev. 3/91) Period of reimbursement begins July 1, 1999, or later for specified activities added by subsequent statutes. Reimbursement ends for specified activities on January 1, 2012.	Case No.: 00-TC-22 *Interagency Child Abuse and Neglect Investigation Reports* STATEMENT OF DECISION PURSUANT TO GOVERNMENT CODE SECTION 17500 ET SEQ.; CALIFORNIA CODE OF REGULATIONS, TITLE 2, DIVISION 2, CHAPTER 2.5, ARTICLE 7 (*Adopted December 6, 2013*) (*Served December 16, 2013*)

STATEMENT OF DECISION

The Commission on State Mandates (Commission) adopted this statement of decision and parameters and guidelines during a regularly scheduled hearing on December 6, 2013.

[1] Renumbered at Penal Code section 11174.34 (Stats. 2004, ch. 842 (SB 1313)).

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

Ed Jewik appeared on behalf of the claimant, the County of Los Angeles. Michael Byrne and Kathleen Lynch appeared on behalf of the Department of Finance.

The law applicable to the Commission's determination of a reimbursable state-mandated program is article XIII B, section 6 of the California Constitution, Government Code section 17500 et seq., and related case law.

The Commission adopted the parameters and guidelines and statement of decision by a vote of 7-0.

I. SUMMARY OF THE MANDATE

These proposed parameters and guidelines pertain to the *Interagency Child Abuse and Neglect Investigation Reports* (ICAN) test claim, 00-TC-22, adopted December 6, 2007. Based on the filing date of the test claim, the period of reimbursement begins on July 1, 1999, or later for specified activities added by subsequent statutes. Some of the activities end as of January 1, 2012, due to a subsequent change in law.

The test claim addresses amendments to the Child Abuse and Neglect Reporting Act (CANRA). The act, as amended, provides for reporting of suspected child abuse or neglect by certain individuals, identified by their profession as having frequent contact with children. The Commission found that Penal Code sections 11165.9, 11166, 11166.2, 11166.9, 11168 (formerly 11161.7), 11169, and 11170, as added or amended by Statutes 1977, chapter 958, Statutes 1980, chapter 1071, Statutes 1981, chapter 435, Statutes 1982, chapters 162 and 905, Statutes 1984, chapters 1423 and 1613, Statutes 1985, chapter 1598, Statutes 1986, chapters 1289 and 1496, Statutes 1987, chapters 82, 531 and 1459, Statutes 1988, chapters 269, 1497 and 1580, Statutes 1989, chapter 153, Statutes 1990, chapters 650, 1330, 1363 and 1603, Statutes 1992, chapters 163, 459 and 1338, Statutes 1993, chapters 219 and 510, Statutes 1996, chapters 1080 and 1081, Statutes 1997, chapters 842, 843 and 844, Statutes 1999, chapters 475 and 1012, and Statutes 2000, chapter 916; and executive orders California Code of Regulations, title 11, section 903 as added by Register 98, No. 29, and "Child Abuse Investigation Report" Form SS 8583, mandate new programs or higher levels of service within the meaning of article XIII B, section 6 of the California Constitution, and impose costs mandated by the state pursuant to Government Code section 17514, for cities and counties for the following specific new activities:

Distributing the Suspected Child Abuse Report Form:

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Distribute the child abuse reporting form adopted by the Department of Justice (currently known as the "Suspected Child Abuse Report" Form SS 8572) to mandated reporters. (Pen. Code, § 11168, formerly § 11161.7.)[3]

[3] As added by Statutes 1980, chapter 1071 and amended by Statutes 2000, chapter 916. Derived from former Penal Code section 11161.7, as amended by Statutes 1977, chapter 958.

Reporting Between Local Departments

Accepting and Referring Initial Child Abuse Reports when a Department Lacks Jurisdiction:

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Transfer a call electronically or immediately refer the case by telephone, fax, or electronic transmission, to an agency with proper jurisdiction, whenever the department lacks subject matter or geographical jurisdiction over an incoming report of suspected child abuse or neglect. (Pen. Code, § 11165.9.)[4]

Cross-Reporting of Suspected Child Abuse or Neglect from County Welfare and Probation Departments to the Law Enforcement Agency with Jurisdiction and the District Attorney's Office:

A county probation department shall:

- Report by telephone immediately, or as soon as practically possible, to the law enforcement agency having jurisdiction over the case, to the agency given the responsibility for investigation of cases under Section 300 of the Welfare and Institutions Code, and to the district attorney's office every known or suspected instance of child abuse, as defined in Penal Code section 11165.6, except acts or omissions coming within subdivision (b) of section 11165.2, or reports made pursuant to section 11165.13 based on risk to a child which relates solely to the inability of the parent to provide the child with regular care due to the parent's substance abuse, which shall be reported only to the county welfare department. (Pen. Code, § 11166, subd. (h), now subd. (j).)[5]
- Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under this subdivision.

  As of January 1, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours. (Pen. Code, § 11166, subd. (h), now subd. (j).)[6]

---

[4] As added by Statutes 2000, chapter 916, operative January 1, 2001.

[5] As added by Statutes 1980, chapter 1071; amended by Statutes 1981, chapter 435, Statutes 1982, chapter 905, Statutes 1984, chapter 1423, Statutes 1986, chapter 1289, Statutes 1987, chapter 1459, Statutes 1988, chapters 269 and 1580, Statutes 1990, chapter 1603, Statutes 1992, chapter 459, Statutes 1993, chapter 510, Statutes 1996, chapters 1080 and 1081, and Statutes 2000, chapter 916.

[6] *Ibid.*

A county welfare department shall:

- Report by telephone immediately, or as soon as practically possible, to the agency given the responsibility for investigation of cases under Section 300 of the Welfare and Institutions Code, and to the district attorney's office every known or suspected instance of child abuse, as defined in Penal Code section 11165.6, except acts or omissions coming within subdivision (b) of section 11165.2, or reports made pursuant to section 11165.13 based on risk to a child which relates solely to the inability of the parent to provide the child with regular care due to the parent's substance abuse, which shall be reported only to the county welfare department.

  This activity does not include making an initial report of child abuse and neglect from a county welfare department to the law enforcement agency having jurisdiction over the case, which was required under prior law to be made "without delay." (Pen. Code, § 11166, subd. (h), now subd. (j).)[7]

- Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency, including the law enforcement agency having jurisdiction over the case, to which it is required to make a telephone report under this subdivision.

  As of January 1, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours. (Pen. Code, § 11166, subd. (h), now subd. (j).)[8]

Cross-Reporting of Suspected Child Abuse or Neglect from the Law Enforcement Agency to the County Welfare and Institutions Code Section 300 Agency, County Welfare, and the District Attorney's Office:

A city or county law enforcement agency shall:

- Report by telephone immediately, or as soon as practically possible, to the agency given responsibility for investigation of cases under Welfare and Institutions Code section 300 and to the district attorney's office every known or suspected instance of child abuse reported to it, except acts or omissions coming within Penal Code section 11165.2, subdivision (b), which shall be reported only to the county welfare department. (Pen. Code, § 11166, subd. (i), now subd. (k).)[9]

---

[7] *Ibid.*

[8] *Ibid.*

[9] As added by Statutes 1980, chapter 1071; amended by Statutes 1981, chapter 435, Statutes 1982, chapter 905, Statutes 1984, chapter 1423, Statutes 1986, chapter 1289, Statutes 1987, chapter 1459, Statutes 1988, chapters 269 and 1580, Statutes 1990, chapter 1603, Statutes 1992, chapter 459, Statutes 1993, chapter 510, Statutes 1996, chapters 1080 and 1081, and Statutes 2000, chapter 916.

- Report to the county welfare department every known or suspected instance of child abuse reported to it which is alleged to have occurred as a result of the action of a person responsible for the child's welfare, or as the result of the failure of a person responsible for the child's welfare to adequately protect the minor from abuse when the person responsible for the child's welfare knew or reasonably should have known that the minor was in danger of abuse. (Pen. Code, § 11166, subd. (i), now subd. (k).)[10]

- Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under this subdivision.

  As of January 1, 2006, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours. (Pen. Code, § 11166, subd. (i), now subd. (k).)[11]

Receipt of Cross-Reports by District Attorney's Office:

A district attorney's office shall:

- Receive reports of every known or suspected instance of child abuse reported to law enforcement, county probation or county welfare departments, except acts or omissions of general neglect coming within Penal Code section 11165.2, subdivision (b). (Pen. Code, § 11166, subds. (h) and (i), now subds. (j) and (k).)[12]

Reporting to Licensing Agencies:

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Report by telephone immediately or as soon as practically possible to the appropriate licensing agency every known or suspected instance of child abuse or neglect when the instance of abuse or neglect occurs while the child is being cared for in a child day care facility, involves a child day care licensed staff person, or occurs while the child is under the supervision of a community care facility or involves a community care facility licensee or staff person. The agency shall also send, fax, or electronically transmit a written report thereof within 36 hours of receiving the information concerning the

[10] *Ibid.*

[11] *Ibid.*

[12] As added by Statutes 1980, chapter 1071; amended by Statutes 1981, chapter 435, Statutes 1982, chapter 905, Statutes 1984, chapter 1423, Statutes 1986, chapter 1289, Statutes 1987, chapter 1459, Statutes 1988, chapters 269 and 1580, Statutes 1990, chapter 1603, Statutes 1992, chapter 459, Statutes 1993, chapter 510, Statutes 1996, chapters 1080 and 1081, and Statutes 2000, chapter 916.

incident to any agency to which it is required to make a telephone report under this subdivision. The agency shall send the licensing agency a copy of its investigation report and any other pertinent materials.

As of July 31, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours. (Pen. Code, § 11166.2.)[13]

Additional Cross-Reporting in Cases of Child Death:

A city or county law enforcement agency shall:

- Cross-report all cases of child death suspected to be related to child abuse or neglect to the county child welfare agency. (Pen. Code, § 11166.9, subd. (k), now § 11174.34, subd. (k).)[14]

A county welfare department shall:

- Cross-report all cases of child death suspected to be related to child abuse or neglect to law enforcement. (Pen. Code, § 11166.9, subd. (k), now § 11174.34, subd. (k).)[15]
- Create a record in the Child Welfare Services/Case Management System (CWS/CMS) on all cases of child death suspected to be related to child abuse or neglect. (Pen. Code, § 11166.9, subd. (l), now § 11174.34, subd. (l).)[16]
- Enter information into the CWS/CMS upon notification that the death was subsequently determined not to be related to child abuse or neglect. (Pen. Code, § 11166.9, subd. (l), now § 11174.34, subd. (l).)[17]

Investigation of Suspected Child Abuse, and Reporting to and from the State Department of Justice

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the

[13] As added by Statutes 1985, chapter 1598 and amended by Statutes 1987, chapter 531; Statutes 1988, chapter 269; Statutes 1990, chapter 650; and Statutes 2000, chapter 916.

[14] As amended by Statutes 1999, chapter 1012, operative January 1, 2000. This code section has since been renumbered as Penal Code section 11174.34, without amendment, by Statutes 2004, chapter 842.

[15] *Ibid.*

[16] *Ibid.*

[17] *Ibid.*

state "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice. (Pen. Code, § 11169, subd. (a); Cal. Code Regs., tit. 11, § 903, "Child Abuse Investigation Report" Form SS 8583.) [18]

- Forward to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse or severe neglect which is determined to be substantiated or inconclusive, as defined in Penal Code section 11165.12. Unfounded reports, as defined in Penal Code section 11165.12, shall not be filed with the Department of Justice. If a report has previously been filed which subsequently proves to be unfounded, the Department of Justice shall be notified in writing of that fact. The reports required by this section shall be in a form approved by the Department of Justice and may be sent by fax or electronic transmission. (Pen. Code, § 11169, subd. (a); Cal. Code Regs., tit. 11, § 903, "Child Abuse Investigation Report" Form SS 8583.) [19]

Notifications Following Reports to the Child Abuse Central Index

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Notify in writing the known or suspected child abuser that he or she has been reported to the Child Abuse Central Index, in any form approved by the Department of Justice, at the time the "Child Abuse Investigation Report" is filed with the Department of Justice. (Pen. Code, § 11169, subd. (b).)[20]
- Make relevant information available, when received from the Department of Justice, to the child custodian, guardian ad litem appointed under section 326, or counsel appointed under section 317 or 318 of the Welfare and Institutions Code, or the appropriate licensing agency, if he or she is treating or investigating a case of known or suspected child abuse or severe neglect. (Pen. Code, § 11170, subd. (b)(1).)[21]

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[18] Code section as added by Statutes 1980, chapter 1071, amended by Statutes 1981, chapter 435, Statutes 1985, chapter 1598, Statutes 1988, chapters 269 and 1497, Statutes 1997, chapter 842, and Statutes 2000, chapter 916. Regulation as added by Register 98, No. 29.

[19] *Ibid.*

[20] As amended by Statutes 1997, chapter 842, Statutes 1999, chapter 475, and Statutes 2000, chapter 916. The potential reimbursement period for this activity begins no earlier than January 1, 2001—the operative date of Statutes 2000, chapter 916.

[21] As added by Statutes 1980, chapter 1071; amended by Statutes 1981, chapter 435, Statutes 1982, chapter 162, Statutes 1984, chapter 1613, Statutes 1985, chapter 1598, Statutes 1986, chapter 1496, Statutes 1987, chapter 82, Statutes 1989, chapter 153, Statutes 1990, chapters 1330 and 1363, Statutes 1992, chapters 163 and 1338, Statutes 1993, chapter 219, Statutes 1996,

- Inform the mandated reporter of the results of the investigation and of any action the agency is taking with regard to the child or family, upon completion of the child abuse investigation or after there has been a final disposition in the matter. (Pen. Code, § 11170, subd. (b)(2).)[22]

- Notify, in writing, the person listed in the Child Abuse Central Index that he or she is in the index, upon receipt of relevant information concerning child abuse or neglect investigation reports contained in the index from the Department of Justice when investigating a home for the placement of dependent children. The notification shall include the name of the reporting agency and the date of the report. (Pen. Code, § 11170, subd. (b)(5), now subd. (b)(6).)[23]

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, county welfare department, county licensing agency, or district attorney's office shall:

- Obtain the original investigative report from the reporting agency, and draw independent conclusions regarding the quality of the evidence disclosed, and its sufficiency for making decisions regarding investigation, prosecution, licensing, or placement of a child, when a report is received from the Child Abuse Central Index. (Pen. Code, § 11170, subd. (b)(6)(A), now (b)(8)(A).) [24]

Any city or county law enforcement agency, county probation department, or county welfare department shall:

- Notify, in writing, the person listed in the Child Abuse Central Index that he or she is in the index, upon receipt of relevant information concerning child abuse or neglect reports contained in the index from the Department of Justice regarding placement with a responsible relative pursuant to Welfare and Institutions Code sections 281.5, 305, and 361.3. The notification shall include the location of the original investigative report and the submitting agency. The notification shall be submitted to the person listed at the same time that all other parties are notified of the information, and no later than the actual judicial proceeding that determines placement. (Pen. Code, § 11170, subd. (c).)

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chapter 1081, Statutes 1997, chapters 842, 843, and 844, Statutes 1999, chapter 475, and Statutes 2000, chapter 916.

[22] *Ibid.*

[23] As amended by Statutes 1997, chapter 844, Statutes 1999, chapter 475, and Statutes 2000, chapter 916. This subdivision was renumbered by Statutes 2004, chapter 842.

[24] *Ibid.*

Record Retention

Any city or county police or sheriff's department, or county probation department if designated by the county to receive mandated reports shall:

- Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of eight years for counties and cities (a higher level of service above the two-year record retention requirement pursuant to Gov. Code §§ 26202 (cities) and 34090 (counties).) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years. (Pen. Code, § 11169, subd. (c).)[25]

A county welfare department shall:

- Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of seven years for welfare records (a higher level of service above the three-year record retention requirement pursuant to Welf. & Inst. Code, § 10851.) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years. (Pen. Code, § 11169, subd. (c).) [26]

The Commission found that requirements imposed on individuals, termed "mandated reporters," are not unique to government, but rather are generally applicable to all persons described in the statute. Mandated reporters, including physicians, teachers, social workers, law enforcement personnel, and members of a number of other professions, are required to report to "an agency specified in section 11165.9," whenever the mandated reporter knows or reasonably suspects that a child has been the victim of abuse or severe neglect.[27] These requirements are imposed upon individuals by virtue of their vocation and professional training, irrespective of whether they are employed by local government. Therefore, as discussed in the test claim statement of decision, those requirements do not constitute a state-mandated new program or higher level of service.[28] Additionally, some duties found in the test claim statutes are not new, or are otherwise excluded from reimbursement, pursuant to the Commission's findings in the test claim statement of

[25] As amended by Statutes 1997, chapter 842.

[26] *Ibid.*

[27] Penal Code section 11166(a) (Added by Stats. 1980, ch. 1071. Amended by Stats. 1981, ch. 435; Stats. 1982, ch. 905; Stats. 1984, ch. 1423; Stats. 1986, ch. 1289; Stats. 1987, ch. 1459; Stats. 1988, ch. 269; Stats. 1988, ch. 1580; Stats. 1990, ch. 1603 (SB2669); Stats. 1992, ch. 459 (SB1695); Stats. 1993, ch. 510 (SB665); Stats. 1996, ch. 1080 (AB295); Stats. 1996, ch. 1081 (AB3354); Stats. 2000, ch. 916 (AB1241); Stats. 2001, ch. 133 (AB102); Stats. 2002, ch. 936 (AB299); Stats. 2004, ch. 823 (AB20); Stats. 2004, ch. 842 (SB1313); Stats. 2005, ch. 42 (AB299); Stats. 2005, ch. 713 (AB776); Stats. 2006, ch. 701 (AB525); Stats. 2007, ch. 393 (AB673); Stats. 2010, ch. 123 (AB2380); Stats. 2012, ch. 728 (SB71); Stats. 2012, ch. 517 (AB1713); Stats. 2012, ch. 521 (AB1817)).

[28] See *County of Los Angeles v. State* (1987) 43 Cal.3d 46, at p. 56.

decision. Furthermore, maintaining the Child Abuse Central Index (CACI), and other duties imposed upon the Department of Justice, are not reimbursable activities because they affect state government, rather than local government.

But the duties imposed on city and county law enforcement agencies, county welfare departments, and county probation departments, where authorized, to receive reports from mandated reporters of suspected child abuse; to refer those reports to the correct agency when the recipient agency lacks jurisdiction; to cross-report to other local agencies with concurrent jurisdiction and to the district attorneys' offices; to report to licensing agencies; to make additional reports in the case of a child's death from abuse or neglect; to distribute the standardized forms to mandated reporters; to investigate reports of suspected child abuse to determine whether to report to the Department of Justice; to notify suspected abusers of listing in the Child Abuse Central Index; and to retain records, as specified, *are* unique to local government, and were determined to constitute a reimbursable state-mandated program pursuant to article XIII B, section 6 of the California Constitution. A small number of activities were also approved for county licensing agencies and district attorneys' offices, as provided.

II. PROCEDURAL HISTORY

The test claim was filed on June 29, 2001, by the County of Los Angeles (claimant), and was partially approved by the Commission on December 6, 2007, by a vote of 7 to 0.[29]

The adopted statement of decision was issued December 19, 2007, with instructions for the claimant to file proposed parameters and guidelines within 30 days. The claimant submitted proposed parameters and guidelines on January 14, 2008. On December 2, 2008, the claimant requested a prehearing conference on the draft parameters and guidelines. Pursuant to the prehearing on December 11, 2008, the parties agreed that they would develop a reasonable reimbursement methodology (RRM) and submit the proposal to the Commission by April 1, 2009. On March 10, 2009, the claimant submitted a request for a second prehearing. Pursuant to the second prehearing, Commission staff issued proposed schedules for the parties resulting in a tentative hearing date between September 2009 and January 2010. When the claimant failed to submit the proposed RRMs for addition to the parameters and guidelines within the proposed schedules, Commission staff warned, in a letter dated August 19, 2009, that "if a proposed reimbursement methodology is not submitted by September 1, 2009," the Commission would proceed in adopting an actual cost parameters and guidelines at the December 2009 hearing. The claimant requested a third prehearing, which was set for October 29, 2009. At the third prehearing, it was determined that the initial proposed parameters and guidelines did not describe the reimbursable activities consistently with the surveys that were being circulated to evaluate costs and form the proposed unit rate RRMs. As a result, the claimant submitted revised proposed parameters and guidelines, on January 28, 2010, attempting to describe the reimbursable activities more in line with the information requested in the surveys.

On March 11, 2010, the Department of Social Services (CDSS) requested an extension of time to file comments on the revised proposed parameters and guidelines. On March 12, 2010, the State Controller's Office (SCO) requested an extension of time to file comments on the revised proposed parameters and guidelines. On March 18, 2010, CDSS submitted written comments on

[29] Exhibit A, Test Claim Statement of Decision, at pp. 1-2; 21-38.

the revised proposed parameters and guidelines.[30] On March 30, 2010 the Department of Finance (DOF) submitted written comments on the revised proposed parameters and guidelines.[31] On April 1, 2010, SCO submitted written comments on the revised proposed parameters and guidelines.[32] On May 18, 2010, the claimant submitted rebuttal comments and a second revised proposed parameters and guidelines.[33]

On March 12, 2013, Commission staff issued a draft proposed statement of decision and parameters and guidelines.[34] On March 20, 2013, the claimant requested an extension of time to file comments, from April 2, 2013 to May 2, 2013, and a postponement of the hearing date from April 19, 2013 to May 24, 2013. The request for extension and postponement was granted for good cause. On March 27, 2013 the SCO filed comments on the draft proposed statement of decision and parameters and guidelines.[35] On April 17, 2013, the claimant filed comments on the draft proposed statement of decision and parameters and guidelines.[36] On April 19, 2013, DOF filed a request for extension and postponement, which was granted for good cause on April 22, 2013, extending time to file comments until June 7, 2013, and setting the matter for hearing on July 26, 2013.

On June 7, 2013, DOF submitted comments on the draft proposed statement of decision, suggesting that Proposition 30, adopted by the voters in 2012, might have an impact on the Commission's findings regarding costs mandated by the state.[37] On June 10, 2013, CDSS submitted comments on the draft proposed statement of decision, requesting that the Commission consider the potential impact of Proposition 30 and the 2011 Realignment legislation.[38]

On June 14, 2013, Commission staff issued a request for comments and additional briefing addressing the 2011 Realignment Legislation and Proposition 30, and the possible impacts on existing public safety-related mandates, such as the *ICAN* program.[39] On July 8, 2013, DOF

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[30] Exhibit C, CDSS Comments on Revised Proposed Parameters and Guidelines.

[31] Exhibit D, DOF Comments on Revised Proposed Parameters and Guidelines.

[32] Exhibit E, SCO Comments on Revised Proposed Parameters and Guidelines.

[33] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines.

[34] Exhibit I, Draft Staff Analysis and Proposed Parameters and Guidelines.

[35] Exhibit J, SCO Comments on Draft Proposed Statement of Decision and Parameters and Guidelines.

[36] Exhibit K, Claimant Comments on Draft Proposed Statement of Decision and Parameters and Guidelines.

[37] Exhibit L, DOF Comments on Draft Proposed Statement of Decision and Parameters and Guidelines.

[38] Exhibit M, CDSS Comments on Draft Proposed Statement of Decision and Parameters and Guidelines.

[39] Exhibit N, Commission Request for Comments on New Substantive Issue.

requested an extension of time to file comments and postponement of the hearing to the December 6, 2013 hearing, which was granted for good cause.[40] The parties and interested parties submitted comments in response to Commission staff's request on September 3 and 5, 2013.[41, 42,43]

III. POSITION OF THE PARTIES

A. Claimant's Position and Proposed Parameters and Guidelines

The claimant's revised proposed parameters and guidelines offered a combination of actual cost reimbursement for some activities and standard times-based RRMs for others. In response to agency comments, the claimant submitted rebuttal comments and a *second revised* proposed parameters and guidelines, which introduced a "streamlined three-tiered classification of required investigations,"[44] but otherwise made no changes to the prior revised proposed parameters and guidelines. For that reason, both the revised proposed parameters and guidelines and the second revised proposed parameters and guidelines are analyzed below.

The claimant proposes actual cost reimbursement for most activities expressly approved in the statement of decision, and most activities alleged to be reasonably necessary to complete those activities, including a number of case-specific investigative activities and costs, such as polygraph testing, DNA testing, medical examinations, and other evidence-gathering activities. In addition, the claimant proposes standard time RRMs for the following repetitive activities:

- For law enforcement to complete an investigation of suspected child abuse to determine whether a report is unfounded, substantiated or inconclusive: multiple standard time RRMs are proposed by the claimant based upon the level of investigation required in each case;[45] and
- For county welfare departments to complete certain reports and comply with specified notice requirements.[46]

The activities proposed for reimbursement by the claimant are based on declarations in the record detailing the procedures that Los Angeles County Sheriff's Department employs to investigate reports of suspected child abuse. The standard times were developed on the basis of survey information collected from Los Angeles County Sheriff's Department personnel, and

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[40] Exhibit O, DOF Request for Extension and Postponement.

[41] Exhibit P, CSAC Response to Commission Request for Comments.

[42] Exhibit Q, County of LA Response to Commission Request for Comments.

[43] Exhibit R, DOF Response to Commission Request for Comments.

[44] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 6.

[45] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 14-18.

[46] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 27.

provide reimbursement for repetitive activities conducted by law enforcement agencies when inquiring into reports of suspected child abuse. Standard time RRMs are proposed for three levels of investigations, based on the progress of the investigation, Level 1 being the lowest level.

In cases in which the report is facially inaccurate, or where a preliminary investigation results in a finding that no abuse has occurred, standard times are proposed for the recordkeeping and investigative activities necessary to receive and track the report, and to decide not to forward the report to DOJ; these cases are described as levels 1 and 2, and include receiving and reviewing the initial report, and, where necessary, tasking a patrol officer to conduct interviews and preliminary investigation, concluding with closure of the case, which includes supervisory review.[47] Cases in which some evidence is adduced that necessitates further investigation are categorized as level 3 investigations. Level 3 includes follow-up interviews conducted by a "Child abuse investigator," conducting a background check on the suspect(s), conferring with social services, and writing additional reports, including the CACI report required for DOJ.[48] The claimant proposes applying one of the standard times to each category of case, as reported by each eligible claimant, and multiplying the standard times by the hourly pay rates for each law enforcement agency.

The standard times RRMs proposed for county welfare agencies to prepare and submit certain reports and satisfy certain notice requirements were developed on the basis of information from CDSS detailing the procedures required of individual county welfare agencies, and surveys of eligible agencies in Los Angeles County taken to determine how much time is spent on each activity. The standard times are proposed for the completion of the Child Abuse Summary Report form, the Suspected Child Abuse Report form, the Notice of Child Abuse Central Index Listing form, filing copies of the forms, and responding to Department of Justice requests. The standard times are proposed to be applied to the number of these activities completed, multiplied by the hourly pay rates for eligible county welfare departments. The proposed RRMs are silent regarding reimbursement for probation departments that may perform some of the activities proposed for the RRMs.

In response to the draft proposed statement of decision issued March 12, 2013, the claimant submitted rebuttal comments and declarations in support. The claimant continues to stress that the scope of investigation for which reimbursement is required includes regulations put in place by DOJ *after the test claim decision*, which require a full investigation, including gathering and preserving evidence. The claimant argues that these activities should therefore be reimbursable. In the additional declarations submitted by the claimant, each declarant expressed a belief that *all investigative activities and steps necessary to complete an investigation* must be reimbursed.[49] In addition, the claimant continues to argue for reimbursement for annual training of "ICAN

[47] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at pp. 15-16.

[48] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 17.

[49] Exhibit K, Claimant's Comments on Draft Proposed Parameters and Guidelines.

staff" and reimbursement for developing and updating software and computer systems to track and process child abuse reports.[50]

In response to Commission staff's request for comments on the realignment issue, the claimant argued that "the ICAN statutes are not funded by the 2011 Realignment Legislation" and therefore article XIII, section 36 had no effect on mandate reimbursement for the ICAN activities.[51]

B. CDSS Position

CDSS urges the Commission to reject claimant's proposed parameters and guidelines, including the proposed law enforcement RRM, "because the activities described in it are not related to or required by CANRA." CDSS argues at length that CANRA does not give rise to any affirmative duty to investigate child abuse, and that in any event the investigative activities called for in the claimant's revised proposed parameters and guidelines reach deep into the realm of criminal investigative activities. CDSS argues that local law enforcement has a responsibility to investigate suspected child abuse, but that responsibility is not grounded in the provisions of CANRA. CDSS does not discuss the county welfare standard times and the activities involved in its comments, addressing only the activities and proposed standard times for law enforcement.[52]

On June 10, 2013, CDSS filed comments on the draft staff analysis, in which CDSS concludes that the draft parameters and guidelines "appear appropriate and reasonable, and the California Department of Social Services supports them." With respect to offsetting revenues, CDSS asserts that counties receive "significant state funding for the activities of social workers," and that a 1991-1992 realignment of Child Welfare Services Programs (AB 948) constitutes a potential offset. CDSS also declares that "[w]e also would expect the Commission to consider the implications of the [2011] realignment agreements' statutory and constitutional changes in any reimbursable cost estimates beyond 2011."[53]

C. DOF Position

DOF opposes the adoption of the claimant's revised proposed parameters and guidelines on the ground that "the proposed RRM inappropriately includes the totality of its law enforcement response to reports of child abuse, and all activities leading up to a full criminal prosecution." DOF argues that "the activities in levels 3, 4, and 5 are not requirements of CANRA but a more extensive investigation needed for the criminal justice system to apprehend and prosecute a criminal and therefore should not be reimbursable." DOF urges instead that "only those activities directly related to an investigation conducted to determine whether a report of suspected child abuse or neglect is unfounded, substantiated, or inconclusive, should be reimbursable."[54]

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[50] *Ibid*.

[51] Exhibit Q, Claimant's Response to Commission Request for Comments.

[52] Exhibit C, CDSS Comments on Revised Proposed Parameters and Guidelines, at p. 1.

[53] Exhibit M, CDSS Comments on Draft Proposed Parameters and Guidelines.

[54] Exhibit D, DOF Comments on Revised Proposed Parameters and Guidelines, at p. 1.

On June 7, 2013, DOF submitted comments on the draft proposed parameters and guidelines, stating, "[g]enerally we have no concerns with the reimbursable activities as they appear to be consistent with the statement of decision." However, DOF did suggest that the 2011 realignment would impact not only the scope of costs mandated by the state, but the extent to which the activities themselves are mandated.[55]

DOF responded to Commission staff's request for comments on the realignment issue, concluding, "[a]fter deliberating the questions, as well as the ICAN activities[,]" that "the approved activities under the ICAN statutes are reimbursable under the law."[56] DOF stated that it "does not believe that the 2011 Realignment Legislation shifted complete or partial funding responsibility from the state to local government," and therefore article XIII, section 36 is not applicable to the ICAN activities.[57]

D. SCO Position

The SCO states that "the activities specified in Section IV B [Reimbursable Activities] do not clearly identify the mandated activities in the Statement of Decision adopted by the Commission on December 19, 2007." SCO requests that the activities to which the standard time RRMs will apply be correlated to the reimbursable activities specified in the statement of decision. SCO also suggests that the activities should be segregated between one-time and on-going activities. And, SCO recommends that only an RRM rate or actual cost methodology be applied to each activity, not "a combination of actual cost and or standard cost methodologies," as proposed in the claimant's revised proposed parameters and guidelines.[58] On March 27, 2013, the SCO submitted comments on the draft proposed statement of decision, in which it recommended "no changes."[59]

IV. COMMISSION FINDINGS

Commission staff has reviewed the claimant's proposed parameters and guidelines and comments received. Non-substantive, technical changes, for purposes of clarification, consistency, and conformity to the statement of decision and statutory language have been made, and are not addressed in this analysis. The following analysis addresses only substantive changes to the activities approved in the statement of decision, and to the claimant's proposed parameters and guidelines, and incorporates changes to the parameters and guidelines proposed by the parties, where appropriate. The analysis also addresses whether the evidence in the record supports the adoption of the proposed RRMs.

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[55] Exhibit L, DOF Comments on Draft Proposed Parameters and Guidelines.

[56] Exhibit R, DOF Response to Commission Request for Comments, at pp. 1-2.

[57] *Ibid*.

[58] Exhibit E, SCO Comments on Revised Proposed Parameters and Guidelines, at pp. 1-2.

[59] Exhibit J, SCO Comments on Draft Proposed Statement of Decision.

A. Substantive Changes in Law Affecting the Period of Reimbursement for Some Activities (Section III. of Proposed Parameters and Guidelines)

Government Code section 17557(e) states that a test claim shall be submitted on or before June 30 following a given fiscal year to establish eligibility for that fiscal year. The County of Los Angeles filed the test claim on June 29, 2001, establishing eligibility for reimbursement for the 1999-2000 fiscal year. Therefore, costs incurred on or after July 1, 1999 are reimbursable under this test claim, for statutes in effect before July 1, 1999, or later, as specified, for statutes effective after July 1, 1999.

Here, the period of reimbursement must also take account of the subsequent amendments made to the test claim statutes that ended, or limited, some of the reimbursable activities. Statutes 2011, chapter 468 (AB 717) amended Penal Code section 11169 to provide, in pertinent part:

> (a) An agency specified in Section 11165.9 shall forward to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse or severe neglect that is *determined to be substantiated*, other than cases coming within subdivision (b) of Section 11165.2. An agency shall not forward a report to the Department of Justice unless it has conducted an active investigation and determined that the report is *substantiated*, as defined in Section 11165.12. If a report has previously been filed which subsequently proves to be not substantiated, the Department of Justice shall be notified in writing of that fact and shall not retain the report. The reports required by this section shall be in a form approved by the Department of Justice and may be sent by fax or electronic transmission. An agency specified in Section 11165.9 receiving a written report from another agency specified in Section 11165.9 shall not send that report to the Department of Justice.
>
> (b) On and after January 1, 2012, a police department or sheriff's department specified in Section 11165.9 shall no longer forward to the Department of Justice a report in writing of any case it investigates of known or suspected child abuse or severe neglect.
>
> (c) At the time an agency specified in Section 11165.9 forwards a report in writing to the Department of Justice pursuant to subdivision (a), the agency shall also notify in writing the known or suspected child abuser that he or she has been reported to the Child Abuse Central Index (CACI).The notice required by this section shall be in a form approved by the Department of Justice. The requirements of this subdivision shall apply with respect to reports forwarded to the department on or after the date on which this subdivision becomes operative.[60]

Prior to the 2011 amendment, this section required agencies specified in section 11165.9[61] to forward to DOJ, after investigation, reports of suspected child abuse or neglect that were

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[60] Penal Code section 11169 (Stats. 2011, ch. 468 (AB 717)) [emphasis added].

[61] Penal Code section 11165.9 lists the agencies to which the remaining sections of the Child Abuse and Neglect Reporting Act apply: city and county police and sheriff's departments, except school district police or security departments; county welfare departments; and county probation

determined to be "not unfounded."[62] By changing the requirement from those cases that were "not unfounded," to only those that are "substantiated," the amended section now excludes an "inconclusive" case, meaning that forwarding to DOJ "inconclusive" reports of suspected child abuse or neglect is no longer reimbursable as of the effective date of the amendment, January 1, 2012.[63]

The new section also provides that law enforcement agencies "shall no longer" forward reports of suspected child abuse to DOJ, even if those reports are substantiated. Therefore, for law enforcement agencies only, reimbursement for forwarding reports of suspected child abuse to DOJ is no longer mandated as of January 1, 2012. This change was intended, in part, to provide cost savings to the state by limiting the mandate, including ending reimbursement for all law enforcement investigations required to satisfy the reporting requirements.[64] However, AB 717 did not change any other statutory or common law requirements imposed upon police officers, as mandated reporters, to investigate child abuse pursuant to Penal Code section 11166. The Commission, in its statement of decision on the test claim, specifically found that section 11166 did not impose a reimbursable mandate on local government since the duty of a mandated reporter is not unique to government.[65] Therefore, beginning January 1, 2012, for law enforcement only, the activity of investigating child abuse, for purposes of preparing the report to DOJ, is no longer a reimbursable activity.

Note also that subdivision (c) requires that "At the time an agency specified in Section 11165.9 forwards a report [to DOJ]…the agency shall also notify in writing the known or suspected child abuser that he or she has been reported to the Child Abuse Central Index (CACI)." Because this notice requirement is triggered by the report forwarded to DOJ, and law enforcement agencies are no longer required to forward reports to DOJ pursuant to section 11169(b), law enforcement agencies are also no longer are required to notify the suspected child abuser that he or she has been listed in CACI, at the time a report is forwarded. And, because

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departments where designated by the county to receive reports of suspected child abuse from mandated reporters. (Stats. 2000, ch. 916).

[62] Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916, § 27 (AB 1241); Code of Regulations, Title 11, section 903 (Register 98, No. 29); "Child Abuse Investigation Report" Form SS 8583.

[63] Penal Code section 11169 (As amended by Stats. 2011, ch. 468 (AB 717)).

[64] See Exhibit X, AB 717 Senate Committee Analysis ["By deleting the requirement to report inconclusive reports, as well as limiting CACI reporting agencies to child welfare and probation departments, the provisions of this bill will result in future state-reimbursable cost savings due to reduced mandated reporting workload on local reporting agencies"].

[65] See e.g. *Alejo v. City of Alhambra*, 75 Cal.App.4th 1180, addressing the duty of a law enforcement officer, as a mandated reporter, to investigate alleged child abuse reported to the officer; see also 11165.14, addressing the duty of law enforcement to investigate a child abuse complaint filed by a parent or guardian of a pupil with a school or an agency specified in Section 11165.9 against a school employee or other person that commits an act of child abuse against a pupil at a schoolsite. However, these investigative requirements have not been found to impose reimbursable state-mandated programs.

only "substantiated" reports, rather than all reports that are "not unfounded" are now required to be forwarded to DOJ, the requirement for other agencies subject to the mandate to inform the suspected child abuser of the listing in the CACI will arise with diminished frequency. However, a number of other notice requirements approved in the test claim statement of decision remain unaffected by the amendments made by Statutes 2011, chapter 468. The remaining activities relating to notice requirements approved by the Commission arise from section 11170, and are unaffected by the substantive amendments to the test claim statutes; the code section from which these activities arise was not substantively altered by Statutes 2011, chapter 468. Furthermore, these activities are triggered by events other than the initial listing in the CACI or initial forwarding of a report to DOJ, which were substantively altered by Statutes 2011, chapter 468. The remaining notice requirements are therefore included in the parameters and guidelines without further analysis.

Based on the foregoing analysis and discussion, the language of Section III, Period of Reimbursement, reflects the ending of certain activities, as of January 1, 2012. Additionally, for purposes of clarity, activities that are ended by subsequent amendments are specified in Section IV, Reimbursable Activities.

B. Reimbursable Activities (Section IV. of Proposed Parameters and Guidelines)

The majority of reimbursable activities included in the parameters and guidelines are drawn directly from the test claim statement of decision, and are approved without substantial analysis. However, for purposes of clarity and consistency, the parameters and guidelines provide, consistent with Penal Code section 11165.9, that "city and county law enforcement agencies" and "city or county police or sheriff's departments" are used interchangeably throughout the test claim statutes, and this analysis, and are not distinct entities subject to the mandate, as might be inferred from the test claim statement of decision. Additionally, for purposes of clarity and consistency, activities relating to obtaining the original investigative report and drawing independent conclusions, and retaining records of suspected child abuse reports, will be analyzed briefly. And finally, the scope of the activities approved in the test claim statement of decision pertaining to investigations and forwarding reports to DOJ is analyzed at length.

One-Time Activities: Developing Policies and Procedures to Implement the Mandate, Including Due Process Procedures

Government Code section 17557 provides that "[t]he proposed parameters and guidelines may include proposed reimbursable activities that are reasonably necessary for the performance of the state-mandated program."[66] The Commission's regulations provide that parameters and guidelines shall include "a description of the most reasonable methods of complying with the mandate." "'The most reasonable methods of complying with the mandate' are those methods not specified in statute or executive order that are necessary to carry out the mandated program."[67] The claimant has proposed the following reasonably necessary activities:

[66] Government Code section 17557 (as amended by Stats. 2010, ch. 719 § 32 (SB 856) effective October 19, 2010; Stats. 2011, ch. 144 (SB 112)).

[67] Code of Regulations, Title 2, section 1183.1(a)(4) (Register 96, No. 30; Register 2005, No. 36).

1) *Annually, update Departmental policies and procedures necessary to comply with ICAN's requirements.*

2) *Periodically, meet and confer with State and local agencies in coordinating ICAN cross-reporting and collaborative efforts.*

3) *Annually, train ICAN staff in State Department of Justices' [DOJ] ICAN requirements. Reimbursable specialized ICAN training costs include those incurred to compensate participants and instructors for their time in participating in an annual training session and to provide necessary facilities, training materials and audio visual presentations.*

4) *Periodically, to develop, update or obtain computer software and obtain equipment necessary for ICAN cross-reporting and reporting to DOJ.*

5) *Testing and evaluation costs that are incurred when reasonably necessary to make an evidentiary finding. Reimbursement is provided for the costs of tests and evaluations on suspects as well as victims. Victim costs include those incurred for medical exams for sexual assault and/or physical abuse, mental health exams, and, where the victim dies, for autopsies. Suspect costs include those incurred for DNA and polygraph testing. Also included, when reasonably necessary to make an evidentiary finding are the costs of video-taping interviews of victims and suspects.*

6) *Due process costs incurred by law enforcement and county welfare agencies to develop and maintain ICAN due process procedures reasonably necessary to comply with federal due process procedural protections under the 14th Amendment which need to be afforded suspects reported to the DOJ's Child Abuse Central Index [CACI].*[68]

SCO recommended, in its comments, that the proposed reasonably necessary activities "be delineated between One-time and Ongoing Activities." The Commission agrees; identification of one-time and ongoing activities is a necessary and usual convention of parameters and guidelines, and the parameters and guidelines for this mandated program therefore include such delineation.

Government Code section 17559 provides that a claimant or the state may petition to set aside a Commission decision not supported by substantial evidence. The Commission's regulations provide that hearings need not be conducted according to strict and technical rules of evidence, but that evidence must be "the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs," and that hearsay evidence will usually not be sufficient to support a finding unless admissible over objection in a civil action. The regulations also provide for admission of oral or written testimony, the introduction of exhibits, and taking official notice "in the manner and of such information as is described in Government Code section 11515." Therefore the reasonably necessary activities proposed must be supported by substantial evidence in order to withstand judicial review, and that evidence must include something other than hearsay evidence.

[68] See Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, at p. 25.

With respect to activity 1), above, SCO suggested that "Annually updating Departmental policies and procedures," as proposed, should be only reimbursable as a one-time activity. SCO therefore recommended striking the word "annually" above, and instead approving one-time reimbursement to "[d]evelop and establish policies and procedures necessary to comply with ICAN's requirements."[69] DOF, similarly, suggested striking the word "annually" and approving only a one-time reimbursement to "[u]pdate Departmental policies and procedures to comply with ICAN requirements."[70]

The claimant has submitted excerpts from the Los Angeles County Sheriff's Department Child Abuse Protocol, suggesting that the department developed a written policy for child abuse investigations. The claimant has not submitted evidence directly explaining why policy updates are necessary, but it is reasonable to assume, in this limited context, that in implementing the test claim statutes some policies and procedures required updating. Accordingly, the Commission has frequently approved similar policy and procedure updates as a reasonably necessary activity.

However, there is no evidence that compliance with ICAN requirements necessitates *annual* updates to departmental policies and procedures. Since the enactment of the test claim statute in Statutes 2000, chapter 916, very few substantive changes have been made that pertain to the mandated activities approved in the test claim statement of decision, and the claimant has not made any showing that changes to the ICAN requirements are frequent enough or substantial enough to warrant *annual updates* to policies and procedures.[71]

Accordingly, the Commission finds that only a one-time update of policies and procedures for the ongoing activities approved by the Commission is reasonably necessary to carry out the mandate. Reimbursement for a one-time update of policies and procedures is reflected in the parameters and guidelines.

With respect to items 2) through 5), above, the claimant did not submit evidence with its proposed parameters and guidelines to establish that the proposed activities are reasonably necessary to comply with the mandate; only unsupported assertions of necessity are found in the record.[72] Because there was no evidence in the record to support these items, Commission staff recommended in the draft staff analysis that items 2) through 5) be denied.[73] In response to the draft staff analysis, the claimant submitted comments which provide some evidence that some of the activities described in items 3) through 5) might be reasonably necessary to comply with the mandate.

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[69] Exhibit E, SCO Comments on Revised Proposed Parameters and Guidelines, at p. 3.

[70] Exhibit D, DOF Comments on Revised Proposed Parameters and Guidelines, at p. 2.

[71] See, e.g., Statutes 2011, chapter 468 (AB 717), amending Penal Code section 11169 to provide that only substantiated reports must be forwarded to the DOJ, and not "inconclusive" reports; and to provide that as of January 1, 2012, law enforcement agencies no longer are required to forward reports of suspected child abuse to DOJ.

[72] Exhibit B, Revised Proposed Parameters and Guidelines, at pp. 20-21; 26.

[73] Exhibit I, Draft Staff Analysis and Proposed Parameters and Guidelines, at p. 27.

With respect to item 3), proposing annual training of "ICAN staff," the claimant submitted the declaration of Sergeant Daniel Scott, which states that "it is my information and belief that specialized training is necessary to ensure that ICAN's comprehensive child abuse referral assessments, investigations and reports are completed in a timely manner and in accordance with DOJ's requirements." Sergeant Scott further expressed a belief that ICAN training should be performed annually, so that "new ICAN staff can be promptly trained and deployed."[74] In addition, the claimant noted SCO's Comments in April 2010, in which it was recommended that one-time activities include training "in State Department of Justice (DOJ) ICAN requirements."[75] The Commission notes that both DOF and SCO expressed their agreement with the Commission's draft proposed parameters and guidelines, absent any provision for training.[76] However, the Commission has often provided for training with respect to past mandates, and the cross-reporting duties of local agencies, as well as the receipt of mandated reports and forwarding completed reports to DOJ, all may necessitate some amount of training. Therefore, the Commission finds that the recommendation of ICAN training one time per employee required to implement ICAN activities is reasonably necessary to comply with the mandate.

With respect to item 4), "Periodically, to develop, update or obtain computer software and obtain equipment necessary for ICAN cross-reporting and reporting to DOJ," the claimant has submitted the declaration of John E. Langstaff, "a Children Services Administrator II with the Los Angeles County Department of Children and Family Services (DFCS)." Mr. Langstaff declares that "it is his information and belief that ICAN cross-reporting allows written reports transmission by 'fax or electronic transmission' and that electronic transmission includes transmission using computers and specialized software."[77] Mr. Langstaff further declares that fax machines are not reliable, and that the E-SCARS system in Los Angeles County "also has a database to track or produce reports regarding transmission, receipt of the SCAR, agency personnel assigned to investigate, agency findings, comments, report numbers…and many more features." Therefore, Mr. Langstaff declares "that it is my information and belief that ICAN cross-reporting reimbursements should include those for computerized systems which are reasonably necessary in providing child abuse referrals and reports in a timely, reliable, and cost-efficient manner."[78] The Commission notes that in the SCO's comments on the claimant's revised proposed parameters and guidelines, the SCO did not suggest eliminating computer equipment and software entirely, but rather seemed inclined to allow reimbursement to "[d]evelop or procure computer software and equipment necessary for ICAN cross-reporting and reporting to DOJ," with the caveat that such costs be prorated to include "only the costs related to the mandate."[79] The cross-reporting requirements (section 11166), and the requirements to report to DOJ (section 11169) permit, but do not require, electronic transmission. Section 11166

[74] Exhibit K, Claimant Comments on Draft Staff Analysis, at pp. 40-41.

[75] See Exhibit E, SCO Comments on Revised Proposed Parameters and Guidelines, at p. 3.

[76] See Exhibit J, SCO Comments on Draft Proposed Parameters and Guidelines; Exhibit L, DOF Comments on Draft Proposed Parameters and Guidelines.

[77] Exhibit K, Claimant Comments on Draft Staff Analysis, at p. 18.

[78] Exhibit K, Claimant Comments on Draft Staff Analysis, at p. 51.

[79] See Exhibit E, SCO Comments on Revised Proposed Parameters and Guidelines, at p. 3.

requires cross-reporting by phone, fax, *or* electronic transmission, and section 11169 provides for reporting to DOJ "in a form approved by the Department of Justice and *may be sent by fax or electronic transmission*." Electronic transmission is an option available, and according to the County of Los Angeles a more reliable option, but it is not required. Moreover, the current form SS (or BCIA) 8583 is available from the DOJ's website in "pdf" format with electronic fields that can be filled and printed, or sent via email.[80] The Commission takes official notice that no specialized software or computer systems are required to access and utilize these forms.[81] Therefore, developing or obtaining software or specialized computer systems is not reasonably necessary to comply with the mandate. Finally, as the declaration of Mr. Langstaff indicates, the software utilized by the County of Los Angeles has many additional features that are not required to comply with the mandate, including, for example, tracking agency personnel assigned to investigate and District Attorney staff assigned, and indexing court case numbers.[82] The County's chosen method to implement the mandate exceeds the mandate, based on the description given by Mr. Langstaff. Therefore, the Commission finds that item 4) is not reasonably necessary to implement the mandate.[83]

With respect to item 5), "Testing and evaluation costs that are incurred when reasonably necessary to make an evidentiary finding," the claimant continues to stress that tests and evaluations, and other types of evidence-gathering, are required to complete an "active investigation." The claimant relies in part on the definition of "active investigation" in Code of Regulations, title 11, section 901, which was amended after the test claim was filed, and which the Commission found, in the test claim decision, did not impose any mandated activities or costs.[84] The claimant asserts, mistakenly, that section 901 was approved for reimbursement.[85] The claimant also points to the SCO's comments on the Revised Proposed Parameters and Guidelines, in which the SCO recommended reimbursement to "gather and evaluate evidence when reasonably necessary to make evidentiary findings on suspects and victims…"[86] However,

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[80] Exhibit X, Form BCIA 8583 (Revised 03/08).

[81] Code of Regulations, title 2, section 1187.5 ["Official notice may be taken in the manner and of such information as is described in Government Code Section 11515."]; Government Code section 11515 (Stats. 1945, ch. 867) ["In reaching a decision official notice may be taken, either before or after submission of the case for decision, of any generally accepted technical or scientific matter within the agency's special field, and of any fact which may be judicially noticed by the courts of this State."]; Evidence Code section 451(f) (Stats. 1986, ch. 248) ["Judicial notice shall be taken of the following: ¶…¶ Facts and propositions of generalized knowledge that are so universally known that they cannot reasonably be the subject of dispute."].

[82] Exhibit K, Claimant Comments on Draft Staff Analysis, at p. 50.

[83] The claimant proposes adding language regarding computer software and equipment to each of the ongoing cross-reporting activities approved in the test claim statement of decision. Based on the above analysis, that language is denied here, and will not be further addressed below.

[84] Exhibit A, Test Claim Statement of Decision, at p. 29. See also, Exhibit X, Excerpt from Test Claim 00-TC-22 and Exhibits including section 901.

[85] Exhibit K, Claimant Comments on Draft Staff Analysis, at pp. 3; 9-10.

[86] Exhibit K, Claimant Comments on Draft Staff Analysis, at p. 15.

the activity of investigating child abuse, as approved in the test claim decision, requires an investigation sufficient "to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state 'Child Abuse Investigation Report' Form SS 8583…to the Department of Justice." This issue is further explored below, in the discussion of the scope of investigation, but for purposes of "gathering and preserving evidence" or "testing and evaluation costs" it is sufficient to note that the scope of investigation required by the mandate is only *that which is necessary to determine whether to forward the report to DOJ*, which requires a finding only whether the report is "unfounded," "inconclusive," or "substantiated," and does not compel reimbursement of any additional steps that local agencies would reasonably take to gather evidence for a criminal prosecution. As discussed below, the scope of investigation necessary to comply with the mandate is limited to the finding of whether a report of suspected child abuse is unfounded, inconclusive, or substantiated; the gathering of physical evidence or conducting forensic tests is begun to prove allegations, not to establish whether a report is unfounded. Therefore, the Commission finds that item 5) is not necessary to implement the mandated program.

The provision of due process, and related activities and costs, are examined more fully below, but the one-time activity of developing due process procedures is approved here.

Based on the foregoing, the Commission finds that item 1) to develop policies and procedures to implement the mandate; item 3) to provide ICAN training one time to each employee required to comply with the mandate; and item 6) to develop policies and procedures to provide due process, are approved as follows:

1. Policies and Procedures

City and county police or sheriff's departments, county welfare departments, and county probation departments where designated by the county to receive mandated reports, may claim reimbursement for the increased costs to:

a. *Update Departmental policies and procedures necessary to comply with the reimbursable activities identified in IV B. (One-time costs only.)*

b. *Develop ICAN due process procedures reasonably necessary to comply with federal due process procedural protections under the 14th Amendment which need to be afforded suspects reported to the DOJ's Child Abuse Central Index [CACI]. (One-time costs only)*

2. Training

City and county police or sheriff's departments, county welfare departments, and county probation departments where designated by the county to receive mandated reports, may claim reimbursement for the increased costs to:

Develop and implement training for ICAN staff to implement State Department of Justice (DOJ) ICAN requirements. Reimbursable specialized ICAN training costs include those incurred to compensate instructors for their time in participating in training sessions and to provide necessary facilities, training materials and audio visual presentations. (One time per employee whose job responsibilities involve ICAN mandated activities)

Ongoing Activities

1. Distributing the Suspected Child Abuse Report Form

The Commission approved reimbursement in the test claim statement of decision for a city or county police or sheriff's department, county probation department, as specified, or county welfare department, to distribute the child abuse reporting forms adopted by DOJ to mandated reporters.[87] This activity is sufficiently clear from the plain language of the test claim finding, and is therefore approved without further analysis.

2. Reporting Between Local Departments

The Commission approved requirements in the test claim statement of decision for local agencies to receive and refer child abuse reports, and to promptly cross-report suspected child abuse among county welfare, county probation departments, local law enforcement, and the district attorney, as specified.[88] These activities were all sufficiently clear based on the language of the test claim findings, and were therefore taken directly from the test claim statement of decision and included in the proposed parameters and guidelines without substantial analysis.[89]

3. Reporting to the State Department of Justice

The most significant disputed issue in these parameters and guidelines is the proper scope of reimbursable activities relating to investigating reports of suspected child abuse and forwarding reports that have merit, as specified, to DOJ. The test claim statement of decision approved reimbursement for law enforcement agencies, county probation departments, or county welfare departments, to complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive, for purposes of preparing and submitting Form SS 8583 to DOJ; and to forward a report in writing of every case the agency investigates that is not unfounded.[90]

The claimant first requested reimbursement for *the full course of investigative activities* that law enforcement agencies undertake in cases of suspected child abuse or severe neglect.[91] The claimant later submitted rebuttal comments and a second revised proposed parameters and guidelines, in which the claimant reevaluated its reimbursable activities, in an attempt to present a "streamlined three-tiered classification of required investigations."[92] The second revised proposed parameters and guidelines request reimbursement for the following activities:

> *Level 1: No Child Abuse Based on Preliminary Information (Suspected Child Abuse Report (SCAR) or Call-for-Service)*

[87] Exhibit A, Test Claim Statement of Decision, at p. 41.

[88] Exhibit A, Test Claim Statement of Decision, at pp. 41-44.

[89] See Proposed Parameters and Guidelines, at pp. 4-8.

[90] Exhibit A, Test Claim Statement of Decision, at p. 45.

[91] Exhibit B, Revised Proposed Parameters and Guidelines, at pp. 23-24.

[92] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines.

1. *Officer receives, prints or transcribes child abuse reports (SCARs or calls-for-service) from the public, cross-reporting agency department, and mandated reporters.*
2. *Officer processes child abuse report into agency's tracking system.*
3. *Officer reviews report and determines based on SCAR or call-for-service that no further investigation is required.*
4. *Officer's findings are entered into agency's system*
5. *Supervising officer reviews investigation findings and approves closure of report indicating no child abuse.*

Level 2: Patrol Officer Investigation, No Child Abuse

1. *Officer receives, prints or transcribes child abuse reports (SCARs or calls-for-service) from the public, cross-reporting agency department, and mandated reporters.*
2. *Officer processes child abuse report into agency's tracking system.*
3. *Officer reviews report and assigns for appropriate follow-up investigation.*
4. *Patrol officer receives call-for-service and acknowledges call.*
5. *Patrol officer conducts preliminary interview with child/children.*
6. *Patrol officer conducts preliminary interviews with parents, siblings, witnesses, and/or suspect(s).*
7. *Patrol officer enters findings into agency's systems (ends call in computer aided system and documents findings).*
8. *Supervising officer reviews investigation findings and approves closure of the report indicating no child abuse.*

Level 3: Reported CACI Investigation

1. *Officer receives, prints or transcribes child abuse reports (SCARs or calls-for-service) from the public, cross-reporting agency department, and mandated reporters.*
2. *Officer processes child abuse report into agency's tracking system.*
3. *Officer reviews report and assigns for appropriate follow-up investigation.*
4. *Patrol officer receives call-for-service and acknowledges call.*
5. *Patrol officer conducts preliminary interview with child/children.*
6. *Patrol officer conducts preliminary interviews with parents, siblings, witnesses, and/or suspect(s).*
7. *Patrol officer enters findings into agency's systems (ends call in computer aided system, writes report, enters evidence).*

8. *Supervising officer reviews investigation findings and approves report indicating child abuse is suspected.*
9. *Secretary distributes, processes report.*
10. *Child abuse investigator reviews child abuse report.*
11. *Child abuse investigator conducts suspect background check.*
12. *Child abuse investigator confers with social services.*
13. *Child abuse investigator interviews child/children.*
14. *Child abuse investigator interviews witnesses.*
15. *Child abuse investigator interviews suspect(s).*
16. *Child abuse investigator writes additional reports.*
17. *Supervisor approves reports.*
18. *Secretary process final files and reports.*
19. *Child abuse investigator completes DOJ/CACI form.*
20. *Child abuse investigator completes advisement form to suspect(s).*[93]

In addition, the claimant requests actual cost reimbursement for the following activities that are deemed non-repetitive, and are alleged to be "reasonably necessary in certain cases:"

i. *Medical Exam – Sexual Assault*
ii. *Medical Exam – Physical Abuse*
iii. *Polygraph*
iv. *Collect, Store, and Review Evidence*
v. *Obtain Search Warrant*
vi. *Mental Health Examination*
vii. *Autopsies*
viii. *DNA Testing*
ix. *Video Taping Interviews (Victim or Suspect)*[94]

The claimant has also proposed reimbursement for repetitive activities of county welfare departments, some of which are expressly approved elsewhere in this analysis, and some of which were not supported by evidence that they are reasonably necessary to perform the activities approved in the test claim statement of decision. The county welfare activities are analyzed at Part 7., below.

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[93] *Ibid*.

[94] Exhibit F, Claimant Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 18.

The following analysis will demonstrate that reimbursement is not required for the *full course of investigative activities* performed by law enforcement agencies, but only the investigative activities necessary to determine whether a report of suspected child abuse is unfounded, inconclusive, or substantiated, for purposes of preparing and submitting the Form SS 8583 to DOJ. The analysis will show that the mandate to report to DOJ applies equally to all agencies subject to the mandate, and that therefore law enforcement should not be reimbursed for activities that go beyond what is required for all child protective agencies. The analysis herein concludes, therefore, that law enforcement activities 1-8, above are reimbursable under the mandate, ending with a supervisor's review of the investigative findings and approval of either the closure of the report (a finding of no child abuse) or a report indicating that child abuse is suspected (a substantiated or inconclusive finding). In addition, the analysis below recognizes that activity 19, completing the CACI form (also referred to as the "Child Abuse Summary Report [SS 8583] form), is expressly approved in the test claim decision as a part of forwarding the report to DOJ. Activity 20, providing notice to the suspected abuser, is addressed in Part 4., below. The analysis in this section will conclude also that the non-repetitive activities above are not supported in the record and go beyond the scope of the mandate; these are activities to gather evidence for a criminal investigation, and therefore would be performed only after a determination has been made that the report is "not unfounded." In addition, the Level 3 Investigation, as described by the claimant, is one that results in a report to CACI; therefore the activities in excess of a Level 2 Investigation are necessarily implicated only in the case that the report of suspected child abuse is "not unfounded." The analysis will also show that subsequent legislation *excludes* law enforcement's duty to report to DOJ regarding child abuse, and thereby limits reimbursement for investigative activities for law enforcement agencies to the period prior to the amendment; and, subsequent legislation has limited the mandate for all other agencies subject to the mandate to report to DOJ only reports of child abuse that are *substantiated, and no longer all reports that are "not unfounded*."

a. <u>The test claim statement of decision approved an investigation sufficient to determine whether a report of suspected child abuse is substantiated, inconclusive, or unfounded, in order to prepare and submit the Child Abuse Investigation Report Form SS 8583, or subsequent designated form to the Department of Justice.</u>

The test claim statement of decision approved the following:

> *Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:*
>
> - *Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice. (Pen. Code, §*

11169, subd. (a); Cal. Code Regs., tit. 11, § 903, "Child Abuse Investigation Report" Form SS 8583.) [95]

- *Forward to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse or severe neglect which is determined to be substantiated or inconclusive, as defined in Penal Code section 11165.12. Unfounded reports, as defined in Penal Code section 11165.12, shall not be filed with the Department of Justice. If a report has previously been filed which subsequently proves to be unfounded, the Department of Justice shall be notified in writing of that fact. The reports required by this section shall be in a form approved by the Department of Justice and may be sent by fax or electronic transmission. (Pen. Code, § 11169, subd. (a); Cal. Code Regs., tit. 11, § 903, "Child Abuse Investigation Report" Form SS 8583.)* [96]

The plain language of the approved reimbursable activities in the test claim statement of decision provides for a police or sheriff's department, county probation department, or county welfare department to (1) complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive, as defined; and (2) forward to DOJ a report in writing of every case that the local agency investigates which is determined to be substantiated or inconclusive. As explained throughout the analysis below, the determination whether a report must be forwarded to DOJ constitutes the upper bound of the scope of the mandate to investigate child abuse.

b. <u>Penal Code section 11169(a), and Code of Regulations, title 11, section 903, as approved in the test claim statement of decision, require an agency receiving mandated reports to complete an investigation to determine whether a report or known or suspected child abuse must be forwarded to DOJ, and to obtain enough information to complete the report.</u>

The approved activities pertaining to investigation and forwarding reports arise primarily from Penal Code section 11169(a), which states the following:

> A child protective agency shall forward to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse which is determined not to be unfounded, other than cases coming within subdivision (b) of Section 11165.2. A child protective agency shall not forward a report to the Department of Justice unless it has conducted an active investigation and determined that the report is not unfounded, as defined in Section 11165.12. If a report has previously been filed which subsequently proves to be unfounded, the Department of Justice shall be notified in writing of that fact and shall not retain the report. The report required by this section shall be in a form approved by the

[95] Code section as added by Statutes 1980, chapter 1071, amended by Statutes 1981, chapter 435, Statutes 1985, chapter 1598, Statutes 1988, chapters 269 and 1497, Statutes 1997, chapter 842, and Statutes 2000, chapter 916. Register 98, Number 29.

[96] *Ibid.*

> Department of Justice. A child protective agency receiving a written report from another child protective agency shall not send that report to the Department of Justice.[97]

Code of Regulations, title 11, section 903, as approved in the test claim statement of decision, provided that:

> All information items on the standard report form SS 8583 should be completed by the investigating [child protective agency]. Certain information items on the SS 8583 must be completed by the CPA in order for it to be considered a "retainable report" by DOJ and entered into [the index]. Reports without these items will be returned to the contributor. These information items are:
>
> (1) The complete name of the investigating agency and type of agency.
>
> (2) The agency's report number or case name.
>
> (3) The action taken by the investigating agency.
>
> (4) The specific type of abuse.
>
> (5) The victim(s) name, birth date or approximate age, and gender.
>
> (6) Either the suspect(s) name or the notation "unknown."[98]

Other information on the form 8583, which "should be completed," according to section 903, included the name of the investigating party, the date of the incident and the location, the address and relationship of suspect(s), and the present location of the victim, among other items.[99]

The Commission approved, in the test claim statement of decision, the completion of an investigation "to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive… for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583." The Commission based its finding on Penal Code section 11169; Code of Regulations, title 11, section 903 (Register 98, No. 29); and Form SS 8583.[100] The Commission found that the mandate *only requires enough information to determine whether to file a Form 8583*, or subsequent designated form, and enough information to render the Form 8583 a "retainable report," under section 903.[101]

In comments filed on the draft proposed statement of decision, the claimant continues to assert that the Commission approved an "active investigation," which the claimant defines by reference

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[97] Penal Code section 11169 (Stats. 2000, ch. 916).

[98] Code of Regulations, title 11, section 903 (Register 98, No. 29). The regulations pled in the test claim have been subsequently amended, but the Commission does not here take jurisdiction of the amended regulations that were not pled in the test claim.

[99] Exhibit X, Form SS 8583 (Revised 3/91).

[100] The version of Form 8583 included in the test claim exhibits was last revised 3/91.

[101] Penal Code section 11169 (Stats. 2000, ch. 916); Code of Regulations, title 11, section 903 (Register 98, No. 29).

to section 901 of the DOJ regulations. The claimant asserts that Form 8583 and section 901 require:

> " . . . at a minimum: assessing the nature and seriousness of the known or suspected abuse; conducting interviews of the victim(s) and any known suspect(s) and witness(es) when appropriate and/or available; gathering and preserving evidence; determining whether the incident is substantiated, inconclusive, or unfounded; and preparing a report that will be retained in the files of the investigating agency."

The claimant provides a copy of Form 8583 and of section 901 of title 11 in the exhibits attached to the claimant's comments. However, the version of form 8583 that was approved in the test claim statement of decision requires a substantially lesser degree of detail than that cited by the claimant; the form and the instructions have been amended by subsequent regulations, which are not subject to analysis at this time.[102]

Furthermore, the claimant states that section 901 "was included in the County's test claim legislation and found to impose reimbursable 'costs mandated by the State' upon local governmental agencies by the Commission."[103] The claimant is mistaken; the version of section 901 pled and analyzed in the test claim (Register 98, Number 29) contained no such definition.[104] Rather, version of section 901 that claimant cites to is a result of a 2005 amendment to the regulation, which was never pled and was not the subject of this or any other test claim. *Only section 903* was approved in the test claim: "[t]he Commission finds that California Code of Regulations, title 11, sections 901 or 902, do not require any activities that are not otherwise described in statute, and thus do not mandate a new program or higher level of service."[105]

Therefore, the investigation approved in the test claim statement of decision is only that required to comply with section 11169 and to complete the Form 8583, as those authorities existed at the time of the test claim decision. Any additional activities or costs allegedly mandated by later adopted executive orders, not pled in the original test claim would require a new test claim decision. Furthermore, the requirements of section 901 of the regulations may not be analyzed as a reasonably necessary activity; section 901 as it then read was denied in the test claim, and no new test claim has been filed on the amended regulations. Moreover, reasonably necessary activities are defined in the regulations as "those methods *not specified in statute or executive order* that are necessary to carry out the mandated program."[106]

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[102] The version of Form 8583 and the instructions included in the claimant's exhibits was revised in 2005, and was not pled in the test claim. See Exhibit K, Claimant Comments on Draft Proposed Parameters and Guidelines, at p. 81.

[103] Exhibit K, Claimant Comments on Draft Proposed Statement of Decision, at p. 8.

[104] Exhibit X, Excerpt from Test Claim Exhibits: California Code of Regulations, Title 11, sections 901-903.

[105] Exhibit A, Test Claim Statement of Decision, at p. 29.

[106] Code of Regulations, Title 2, section 1183.1.

c. <u>The claimant's proposal provides reimbursement for activities in excess of the scope of the mandate.</u>

As discussed above, claimant originally included a combination of RRMs and actual cost claiming for five levels of investigation in its revised proposed parameters and guidelines. The original proposal sought reimbursement for the full scope of investigative activities, as discussed herein.

DOF argues, in its comments on the claimant's revised proposed parameters and guidelines, that the claimant's proposal "*inappropriately includes the totality of its law enforcement response to reports of child abuse*, and all activities leading up to a full criminal prosecution." DOF argues that the activities alleged "extend beyond the limited investigation approved in the Statement of Decision (SOD) for the purpose of preparing and submitting Form SS 8583 to the Department of Justice (DOJ)."[107]

CDSS ignores the test claim statement of decision, and argues that *no investigation* is required under CANRA, except for the very narrow instance required under section 11165.14, not pled in this test claim.[108] However, CDSS also notes that its regulations require county welfare agencies to conduct in person interviews, and that "CDSS' investigatory requirements parallel the law enforcement activities described in the [parameters and guidelines] only up to the point that the patrol officer completes his or her duties in the investigation."[109] CDSS argues that county welfare agencies are required to make a determination whether to report to DOJ, pursuant to section 11169, on the basis of those initial in-person interviews. CDSS concludes: "[i]f these investigations comport with CANRA, and the county does not contend otherwise, it is improper for the county to maintain that the exhaustive and redundant investigatory steps performed by law enforcement in the criminal justice arena are mandated by CANRA."[110]

Based on these and other comments from the parties and interested parties, claimant submitted rebuttal comments and a *second revised* parameters and guidelines proposal.[111] The claimant's second revised proposed parameters and guidelines focuses primarily on the activities undertaken by law enforcement, leaving the remainder of the revised proposed parameters and guidelines substantially unchanged, and provides reimbursement for a list of repetitive activities, including interviews with the child, parents, siblings, witnesses, and suspect(s); follow up interviews by a child abuse investigator, if necessary; and a report detailing the findings, which must be reviewed by a supervisor.[112] The claimant also seeks reimbursement on a case-by-case basis for certain other activities that the claimant called "non-repetitive," including medical

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[107] Exhibit D, DOF Comments on Revised Proposed Parameters and Guidelines, at p. 1.

[108] Exhibit C, CDSS Comments on Revised Proposed Parameters and Guidelines, at pp. 1-3.

[109] Exhibit C, CDSS Comments on Revised Proposed Parameters and Guidelines, at p. 11.

[110] Exhibit C, CDSS Comments on Claimant's Revised Proposed Parameters and Guidelines, at p. 11.

[111] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 9.

[112] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at pp. 15-17.

examinations, obtaining a search warrant, DNA testing, conducting an autopsy, and collecting, storing, and reviewing physical evidence.[113]

In exhibits attached to the revised proposed parameters and guidelines the claimant submitted declarations from Suzie Ferrell and Daniel Scott, both of whom are employees of the Los Angeles County Sheriff's Department, and both of whom assert a belief that all activities described in the proposal are "*reasonably necessary in conducting ICAN investigations*, preparing ICAN reports and performing other required ICAN duties."[114] The Scott declaration introduces an excerpt from the Los Angeles County Sheriff's Department Child Abuse Protocol, which describes the procedures followed by the department in response to a report of suspected child abuse. The Scott declaration also states that "it is my information and belief that the omission of one or more ICAN activities described in Exhibit 4 or ICAN steps described in Exhibit 2 could impair the requirement to conduct an 'active investigation'" as defined in the DOJ forms.[115] Neither declarant provides any indication that he or she has considered whether the steps should be reimbursable; only that they are necessary to complete an investigation. Moreover, what is *reasonably necessary* to implement the mandate is a finding of law, and the declarations submitted by the claimant may inform that decision, but do not control the legal issue.

In exhibits attached to the claimant's second revised proposed parameters and guidelines, a new declaration from Ms. Ferrell states that the revised proposal "contains only those activities that are reasonably necessary in order to complete the state 'Child Abuse Investigation Report' Form SS 8583," and that "those activities necessary to meet additional criminal prosecution duties are not included" in the second revised proposal.[116] In both the rebuttal comments and second revised proposed parameters and guidelines, and in comments filed on the draft proposed statement of decision and parameters and guidelines, the claimant continues to emphasize the credentials of the declarants, and that the declarants believe that "omission of one or more ICAN investigation activity [*sic*] could impair the requirement to conduct an active investigation."[117] The claimant concludes that each declarant's statement should be given considerable weight, for example: "Sergeant Scott provides substantial evidence supporting the County's version of reimbursement provisions for child abuse investigations." More specifically, the claimant objects to the absence of reimbursement in the proposed parameters and guidelines for "assessing the nature and seriousness of the known or suspected abuse," and "gathering and

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[113] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at pp. 9; 18.

[114] Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, Narrative, at pp. 9; 45; 53.

[115] Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, Exhibit 3, Declaration of Daniel Scott, at pp. 1-2.

[116] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines.

[117] Exhibit K, Claimant Comments on Draft Proposed Statement of Decision and Parameters and Guidelines, at p. 11. See also, Exhibit F, Claimant Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 50.

preserving evidence." The claimant's proposed reimbursable activity with respect to investigating child abuse would include the following:

> Except as provided in the paragraph below, reimbursement for this activity includes but is not limited to: assessing the nature and seriousness of the known or suspected abuse, review of the initial Suspected Child Abuse Report (Form 8572); conducting interviews of the victim(s) and parent(s) and any known suspect(s) and witness(es) in their spoken language when appropriate and/or available; gathering and preserving evidence including, but not limited to, where applicable, videotaping interviews, obtaining medical exams, mental health exams, autopsies, DNA samples and polygraph tests necessary to gather and preserve evidence to determine if child abuse is unfound or if not unfound, whether child abuse is inconclusive or substantiated; and preparing a report that will be retained in the files of the investigating agency.

As discussed throughout this analysis, the scope of reimbursable investigative activities is limited by the plain language of the statute, which requires an investigation *to determine whether a report of suspected child abuse is unfounded, inconclusive, or substantiated*. In addition, the scope of investigation is limited to the degree of investigation that DOJ has allowed to constitute a "retainable report;" in other words, the *minimum* degree of investigation that is sufficient to complete the reporting requirement is the *maximum* degree of investigation reimbursable under the test claim statute. Based on the following analysis, the Commission finds, as a matter of law, that the activities described in the declarations, and in the proposed language, go beyond the scope of the mandate, as discussed herein.[118]

Penal Code section 11164 states that the "intent and purpose of [CANRA] is to protect children from abuse and neglect." The section recognizes that investigation is essential to the purpose (though it does not necessarily imply that all investigations will lead to criminal prosecution or penalties), saying: "[i]n any investigation of suspected child abuse or neglect, all persons participating in the investigation of the case shall consider the needs of the child victim and shall do whatever is necessary to prevent psychological harm to the child victim."[119] CDSS argues, accordingly, that the purpose of CANRA is the protection of children, not the investigation and prosecution of crime.[120] CDSS argues that the reporting required by CANRA does not involve identification of suspects,[121] does not require the same standards of proof as a criminal

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[118] The declarations submitted still fail to address specifically whether reimbursement is required for these activities. The declarants, and the claimant more broadly, suggest that if the Commission limits reimbursement as proposed, law enforcement agencies will fail to complete an investigation. There is no evidence that the completion of an investigation relies so closely upon the level of mandate reimbursement; and, moreover, the limitations proposed are consistent with the statement of decision, and with the reimbursement requirement of article XIII B, section 6.

[119] Penal Code section 11164 (Stats. 2000, ch. 916 (AB 1241)).

[120] Exhibit C, CDSS Comments on Revised Proposed Parameters and Guidelines, at pp. 1-2.

[121] Section 903 of title 11, Code of Regulations, states that all information on the form 8583, "should be completed." However, the same section also states that a "retainable report" entered

investigation or prosecution, and does not differentiate cases on the basis of severity.[122] The point is well-taken: if a significant focus of CANRA were the investigation of criminal instances of child abuse, the requirements of section 11169 would be crafted differently for law enforcement agencies as compared with county welfare departments, respective to their abilities and resources. But the requirements are *not* crafted differently for different agencies; the requirements to complete an investigation and to report to DOJ apply equally to all entities subject to the mandate. To the extent that a mandate to investigate can be tied to or derived from CANRA, it must be limited to the investigative activities that all agencies can and do undertake. Any further investigation should not be attributed to the mandate of CANRA.

The CDSS Manual of Policies and Procedures, an excerpt of which is submitted by the claimant as Exhibit 9, states that a social worker "shall have in-person contact with all children alleged to be abused," and if the report is not unfounded, "shall interview all children present at time of the investigation, and all parents who have access," and "shall make a determination as to whether services are appropriate," and "shall request assistance from law enforcement if necessary." The Manual goes on to state that the county "shall submit a report pursuant to PC Section 11169 to the Department of Justice of every case it investigates…that it has determined not to be unfounded."[123] CDSS does not assert that all activities required in the Manual of Policies and Procedures are required by CANRA; in fact most are required by the Welfare and Institutions Code.[124] Nevertheless, as CDSS points out:

> Every year, thousands of reports are referred by county welfare departments to the Department of Justice based on the results of these investigations. *CDSS is aware of no case [or] instance in which the Department of Justice rejected a county welfare department CACI referral based on the sufficiency of the social worker's investigation.*

CDSS argues that the maximum level of investigation that county welfare departments are required to undertake is to conduct interviews with parents, suspects, victims, and witnesses, and that "[b]ased on these investigative activities; the social worker is required under CDSS regulations at MPP 31-501 to determine whether the results of the investigation require referral to the Department of Justice under CANRA."[125]

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into the index may include "[e]ither the suspect(s) name or the notation 'unknown.'" (Code of Regs., tit. 11, § 903 (Reg. 98, No. 29)).

[122] Exhibit C, CDSS Comments on Revised Proposed Parameters and Guidelines, at p. 8.

[123] Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, at Exhibit 9.

[124] Exhibit X, CDSS MPP 31-101et seq. referencing Welfare and Institutions Code section 16501(f) as the source of the requirement to investigate. See also Exhibit C, CDSS Comments on Revised Proposed Parameters and Guidelines p. 15 stating the following: "The investigative activities performed by county social workers under CDSS's regulations are exclusively and totally connected with duties established under the Welfare and Institutions Code, not CANRA. Accordingly, costs for those activities are not related to the claim in the matter."

[125] Exhibit C, CDSS Comments on Revised Proposed Parameters and Guidelines, at pp. 10-11 [emphasis added].

> In summary, these rules require the social worker to first decide whether an in-person investigation is necessary, which includes consideration of a multitude of considerations. If an in-person is investigation of reported child abuse is determined to be necessary, CDSS regulations at MPP 31-115 describe what steps are necessary for the conduct of the investigation. These rules require direct contact with all alleged child victims, and at least one adult who has information regarding the allegations. If after that stage the social worker does not find the referral to be unfounded, the social worker must conduct an in-person investigation with all children present at the time of the initial in-person investigation, all parents who have access to the child alleged to be at risk of abuse, noncustodial parents if he/she has regular or frequent in-person contact with the child, and make necessary collateral contacts with persons having knowledge of the condition of the child. *Based on these investigative activities*; the social worker is required under CDSS regulations at MPP 31-501 *to determine whether the results of the investigation require referral to the Department of Justice under CANRA*. There is no requirement for redundancy in the investigation as described PG between patrol officer and detective interviews. There is no tracking, booking, or arresting of suspects. There is *no requirement for forensic evidence to be collected or analyzed*. There is no review of school records. Basically, CDSS' investigatory requirements parallel the law enforcement activities described in the PG only up to the point that the patrol officer completes his or her duties in the investigation.[126]

CDSS concludes that the interviews with suspect(s), victim(s) and witness(es) conducted by county welfare departments are *sufficient to comply with the mandate*, and that law enforcement activities are reimbursable only to the same extent.[127] The claimant has requested reimbursement, as discussed above, for a much more extensive investigation normally pursued by law enforcement agencies, whether the investigation results in a finding of no child abuse, or a finding that the suspected child abuse is substantiated. In accordance with CDSS' evidence, and the plain language of the test claim decision and the approved statute and regulations, the Commission finds that a patrol officer's (or county probation or county welfare employee's) interviews with the child, parents, siblings, witnesses, and/or suspect(s), and preliminary report of the findings, including supervisory review, constitute the maximum extent of investigation necessary to make the determination whether to forward the report to DOJ, and to make the report retainable.

In comments submitted in response to the draft proposed statement of decision and parameters and guidelines, the claimant disputes that the mandate applies equally to all agencies, labeling the reasoning above the "lowest common denominator theory." The claimant argues that this theory "assumes facts not in evidence," and that Commission staff and CDSS have not cited "any evidence that county welfare agencies are not complying with the requirements of conducting an

[126] Exhibit C, CDSS Comments on Revised Proposed Parameters and Guidelines, at pp. 10-11.

[127] *Id*, at p. 11.

"active investigation."[128] Indeed, staff has not cited any evidence that CDSS, or other agencies, are not complying with the mandate, and this is precisely the point: CDSS asserts that county welfare agencies *have complied with the mandate*, and that the investigative activities performed under CDSS guidance have been *sufficient* to satisfy DOJ requirements with respect to its Child Abuse Summary Reports, and thus the level of investigation performed by county welfare agencies *satisfies* the mandate.[129]

As discussed above, the test claim statutes require that child protective agencies subject to the mandate forward all reports that are "not unfounded," and the duty to investigate under section 11169 arises from the requirement to forward reports and to make that determination.[130] The point at which the decision is made to close the case (an unfounded report), or continue the investigation (an inconclusive or substantiated report), is the point at which a determination sufficient to control whether a report will be forwarded to DOJ has been made. The claimant's evidence demonstrates that an investigation that results in a finding of no child abuse will conclude with the patrol officer's interviews and the filing of a closure report, which must be approved by a supervisor.[131] Where some evidence is found that necessitates follow-up interviews by a child abuse investigator, the claimant classifies the case as a "Level 3" investigation, which apparently is expected to conclude with a report to DOJ, according to the claimant's proposed activities:

> *[¶…¶]*
>
> *8. Supervising officer reviews investigation findings and approves report indicating child abuse is suspected.*
>
> *9. Secretary distributes, processes report.*
>
> *10. Child abuse investigator reviews child abuse report.*
>
> *11. Child abuse investigator conducts suspect background check.*
>
> *12. Child abuse investigator confers with social services.*
>
> *13. Child abuse investigator interviews child/children.*
>
> *14. Child abuse investigator interviews witnesses.*
>
> *15. Child abuse investigator interviews suspect(s).*
>
> *16. Child abuse investigator writes additional reports.*

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[128] Exhibit K, Claimant Comments on Draft Proposed Statement of Decision and Parameters and Guidelines, at p. 12.

[129] Exhibit C, CDSS Comments on Revised Proposed Parameters and Guidelines, at pp. 10-11.

[130] As noted previously, the current text of section 11169 requires reporting to DOJ only of "substantiated" reports, rather than those that are "not unfounded," but the effective date of this change is the same as the date after which law enforcement agencies no longer must report to DOJ in any event, and therefore the change is irrelevant to the discussion in this section.

[131] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 16.

17. Supervisor approves reports.

18. Secretary process final files and reports.

19. Child abuse investigator completes DOJ/CACI form.

20. Child abuse investigator completes advisement form to suspect(s).[132]

The claimant's proposed language thus presumes that all Level 3 investigations will result in a report to DOJ, and therefore that all Level 3 investigations are "not unfounded."

Therefore, because in-person interviews and writing a report of the findings are the last step taken by law enforcement before determining whether to proceed with a criminal investigation or close the investigation, and the last step that county welfare departments take before determining whether to forward the report to DOJ and possibly refer the matter to law enforcement, that degree of investigative effort must be the last step that is necessary to comply with the mandate. All further investigative activities are not reimbursable under the mandate, because, in a very practical sense, once evidence is being gathered for criminal prosecution, the determination that a report is "not unfounded" has been made, and the investigative mandate approved in the test claim statement of decision has been satisfied.[133]

In comments on the draft staff analysis the claimant continues to stress that an "active investigation" is required by the test claim statute and DOJ regulations. However, the claimant relies on regulations not approved in the test claim decision, as discussed above, and on a theory that a complete report filed with DOJ requires a more extensive investigation than that provided for in the test claim decision. The above analysis is not changed: the mandate, as approved in the test claim decision, is to conduct an investigation sufficient to determine whether a report of suspected child abuse is unfounded, inconclusive, or substantiated, and thus whether a report must be forwarded to DOJ. The *maximum* scope of investigation required to make that determination, and to complete the report to DOJ, is the *minimum* level of investigation necessary to make the report retainable by DOJ. The evidence submitted by CDSS demonstrates that reports based only on interviews with suspects, witnesses, parents, and the victim(s) have been and are retainable. The claimant has not submitted evidence to the contrary.

Based on the foregoing, the Commission finds that the activities proposed for reimbursement to law enforcement agencies exceed the activities approved in the test claim statement of decision, as specified, and that the maximum extent of reimbursement under the mandate includes a patrol officer's (or county probation or county welfare employee's) interviews with the child, parents, witnesses, and/or suspects, and the reporting of those findings, which may be reviewed by a supervisor, where applicable.

d. <u>The requirement to investigate arises from both sections 11166 and 11169, but only investigative activities required pursuant to section 11169 are reimbursable.</u>

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[132] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 17.

[133] Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, Exhibit 2, at pp. 2-6.

The Commission's approval of investigative activities cites Penal Code section 11169 and *Alejo v. City of Alhambra*. *Alejo*, in turn, relied on both sections 11166(a) and 11169 for its finding that police are required to investigate reports of suspected child abuse. Ultimately, the Commission found, in the test claim statement of decision, that the activities of mandated reporters, required under section 11166(a), were not reimbursable because they were not unique to government.[134]

Alejo involved a child being abused by his mother's live-in boyfriend. The child's father reported the abuse to police, but they failed to investigate, or cross-report, or create any internal report. The child was soon after severely beaten and left permanently disabled, and the police department and the officer who took the report were sued on a negligence per se theory. The court explained that a negligence per se action will lie where (1) there has been a violation of statute or regulation; (2) the harm to the plaintiff was caused by the violation of statute or regulation; (3) the harm is of the type intended to be prevented by the statute or regulation; and (4) the plaintiff is within the class of persons that were to be protected by the statute or regulation. The court held that the only elements in issue were the causation question, and whether the failure to investigate upon receipt of a report of child abuse from the father was a violation of the statute.[135]

Relying on *Williams v. State of California* (1983) 34 Cal.3d 18, the court found that, as a general rule, police do not have a duty to act, including a duty to investigate. In *Williams*, the California Supreme Court concluded:

> In spite of the fact that our tax dollars support police functions, it is settled that the rules concerning the duty - or lack thereof - to come to the aid of another are applicable to law enforcement personnel in carrying out routine traffic investigations. Thus, the state highway patrol has the right, but not the duty, to investigate accidents.[136]

The California Supreme Court also observed that "the intended beneficiaries of any investigation that is undertaken are the People as prosecutors in criminal cases, not private plaintiffs in personal injury actions."[137] Accordingly, the *Alejo* court concluded that "[t]herefore, absent a special relationship or a statute creating a special duty, the police may not be held liable for their failure to provide protection."[138]

However, the court found that section 11166 imposes such a duty on police officers: "[s]ection 11166, subdivision (a) creates such a duty."[139] Section 11166, as it read in 1999, provided, in pertinent part:

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[134] Exhibit A, Test Claim Statement of Decision, at p. 31; *Alejo v. City of Alhambra*, (Cal. Ct. App. 2d Dist. 1999) 75 Cal.App.4th 1180.

[135] *Alejo*, *supra*, at pp. 1184-1185.

[136] *Williams*, *supra*, 34 Cal.3d at p. 24.

[137] *Williams*, *supra*, 34 Cal.3d at p. 24, Fn 4.

[138] *Alejo*, *supra*, 75 Cal.App.4th at pp. 1186.

[139] *Alejo*, *supra*, 75 Cal.App.4th at pp. 1186.

> (a) Except as provided in subdivision (b), any child care custodian, health practitioner, employee of a child protective agency, child visitation monitor, firefighter, animal control officer, or humane society officer *who has knowledge of or observes a child, in his or her professional capacity or within the scope of his or her employment, whom he or she knows or reasonably suspects has been the victim of child abuse, shall report the known or suspected instance of child abuse to a child protective agency immediately or as soon as practically possible*… For the purposes of this article, "reasonable suspicion" means that it is objectively reasonable for a person to entertain a suspicion, based upon facts that could cause a reasonable person in a like position, drawing when appropriate on his or her training and experience, to suspect child abuse.[140]

The *Alejo* court concluded that although nothing in the plain language of section 11166 requires a mandated reporter to investigate child abuse:

> [I]t clearly envisions some investigation in order for an officer to determine whether there is reasonable suspicion to support the child abuse allegation and to trigger a report to the county welfare department and the district attorney under section 11166, subdivision (i) and to the Department of Justice under section 11169, subdivision (a). The latter statute provides in relevant part: "A child protective agency shall forward to the Department of Justice a report in writing of *every case it investigates* of known or suspected child abuse which is determined not to be unfounded .... A child protective agency *shall not forward* a report to the Department of Justice *unless it has conducted an active investigation* and determined that the report is not unfounded, as defined in Section 11165.12."[141]

Furthermore, the *Alejo* court held that the statute imposed a duty "to take further action when an objectively reasonable person in the same situation would suspect child abuse," including reporting to a child protective agency immediately or as soon as practically possible. And finally, the *Alejo* court concluded that "[c]ontrary to the city's position, the duty to investigate and report child abuse is mandatory under section 11166, subdivision (a) if a reasonable person in Officer Doe's position would have suspected such abuse. The language of the statute, prior cases and public policy all support this conclusion."[142]

In the test claim statement of decision here, the Commission noted that "the court [in *Alejo*] was not examining the law from a mandates perspective, and made the finding based on current law." Therefore the Commission was compelled to examine prior law, and consider the court's decision in the context of mandates law to determine whether new programs or higher levels of service were mandated by the test claim statutes. With respect to prior law, the Commission noted that former Penal Code section 11161.5 required that: "[c]opies of all written reports

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[140] Penal Code section 11166 (Stats. 1996, ch. 1081 (AB 3354) [current version employs the term "mandated reporter," which is in turn defined in section 11165.7]) [emphasis added].

[141] *Alejo v. City of Alhambra*, *supra*, 75 Cal.App.4th 1180, at page 1186. [Emphasis added.]

[142] *Alejo*, *supra*, 75 Cal.App.4th at pp. 1186-1187.

received by the local police authority shall be forwarded to the Department of Justice."[143] The Commission found that the prior law did not require investigation, but required police only "to forward a copy of the report to the state, as received."[144] The Commission concluded:

> No earlier statutes required any determination of the validity of a report of child abuse or neglect before completing a child abuse investigative report form and forwarding it to the state. Therefore, the Commission finds that an investigation *sufficient to determine whether a report of suspected child abuse or neglect is unfounded, substantiated, or inconclusive*, as defined by Penal Code section 11165.12, is newly mandated by Penal Code section 11169, subdivision (a), as described by the court in *Alejo*.[145]

With respect to other mandates law considerations, the Commission held that because section 11166(a), which governs the duties of a mandated reporter, applies to a number of different professions, public and private, the requirements imposed are not unique to government, and therefore cannot be reimbursable.[146] Accordingly, the Commission found that "Penal Code section 11166, subdivision (a), does not mandate a new program or higher level of service on local governments for the activities required of mandated reporters."[147] Therefore, even though the court in *Alejo* found that section 11166(a) imposed a duty to investigate on the police officer as a mandated reporter, reimbursement is not required for costs arising from that duty; section 11166(a) was therefore denied. Thus the test claim statement of decision approved reimbursement for the investigation of suspected child abuse, and for forwarding reports that are "not unfounded" to the DOJ, as specified, relying only on section 11169, as interpreted by the court in *Alejo*.[148]

e. <u>Only investigative activities conducted by the agency subsequent to the receipt of a mandated report are reimbursable; reimbursement is not required for investigative activities conducted by employees of a county child protective agency pursuant to the duties of a mandated reporter.</u>

Because section 11166(a) was held by the *Alejo* court to impose a duty upon individuals employed by a local child protective agency to investigate, but is not reimbursable, the parameters and guidelines must be crafted to avoid over-claiming when the mandated reporter in

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[143] Former Penal Code section 11161.5 (Stats. 1973, ch. 1151).

[144] Exhibit A, Test Claim Statement of Decision, at pp. 29-30.

[145] Exhibit A, Test Claim Statement of Decision, at p. 31 [emphasis added]. See also *Alejo v. City of Alhambra*, *supra*, 75 Cal.App.4th 1180, 1186.

[146] See *County of Los Angeles v. State of California* (1987) 43 Cal.3d.46, at p. 56 [Reimbursement required only for "programs that carry out the governmental function of providing services to the public, or laws which, to implement a state policy, impose unique requirements on local governments and do not apply generally to all residents and entities in the state."].

[147] Exhibit A, Test Claim Statement of Decision, at p. 16.

[148] *Ibid*.

a particular case is also an employee of the child protective agency that will complete the investigation under section 11169.

Under section 11165.9, reports "shall be made by mandated reporters to any police department, sheriff's department, county probation department if designated by the county to receive mandated reports, or the county welfare department." And under section 11165.7, mandated reporters include "[a]ny employee of any police department, county sheriff's department, county probation department, or county welfare department."[149] Thus an employee of any of those agencies, represented here by the claimant, Los Angeles County, could be both a mandated reporter, and a recipient of mandated reports. In that event a mandated reporter could be required both to complete the initial report of suspected child abuse, and to investigate that report in order to determine whether to forward the matter to DOJ. In this manner the requirements of section 11166(a) and 11169 might be completed by the same agency, or even the same employee, and because the former requirements under section 11166(a) are not reimbursable, a claimant must not be permitted to claim reimbursement for investigative activities conducted pursuant to section 11166(a). In that event, reimbursement is required for investigative activities necessary to complete the agency's duties under section 11169, but not for any investigation already completed by the mandated reporter under section 11166(a).

As discussed above, a mandated reporter's duty to investigate under section 11166(a) pursuant to the holding in *Alejo* is not reimbursable. The precise scope of this investigative duty is not specified, but all mandated reporters are expected to employ the Form SS 8572 to report suspected child abuse to one of the identified child protective agencies. This duty is triggered whenever the mandated reporter, *in his or her professional capacity or within the scope of his or her employment*, has knowledge of or observes a child whom the mandated reporter knows or reasonably suspects has been the victim of child abuse or neglect.[150] Given that the scope of employment within a law enforcement agency, county probation department, or county welfare agency generally includes investigation and observation for crime prevention, law enforcement and child protection purposes, information may be obtained by an employee which triggers the requirements of section 11166(a), and ultimately leads to an investigation and report to DOJ under section 11169(a). Ultimately, some of the same information necessary to satisfy the reporting requirements of section 11169 and the DOJ regulations may be obtained in the course of completing a mandated reporter's (non-reimbursable) duties under section 11166(a) (as discussed above, section 11169 requires a determination whether a report is unfounded, inconclusive, or substantiated, and Code of Regulations, title 11, section 903, as amended by Register 98, No. 29, requires certain information items in order to complete a "retainable report").

The more recent amendments to the regulatory sections pled in the test claim provide that an agency must complete all information required in Form SS 8583.[151] But those amended

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[149] Penal Code section 11165.7 (As amended by Stats. 2000, ch. 916).

[150] Penal Code section 11166(a) (Stats. 2000, ch. 916).

[151] Section 902 of title 11, Code of Regulations, provides that "[i]n order to fully meet its obligations under CANRA, an agency required to report instances of known or suspected child

regulations are not the subject of this test claim; the test claim statement of decision approved only Code of Regulations, title 11, section 903 *as amended by Register 98, No. 29*, which adopted the Form SS 8583, and required that only "certain information items...must be completed." Those information items, as discussed above, impose a very low standard of investigation for reporting to DOJ regarding instances of known or suspected child abuse. Because, as discussed above, a mandated reporter is expected to do what is reasonable within the scope of his or her experience and employment, a mandated reporter who is an employee of a child protective agency necessarily has a greater responsibility to investigate when he or she has reasonable suspicion of child abuse.[152] Therefore the regulations and statutes approved in the test claim statement of decision impose very little beyond what would otherwise be expected of a mandated reporter in the employ of a child protective agency, and therefore reimbursement must be limited to only such investigative activity as is necessary to satisfy the mandate of section 11169, but not mandated on the individual employee under section 11166.

Therefore, any investigation conducted by an employee of a county law enforcement agency, county welfare department, or county probation department, *prior to the completion of a Form SS 8572 under section 11166(a)*, is not reimbursable under this mandated program. And, if the Form SS 8572 is *completed by an employee of the same agency*, and the information contained in the Form SS 8572 is *sufficient to make the determination and complete the essential information items required by section 11169 and the regulations*, no further investigation is reimbursable.[153]

Thus, the parameters and guidelines authorize reimbursement for investigation only to the extent information has not been previously obtained by a mandated reporter within the same agency, in the course of the investigation already performed by the mandated reporter within the scope of his or her employment, to determine if a report of child abuse is not unfounded.[154] If the mandated reporter in a particular case is not an employee of the investigating agency, the agency maintains an independent and reimbursable duty to investigate in order to determine whether a

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abuse or severe neglect must complete all of the information on the BCIA 8583. Only information from a fully completed BCIA 8583 will be entered into the CACI."

[152] See Alejo, supra, 75 Cal.App.4th, at p. 1187 ["duty to investigate and report child abuse is mandatory under section 11166, subdivision (a) if a reasonable person in Officer Doe's position would have suspected such abuse"].

[153] This position is supported by the description submitted by the claimant of the investigative activities conducted by law enforcement: each of the four levels of investigation, as discussed above, begins with receiving a "SCAR [Suspected Child Abuse Report, Form 8572] *from Department of Children and Family Services*." There is no mention of reimbursement for the situation in which the mandated reporter is an officer in the same law enforcement agency. The claimant's requested reimbursable activities appear to assume, correctly, that any investigative activities prior to the completion of a Form 8572 will not be reimbursed; only investigative activities subsequent to the receipt of a Form 8572 are proposed for reimbursement. (Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, at pp. 4-7; 23-24).

[154] "Unfounded reports" are defined as reports that are determined false, to be inherently improbable, to involve accidental injury, or not to constitute child abuse or neglect as defined by Penal Code section 11165.12.

report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583. If necessary, the investigating agency may need to verify the information reported on the Form SS 8572. But where the mandated reporter is an employee of the investigating agency, investigative activities necessary to complete Form 8583 to submit to DOJ, and not any investigation which was required to complete Form 8572, are reimbursable; and where the investigation undertaken to complete Form SS 8572 is sufficient also to complete Form SS 8583, and to satisfy the mandate of section 11169 to determine whether the report must be made to DOJ, reimbursement is not required for any further investigation.

f. <u>The mandate to report to DOJ regarding suspected child abuse has been limited by subsequent legislation, as provided</u>.

As stated above in analyzing the period of reimbursement, section 11169 was amended by the Legislature in 2011, ending the mandate for law enforcement agencies to investigate and forward to DOJ, and limiting the requirement for all other local agencies to forwarding only those reports that are substantiated. Penal Code section 11169 was amended in 2011 to provide that "[o]n and after January 1, 2012, a police department or sheriff's department specified in Section 11165.9 *shall no longer forward to the Department of Justice* a report in writing of any case it investigates of known or suspected child abuse or severe neglect."[155] Therefore, both the requirement to "[f]orward to the Department of Justice a report in writing of every case it investigates," as well as the requirement to "[c]omplete an investigation…for purposes of preparing and submitting the state 'Child Abuse Investigation Report' Form SS 8583,"[156] are ended, *for purposes of reimbursement to law enforcement agencies*, as of January 1, 2012. Penal Code section 11169 also was amended at the same time to provide that only "substantiated" reports of suspected child abuse shall be forwarded to the DOJ by agencies other than law enforcement, rather than reports that are "not unfounded," as was the requirement under prior law.[157] This results in fewer reports being forwarded to DOJ by the agencies remaining subject to the mandate.

Therefore, because the statute at issue has been amended to end the requirement as applied to law enforcement, the activities approved by the Commission in the test claim statute must also end, as applied to law enforcement, and the requirement to forward reports to DOJ must be limited, as applied to all other entities subject to the mandate, as of January 1, 2012. Section IV of the parameters and guidelines reflects these dates.

g. <u>Reimbursement for activities required to report to DOJ regarding reports of suspected child abuse is approved for all agencies subject to the mandate, but for law enforcement only until December 31, 2011, and for forwarding inconclusive reports only until December 31, 2011</u>.

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[155] Penal Code section 11169(b) (Amended by Stats. 2011, ch. 468, § 2 (AB 717)).

[156] Exhibit A, Test Claim Statement of Decision, at p. 45.

[157] Penal Code section 11169(a) (Amended by Stats. 2011, ch. 468, § 2 (AB 717)). Compare Penal Code section 11169 (As amended by Stats. 2000, ch. 916 (AB 1241)).

The test claim statement of decision approved reimbursement for investigation of reports of suspected child abuse, but only to the extent of an investigation sufficient to determine whether a report of suspected child abuse or neglect must be forwarded to DOJ. The test claim statement of decision also approved reimbursement for reporting to DOJ all reported instances of known or suspected child abuse that are determined, after investigation, to be "not unfounded." Based on the foregoing analysis, an investigation sufficient to make that determination is complete after a law enforcement officer, or county welfare employee, or county probation department employee where applicable, has completed in-person interviews with the parents, suspects, victims, and witnesses, if any, and reported his or her findings. And, because the mandate to investigate applies equally to all agencies subject to the reporting requirements, reimbursement must be limited to the activities that are or can be performed by all agencies subject to the mandate, and must exclude the collection of physical or forensic evidence, and the building of a criminal case. Moreover, because the activities of mandated reporters under section 11166(a) are not reimbursable, any investigative activity to be reimbursed under section 11169 must exclude investigative activities conducted by a mandated reporter prior to submission of a Form SS 8572, even if the mandated reporter is an employee of an otherwise-reimbursable county agency. And finally, the investigative activities of law enforcement agencies are no longer mandated under the test claim statutes as of January 1, 2012, pursuant to amendments made to the underlying code sections, as discussed above.

Pursuant to the above analysis, the following activities are approved for reimbursement in the parameters and guidelines:

Reporting to the State Department of Justice

a. ***From July 1, 1999 to December 31, 2011****, city and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall:*[158]

   1) *Complete an investigation for purposes of preparing the report*

      Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice.[159] *Except as provided in paragraph below, this activity includes review of the initial Suspected Child Abuse Report (Form 8572), conducting initial interviews with parents, victims, suspects, or witnesses, where applicable, and*

[158] Pursuant to amendments to Penal Code section 11169(b) enacted by Statutes 2011, chapter 468 (AB 717), the mandate to report to DOJ *for law enforcement agencies only* ends on January 1, 2012. In addition, the duty for all other affected agencies is modified to exclude an "inconclusive" report.

[159] Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.

making a report of the findings of those interviews, which may be reviewed by a supervisor.

Reimbursement is not required in the following circumstances:

i. *Investigative activities conducted by a mandated reporter to complete the Suspected Child Abuse Report (Form SS 8572) pursuant to Penal Code section 11166(a).*

ii. *In the event that the mandated reporter is employed by the same child protective agency required to investigate and submit the "Child Abuse Investigation Report" Form SS 8583 or subsequent designated form to the Department of Justice, pursuant to Penal Code section 11169(a), reimbursement is not required if the investigation required to complete the Form SS 8572 is also sufficient to make the determination required under section 11169(a), and sufficient to complete the essential information items required on the Form SS 8583, pursuant to Code of Regulations, title 11, section 903 (Register 98, No. 29).*

iii. *Investigative activities undertaken subsequent to the determination whether a report of suspected child abuse is substantiated, inconclusive, or unfounded, as defined in Penal Code section 11165.12, for purposes of preparing the Form SS 8583, including the collection of physical evidence, the referral to a child abuse investigator, and the conduct of follow-up interviews.*

2) *Forward reports to the Department of Justice*

Prepare and submit to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse or severe neglect which is determined to be substantiated or inconclusive, as defined in Penal Code section 11165.12. Unfounded reports, as defined in Penal Code section 11165.12, shall not be filed with the Department of Justice. If a report has previously been filed which subsequently proves to be unfounded, the Department of Justice shall be notified in writing of that fact. The reports required by this section shall be in a form approved by the Department of Justice (currently form 8583) and may be sent by fax or electronic transmission.[160]

This activity includes costs of preparing and submitting an amended report to DOJ, when the submitting agency changes a prior finding of substantiated or inconclusive to a finding of unfounded or from inconclusive or unfounded to substantiated.

Reimbursement is not required for the costs of the investigation required to make the determination to file an amended report.

[160] Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.

b. ***Beginning January 1, 2012****, county welfare departments, or county probation departments where designated by the county to receive mandated reports shall:*

1) *Complete an investigation*

Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice.[161] *Except as provided in paragraph below, this activity includes review of the initial Suspected Child Abuse Report (Form 8572), conducting initial interviews with parents, victims, suspects, or witnesses, where applicable, and making a report of the findings of those interviews, which may be reviewed by a supervisor.*

Reimbursement is not required in the following circumstances:

i. *Investigative activities conducted by a mandated reporter to complete the Suspected Child Abuse Report (Form SS 8572) pursuant to Penal Code section 11166(a).*

ii. *In the event that the mandated reporter is employed by the same child protective agency required to investigate and submit the "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice, pursuant to Penal Code section 11169(a), reimbursement is not required if the investigation required to complete the Form SS 8572 is also sufficient to make the determination required under section 11169(a), and sufficient to complete the essential information items required on the Form SS 8583, pursuant to Code of Regulations, title 11, section 903 (Register 98, No. 29).*

iii. *Investigative activities undertaken subsequent to the determination whether a report of suspected child abuse is substantiated, inconclusive, or unfounded, as defined in Penal Code section 11165.12, for purposes of preparing the Form SS 8583.*

2) *Forward reports to the Department of Justice*

Prepare and submit to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse or severe neglect which is determined to be substantiated, as defined in Penal Code section 11165.12. Unfounded or inconclusive reports, as defined in Penal Code section 11165.12, shall not be filed with the Department of Justice.

[161] Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916, § 27 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.

If a report has previously been filed which subsequently proves to be unfounded, the Department of Justice shall be notified in writing of that fact. The reports required by this section shall be in a form approved by the Department of Justice and may be sent by fax or electronic transmission.[162]

This activity includes costs of preparing and submitting an amended report to DOJ, when the submitting agency changes a prior finding of substantiated to a finding of inconclusive or unfounded, or from inconclusive or unfounded to substantiated, or when other information is necessary to maintain accuracy of the CACI.

Reimbursement is not required for the costs of the investigation required to make the determination to file an amended report.

In response to the draft proposed parameters and guidelines, the claimant submitted comments objecting to the limitation specifying that activities undertaken *subsequent to the determination* whether a report of child abuse is substantiated, inconclusive, or unfounded, "including the collection of physical evidence, the referral to a detective, the conduct of follow-up interviews, and the potential making of an arrest,"[163] were not reimbursable. The claimant stated that this limitation could be read to imply that these activities would be reimbursable if undertaken prior to making the determination whether a report should be forwarded to DOJ, but not reimbursable if performed after making a determination and forwarding the report. In addition, the claimant stated that not all agencies have "detectives," and that only those that do would be denied reimbursement. The intent of the limiting language above is merely to clarify that the focus of reimbursement for investigations should remain the *determination of whether to file a report with DOJ* (i.e., whether a report is unfounded, inconclusive, or substantiated). The collection of physical evidence, the referral to a senior investigating officer, whether or not that person is called "detective," and conducting follow-up interviews are all activities listed in the claimant's time studies[164] that should logically only be conducted in the case that the suspected child abuse is "not unfounded," and logically only performed after such determination has been made, and the mandate satisfied. Accordingly, the limitation of reimbursement stated above is amended to omit the word "detective," but otherwise unaffected.

[162] Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916, § 27 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.

[163] See Exhibit I, Draft Staff Analysis and Proposed Parameters and Guidelines, at pp. 45; 88.

[164] See Exhibit B, Revised Proposed Parameters and Guidelines, at pp. 7-9.

4. Notifications Following Reports to the Child Abuse Central Index

The test claim statement of decision approved reimbursement to notify a known or suspected child abuser that he or she has been listed in the CACI. That and other notice requirements are included in the proposed parameters and guidelines, in accordance with the following analysis.[165]

a. Notifying the suspected abuser may include the SOC 832 form but this activity is ended, for law enforcement agencies, as of January 1, 2012.

In addition to the notice requirements approved in the test claim decision, the claimant has proposed reimbursement for the following activities when several of the approved notice requirements are triggered:

- *[For law enforcement agencies:] Child abuse investigator completes advisement form to suspect(s); and*[166]
- *[For county welfare departments:] Completion of the Notice of Child Abuse Central Index Listing (SOC 832) form.*[167]

In addition, the claimant has proposed that the above activities should include "sending the person listed in CACI with [sic] a 'Request for Grievance Hearing' form (SOC 834)."[168] There is no requirement in the statute or the approved regulations to provide this form along with the notice to the person listed. Providing the "Request for Grievance Hearing" form is denied.

Form SOC 832 was developed by CDSS, and is intended for use by county welfare departments to inform a known or suspected abuser that he or she has been reported to the CACI. It is not clear, based on the evidence in the record, whether any other agencies or departments also employ this form, but the Commission finds that completion of the Notice of Child Abuse Central Index Listing form (SOC 832), at item 3, above, is a reasonable means of implementing the expressly approved activity to "[n]*otify in writing the known or suspected child abuser that he or she has been reported to the Child Abuse Central Index, in any form approved by the Department of Justice, at the time the "Child Abuse Investigation Report" is filed with the Department of Justice."*[169]

Additionally, the activity described here, to notify a suspected abuser that he or she has been listed in the index at the time the agency files the "Child Abuse Investigation Report" with DOJ, is ended, for law enforcement, as of January 1, 2012. This requirement arises from Penal Code section 11169, which, as discussed above, was amended in Statutes 2011, chapter 468, ending the requirement for law enforcement to forward reports of suspected child abuse to DOJ as of January 1, 2012. Because the requirement above is to notify the suspected abuser *at the time the*

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[165] Exhibit I, Draft Staff Analysis and Proposed Parameters and Guidelines, at pp. 48-53; 88-90.

[166] Exhibit F, Claimant Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 17.

[167] Exhibit F, Claimant Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 27.

[168] Exhibit K, Claimant Comments on Draft Staff Analysis, at p. 34.

[169] Exhibit A, Test Claim Statement of Decision, at p. 45.

report is filed with DOJ, and because law enforcement agencies "shall no longer" file those reports, the notice requirement is also ended.

The parameters and guidelines reflect the completion of the form SOC 832, as a reasonable means of complying with the approved activity, and reflect the end date of this activity for law enforcement agencies, as follows:

> *a. City and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall:*
>
> *1) Notify in writing the known or suspected child abuser that he or she has been reported to the Child Abuse Central Index, in any form approved by the Department of Justice, at the time the "Child Abuse Investigation Report" is filed with the Department of Justice.*[170]
>
> *This activity includes, where applicable, the completion of the Notice of Child Abuse Central Index Listing form (SOC 832), or subsequent designated form.*
>
> ***For law enforcement agencies only, this activity is eligible for reimbursement from July 1, 1999 until December 31, 2011, pursuant to amendments to Penal Code section 11169(b), enacted in Statutes 2011, chapter 468 (AB 717), which ends the mandate to report to DOJ for law enforcement agencies.***
>
> ¶…¶
>
> **b. <u>When information is received from CACI in the normal course of investigating or licensing duties, agencies are required to obtain and objectively review the original investigative report when making decisions regarding a new investigation, prosecution, licensing, or placement of a child, but not required to initiate a new investigation.</u>**

The test claim statement of decision also approved the following, related to the notice requirements, and triggered by the receipt of information from the CACI during the course of a routine investigation, or an investigation of a current report of suspected child abuse or neglect:

> *Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, county welfare department, county licensing agency, or district attorney's office shall:*
>
> - *Obtain the original investigative report from the reporting agency, and draw independent conclusions regarding the quality of the evidence disclosed, and its sufficiency for making decisions regarding investigation, prosecution,*

[170] Penal Code section 11169(c) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916, § 27 (AB 1241)). This activity is ended for law enforcement as of January 1, 2012, pursuant to Statutes 2011, chapter 468 (AB 717).

licensing, or placement of a child, when a report is received from the Child Abuse Central Index. (Pen. Code, § 11170, subd. (b)(6)(A), now (b)(8)(A).) [171]

Information implicating the requirement to obtain and review the original report may be *received from DOJ* by the means described in section 11170. Section 11170, as amended by Statutes 2000, chapter 916, provides, in pertinent part:

> The Department of Justice shall immediately notify an agency that submits a report pursuant to Section 11169, or a district attorney who requests notification, of any information maintained pursuant to subdivision (a) that is relevant to the known or suspected instance of child abuse or severe neglect reported by the agency…
>
> ¶…¶
>
> The department shall make available to the State Department of Social Services or to any county licensing agency that has contracted with the state for the performance of licensing duties information regarding a known or suspected child abuser maintained pursuant to this section and subdivision (a) of Section 11169 concerning any person who is an applicant for licensure or any adult who resides or is employed in the home of an applicant for licensure or who is an applicant for employment in a position having supervisorial or disciplinary power over a child or children, or who will provide 24–hour care for a child or children in a residential home or facility…
>
> ¶…¶
>
> The department shall make available to investigative agencies or probation officers, or court investigators acting pursuant to Section 1513 of the Probate Code, responsible for placing children or assessing the possible placement of children…information regarding a known or suspected child abuser contained in the index concerning any adult residing in the home where the child may be placed, when this information is requested for purposes of ensuring that the placement is in the best interests of the child.
>
> ¶…¶
>
> Persons or agencies, as specified in subdivision (b), if investigating a case of known or suspected child abuse or neglect, or the State Department of Social Services or any county licensing agency pursuant to paragraph (3), or an agency or court investigator responsible for placing children or assessing the possible placement of children pursuant to paragraph (5), to whom disclosure of any information maintained pursuant to subdivision (a) is authorized, are responsible for obtaining the original investigative report from the reporting agency, and for drawing independent conclusions regarding the quality of the evidence disclosed,

[171] *Ibid.*

and its sufficiency for making decisions regarding investigation, prosecution, licensing, or placement of a child.[172]

Thus the duty to obtain and objectively review the original investigative report is implicated when an agency, in the conduct of its ordinary duties, has occasion to inquire to DOJ regarding an individual currently under investigation regarding an instance of known or suspected child abuse, or before the agency seeking a license, or placement of a child, or an employee of a licensee or home in which a child would be placed. In such case, the DOJ is instructed by the above statute that it "shall make available" the information requested, and the agency, in turn, is required, when a listing in the CACI is made known, to obtain the original investigative report, and to review it objectively in order to evaluate licensing, placement, or prosecution decisions. The section then requires that persons or agencies, when conducting their existing duties to investigate cases of known or suspected child abuse, or when making a licensing determination, or when assessing the possible placement of children in a home, shall, *upon receipt of information from DOJ* regarding an individual suspected of child abuse, or regarding an instance of suspected child abuse, obtain the original investigative report from the reporting agency, and draw independent conclusions regarding the quality of the evidence and its sufficiency for making decisions within the agency's or person's discretion.

The purpose of this section can be inferred from its context, and from the expansion of its scope subsequent to Statutes 2000, chapter 916: Penal Code section 11170(b)(10) (renumbered) now imposes the same requirements on a Court Appointed Special Advocate investigating prospective employees or volunteers, a local government agency conducting a background check on a prospective peace officer employee, and a county welfare or adoption agency conducting a background check on a prospective employee or volunteer.[173] These are not persons who would normally be subject to an active, targeted investigation seeking information regarding suspected child abuse; rather, they are persons who would be subject to a routine background investigation before they can be granted employment, or some other benefit. The Commission does not here seek to exercise jurisdiction over subsequent amendments to section 11170; the expanded scope of the section is discussed only as it helps to illuminate the purpose of the requirement, which is to obtain and objectively review a report of suspected child abuse, when information is received from DOJ regarding an individual before the agency in the normal course of the agency's duties. The purpose of the test claim statute (section 11170, as last amended in 2000), then, must be to protect the individual seeking a license, or placement of a child in his or her home, from being summarily denied on the basis of a report contained in the CACI. And, with respect to a person being investigated for a more recent instance of known or suspected child abuse, the test claim statute is meant to ensure that a district attorney or other law enforcement or child protective agency does not pre-judge the individual based solely upon the existence of a prior report in the

[172] Penal Code section 11170(b) (Stats. 2000, ch. 916 (AB 1241)).

[173] Penal Code section 11170(b)(10) Stats. 2001, ch. 133 (AB 102); Stats. 2004, ch. 842 (SB 1313); Stats. 2005, ch. 279 (SB 1107); Stats. 2006, ch. 701 (AB 525); Stats. 2007, ch. 160 (AB 369); Stats. 2007, ch. 583 (SB 703); Stats. 2008, ch. 701 (AB 2651); Stats. 2008, ch. 553 (AB 2618); Stats. 2008, ch. 701 (AB 2651); Stats. 2009, ch. 91 (AB 247); Stats. 2010, ch. 328 (SB 1330); Stats. 2011, ch. 459 (AB 212); Stats. 2011, ch. 468 (AB 717); Stats. 2012, ch. 846 (AB 1712); Stats. 2012, ch. 848 (AB 1707)).

CACI; the investigating agency, or district attorney, must obtain and objectively review the prior report, and evaluate "its sufficiency for making decisions."[174]

However, the Commission finds that reimbursement is only required for the costs of *obtaining the original report and reviewing the report objectively*. This section *does not* mandate reimbursement of any investigative activities that implicate the requirement to obtain the original report, nor any investigative activities that might be necessary after reviewing the report with respect to "making decisions regarding investigation, prosecution, licensing, or placement of a child."[175]

Based on the foregoing, the parameters and guidelines provide for reimbursement as follows:

> *City or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, county welfare department, county licensing agency, or district attorney's office shall:*
>
> *Obtain the original investigative report from the agency that submitted the information to the CACI pursuant to Penal Code section 11169(a), and shall objectively review the report, when information regarding an individual suspected of child abuse or neglect, or an instance of suspected child abuse or neglect, is received from the CACI while performing existing duties pertaining to criminal investigation or prosecution, or licensing, or placement of a child.*
>
> ***Reimbursement for this activity does not include investigative activities conducted by the agency, either prior to or subsequent to receipt of the information that necessitates obtaining and reviewing the investigative report.***

5. Record Retention

The test claim statement of decision approved reimbursement for record retention by local government agencies as follows:

> *Any city or county police or sheriff's department, or county probation department if designated by the county to receive mandated reports shall:*
>
> - Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of eight years for counties and cities (a higher level of service above the two-year record retention requirement pursuant to Gov. Code §§ 26202 (cities) and 34090 (counties).) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years.
>
> *A county welfare department shall:*
>
> - Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of seven years for welfare records (a higher level of service above the three-year record retention requirement pursuant to Welf. & Inst. Code,

[174] Penal Code section 11170(b)(6) (Stats. 2000, ch. 916 (AB 1241)).

[175] *Ibid*.

§ 10851.) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years.[176]

Penal Code section 11169 provides that "Agencies, including police departments and sheriff's departments, shall retain child abuse or neglect investigative reports that result or resulted in a report filed with the Department of Justice pursuant to subdivision (a) for the same period of time that the information is required to be maintained on the CACI pursuant to this section and subdivision (a) of Section 11170."[177] Penal Code section 11170 provides that information from an inconclusive or unsubstantiated report is removed from CACI after 10 years, unless a new report of suspected child abuse is received relating to the same person or persons within that time. However, because agencies subject to the test claim statute were already subject to record retention time frames for these reports, claimants are only eligible for reimbursement for the higher level of service; the length of time exceeding the prior requirement.

Government Code sections 26202 and 34090 allow cities and counties, respectively, to authorize destruction of records after two years. The Commission found that while the test claim statute requires a minimum 10 years of record retention, the initial two years are not reimbursable because of this existing requirement. The additional minimum of eight years is reimbursable under the test claim statute, and the parameters and guidelines reflect this analysis.[178]

Similarly, Welfare and Institutions Code section 10851 permits destruction of records after three years for county welfare departments. The Commission found that because county welfare departments already had a duty to retain records for three years under Welfare and Institutions Code section 10851, records retention for a minimum of seven years should be reimbursed under the test claim: the length of time added to the retention requirement by the test claim statute.[179] The parameters and guidelines reflect this analysis.

The parameters and guidelines provide for reimbursement of eight and seven years, respectively, for record retention for county probation departments and county welfare departments. As explained here and in the test claim statement of decision, the years for which claimants are eligible for reimbursement for record retention are those eight and seven years, respectively, that *follow* the two or three year retention period required under prior law. Therefore the Commission adopts the following language:

> *City and county police or sheriff's departments, and county probation departments if designated by the county to receive mandated reports shall:*
>
> *Retain child abuse or neglect investigative reports, that result in a report filed with the Department of Justice for a minimum of eight years for counties and cities (a higher level of service above the prior two-year record retention requirement pursuant to Gov. Code §§ 26202 (cities) and 34090 (counties).) If a subsequent report on the same suspected child abuser is received within*

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[176] Exhibit A, Test Claim Statement of Decision, at pp. 46-47 [citations omitted].

[177] Penal Code section 11169(h) (Stats. 1997, ch. 842 (SB 644); Stats. 2000, ch. 916 (AB 1241)).

[178] Exhibit A, Test Claim Statement of Decision, at pp. 37-38.

[179] *Ibid*.

the first 10-year period, the report shall be maintained for an additional 10 years.[180]

This activity includes retaining copies of the Suspected Child Abuse Report form SS 8572, received from a mandated reporter, and the Child Abuse Summary Report form SS 8583, with the original investigative report.

Reimbursement is not required for the first two years of record retention required under prior law, but only for the eight years following.

County welfare departments shall:

Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of seven years for welfare records (a higher level of service above the prior three-year record retention requirement pursuant to Welf. & Inst. Code, § 10851.) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years.[181]

This activity includes retaining copies of the Suspected Child Abuse Report form SS 8572, received from a mandated reporter, and the Child Abuse Summary Report form SS 8583, with the original investigative report.

Reimbursement is not required for the first three years of record retention required under prior law, but only for the seven years following.

6. Due Process Procedures Extended to Individual Listed in CACI

The claimant has proposed reimbursement for due process requirements implicated by the test claim statutes, as follows:

> *Due process costs incurred by law enforcement and county welfare agencies to develop and maintain ICAN due process procedures reasonably necessary to comply with federal due process procedural protections under the 14th Amendment which need to be afforded suspects reported to the DOJ's Child Abuse Central Index [CACI].*

DOF suggests striking this requirement entirely, but without comment.[182] SCO suggests limiting this activity to one-time development of ICAN due process procedures.[183] These comments are set aside, pursuant to the following analysis.

It is not clear whether the claimant's proposed language encompasses the actual implementation of due process procedures and the provision of a constitutionally-appropriate hearing for

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[180] (Penal Code section 11169(h) (Stats. 1997, ch. 842 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2001, ch. 133 (AB 102); Stats. 2004, ch. 842 (SB 1313); Stats. 2011, ch. 468 (AB 717)).

[181] (Penal Code section 11169(h) (Stats. 1997, ch. 842 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2001, ch. 133 (AB 102); Stats. 2004, ch. 842 (SB 1313); Stats. 2011, ch. 468 (AB 717)).

[182] Exhibit D, DOF Comments on Revised Proposed Parameters and Guidelines, at p. 2.

[183] Exhibit E, SCO Comments on Revised Proposed Parameters and Guidelines, at p. 3.

individuals whose rights are affected by the test claim statutes, or is limited to the development of due process procedures. The following analysis will demonstrate that agencies have always been responsible, under the Constitution and laws of the United States, and of California, to provide due process protections to those listed in the Child Abuse Central Index, and that Statutes 2011, chapter 468 codified these protections in Penal Code section 11169. Claimants are therefore eligible for reimbursement for the ongoing costs of providing due process in each individual case, as well as the one-time costs of developing due process procedures.

a. <u>An individual's inclusion within the Child Abuse Central Index triggers that person's due process rights</u>.

The test claim statement of decision was adopted in 2007, without discussion of the precise contours of due process protections implicated by the test claim statute. In 2009 the Ninth Circuit Court of Appeals decided *Humphries v. County of Los Angeles* (9th Cir. 2009) 554 F.3d 1170, in which it was held that CANRA triggers an individual's 14th Amendment rights to due process of law, because inclusion in the CACI can affect a person's liberty or property interests: certain licenses, and a number of relevant vocations, are not available to a person listed in the CACI.[184]

The plaintiffs in *Humphries* were listed in the CACI as a result of an allegation of child abuse made by a rebellious teenager.[185] Out-of-state investigators determined that the report of child abuse was "substantiated," and the Humphries were arrested by Los Angeles County Sheriff's Department officers and the report of suspected child abuse forwarded to DOJ for listing in the index.[186] The Humphries were later cleared of any wrongdoing by the courts, but were unable to have their names removed from the CACI, in part because the investigator who had forwarded their names in the first instance was no longer employed with the department.[187]

The Humphries alleged that their listing in the CACI impacted their reputations and potentially their livelihood: Mrs. Humphries worked as a special education teacher, and introduced evidence that renewal of her teaching credentials might be halted by the information in the CACI.[188] Mrs. Humphries also indicated that her desire to pursue a degree in psychology was threatened by her inclusion in the CACI, because portions of her psychology coursework included working in a child care program, which in turn would require a CACI background check. The court found that this evidence implicated the Humphries' rights to procedural due process.

The court determined that listing in the CACI deprived the Humphries of rights secured by the Constitution and laws of the United States. Specifically, the stigma of being listed in the CACI, along with the statutory consequences, including the inability to obtain certain licenses or

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[184] See Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, Exhibit 8.

[185] *Humphries*, *supra*, 554 F.3d 1170, at p. 1180.

[186] *Ibid*.

[187] *Id*, at pp. 1181-1182.

[188] *Id*, at p. 1183.

credentials, constituted a violation of protected liberty interests.[189] The court held that a "lack of any meaningful, guaranteed procedural safeguards before the initial placement on CACI combined with the lack of any effective process for removal from CACI violate[d] the Humphries' due process rights." Because certain licensing agencies are required to consult the CACI before issuing licenses, "the CACI cease[s] to be a mere investigatory tool, [and becomes], in substance, a judgment against those listed."[190] The court did not seek to dictate exactly what due process is required, but stated:

> At the very least, however, California must promptly notify a suspected child abuser that his name is on the CACI and provide "some kind of hearing" by which he can challenge his inclusion. *See Goss v. Lopez,* 419 U.S. 565, 578, 95 S.Ct. 729, 42 L.Ed.2d 725 (1975); Henry J. Friendly, "*Some Kind of Hearing,*" 123 U. Pa. L.Rev. 1267 (1975) (discussing the various forms that a hearing can take). The opportunity to be heard on the allegations ought to be before someone other than the official who initially investigated the allegation and reported the name for inclusion on the CACI, and the standards for retaining a name on the CACI after it has been challenged ought to be carefully spelled out.[191]

Based on the court's reasoning in *Humphries*, it is clear that some due process is owed to those listed in the CACI, to ensure that the listings are not erroneous, and that an innocent person is not unduly damaged. At a minimum, due process requires notice, and an opportunity to be heard before an impartial fact finder.

b. <u>Due process protections recognized in *Humphries* were incorporated in the subsequent amendments to the test claim statutes</u>.

After and in accordance with *Humphries*, the Legislature sought to include basic due process protections in the statutes that make up CANRA. These requirements are declaratory of existing federal and state due process protections and do not require a new test claim decision. Due process protections identified in Humphries and codified by the Legislature are reasonably necessary to comply with the mandate; moreover, the amendments made to section 11169 are implementing existing constitutional requirements triggered by the test claim statutes, not imposing additional mandated activities.

Subdivisions (d) through (g) were added to section 11169 by Statutes 2011, chapter 468, as follows:

> (d) Subject to subdivision (e), any person who is listed on the CACI has the right to a hearing before the agency that requested his or her inclusion in the CACI to challenge his or her listing on the CACI. The hearing shall satisfy due process requirements. It is the intent of the Legislature that the hearing provided for by this subdivision shall not be construed to be inconsistent with hearing proceedings available to persons who have been listed on the CACI prior to the enactment of the act that added this subdivision.

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[189] *Id*, at pp. 1185-1189.

[190] *Humphries*, *supra*, 554 F.3d 1170, at p. 1201.

[191] *Ibid*.

(e) A hearing requested pursuant to subdivision (d) shall be denied when a court of competent jurisdiction has determined that suspected child abuse or neglect has occurred, or when the allegation of child abuse or neglect resulting in the referral to the CACI is pending before the court. A person who is listed on the CACI and has been denied a hearing pursuant to this subdivision has a right to a hearing pursuant to subdivision (d) only if the court's jurisdiction has terminated, the court has not made a finding concerning whether the suspected child abuse or neglect was substantiated, and a hearing has not previously been provided to the listed person pursuant to subdivision (d).

(f) Any person listed in the CACI who has reached 100 years of age shall have his or her listing removed from the CACI.

(g) If, after a hearing pursuant to subdivision (d) or a court proceeding described in subdivision (e), it is determined the person's CACI listing was based on a report that was not substantiated, the agency shall notify the Department of Justice of that result and the department shall remove that person's name from the CACI.

These changes, recognizing that "CACI has been the subject of substantial litigation over the years, principally involving issues related to due process of law," are intended "to address the issues raised in previous lawsuits" regarding the constitutionality of the CACI.[192] The Legislative Counsel's digest preceding the bill provides as follows:

> Existing law charges the Department of Justice with maintaining CACI and requires that the index be continually updated by the department and not contain any reports that are determined to be unfounded.
>
> This bill would instead provide that only information from reports that are reported as substantiated would be filed, and all other determinations would be removed from the centralized list. The bill would also provide that any person who is listed on the CACI has the right to an agency hearing, as specified, to challenge his or her listing on the CACI. The bill would require the hearing to meet due process requirements. The bill would also specify the circumstances under which the hearing may be denied. The bill would further provide that a person who is listed on the CACI has a right to that hearing if the court's jurisdiction terminates, the court has not made a finding concerning whether the suspected child abuse or neglect was substantiated, and that hearing has not been provided previously to the listed person. After that hearing or a court proceeding, if it is determined that the person's CACI listing was based on a report that was not substantiated, the agency would be required to notify the department of that result and the department shall remove that person's name from the CACI.

The Committee analysis also states that "[t]he provisions of this bill seeking to ensure that CACI is operated in a constitutional manner are likely to result in significant future litigation-related cost savings potentially in the millions of dollars to the DOJ and local agencies." While this statement captures the intent of cost-savings, it also recognizes the intent to alter the operation of the CACI to achieve consistency with constitutional requirements. Therefore the Commission

[192] Exhibit X, Senate Committee Analysis, AB 717.

finds that the amendments to section 11170, effected by Statutes 2011, chapter 468, are not newly mandated requirements, but are codifying and clarifying existing federal and state constitutional requirements.

c. Due process protections required under the Constitution of the United States, or under the Constitution and laws of the State of California, when triggered by state-mandated activities, are reimbursable pursuant to Article XIII B, section 6.

In *San Diego Unified School District v. Commission on State Mandates* (2004) 33 Cal.4th 859, the California Supreme Court held that all due process procedures and costs resulting from expulsions made mandatory by the test claim statute were reimbursable, whether arising from federal law or state law.[193] Education Code section 48915, in pertinent part, "(1) *compelled* a school principal to *immediately suspend* any student found to be in possession of a firearm at school or at a school activity off school grounds, and (2) *mandated* a recommendation to the school district governing board that the student be expelled."[194] The court noted that "whenever expulsion is recommended [under state law] a student has a right to an expulsion hearing." The court held, "[a]ccordingly, it is appropriate to characterize the former provision as *mandating* immediate suspension, a recommendation of expulsion, *and hence, an expulsion hearing.*"[195]

The Commission, in its test claim statement of decision prior to *San Diego Unified*, had excepted the federal due process requirements from reimbursement pursuant to Government Code section 17556, finding that only the due process requirements imposed by the test claim statute that were in excess of the federal requirements should be reimbursable.[196] The court disagreed, finding that section 17556 was not applicable to the facts; that Education Code section 48915, providing for mandatory expulsions in certain situations, does not "implement federal law," and therefore due process costs arising from both federal and state law and Constitutions are reimbursable when an expulsion recommendation is made mandatory under state statute.[197]

d. The one-time development of due process procedures, as well as the ongoing provision of due process protections to listed individuals, are approved.

Due process procedures were not expressly approved in the test claim statement of decision, nor are due process requirements found in the language of the test claim statutes, as pled. Rather the *Humphries* decision recognized a due process right inherent in the existence and application of the CACI, and the Legislature subsequently amended the code to include due process protections. *San Diego Unified* is in accord, in that it makes clear that due process procedures triggered by state-mandated activities are reimbursable whether arising under state or federal law

[193] Discretionary expulsions were held not to give rise to reimbursable costs, including due process procedures triggered.

[194] *San Diego Unified*, *supra*, at p. 869.

[195] *Id*, at p. 870.

[196] *Id*, at pp. 872-873.

[197] *Id*, at p. 881.

or Constitution.[198] The Commission now must accept the courts' findings and hold that due process protections triggered by test claim statutes surrounding the CACI are reimbursable.

The court in *Humphries* directed the state to institute "some kind of hearing" process to provide a remedy for those who would challenge their listing in the CACI, and provided that the hearing must be before someone other than the person who performed the investigation.[199] The very fact that the Humphries' were forced to sue (as well as the amendments to the code following thereafter) demonstrates that it is unlikely that adequate due process procedures existed prior to that 2009 case, at least in Los Angeles County. The Department of Social Services has adopted procedures that appear at first glance to satisfy due process, as interpreted by the court in *Humphries*, but those measures, adopted in settlement of another due process case, only extended to county welfare departments at that time, and were not required of law enforcement agencies. This is yet another reason for the amendments made in Statutes 2011, chapter 468 (AB 717).[200]

Based on the court's express finding that due process protections are owed, reimbursement for the development and implementation of those procedures is reasonably necessary to carry out the mandate. However, the claimant has submitted no evidence that due process procedures must be continually "develop[ed] *and* maintain[ed]." Therefore, approval of this activity is limited to a one-time activity of developing procedures for this program, consistent with the Legislature's expression of the constitutional requirements, rather than an on-going activity including "maintain[ing]" due process procedures.

The actual provision of due process protections to individuals who seek to challenge being listed in the CACI is reimbursable, based on the holdings of *San Diego Unified* and *Humphries*, *supra*. Because listing in the CACI triggers 14th Amendment due process protections, the agency initiating the listing must provide sufficient due process to protect the rights of the individual against unconstitutional deprivation of a protected liberty interest. The cost of that process is thus reasonably necessary to carry out the mandate. Given that due process hearings will be required any time an individual seeks to challenge his or her inclusion in the CACI, this must be considered a reasonably necessary ongoing activity.

Accordingly, and consistently with the implications of the *Humphries* decision, and *San Diego Unified*, and the subsequent amendments to section 11169, the Commission finds that one-time development and implementation of due process procedures is approved for reimbursement in these parameters and guidelines. The Commission also approves ongoing provision of due process protections to individuals seeking to challenge their listing in the CACI, including notice and a hearing. Both of these activities are eligible for reimbursement by a showing of actual costs, and will require contemporaneous source documentation, as provided in the parameters and guidelines. It is unclear how many, if any, of the eligible claimants provided the mandated due process protections prior to the *Humphrey's* decision in 2009 or the amendment of 11169 in 2011 and what the scope of those protections might have been. However, any jurisdiction that did actually perform the mandated due process activities is eligible to claim for their actual costs incurred beginning July 1, 1999.

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[198] *San Diego Unified*, *supra*, at p. 881.

[199] *Humphries*, *supra*, 554 F.3d 1170, at p. 1201.

[200] Exhibit X, Senate Committee Analysis, AB 717.

7. Requirements of County Welfare Departments Proposed by Claimant

The claimant has proposed reimbursement for reporting activities of county welfare departments, some of which are not supported on the basis of the record, and exceed the scope of the mandate. The claimant proposes reimbursement for the following reporting activities for county welfare departments:

> *1. Completion of the Child Abuse Summary Report (SS 8583) form [Standard time is 22 minutes]*
>
> *2. Completion of the Suspected Child Abuse Report (SS 8572) form [Standard time is 23 minutes]*
>
> *3. Completion of the Notice of Child Abuse Central Index Listing (SOC 832) form [Standard time is 13 minutes]*
>
> *4. Filing copies of the SS 8583 and SS 8572 forms with a copy of the investigative report [Standard time is 22 minutes]*
>
> *5. Response to DOJ inquires [Standard time is 9 minutes]*.[201]

The Commission finds that preparing and submitting the Child Abuse Summary Report form (SS 8583) is expressly approved in the test claim statement of decision, as part and parcel of the completion of an investigation and forwarding of reports to DOJ. The parameters and guidelines reflect this activity, as discussed above, and it is not necessary to further analyze this activity here.

Completion of a "Notice of Child Abuse Central Index Listing (SOC 832) form" is discussed above at Part 4., with respect to providing notice to a suspected abuser that he or she has been listed in the index. The Commission finds, as stated above, that the completion of the form is a reasonable method by which to comply with the mandate, and the parameters and guidelines therefore reflect reimbursement for this activity, where applicable.

Additionally, the claimant proposes reimbursement for "[f]iling copies of the SS 8583 and SS 8572 forms with a copy of the investigative report." The Child Abuse Summary Report, form 8583, is the form forwarded to DOJ. The Suspected Child Abuse Report, form 8572, originates with the mandated reporter, and is received by the investigating agency; this is the report that precipitates all reimbursable activities under CANRA. The activity proposed above might be interpreted to include filing copies of the forms with DOJ, but this is not required by DOJ regulations.[202] Therefore, it more likely is intended to mean filing copies of the incoming (8572) and outgoing (8583) forms with the investigating agency's investigation report, retained by the agency. Retention of these forms is included in the parameters and guidelines language regarding the expressly approved activities regarding retention of records of suspected child abuse at Part 5., above.

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[201] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 27.

[202] California Code of Regulations, title 11, section 903 (Register 98, No. 29) [requirement to report to DOJ using Form 8583, but no requirement to retain a copy of the Form 8583].

The remaining activities cited above are not supported by evidence in the record. In particular, the Suspected Child Abuse Report form (SS 8572) is the same form employed by mandated reporters, individuals whose activities are not subject to reimbursement. It is not clear based on the evidence in the record why county welfare *agencies* should be reimbursed for completing the Child Abuse Summary Report form, while county welfare *employees* would be subject, as individuals, based on their vocation, to the mandatory reporting requirements, which are not reimbursable. In other words, a psychologist, or doctor, would be considered a mandatory reporter by vocation and training, whether employed by the county, or some private entity. Therefore, as was explicitly found in the test claim statement of decision, the mandated reporter activity, to complete the Child Abuse Summary Report form, is not unique to government, and does not impose a reimbursable new program or higher level of service.[203] Submittal of this form to the child protective agency is the triggering event for the mandate—without it there are no mandated activities.

Furthermore, it is unclear from what approved activity in the test claim statement of decision the claimant derives the alleged reasonably necessary activity "Response to DOJ inquiries (9 min)." It could be asserted that responding to DOJ inquiries is a reasonably necessary activity, but the claimant has provided no explanation as to what would give rise to a DOJ inquiry, nor any explanation of what inquiries are proposed to be reimbursable.[204] DOJ does not take any responsibility for the accuracy of the information maintained in the index: "DOJ does not conduct an investigation to verify the accuracy of the information submitted nor does it investigate the quality or accuracy of the abuse or severe neglect investigation conducted by the submitting agency."[205] DOJ serves only as a repository of information, based on the language of the test claim statutes. Therefore it is unknown what sort of inquiry DOJ might undertake to make. The claimant has provided no evidence in the record explaining what a "DOJ inquiry" entails, and therefore this activity must be denied.

Based on the foregoing, the Commission finds that the preparing and submitting the Child Abuse Summary Report, form SS 8583, retaining copies of the Child Abuse Summary Report form SS 8583 and the Suspected Child Abuse Report form SS 8572, and the completion of the Notice of Child Abuse Central Index Listing, form SOC 832, are approved elsewhere in this analysis, and incorporated within the parameters and guidelines, as appropriate. The remaining proposed activities are denied.

C. Claim Preparation and RRM Proposal (Section V. of Proposed Parameters and Guidelines)

The claimant has proposed standard times RRMs for specified activities, including investigative activities performed by law enforcement agencies, and complying with reporting and notice

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[203] Exhibit A, Test Claim Statement of Decision, at pp. 15-16 [Duties alleged under Penal Code section11166 "are not required of local entities, but of mandated reporters as individual citizens," and are therefore not a reimbursable state-mandated new program or higher level of service].

[204] Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, at pp. 23-24.

[205] Code of Regulations, title 11, section 902 (Reg. 2002, No. 17; Reg. 2006, No. 19; Reg. 2010, No. 2).

requirements by county welfare departments. The claimant's proposed RRMs will be incorporated into the discussion below, where relevant.

For the following reasons, the Commission finds that the evidence and exhibits submitted are not sufficient to support adoption of the proposed RRMs, consistent with the constitutional and statutory requirements of RRMs, and of Commission decisions generally. While an RRM proposal need not be based on actual cost data, nor precisely reimburse every dollar to every claimant, an RRM must reasonably reimburse claimants for the costs mandated by the state, and an RRM proposal must be based on substantial evidence, like any other Commission decision. Here, as discussed below, there is not sufficient evidence in the record to meet the substantial evidence standard, and to adopt the RRMs for reimbursement on the basis of this record.

Thus, the parameters and guidelines include the Commission's standard language for actual cost reimbursement in Section V, requiring documentation to support the claims for reimbursement.

1. The Purpose of an RRM is to Reimburse Local Government Efficiently and Simply, with Minimal Auditing and Documentation Required.

a. <u>The RRM proposal meets the minimal statutory requirements for adoption of an RRM.</u>

The reimbursement obligation of article XIII B, section 6 was "enshrined in the Constitution ... to provide local entities with the assurance that state mandates would not place additional burdens on their increasingly limited revenue resources."[206] Section 17561(a) states: "[t]he state *shall* reimburse each local agency and school district for *all* 'costs mandated by the state,' as defined in Section 17514."[207] The courts have interpreted the constitutional and statutory scheme as requiring "full" payment of the actual costs incurred by a local entity once a mandate is determined by the Commission.[208] The statutes providing for the adoption of an RRM, along with the other statutes in this part of the Government Code, are intended to implement article XIII B, section 6.[209]

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[206] *Lucia Mar Unified School Dist. v. Honig* (1988) 44 Cal.3d 830, 836, fn. 6; *County of Sonoma v. Commission on State Mandates* (2000) 84 Cal.App.4th 1264, 1282; *CSBA v. State of California* (2011) 192 Cal.App.4th 770, 785-786.

[207] Government Code section 17561 (Stats. 2009, ch. 4, § 4 (SB3X 8)) [emphasis added].

[208] *CSBA v. State of California* (*CSBA II*) (Cal. Ct. App. 4th Dist. 2011) 192 Cal.App.4th 770, 786; *County of Sonoma v. Commission on State Mandates* (Cal. Ct. App. 1st Dist. 2000) 84 Cal.App.4th 1264, 1284. The court in *County of Sonoma* recognized that the goal of article XIII B, section 6 was to prevent the state from forcing extra programs on local government in a manner that negates their careful budgeting of expenditures, and that a forced program is one that results in "increased actual expenditures." The court further noted the statutory mandates process that refers to the reimbursement of "actual costs incurred."

See also, Government Code sections 17522 defining "annual reimbursement claim" to mean a claim for "actual costs incurred in a prior fiscal year; and Government Code section 17560(d)(2) and (3), referring to the Controller's audit to verify the "actual amount of the mandated costs."

[209] Government Code section 17500 et seq.

Statutory provision for the adoption of an RRM was originally enacted in 2004, and amended in 2007 to promote greater flexibility.[210] Former section 17518.5 provided that an RRM must "meet the following conditions:"

> (1) The total amount to be reimbursed statewide is equivalent to total estimated local agency and school district costs to implement the mandate in a cost-efficient manner.
>
> (2) For 50 percent or more of eligible local agency and school district claimants, the amount reimbursed is estimated to fully offset their projected costs to implement the mandate in a cost-efficient manner.[211]

The LAO found in a 2007 report that measurement of marginal costs was "complex," and that documentation requirements made it difficult to file claims and led to disputes with the Controller. LAO's recommendation to address these issues was to "[e]xpand the use of unit-based and *other simple claiming methodologies* by clarifying the type of easy-to-administer methodologies that the Legislature envisioned when it enacted this statute."[212] The LAO's recommendations were implemented in Statutes 2007, chapter 329 (AB 1222). Section 17518.5 now defines an RRM as follows:

> (a) "Reasonable reimbursement methodology" means a formula for reimbursing local agencies and school districts for costs mandated by the state, as defined in Section 17514.
>
> (b) A reasonable reimbursement methodology shall be based on cost information from a representative sample of eligible claimants, information provided by associations of local agencies and school districts, or projections of other 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

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[210] Government Code section 17518.5 (enacted by Stats. 2004, ch. 890 (AB 2856); amended by Stats. 2007, ch. 329 (AB 1222)).

[211] Government Code section 17518.5 (Stats. 2004, ch. 890 § 6 (AB 2856)).

[212] Exhibit X, "State-Local Working Group Proposal to Improve the Mandate Process," Legislative Analyst's Office, June 21, 2007, page 3. See also, Assembly Bill Analysis of AB 2856 (2004), concurrence in Senate Amendments of August 17, 2004; Assembly Bill Analysis of AB 1222 (2007), concurrence in Senate Amendments of September 4, 2007. These bill analyses identify the purpose of the RRM process is to "streamline the documentation and reporting process for mandates."; *Kaufman & Broad Communities, Inch. v. Performance Plastering* (Cal. Ct. App. 3d Dist. 2005) 133 Cal.App.4th 26, at pp. 31-32 [Reports of the Legislative Analyst's Office may properly be considered, as legislative history, to determine the legislative intent of a statute].

approximations of local costs mandated by the state, rather than detailed documentation of actual costs . . . .

(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. [213]

An RRM diverges from the traditional requirement of supporting a reimbursement claim with detailed documentation of actual costs incurred and, instead, applies a standard formula or single standard unit cost, based on approximations of local costs mandated by the state. A unit cost or, in this case, unit times, based on approximations or other projections may result in some entities receiving more than their actual costs incurred to comply with a mandated program, and some receiving less. As the following analysis will demonstrate, the statutory requirements are highly flexible, but whether approval of RRM is legally supportable turns on whether it reasonably reimburses eligible claimants for their actual costs and whether it is supported by substantial evidence in the record.

A unit cost must represent a reasonable approximation of the costs incurred by eligible claimants to implement the state-mandated program, in order to comply with the constitutional requirement that *all costs mandated by the state* be reimbursed to a local government entity. In certain circumstances, a unit cost based on a significant or large variation of costs reported may not reasonably represent the costs incurred by eligible claimants and, thus, may not comply with the requirements of article XIII B, section 6 of the California Constitution. On the other hand, given the purpose of the RRM, to "balance accuracy with simplicity," some degree of variation in costs is permissible.[214]

The statutory requirements to adopt an RRM are minimal, and very broad. Government Code section 17518.5, as amended in 2007, eliminates both the prior rule that 50% of eligible claimants have their costs fully offset, and the rule that the total amount to be reimbursed under an RRM must be equal to the total statewide cost estimate. The new statute provides less stringent requirements for documentation of costs, and less burdensome measuring of the marginal costs of higher levels of service.[215] In other words, rather than providing rigid requirements or elements to which an RRM proposal for adoption must adhere, the amended statute focuses on the *sources of information for the development of an RRM*, and only requires

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[213] Government Code section 17518.5(b-d) (Stats. 2007, ch. 329 § 1 (AB 1222)).

[214] Government Code section 17557 (Stats. 2010, ch. 719 (SB 856) § 32).

[215] *Kaufman & Broad Communities*, *supra*, 133 Cal.App.4th 26, at pp. 31-32 [LAO reports may be relied upon as evidence of legislative history].

that the end result "balances accuracy with simplicity."[216] The Commission's regulations which implement the RRM statute (section 17518.5) also focus on the information to be used, rather than any specific degree of precision or accuracy necessary.[217] Implicit, however, is the constitutional requirement that the end result must reasonably reimburse claimants for their actual mandated costs, as required by article XIII B, section 6.

The statute provides that detailed, actual cost information is not required to develop an RRM. Section 17518.5 provides that an RRM "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 other local costs*."[218] The statute does not *require* any one of these options; it merely outlines these as *possible sources* for the development of evidence to support an RRM. "[C]ost information from a representative sample of eligible claimants" is only *one source of evidence* upon which to base an RRM, along with "information provided by associations of local agencies and school districts, or *other projections* of local costs."[219] Thus, whether the sample size, or the constitution of the sample, is representative is not dispositive on the question whether an RRM may be adopted. Moreover, section 1183.13 of the Commission's regulations provides that a "representative sample of claimants does not include eligible claimants *that do not respond to surveys or otherwise participate* in submitting cost data."[220]

In addition, the statute provides that an RRM "[w]henever possible… 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 costs."[221]

And finally, section 17518.5(c) provides that an RRM "shall *consider* the variation in costs among local agencies and school districts to implement the mandate in a cost-efficient manner." The section does not require that an RRM *address* such variation, or that it *mitigate* or *eliminate* such variation.

Here, the law enforcement surveys upon which the RRMs are based were responded to by twelve law enforcement agencies that together "serve over half the state's population."[222] The county welfare surveys were responded to by eight counties, serving "well over 50 percent of the State's population."[223] The law enforcement surveys were developed by the Los Angeles County Sheriff's Department, in cooperation with the California State Association of Counties and the

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[216] Government Code section 17557.

[217] Government Code section 17518.5(b-d) (Stats. 2007, ch. 329 § 1 (AB 1222)); Code of Regulations, title 2, section 1183.131.

[218] Government Code section 17518.5(b) (Stats. 2007, ch. 329 § 1 (AB 1222)).

[219] Government Code section 17518.5 (Stats. 2007, ch. 329 (AB 1222) § 1) [emphasis added].

[220] Code of Regulations, Title 2, section 1183.13 (Register 2008, No. 17).

[221] Government Code section 17518.5(d) (Stats. 2007, ch. 329 § 1 (AB 1222)).

[222] Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, Narrative at p. 11.

[223] *Id*, at p. 19.

League of California Cities.[224] The county welfare department surveys were developed by "a core team of [Los Angeles] County staff, California Welfare Directors Association staff, and State Department of Social Services staff."

The RRM proposal includes standard times RRMs for specified activities. The survey data upon which the RRMs are based does not require actual dollar amounts for the specified activities, but rather focuses on the time expended for those activities, and bases reimbursement on those standard times applied to an individual claimant's "blended productive hourly rate, in accordance with long established State Controller's Office Instructions."[225] In this respect the RRMs are not based on "detailed documentation of actual costs," but rather on a formula, based on survey data, or on what might be characterized as "other approximations."[226] In rebuttal comments submitted in response to agency and other party comments, the claimant submitted a second revised proposed parameters and guidelines, which narrows the activities for which the claimant seeks reimbursement under the RRMs, but the surveys upon which the standard times RRMs are based are the same, and the analysis herein is therefore unchanged.[227]

Thus, the claimant has submitted survey results from local agencies who responded to the survey request, and who represent over half the state's population. The Commission may find that this constitutes a representative sample, in accordance with the ordinary meanings of "representative" and "sample," and with the definition found in the Commission's regulations, if the survey results are supported by admissible evidence in the record.[228]

In addition, the claimant has submitted a standard times RRM, which could easily be characterized as a "general allocation formula…[or] other approximations of local costs." To the extent that the RRM is based on time data rather than cost data, it is consistent with the minimal requirements of the statute.[229]

Finally, although hourly rates of pay and benefits might vary from one county or city to another, it is not necessary to examine whether and to what extent that variation impacts the total costs of implementing the mandate, because the application of "standard times" to the hourly rates of personnel in different cities and counties will account for the variation, as long as the times themselves are defensible. In this way a standard times proposal does address, and arguably

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[224] Id, at p. 2; See also, Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, Declaration of Suzie Ferrell, at p. 6.

[225] Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, Narrative at pp. 11-12.

[226] Government Code section 17518.5 (Stats. 2007, ch. 329 (AB 1222)).

[227] See Exhibit F, Claimant Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at pp. 14-18 [The re-evaluation of the law enforcement RRMs "focused on whether a specific activity should remain in the RRM or be removed. Fortunately, a new time survey of specific activities was not necessary as the standard time component for each activity was discernable."].

[228] Exhibit X, Webster's New International Dictionary, ["representative," and "sample," defined]. See also Code of Regulations, Title 2, section 1183.13.

[229] *Ibid*.

mitigates, any variation in costs among local government, to the extent that personnel costs constitute a significant variable.

Based on the foregoing, the Commission finds that the data submitted, and the proposal based on those data, do "consider the variation" in local costs as required, in order to arrive at the unit times proposed, and otherwise meet the minimal requirements of section 17518.5.

b. <u>The RRM proposal is not supported by substantial evidence in the record.</u>

Despite the findings that the RRM broadly meets the requirements of section 17518.5, statutory enactments must be considered in the context of the entire statutory scheme of which they are a part and be harmonized with the statutory framework as a whole;[230] when the Legislature added section 17518.5 to the Government Code, it did not change the existing requirement in section 17559 that all of the Commission's findings be based on substantial evidence in the record. In 2010, the Commission clarified its regulations to specifically identify the quasi-judicial matters that are subject to these evidentiary rules, including proposed parameters and guidelines and requests to amend parameters and guidelines.[231] Thus, the plain language of the statutory and regulatory mandates scheme requires substantial evidence in the record to support the adoption of an RRM.

Substantial evidence has been defined in two ways: first, as evidence of ponderable legal significance...reasonable in nature, credible, and of solid value;[232] and second, as relevant evidence that a reasonable mind might accept as adequate to support a conclusion.[233] The California Supreme Court has stated that "[o]bviously the word [substantial] cannot be deemed synonymous with 'any' evidence."[234] Therefore the second of the above definitions is

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[230] *Renee J. v. Superior Court* (2001) 26 Cal.4th 735, 743.

[231] The courts, in recent lawsuits dealing with questions of fact, have determined that the Commission's conclusions were not supported by any evidence in the record and, thus, the Commission's decisions were determined invalid pursuant to Government Code section 17559 and Code of Civil Procedure section 1094.5. (See, *Department of Finance v. Commission on State Mandates* (2009) 170 Cal.App.4th 1355 [Peace Officer Procedural Bill of Rights, on the issue of practical compulsion]; *State of California Department of Finance, State Water Resources Control Board, et al. v. Commission on State Mandates and County of San Diego, et al.,* Sacramento County Superior Court, Case No. 34-2010-80000604 [Discharge of Stormwater Runoff, on the issue of whether the permit requirements are considered to fall within the Maximum Extent Practicable standard of federal law]; *State of California Department of Finance, State Water Resources Control Board, and California Regional Water Quality Control Board, Los Angeles Region v. Commission on State Mandates and County of Los Angeles, et al.,* Los Angeles County Superior Court, Case No. BS130730 [Municipal Storm Water and Urban Runoff Discharges, on the issue of whether the permit requirements are considered to fall within the Maximum Extent Practicable standard of federal law]).

[232] *County of Mariposa v. Yosemite West Associates* (Cal. Ct. App. 5th Dist. 1998) 202 Cal.App.3d 791, at p. 805.

[233] *Desmond v. County of Contra Costa* (1993) 21 Cal.App.4th 330, 335.

[234] *People v. Bassett* (1968) 69 Cal.2d 122, at p. 139.

appropriate to the standard for overturning and Commission decision in accordance with section 17559: relevant evidence that a reasonable mind might accept as adequate to support a conclusion. Substantial evidence is not submitted by a party; it is a standard of review, upon which a reviewing court will uphold the determinations of a lower court, or in this context, the Commission, if those findings are supported by substantial evidence. A court will not reweigh the evidence of a lower court, or of an agency exercising its adjudicative functions; rather a court is "obliged to consider the evidence in the light most favorable to the [agency], giving to it the benefit of every reasonable inference and resolving all conflicts in its favor."[235]

The Commission is not required to observe strict evidentiary rules, but its decisions must be reasonable, and grounded in fairness. Section 1187.5(a) of the Commission's regulations provides that when exercising the quasi-judicial functions of the Commission, "[a]ny relevant non-repetitive evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs."[236] This regulation is borrowed from the evidentiary requirements of the Administrative Procedures Act, which contains substantially the same language.[237] In addition, both the Commission's regulations and the Government Code permit the use of hearsay evidence and declarations "for the purpose of supplementing or explaining other evidence but [hearsay] shall not be sufficient in itself to support a finding unless it would be admissible over objection in a civil action."[238]

Therefore, in keeping with the applicable evidentiary standards provided by the statutes and regulations, and in an attempt to harmonize the case law with the clear import of statute and regulation, the following standards emerge: the Commission's decisions must be supported by "substantial evidence" under section 17559, but the conduct of hearings need not adhere to strict evidence rules pursuant to section 1187.5 of the Commission's regulations and Government Code section 11513(c); any relevant non-repetitive evidence *shall* be admitted if it is the sort of evidence on which responsible persons are accustomed to rely; hearsay evidence may be used to supplement or explain, although it shall not be sufficient to support a finding unless admissible over objection in civil actions.[239] Under section 11514, as referenced in the Commission's regulations, an affidavit or declaration may be "given the same effect as if the affiant had testified orally," if properly noticed and an opportunity to cross-examine the affiant is given.[240] Expert testimony, in the form of an affidavit, would be admissible if the Commission finds a witness qualified by special skill or training, and the testimony (here, declaration) is helpful to the Commission.[241] Furthermore, surveys of eligible claimants as a method of gathering cost

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[235] *Martin v. State Personnel Board* (Cal. Ct. App. 3d Dist. 1972) 26 Cal.App.3d 573, at p. 577.

[236] Code of Regulations, Title 2, section 1187.5.

[237] Government Code section 11513.

[238] Code of Regulations, title 2, section 1187.5; Government Code section 11514 [providing for use of affidavits in lieu of testimony].

[239] California Code of Regulations, Title 2, section 1187.5.

[240] Government Code section 11514(a) (Stats. 1947, ch. 491 § 6).

[241] Evidence Code sections 720; 801 (Stats. 1965, ch. 299 § 2).

data are contemplated by the statute and the regulations as a viable form of evidence, but they must be admissible under the Commission's regulations and the evidence rules, as discussed.[242]

The claimant has proposed standard times RRMs for investigative activities performed by law enforcement, and for reporting and notice activities performed by county welfare departments, as follows:

> Level - 1 No Child Abuse Based on Preliminary Information (Suspected Child Abuse Report (SCAR) or Call-for-Service).
>
> All child abuse reports, whether from mandated reporters, the public or a cross-reporting agency department, must be logged in, reviewed, investigated and closed with no further action taken if no child abuse is indicated based on information received by the agency.
>
> The standard time for Level 1 is 102 minutes.
>
> Level 2 - Patrol Officer Investigation, No Child Abuse
>
> All child abuse reports, whether from mandated reporters, the public or a cross-reporting agency department, must be logged in, reviewed, investigated and if child abuse is not suspected after a patrol officer's investigation, the incident must be documented and closed.
>
> The standard time for Level 2 is 268 minutes.
>
> Level 3 - Reported CACI Investigation
>
> All child abuse allegations, whether from mandated reporters, the public or a cross-reporting agency department, must be logged in, reviewed, and investigated. If suspected child abuse has not been ruled out after a patrol officer's investigation, an in depth investigation must be completed to determine if the child abuse is "unfounded," "inconclusive," or "substantiated."
>
> If child abuse is "substantiated"' or "inconclusive," it must be reported to the State Department of Justice. Before it is reported, certain Level 3 steps, which go beyond those found in Level 1 and 2, must be performed.
>
> The standard time for Level 3 is 838 minutes.
>
> Actual cost reimbursement is available for additional services not found in the Level 3 RRM. These services are described in IV.C(D) below.
>
> The standard times for county welfare agencies are:
>
> 1. Completion of the Child Abuse Summary Report (SS 8583) form
>
> The standard time is 22 minutes.
>
> 2. Completion of the Suspected Child Abuse Report (SS 8572) form.
>
> The standard time is 23 minutes.

[242] Government Code section 17518.5; Code of Regulations, Title 2, section 1183.13.

3. Completion of the Notice of Child Abuse Central Index Listing (SOC 832) form.

The standard time is 13 minutes.

4. Filing copies of the SS 8583 and SS 8572 forms with a copy of the investigative report.

The standard time is 22 minutes.

5. Response to DOJ inquires.

The standard time is 9 minutes.[243]

Based on the record here, the Commission does not have substantial evidence upon which to base a decision to adopt the standard times RRMs proposed for law enforcement.

The declarations of Suzie Ferrell and Daniel Scott state that the law enforcement surveys were developed on the basis of the investigative activities necessary to complete the ICAN mandated activities, and that the activities included in the surveys are "reasonably necessary in conducting ICAN investigations, preparing ICAN reports, and performing other ICAN required duties."[244] The Ferrell declaration also states that "it is my information and belief that the average or standard time for each ICAN step…is based on a representative sample of law enforcement agencies." In an additional declaration attached to the claimant's rebuttal comments and second revised proposed parameters and guidelines, Ms. Ferrell states, with slightly more specificity, that "the replacement RRM, found in Exhibit 1 of this filing, contains only those activities that are reasonably necessary in order to complete the state 'Child Abuse Investigation Report' Form SS 8583."[245]

As discussed above with respect to reimbursable activities, these proposed RRMs, if supported with substantial evidence, could be only partially approved, despite the assertions of Mr. Scott and Ms. Ferrell, because the activities underpinning the proposed RRMs exceed the scope of the mandate, and the scope of what is reimbursable under article XIII B, section 6. Notwithstanding their information and belief that the steps described in the law enforcement RRMs are necessary to complete ICAN investigations, the activities beyond investigation by patrol officers for purposes of preparing the report required by section 11169, as discussed, are not reimbursable, because those activities exceed the scope of what was approved in the test claim statement of decision; they exceed the scope of what is reasonably necessary to carry out the mandate (i.e., to determine whether a report is unfounded); and they exceed the scope of what is reimbursable under article XIII B, section 6 and Government Code section 17556.[246]

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[243] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at pp. 26-27.

[244] Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, Exhibit 1, Declaration of Suzie Ferrell, at p. 6.

[245] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 47.

[246] See discussion above at section (B.)(3.), p. 34 and following.

Based on the analysis above, the law enforcement RRMs are denied.

Moreover, just as with the law enforcement standard times proposed, the claimant has submitted only summary survey results for county welfare departments' activities, along with the survey questions distributed to eligible claimants.[247] As discussed above, the surveys were returned by eight eligible claimants, representing, according to the claimant's evidence, more than fifty percent of the state's population. But nowhere in the claimant's submissions is there any evidence of the raw data returned. Only the conclusions are stated, in the form of standard times calculated by the claimant. This evidence is not sufficient in itself to support the Commission's decision to approve the proposed RRMs.

Based on the foregoing, proposed RRMs for county welfare departments are denied.

D. Offsetting Revenues and Reimbursements (Section VII. of Proposed Parameters and Guidelines)

The Commission's regulations require parameters and guidelines to identify offsetting revenues that may apply to the program as follows:

i. Dedicated state and federal funds appropriated for this program

ii. Non-local agency funds dedicated for this program.

iii. Local agency's general purpose funds for this program.

iv. Fee authority to offset partial costs of this program.[248]

These items, required to be identified, do not undermine the Commission's finding that a program is reimbursable unless there is also a finding that the funding is sufficient to cover the costs of the program under section 17556(e), which is not the case here.

In addition, parameters and guidelines for *all* programs recently adopted state substantially as follows:

> Any offsetting revenue 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 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.

Therefore, even if the parameters and guidelines do not specifically highlight required or potential offsetting revenues, the Controller has authority to reduce reimbursement when other non-tax revenues are applied to mandated costs.

Based on the comments of parties and interested parties, and the plain language of the 2011 Realignment statutes, the Commission determines in the analysis below that non-local funds for child welfare services are identified as potentially offsetting revenue, but 2011 Realignment Funds are not offsetting revenue for purposes of ICAN mandated activities.

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[247] Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, Exhibit 10, Child Abuse and Neglect Reporting Act Time Study Survey Questions, at pp. 2-3.

[248] Code of Regulations, Title 2, section 1183.1 (Register 2005, No. 36).

Here, as noted above, DOF and CDSS raised in their comments on the draft staff analysis an issue of offsetting revenue, and suggested that funding provided by the state, both prior to and including in the 2011 realignment, and possibly the language of article XIII, section 36 of the California Constitution might limit reimbursement going forward for the ICAN activities.[249] Specifically, CDSS suggested that "until the 2011 realignment of child welfare services, on the child welfare side counties have received significant state funding for the activities of social workers, for whom many of the activities identified in this mandate is [*sic*] a core function of their work." CDSS went on to assert that "[w]e also would expect the Commission to consider the implications of the realignment agreements' statutory and constitutional changes in any reimbursable cost estimates beyond 2011." And CDSS suggested as well that "the Commission should consider the revenues received by counties as a result of the 1991-92 Realignment of Child Welfare Services Programs (AB 948 Chapter 91 (1991)) as a potential offset to county costs for mandated activities."[250]

DOF asserted, in its comments on the draft proposed statement of decision, that "to the extent that 2011 Realignment funds [counties] for conducting ICAN activities, under Article XIII, section 36 of the California Constitution…the departments are required to conduct the mandated activities only insofar as funding is provided by 2011 Realignment [*sic*]."[251]

In response to these comments, Commission staff issued a request for comments on this new substantive issue.[252] Specifically, staff requested additional briefing on the following three questions:

1. Are the approved activities under the ICAN statutes (Penal Code sections 11165.9, 11166, 11166.2, 11166.9,[253] 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9)) part of "child abuse prevention, intervention, and treatment services as those costs and services are described in statute and regulation," for purposes of the funding directed to the Child Abuse Prevention Subaccount? And, if so, do such funds constitute a potential or required offset?
2. Does the shift of complete or partial funding responsibility from the state to local governments of existing approved mandated activities result in a mandate "imposed by the 2011 Realignment Legislation" within the meaning of paragraph (3)?

[249] Exhibit M, CDSS Comments on Draft Proposed Statement of Decision and Parameters and Guidelines; Exhibit L, DOF Comments on Draft Proposed Statement of Decision and Parameters and Guidelines.

[250] Exhibit M, CDSS Comments on Draft Proposed Statement of Decision and Parameters and Guidelines.

[251] Exhibit L, DOF Comments on Draft Proposed Statement of Decision and Parameters and Guidelines.

[252] Exhibit N, Commission Request for Comments.

[253] Renumbered at Penal Code section 11174.34 (Stats. 2004, ch. 842 (SB 1313)).

3. Does article XIII, section 36 require, as suggested by DOF, that an existing mandated program funded under the 2011 Realignment is mandated only to the extent of funding, or does that limitation apply only to future new programs or increases in levels of service related to a funded program?

CSAC responded to the request first, arguing that the approved ICAN activities "are not among the 'public safety services' that are covered by section 36 of article XIII of the California Constitution." CSAC maintains that "[t]here is nothing in Prop. 30 that broadly exempts from reimbursement any program that could potentially fit within the definition of 'public safety services.'" CSAC concludes that under article XIII, section 36, public safety services "are only exempt from reimbursement if they were assigned to local agencies by 2011 Realignment Legislation," and that the mandated ICAN activities were not transferred to local agencies by the 2011 Realignment Legislation, and therefore reimbursement is not affected.[254]

The claimant also responded to the request for comment, arguing that the ICAN mandated activities "were already assigned to local agencies prior to enactment of the 2011 Realignment Legislation," and that the Realignment Legislation "specifically details, by statutory reference, which Public Safety Services responsibilities are assigned to local agencies as a result of that legislation." The claimant concludes that "[b]ecause the ICAN statutes at issue have not been assigned to local agencies pursuant to the 2011 Realignment Legislation, but instead were preexisting mandates, they are not part of the 'child abuse prevention, intervention, and treatment services' referenced in Government Code section 30025(f)(16)(A)(vi)."[255]

And finally, DOF also responded to the request for comments, concluding that "[a]fter deliberating the questions, as well as the ICAN activities," there is no effect on the ICAN mandate resulting from article XIII, section 36. DOF asserts that "there is no statute that identifies and/or describes specific funding for ICAN activities," and that "Finance does not believe that the 2011 Realignment Legislation shifted complete or partial funding responsibility from the state to local government." Finance concludes that article XIII, section 36 only applies to limit reimbursement for "Legislation enacted after September 30th, 2012 that has the overall effect of increasing costs already incurred by a local agency for programs or levels of service mandated by 2011 Realignment Legislation."[256]

a. <u>The non-local share of child welfare services funding is identified as potentially offsetting revenue against costs mandated by the state.</u>

CDSS has suggested that counties receive "significant state funding for the activities of social workers," which, as discussed above, include referring cases of child abuse to DOJ, and conducting investigative activities under the ICAN statutes.[257] CDSS points to the 1991 realignment of health, mental health, and social services, in which the responsibilities of certain programs were shifted from the state to the counties, and the ratio of state to local funding was

[254] Exhibit P, CSAC Response to Commission Request for Comment, at pp. 1-2.

[255] Exhibit Q, County of Los Angeles Response to Commission Request for Comments.

[256] Exhibit R, DOF Response to Commission Request for Comments, at pp. 1-2.

[257] Exhibit M, CDSS Comments on Draft Proposed Statement of Decision and Parameters and Guidelines.

shifted, with a corresponding dedicated revenue stream to make up the difference. Prior to the 1991 Realignment, child welfare services funding was made up of 74 percent state and 24 percent local revenues. The 1991 Realignment altered the ratio to 70 percent state funding and 30 percent local funding, while at the same time increasing the state sales tax by one-half percent, and directing a larger share of the VLF revenues to local governments to cover the costs of realignment.[258]

There is no evidence in the record as to exactly what portion of the 70 percent state funding, or the increased local funding, is directed to the ICAN activities, if any, and Statutes 1991, chapter 91 (AB 948) does not specifically cite the prevention of child abuse as a purpose or priority of either source of funds. Accordingly, the Manual of Policies and Procedures, an excerpt of which was included in the claimant's exhibits, and which is cited above with respect to the scope of reimbursable activities, shows that ICAN duties are among those expected of Child Welfare Services agencies, but are not the only charge and expectation of those agencies. In addition, the Manual relies on the Welfare and Institutions Code for authority, rather than the Penal Code sections that impose the ICAN mandated activities. Thus, due to a lack of evidence in the record, the Commission cannot find, as a matter of law, that the non-local funds provided for Child Welfare Services in the 1991 Realignment are sufficient to fund any certain amount or proportion of the costs mandated by the state.

To the extent non-local funds are applied to cover the costs of the mandated activities, the Controller may reduce reimbursement accordingly, consistent with article XIII B, section 6. Based on the foregoing, the Commission finds that non-local funding for child welfare services from July 1, 1999 through June 30, 2011, is identified as potentially offsetting revenues against costs mandated by the state

b. <u>The 2011 realignment does not provide off-setting revenue to this program.</u>

As of November 3, 2004, article XIII B, section 6(c) defines a "mandated new program or higher level of service" as including "a transfer by the Legislature from the State to cities, counties, cities and counties, or special districts of complete or partial financial responsibility for a required program for which the State previously had complete or partial financial responsibility."[259] Accordingly, after the 2011 Realignment Legislation was enacted, the LAO issued a report on the realignment, identifying several "pressing implementation issues," including a risk that the programs shifted to the local level could trigger new mandate reimbursement requirements.[260] The principal accomplishments of the realignment were to raise new revenues, and to shift from the state to local governments complete financial responsibility for required programs for which the state previously had complete or partial responsibility.[261] Although no eligible claimant has come forward to file a test claim on the 2011 Realignment statutes pursuant to article XIII B, section 6(c), the LAO expressed an opinion that the statutes facially appear to constitute a mandated new program or higher level of service, and are

[258] Exhibit X, LAO Analysis of 1991 Realignment, at pp. 3; 6.

[259] Adopted by the voters as Proposition 1A, November 2, 2004.

[260] Exhibit X, LAO Report on 2011 Realignment, at pp. 11; 19.

[261] Exhibit X, LAO Report on 2011 Realignment, at pp. 4-6.

substantially likely to expose the state to liability for mandate reimbursement.[262] Therefore, the LAO recommended that:

> The clearest way to ensure that the 2011 realignment package does not result in state reimbursable mandates would be for the state to pass a constitutional amendment similar to the one proposed by the Governor. That measure excluded the 2011 realignment program changes from the reimbursement requirement.[263]

The following year, the voters approved Proposition 30, on November 6, 2012. In addition to providing new revenue for a period of years, Proposition 30 added article XIII, section 36 to the California Constitution. Section 36 provides:

> (3) *Notwithstanding Section 6 of Article XIII B, or any other constitutional provision, a mandate of a new program or higher level of service on a local agency imposed by the 2011 Realignment Legislation, or by any regulation adopted or any executive order or administrative directive issued to implement that legislation, shall not constitute a mandate requiring the State to provide a subvention of funds within the meaning of that section*.
>
> (4)(A) Legislation enacted after September 30, 2012, that has an overall effect of increasing the costs already borne by a local agency for programs or levels of service mandated by the 2011 Realignment Legislation shall apply to local agencies only to the extent that the State provides annual funding for the cost increase. Local agencies shall not be obligated to provide programs or levels of service required by legislation, described in this subparagraph, above the level for which funding has been provided.
>
> (B) Regulations, executive orders, or administrative directives, implemented after October 9, 2011, that are not necessary to implement the 2011 Realignment Legislation, and that have an overall effect of increasing the costs already borne by a local agency for programs or levels of service mandated by the 2011 Realignment Legislation, shall apply to local agencies only to the extent that the State provides annual funding for the cost increase. Local agencies shall not be obligated to provide programs or levels of service pursuant to new regulations, executive orders, or administrative directives, described in this subparagraph, above the level for which funding has been provided.[264]

DOF suggested that Proposition 30 might end reimbursement for county welfare departments for ICAN activities:

> [I]n regards to county welfare departments, to the extent that 2011 Realignment funds them for conducting the ICAN activities, under Article XIII, section 36 of the California Constitution, if the Commission outlines reimbursable activities

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[262] Exhibit X, LAO Report on 2011 Realignment, at pp. 11; 19.

[263] Exhibit X, LAO Report on 2011 Realignment, at pp. 11; 19.

[264] California Constitution, article XIII, section 36(c) (adopted November 6, 2012) [emphasis added].

> that cause these departments to incur costs that are in excess of what 2011 Realignment funds, the departments are required to conduct the activities only insofar as funding is provided by 2011 Realignment. Activities that result in costs in excess of what 2011 Realignment provides are not reimbursable mandates and the county welfare departments may conduct those additional activities if they have resources to do so.[265]

But the plain language of the above-quoted provisions of Proposition 30 (now article XIII, section 36) does not support that conclusion. Ultimately, DOF concluded "after deliberating" that reimbursement for ICAN activities is not affected by Proposition 30. Rather, DOF asserts that article XIII, section 36 only applies to limit reimbursement for Legislation enacted after September 30, 2012 that "has the overall effect of increasing costs already incurred by a local agency for programs or levels of service mandated by 2011 Realignment Legislation." DOF also states that it "does not believe that the 2011 Realignment Legislation shifted complete or partial funding responsibility from the state to local government," for the ICAN mandated activities, and that "there is no statute that identifies and/or describes specific funding for ICAN activities." Therefore, DOF concludes that "the approved activities under the ICAN statutes are reimbursable under the law."[266] This conclusion is consistent with the comments submitted by claimant and CSAC, as well as the plain language of article XIII, section 36.

Therefore, the Commission finds that the 2011 Realignment Legislation, coupled with Proposition 30, had no effect on mandate reimbursement for the approved activities identified in the ICAN test claim statement of decision.

V. CONCLUSION

For the foregoing reasons the Commission hereby adopts the attached proposed parameters and guidelines, providing for actual cost reimbursement of the activities approved in the test claim statement of decision and the reasonably necessary activities, as analyzed above.

[265] Exhibit L, DOF Comments on Draft Proposed Statement of Decision and Parameters and Guidelines.

[266] Exhibit R, DOF Response to Commission Request for Comments.

BEFORE THE

COMMISSION ON STATE MANDATES

STATE OF CALIFORNIA

IN RE PARAMETERS AND GUIDELINES:

Penal Code Sections 11165.9, 11166,11166.2, 11166.9, 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapters 1289 and 1496; Statutes 1987, Chapters 82, 531 and 1459; Statutes 1988, Chapters 269, 1497 and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapters 650, 1330, 1363 and 1603; Statutes 1992, Chapters 163, 459 and 1338; Statutes 1993, Chapters 219 and 510; Statutes 1996, Chapters 1080 and 1081; Statutes 1997, Chapters 842, 843 and 844; Statutes 1999, Chapters 475 and 1012; and Statutes 2000, Chapter 916

California Code of Regulations, Title 11, Section 903 (Register 98, No. 29)

"Child Abuse Investigation Report" Form SS 8583 (Rev. 3/91)

Period of reimbursement begins July 1, 1999, or later for specified activities added by subsequent statutes. Reimbursement ends for specified activities on January 1, 2012.

Case No.: 00-TC-22

Interagency Child Abuse and Neglect Investigation Reports

STATEMENT OF DECISION PURSUANT TO GOVERNMENT CODE SECTION 17500 ET SEQ.; CALIFORNIA CODE OF REGULATIONS, TITLE 2, DIVISION 2, CHAPTER 2.5, ARTICLE 7

(*Adopted December 6, 2013*)

(*Served December 16, 2013*)

PARAMETERS AND GUIDELINES

The Commission on State Mandates adopted the attached parameters and guidelines on December 6, 2013.

Heather Halsey, Executive Director

Adopted: December 6, 2013

PARAMETERS AND GUIDELINES

Penal Code Sections 11165.9, 11166, 11166.2, 11166.9[1], 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapters 1289 and 1496; Statutes 1987, Chapters 82, 531, and 1459; Statutes 1988, Chapters 269, 1497, and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapters 650, 1330, 1363, and 1603; Statutes 1992, Chapters 163, 459, and 1338; Statutes 1993, Chapters 219 and 510; Statutes 1996, Chapters 1080 and 1081; Statutes 1997, Chapters 842, 843, and 844; Statutes 1999, Chapters 475 and 1012; and Statutes 2000, Chapter 916

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Interagency Child Abuse and Neglect Investigation Reports
00-TC-22

Period of reimbursement begins July 1, 1999,
or later for specified activities added by subsequent statutes.

I. SUMMARY OF THE MANDATE

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

The act, as amended, provides for reporting of suspected child abuse or neglect by certain individuals, identified by their profession as having frequent contact with children. The act provides rules and procedures for local agencies, including law enforcement, receiving such reports. The act provides for cross-reporting among law enforcement and other child protective agencies, and to licensing agencies and district attorneys' offices. The act requires reporting to the DOJ when a report of suspected child abuse is "not unfounded." The act requires an active investigation before a report can be forwarded to the DOJ. As of January 1, 2012, the act no longer requires law enforcement agencies to report to the DOJ, and now requires reporting only of "substantiated" reports by other agencies. The act imposes additional cross-reporting and recordkeeping duties in the event of a child's death from abuse or neglect. The act requires agencies and the DOJ to keep records of investigations for a minimum of 10 years, and to notify

[1] Renumbered at Penal Code section 11174.34 (Stats. 2004, ch. 842 (SB 1313)).

suspected child abusers that they have been listed in the Child Abuse Central Index. The act imposes certain due process protections owed to persons listed in the index, and provides certain other situations in which a person would be notified of his or her listing in the index.

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

II. ELIGIBLE CLAIMANTS

Any city, county, and city and county that incurs increased costs as a result of this mandate is eligible to claim reimbursement.

III. PERIOD OF REIMBURSEMENT

Government Code section 17557(e) states that a test claim shall be submitted on or before June 30 following a given fiscal year to establish eligibility for that fiscal year. The County of Los Angeles filed the test claim on June 29, 2001, establishing eligibility for reimbursement for the 1999-2000 fiscal year. Therefore, costs incurred on or after July 1, 1999 are reimbursable under this test claim, for statutes in effect before July 1, 1999, or later periods as specified for statutes effective after July 1, 1999.

However, Penal Code section 11169 was amended in Statutes 2011, chapter 468 (AB 717), effective January 1, 2012, to repeal the mandate for law enforcement agencies to report to DOJ, and to require that all other affected departments in the local agencies report to DOJ only "substantiated" reports of suspected child abuse, and not "inconclusive" reports. Thus, law enforcement agencies are eligible for reimbursement for the costs of completing investigations of suspected child abuse in order to determine whether a report of suspected child abuse is unfounded, inconclusive, or substantiated, for the purpose of forwarding those reports to DOJ from July 1, 1999 until December 31, 2011, when the mandate was repealed. In addition, law enforcement agencies are eligible for reimbursement for the costs of notifying suspected abusers that they have been listed in the Child Abuse Central Index at the time that a report is submitted to DOJ from July 1, 1999 until December 31, 2011, when the mandate to forward reports to DOJ was repealed.

For all other affected departments in the local agencies, the reimbursement period for forwarding reports that are "inconclusive" to DOJ is from July 1, 1999 until December 31, 2011, due to a subsequent change in Penal Code section 11169 by Statutes 2011, chapter 468 (AB 717). On and after January 1, 2012, only forwarding reports to DOJ that are "substantiated" is reimbursable.

Reimbursement for state-mandated costs may be claimed as follows:

1. Actual costs for one fiscal year shall be included in each claim.
2. Pursuant to Government Code section 17561(d)(1)(A), all claims for reimbursement of initial fiscal year costs shall be submitted to the State Controller within 120 days of the issuance date for the claiming instructions.
3. Pursuant to Government Code section 17560(a), a local agency may, by February 15 following the fiscal year in which costs were incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year.
4. If revised claiming instructions are issued by the Controller pursuant to Government Code section 17558(c), 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. (Government Code section 17560(b).)
5. If the total costs for a given fiscal year do not exceed $1,000, no reimbursement shall be allowed except as otherwise allowed by Government Code section 17564(a).
6. There shall be no reimbursement for any period in which the Legislature has suspended the operation of a mandate pursuant to state law.

IV. REIMBURSABLE ACTIVITIES

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed.

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

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

Claimants may use time studies to support salary and benefit costs when an activity is task-repetitive. Activities that require varying levels of effort are not appropriate for time studies. Claimants wishing to use time studies to support salary and benefit costs are required to comply with the State Controller's Time-Study Guidelines before a time study is conducted. 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 below. Increased cost is limited to the cost of an activity that the claimant is required to incur as a result of the mandate.

For each eligible claimant that incurs increased costs, the following activities are reimbursable:

A. One-Time Activities

1. Policies and Procedures

City and county police or sheriff's departments, county welfare departments, and county probation departments where designated by the county to receive mandated reports, may claim reimbursement for the increased costs to:

a. Update Departmental policies and procedures necessary to comply with the reimbursable activities identified in IV B. (One-time costs only)

b. Develop ICAN due process procedures reasonably necessary to comply with federal due process procedural protections under the 14th Amendment which need to be afforded suspects reported to the DOJ's Child Abuse Central Index [CACI]. (One-time costs only)

2. Training

City and county police or sheriff's departments, county welfare departments, and county probation departments where designated by the county to receive mandated reports, may claim reimbursement for the increased costs to:

> Develop and implement training for ICAN staff to implement State Department of Justice (DOJ) ICAN requirements. Reimbursable specialized ICAN training costs include those incurred to compensate instructors for their time in participating in training sessions and to provide necessary facilities, training materials and audio visual presentations. (One time per employee whose job responsibilities involve ICAN mandated activities)

B. On-going Activities

1. Distributing the Suspected Child Abuse Report Form

City and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall:

a. Distribute the child abuse reporting form adopted by DOJ (currently known as the "Suspected Child Abuse Report" Form SS 8572) to mandated reporters.[2]

2. Reporting Between Local Departments

a. Accepting and Referring Initial Child Abuse Reports when a Department Lacks Jurisdiction:

City and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall:

Transfer a call electronically or immediately refer the case by telephone, fax, or electronic transmission, to an agency with proper jurisdiction, whenever the

[2] Penal Code section 11168, as added by Statutes 1980, chapter 1071 and amended by Statutes 2000, chapter 916.

department lacks subject matter or geographical jurisdiction over an incoming report of suspected child abuse or neglect.[3]

b. Cross-Reporting of Suspected Child Abuse or Neglect from County Welfare and Probation Departments to the Law Enforcement Agency with Jurisdiction and the District Attorney's Office:

1) County probation departments shall:

i. Report by telephone immediately, or as soon as practically possible, to the law enforcement agency having jurisdiction over the case, to the agency given the responsibility for investigation of cases under Section 300 of the Welfare and Institutions Code, and to the district attorney's office every known or suspected instance of child abuse, as defined in Penal Code section 11165.6, except acts or omissions coming within subdivision (b) of section 11165.2, or reports made pursuant to section 11165.13 based on risk to a child which relates solely to the inability of the parent to provide the child with regular care due to the parent's substance abuse, which shall be reported only to the county welfare department.

ii. Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under Penal Code section 11166.

As of January 1, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours.[4]

2) County welfare departments shall:

i. Report by telephone immediately, or as soon as practically possible, to the agency given the responsibility for investigation of cases under Section 300 of the Welfare and Institutions Code, and to the district attorney's office every known or suspected instance of child abuse, as defined in Penal Code section 11165.6, except acts or omissions coming within subdivision (b) of section 11165.2, or reports made pursuant to section 11165.13 based on risk to a child which relates solely to the inability of the parent to provide the child with regular care due to the parent's substance abuse, which shall be reported only to the county welfare department.

Reimbursement is not required for making an initial report of child abuse and neglect from a county welfare department to the law enforcement

[3] Penal Code sections 11165.9 (Stats. 2000, ch. 916, § 8 (AB 1241)).

[4] Penal Code section 11166 (h) (As added by Stats. 1980, ch. 1071; amended by Stats. 1981, ch. 435; Stats. 1982, ch. 905; Stats. 1984, ch. 1423; Stats. 1986, ch. 1289; Stats. 1987, ch. 1459; Stats. 1988, chs. 269 and 1580; Stats. 1990, ch. 1603; Stats. 1992, ch. 459; Stats. 1993, ch. 510; Stats. 1996, chs. 1080 and 1081; and Stats. 2000, ch. 916 (AB 1241)). Renumbered at subdivision (i) by Statutes 2004, chapter 842 (SB 1313), and renumbered again at subdivision (j) by Statutes 2005, chapter 42 (AB 299).

agency having jurisdiction over the case, which was required under prior law to be made "without delay."

ii. Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency, including the law enforcement agency having jurisdiction over the case, to which it is required to make a telephone report under Penal Code section 11166.

As of January 1, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours.[5]

c. Cross-Reporting of Suspected Child Abuse or Neglect from the Law Enforcement Agency to the County Welfare and Institutions Code Section 300 Agency, County Welfare, and the District Attorney's Office:

City and county police or sheriff's departments shall:

1) Report by telephone immediately, or as soon as practically possible, to the agency given responsibility for investigation of cases under Welfare and Institutions Code section 300 and to the district attorney's office every known or suspected instance of child abuse reported to it, except acts or omissions coming within Penal Code section 11165.2(b), which shall be reported only to the county welfare department.[6]

2) Report to the county welfare department every known or suspected instance of child abuse reported to it which is alleged to have occurred as a result of the action of a person responsible for the child's welfare, or as the result of the failure of a person responsible for the child's welfare to adequately protect the minor from abuse when the person responsible for the child's welfare knew or reasonably should have known that the minor was in danger of abuse.

3) Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under Penal Code section 11166.

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[5] Penal Code section 11166(h) (As added by Stats. 1980, ch. 1071; amended by Stats. 1981, ch. 435; Stats. 1982, ch. 905; Stats. 1984, ch. 1423; Stats. 1986, ch. 1289; Stats. 1987, ch. 1459; Stats. 1988, chs. 269 and 1580; Stats. 1990, ch. 1603; Stats. 1992, ch. 459; Stats. 1993, ch. 510; Stats. 1996, chs. 1080 and 1081; and Stats. 2000, ch. 916 (AB 1241)). Renumbered at subdivision (i) by Statutes 2004, chapter 842 (SB 1313), and renumbered again at subdivision (j) by Statutes 2005, chapter 42 (AB 299).

[6] Penal Code section 11166(i) (As added by Stats. 1980, ch. 1071; amended by Stats. 1981, ch. 435; Stats. 1982, ch. 905; Stats. 1984, ch. 1423; Stats. 1986, ch. 1289; Stats. 1987, ch. 1459; Stats. 1988, chs. 269 and 1580; Stats. 1990, ch. 1603; Stats. 1992, ch. 459; Stats. 1993, ch. 510; Stats. 1996, chs. 1080 and 1081; and Stats. 2000, ch. 916 (AB 1241)). Renumbered at subdivision (j) by Statutes 2004, chapter 842 (SB 1313), and renumbered again at subdivision (k) by Statutes 2005, chapter 42 (AB 299).

As of January 1, 2006, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours.[7]

d. Receipt of Cross-Reports by District Attorney's Office:

District attorneys' offices shall:

Receive reports of every known or suspected instance of child abuse reported to law enforcement, county probation or county welfare departments, except acts or omissions of general neglect coming within Penal Code section 11165.2(b).[8]

e. Reporting to Licensing Agencies:

City and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall:

1) Report by telephone immediately or as soon as practically possible to the appropriate licensing agency every known or suspected instance of child abuse or neglect when the instance of abuse or neglect occurs while the child is being cared for in a child day care facility, involves a child day care licensed staff person, or occurs while the child is under the supervision of a community care facility or involves a community care facility licensee or staff person.

2) Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under Penal Code section 11166.2. The agency shall send the licensing agency a copy of its investigation report and any other pertinent materials.

As of July 31, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours.[9]

f. Additional Cross-Reporting in Cases of Child Death:

1) City and county police or sheriff's departments shall:

Cross-report all cases of child death suspected to be related to child abuse or neglect to the county child welfare agency.[10]

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[7] *Ibid*.

[8] Penal Code section 11166 (As added by Stats. 1980, ch. 1071; amended by Stats. 1981, ch. 435; Stats. 1982, ch. 905; Stats. 1984, ch. 1423; Stats. 1986, ch. 1289; Stats. 1987, ch. 1459; Stats. 1988, chs. 269 and 1580; Stats. 1990, ch. 1603; Stats. 1992, ch. 459; Stats. 1993, ch. 510; Stats. 1996, chs. 1080 and 1081; and Stats. 2000, ch. 916 (AB 1241)).

[9] Penal Code section 11166.2 (Added by Stats. 1985, ch. 1598 § 4; amended by Stats. 1987, ch. 531 § 5; Stats. 1988, ch. 269 § 3; Stats. 1990, ch. 650 § 1 (AB 2423); Stats. 2000, ch. 916 § 18 (AB 1241)).

[10] Penal Code section 11166.9 (Stats. 2000, ch. 916, § 23 (AB 1241)); Renumbered at Penal Code section 11174.34 (Stats. 2004, ch. 842 § 13 (SB 1313)).

2) County welfare departments shall:

i. Cross-report all cases of child death suspected to be related to child abuse or neglect to law enforcement.[11]

ii. Create a record in the Child Welfare Services/Case Management System (CWS/CMS) on all cases of child death suspected to be related to child abuse or neglect.[12]

iii. Enter information into the CWS/CMS upon notification that the death was subsequently determined not to be related to child abuse or neglect.[13]

3. Reporting to the State Department of Justice

a. **From July 1, 1999 to December 31, 2011**, city and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall:[14]

1) Complete an investigation for purposes of preparing the report

Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice.[15] Except as provided in paragraph below, this activity includes review of the initial Suspected Child Abuse Report (Form 8572), conducting initial interviews with parents, victims, suspects, or witnesses, where applicable, and making a report of the findings of those interviews, which may be reviewed by a supervisor.

[11] Penal Code section 11166.9 (Stats. 2000, ch. 916, § 23 (AB 1241)); Renumbered at Penal Code section 11174.34 (Stats. 2004, ch. 842 § 13 (SB 1313)).

[12] Penal Code section 11166.9 (Stats. 2000, ch. 916, § 23 (AB 1241)); Renumbered at Penal Code section 11174.34 (Stats. 2004, ch. 842 § 13 (SB 1313); Stats. 2010, ch. 618, § 10 (AB 2791)).

[13] Penal Code section 11166.9 (Stats. 2000, ch. 916, § 23 (AB 1241)); Renumbered at Penal Code section 11174.34 (Stats. 2004, ch. 842 § 13 (SB 1313)).

[14] Pursuant to amendments to Penal Code section 11169(b) enacted by Statutes 2011, chapter 468 (AB 717), the mandate to report to DOJ *for law enforcement agencies only* ends on January 1, 2012. In addition, the duty for all other affected agencies is modified to exclude an "inconclusive" report.

[15] Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.

Reimbursement is not required in the following circumstances:

i. Investigative activities conducted by a mandated reporter to complete the Suspected Child Abuse Report (Form SS 8572) pursuant to Penal Code section 11166(a).

ii. In the event that the mandated reporter is employed by the same child protective agency required to investigate and submit the "Child Abuse Investigation Report" Form SS 8583 or subsequent designated form to the Department of Justice, pursuant to Penal Code section 11169(a), reimbursement is not required if the investigation required to complete the Form SS 8572 is also sufficient to make the determination required under section 11169(a), and sufficient to complete the essential information items required on the Form SS 8583, pursuant to Code of Regulations, title 11, section 903 (Register 98, No. 29).

iii. Investigative activities undertaken subsequent to the determination whether a report of suspected child abuse is substantiated, inconclusive, or unfounded, as defined in Penal Code section 11165.12, for purposes of preparing the Form SS 8583, including the collection of physical evidence, the referral to a child abuse investigator, and the conduct of follow-up interviews.

2) Forward reports to the Department of Justice

Prepare and submit to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse or severe neglect which is determined to be substantiated or inconclusive, as defined in Penal Code section 11165.12. Unfounded reports, as defined in Penal Code section 11165.12, shall not be filed with the Department of Justice. If a report has previously been filed which subsequently proves to be unfounded, the Department of Justice shall be notified in writing of that fact. The reports required by this section shall be in a form approved by the Department of Justice (currently form 8583) and may be sent by fax or electronic transmission.[16]

This activity includes costs of preparing and submitting an amended report to DOJ, when the submitting agency changes a prior finding of substantiated or inconclusive to a finding of unfounded or from inconclusive or unfounded to substantiated.

Reimbursement is not required for the costs of the investigation required to make the determination to file an amended report.

b. **Beginning January 1, 2012**, county welfare departments, or county probation departments where designated by the county to receive mandated reports shall:

[16] Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.

1) Complete an investigation

Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice.[17] Except as provided in paragraph below, this activity includes review of the initial Suspected Child Abuse Report (Form 8572), conducting initial interviews with parents, victims, suspects, or witnesses, where applicable, and making a report of the findings of those interviews, which may be reviewed by a supervisor.

Reimbursement is not required in the following circumstances:

i. Investigative activities conducted by a mandated reporter to complete the Suspected Child Abuse Report (Form SS 8572) pursuant to Penal Code section 11166(a).

ii. In the event that the mandated reporter is employed by the same child protective agency required to investigate and submit the "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice, pursuant to Penal Code section 11169(a), reimbursement is not required if the investigation required to complete the Form SS 8572 is also sufficient to make the determination required under section 11169(a), and sufficient to complete the essential information items required on the Form SS 8583, pursuant to Code of Regulations, title 11, section 903 (Register 98, No. 29).

iii. Investigative activities undertaken subsequent to the determination whether a report of suspected child abuse is substantiated, inconclusive, or unfounded, as defined in Penal Code section 11165.12, for purposes of preparing the Form SS 8583.

2) Forward reports to the Department of Justice

Prepare and submit to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse or severe neglect which is determined to be substantiated, as defined in Penal Code section 11165.12. Unfounded or inconclusive reports, as defined in Penal Code section 11165.12, shall not be filed with the Department of Justice. If a report has previously been filed which subsequently proves to be unfounded, the Department of Justice shall be notified in writing of that fact. The reports required by this section shall be in a

[17] Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916, § 27 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.

form approved by the Department of Justice and may be sent by fax or electronic transmission.[18]

This activity includes costs of preparing and submitting an amended report to DOJ, when the submitting agency changes a prior finding of substantiated to a finding of inconclusive or unfounded, or from inconclusive or unfounded to substantiated, or when other information is necessary to maintain accuracy of the CACI.

Reimbursement is not required for the costs of the investigation required to make the determination to file an amended report.

4. Notifications Following Reports to the Child Abuse Central Index

a. City and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall:

1) Notify in writing the known or suspected child abuser that he or she has been reported to the Child Abuse Central Index, in any form approved by the Department of Justice, at the time the "Child Abuse Investigation Report" is filed with the Department of Justice.[19]

This activity includes, where applicable, completion of the Notice of Child Abuse Central Index Listing form (SOC 832), or subsequent designated form.

For law enforcement agencies only, this activity is eligible for reimbursement from July 1, 1999 until December 31, 2011, pursuant to Penal Code section 11169(b), as amended by Statutes 2011, chapter 468 (AB 717), which ends the mandate to report to DOJ for law enforcement agencies.

2) Make relevant information available, when received from the Department of Justice, to the child custodian, guardian ad litem appointed under section 326, or counsel appointed under section 317 or 318 of the Welfare and Institutions Code, or the appropriate licensing agency, if he or she is treating or investigating a case of known or suspected child abuse or severe neglect.[20]

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[18] Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916, § 27 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.

[19] Penal Code section 11169(c) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916 (AB 1241)).

[20] Penal Code section 11170 (Added by Stats. 1980, ch. 1071 § 4; amended by Stats. 1981, ch. 435, § 5; Stats. 1982, ch. 162, § 3; Stats. 1984, ch. 1613, § 3; Stats. 1985, ch. 1598, § 8.5; Stats. 1986, ch. 1496, § 3; Stats. 1987, ch. 82, § 4; Stats. 1989, ch. 153, § 2; Stats. 1990, ch. 1330 § 2 (SB 2788); Stats. 1990, ch. 1363, § 15.7 (AB 3532); Stats. 1992, ch. 163, § 113 (AB 2641); Stats. 1992, ch. 1338, § 2 (SB 1184); Stats. 1993, ch. 219, § 221.1 (AB 1500); Stats. 1996, ch. 1081, § 5 (AB 3354); Stats. 1997, ch. 842, § 6 (SB 644); Stats. 1997, ch. 843, § 5 (AB 753); Stats. 1997, ch. 844, § 2.5 (AB 1065); Stats. 1999, ch. 475, § 8 (SB 654); Stats. 2000, ch. 916, 28 (AB 1241)).

3) Inform the mandated reporter of the results of the investigation and of any action the agency is taking with regard to the child or family, upon completion of the child abuse investigation or after there has been a final disposition in the matter.[21]

4) Notify, in writing, the person listed in the Child Abuse Central Index that he or she is in the index, upon receipt of relevant information concerning child abuse or neglect investigation reports contained in the index from the Department of Justice when investigating a home for the placement of dependent children. The notification shall include the name of the reporting agency and the date of the report.[22]

b. City and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, county welfare departments, county licensing agencies, and district attorney offices shall:

Obtain the original investigative report from the agency that submitted the information to the CACI pursuant to Penal Code section 11169(a), and objectively review the report, when information regarding an individual suspected of child abuse or neglect, or an instance of suspected child abuse or neglect, is received from the CACI while performing existing duties pertaining to criminal investigation or prosecution, or licensing, or placement of a child.[23]

Reimbursement for this activity does not include investigative activities conducted by the agency, either prior to or subsequent to receipt of the information that necessitates obtaining and reviewing the investigative report.

c. City and county police or sheriff's departments, county probation departments, and county welfare departments shall:

Notify, in writing, the person listed in the Child Abuse Central Index that he or she is in the index, upon receipt of relevant information concerning child abuse or neglect reports contained in the index from the Department of Justice regarding placement with a responsible relative pursuant to Welfare and Institutions Code sections 281.5, 305, and 361.3. The notification shall include the location of the original investigative report and the submitting agency. The notification shall be

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[21] Penal Code section 11170(b) (Added by Stats. 1980, ch. 1071 § 4; amended by Stats. 1981, ch. 435, § 5; Stats. 1982, ch. 162, § 3; Stats. 1984, ch. 1613, § 3; Stats. 1985, ch. 1598, § 8.5; Stats. 1986, ch. 1496, § 3; Stats. 1987, ch. 82, § 4; Stats. 1989, ch. 153, § 2; Stats. 1990, ch. 1330 § 2 (SB 2788); Stats. 1990, ch. 1363, § 15.7 (AB 3532); Stats. 1992, ch. 163, § 113 (AB 2641); Stats. 1992, ch. 1338, § 2 (SB 1184); Stats. 1993, ch. 219, § 221.1 (AB 1500); Stats. 1996, ch. 1081, § 5 (AB 3354); Stats. 1997, ch. 842, § 6 (SB 644); Stats. 1997, ch. 843, § 5 (AB 753); Stats. 1997, ch. 844, § 2.5 (AB 1065); Stats. 1999, ch. 475, § 8 (SB 654); Stats. 2000, ch. 916, 28 (AB 1241)).

[22] *Ibid*.

[23] Penal Code section 11170(b)(6) (Stats. 2000, ch. 916 (AB 1241)); now subdivision (b)(10), as amended by Statutes 2012, chapter 848 (AB 1707).

submitted to the person listed at the same time that all other parties are notified of the information, and no later than the actual judicial proceeding that determines placement.[24]

5. Record Retention

a. City and county police or sheriff's departments, and county probation departments if designated by the county to receive mandated reports shall:

Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of eight years (a higher level of service above the two-year record retention requirement pursuant to Gov. Code §§ 26202 (cities) and 34090 (counties).) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years.[25]

This activity includes retaining copies of the Suspected Child Abuse Report form SS 8572, received from a mandated reporter, and the Child Abuse Summary Report form SS 8583, with the original investigative report.

Reimbursement is not required for the first two years of record retention required under prior law, but only for the eight years following.

b. County welfare departments shall:

Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of seven years (a higher level of service above the three-year record retention requirement pursuant to Welf. & Inst. Code, § 10851.) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years.[26]

This activity includes retaining copies of the Suspected Child Abuse Report form SS 8572, received from a mandated reporter, and the Child Abuse Summary Report form SS 8583, with the original investigative report.

Reimbursement is not required for the first three years of record retention required under prior law, but only for the seven years following.

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[24] Penal Code section 11170(c) (Added by Stats. 1980, ch. 1071 § 4; amended by Stats. 1981, ch. 435, § 5; Stats. 1982, ch. 162, § 3; Stats. 1984, ch. 1613, § 3; Stats. 1985, ch. 1598, § 8.5; Stats. 1986, ch. 1496, § 3; Stats. 1987, ch. 82, § 4; Stats. 1989, ch. 153, § 2; Stats. 1990, ch. 1330 § 2 (SB 2788); Stats. 1990, ch. 1363, § 15.7 (AB 3532); Stats. 1992, ch. 163, § 113 (AB 2641); Stats. 1992, ch. 1338, § 2 (SB 1184); Stats. 1993, ch. 219, § 221.1 (AB 1500); Stats. 1996, ch. 1081, § 5 (AB 3354); Stats. 1997, ch. 842, § 6 (SB 644); Stats. 1997, ch. 843, § 5 (AB 753); Stats. 1997, ch. 844, § 2.5 (AB 1065); Stats. 1999, ch. 475, § 8 (SB 654); Stats. 2000, ch. 916, 28 (AB 1241)).

[25] (Penal Code section 11169(h) (Stats. 1997, ch. 842 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2001, ch. 133(AB 102); Stats. 2004, ch. 842 (SB 1313); Stats. 2011, ch. 468 (AB 717)).

[26] (Penal Code section 11169(h) (Stats. 1997, ch. 842 (SB 644); Stats. 2000, ch. 916 (AB 1241)).

6. Due Process Procedures Offered to Person Listed in CACI

City and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall:

Provide due process reasonably necessary to comply with federal due process procedural protections under the 14th Amendment that must be afforded to individuals reported to the DOJ's Child Abuse Central Index. This activity includes a hearing before the agency that submitted the individual's name to CACI. This activity includes any due process procedures available to persons listed in the CACI prior to the enactment of Statutes 2011, chapter 468.

Reimbursement is not required for a hearing meeting the requirements of due process if a court of competent jurisdiction has determined that child abuse has occurred, or while the allegation is pending before a court.[27]

V. CLAIM PREPARATION AND SUBMISSION

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

A. Direct Cost Reporting

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

1. Salaries and Benefits

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

2. Materials and Supplies

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

3. Contracted Services

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

[27] (Penal Code section 11169(h) (Stats. 1997, ch. 842 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2011, ch. 468 (AB 717)); *Humphries v. County of Los Angeles* (9th Cir. 2009) 554 F.3d 1170; *San Diego Unified School District v. Commission on State Mandates* (2004) 33 Cal.4th 859.

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

4. Fixed Assets

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

5. Travel

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

B. Indirect Cost Rates

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

Compensation for indirect costs is eligible for reimbursement utilizing the procedure provided in 2 CFR Part 225 (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, Appendix A and B (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, Appendix A and B (OMB Circular A-87 Attachments A and B). However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable. The distribution base may be: (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.); (2) direct salaries and wages; or (3) another base which results in an equitable distribution.

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

1. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by: (1) classifying a department's total costs for the base period as either direct or indirect; and (2) dividing the total

allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount of allowable indirect costs bears to the base selected; or

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

VI. RECORD RETENTION

Pursuant to Government Code section 17558.5(a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter[28] is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed not later than two years after the date that the audit is commenced. All documents used to support the reimbursable activities, as described in Section IV., must be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

VII. OFFSETTING REVENUES AND REIMBURSEMENTS

Any offsetting revenue 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 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 CLAIMING INSTRUCTIONS

Pursuant to Government Code section 17558(b), the Controller shall issue claiming instructions for each mandate that requires state reimbursement not later than 90 days after receiving the adopted parameters and guidelines from the Commission, to assist local agencies and school districts in claiming costs to be reimbursed. The claiming instructions shall be derived from the test claim decision and the parameters and guidelines adopted by the Commission.

Pursuant to Government Code section 17561(d)(1), issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the Commission.

IX. REMEDIES BEFORE THE COMMISSION

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

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(d), and California Code of Regulations, title 2, section 1183.2.

X. LEGAL AND FACTUAL BASIS FOR THE PARAMETERS AND GUIDELINES

The statements of decision adopted for the test claim and parameters and guidelines 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. The administrative record is on file with the Commission.

EXHIBIT G

PUBLIC SAFETY DISPATCHER

0% indirect (see below) I.1.30

Class Code: 6540

Bargaining Unit: Police Employees' Association

CITY OF SOUTH LAKE TAHOE
Established Date: May 11, 2011
Revision Date: May 11, 2011

SALARY RANGE

$23.86 - $29.00 Hourly

SUMMARY DESCRIPTION:

*Class specifications are intended to present a descriptive list of the range of duties performed by employees in the class. Specifications are **not** intended to reflect all duties performed within the job.*

Under general supervision from supervisory or management staff, the Public Safety Dispatcher receives and transmits routine and emergency requests for police, fire, ambulance and/or emergency assistance and dispatches required personnel and equipment; performs responsible clerical work of moderately high difficulty; and operates complex teletype and video terminals for automated information retrieval.

Identifying characteristics

The Public Safety Dispatcher is a journey level non-sworn classification in the Police Department. This position requires the incumbent to work under general supervision and within a framework of established procedures. They are expected to perform a full range of duties with only occasional instruction or assistance. Work normally is reviewed only on completion, and may be expected to provide limited training and assistance to less experienced staff.

REPRESENTATIVE DUTIES: 0/11 representative duties are indirect =

The following duties are typical for this classification. Incumbents may not perform all of the listed duties and/or may be required to perform additional or different duties from those set forth below to address business needs and changing business practices.

1. On assigned shift, receives and processes incoming 911 calls, non-emergency calls, and voice radio calls; secures and records information as to the exact location and circumstances, and uses radio to dispatch necessary units, including police, fire department, and ambulance personnel and equipment as well as other resources that may be necessary.
2. Maintains status of units on assignments; keeps department officials informed of situations and dispatches equipment that either protocol or the dispatcher deem appropriate.
3. Inputs highly sensitive and technically difficult warrants, restraining orders, weapons, evidence, vehicles, property, missing persons, runaways, into the local, state and national teletype system.
4. Provides emergency medical instruction over the phone and must be EMD certified to perform this task.
5. Logs all police, fire, and medical calls for service; compiles data and prepares reports of reported emergencies, equipment dispatched, and/or status of emergency and non-emergency calls.
6. Relays emergency and non-emergency information to public safety personnel in the field; interprets information from units in field which may be unclear, broken or in code.
7. Processes all paperwork related to arrests and citations as part of completing the package for the District Attorney or other related agencies.
8. Relays information to other agencies as required; relays the nature of the incident.
9. Receives the public at the front counter; responds to requests for information; answers general questions about department's procedures and processes.
10. Performs clerical work related to Police activities including logs, reports, applications and correspondence.
11. Accurately inputs program information into electronic data bases.

12. Performs related duties as required.

QUALIFICATION:
The following generally describes the knowledge and ability required to enter the job and/or be learned within a short period of time in order to successfully perform the assigned duties.
Knowledge of:
English usage and grammar.
Modern office procedures and practices.
Ability to:
Review documents related to dispatching operations.
Observe, identify and problem solve incidents while dispatching.
Remember, understand, interpret and explain operational policies and procedures to the public and staff.
Operate radio and telephone equipment in dispatching public safety equipment and personnel.
Analyze a situation and determine effective course of action.
Perform job tasks effectively under pressure for sustained periods of time.
Memorize and retain information presented clearly and unclearly from a variety of sources.
Perform several tasks at once and assign reasonable priorities to incoming calls; monitor multiple radio frequencies.
Speak clearly and concisely in an understandable voice via radio and telephone and in person.
Use a keyboard and computer efficiently and effectively.
Type a minimum of 40 net words per minute.
Work under stress and exercise good judgment in emergency situations.
Learn the geography of the city, county and location of streets and important buildings.
Adjust quickly to changing situations.
Listen carefully and attentively and remember names, locations and numbers.
Give and take orders.
Read maps quickly and accurately.
Perform arithmetic computations with speed and accuracy.
Work irregular hours and shift work.
Communicate clearly and concisely, both orally and in writing.
Establish and maintain effective working relationships with those contacted in the course of work.
Education and Experience Guidelines - *Any combination of education and experience that would likely provide the required knowledge and abilities is qualifying. A typical way to obtain the knowledge and abilities would be:*
Education/Training:
Equivalent to the completion of the twelfth grade.
Experience:
Some experience performing duties similar to dispatching emergency services.

PHYSICAL DEMANDS-WORKING CONDITIONS:
The conditions herein are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential job functions.
Environment: Work is performed primarily in a standard office environment; incumbents may be required to work extended hours including evenings and weekends. Incumbents may also be called in for local emergencies at irregular hours.
Physical: Primary functions require sufficient physical ability and mobility to work in an office setting; to stand or sit for prolonged periods of time; to frequently stoop, bend, kneel, crouch, reach, and twist; to lift, carry, push, and/or pull light to moderate amounts of weight; to operate office equipment requiring repetitive hand movement and fine coordination including use of a computer keyboard; and to verbally communicate to exchange information.
Vision: See in the normal visual range with or without correction.
Hearing: Hear in the normal audio range with or without correction.
FLSA Designation: Non-Exempt

PROPERTY/EVIDENCE TECHNICIAN

0% indirect (see below) I.1.30

Class Code: 3490

Bargaining Unit: Police Employees' Association

CITY OF SOUTH LAKE TAHOE
Revision Date: Nov 15, 2007

SALARY RANGE

$25.43 - $30.91 Hourly
$2,034.46 - $2,472.46 Biweekly
$4,408.00 $5,357.00 Monthly
$52,896.00 - $64,284.00 Annually

SUMMARY DESCRIPTION:
Class specifications are intended to present a descriptive list of the range of duties performed by employees in the class. Specifications are not intended to reflect all duties performed within the job.

SUMMARY DESCRIPTION
Under supervision (Evidence/Property Technician) or general supervision (Senior Evidence/Property Technician) of assigned supervisory or management staff, performs a wide variety of responsible technical and paraprofessional duties involved in preparing, identifying, and maintaining criminal identification records and evidence as part of the investigation and prosecution work of the department.

IDENTIFYING CHARACTERISTICS
Evidence/Property Technician – This is the entry-level class within the Evidence/Property Technician series performing routine and less complex technical and paraprofessional non-sworn duties in support of Police Department evidence/property operations. Positions at this level are not expected to function with the same amount of program knowledge or skill level as positions allocated to the Senior Evidence/Property Technician level and exercise less independent discretion and judgment in matters related to work procedures and methods. Work is usually supervised while in progress and fits an established structure or pattern. Exceptions or changes in procedures are explained in detail as they arise. This classification is flexibly staffed with the Senior Evidence/Property Technician. Advancement to the "Senior" level is based on demonstrated proficiency in performing the assigned functions and/or certification or testing that validates the performance of the full range of duties and is at the discretion of higher level supervisory or management staff.

Senior Evidence/Property Technician – This is the full journey level class within the Evidence/Property Technician series performing the full range of technical and paraprofessional non-sworn duties in support of Police Department evidence/property operations. Employees at this level receive only occasional instruction or assistance as new or unusual situations arise, and are fully aware of the operating procedures and policies of the work unit. Positions in this class series are flexibly staffed and are generally filled by advancement from the Evidence/Property Technician level, or when filled from the outside, require prior experience. Advancement to the "Senior" level is based on demonstrated proficiency in performing the assigned functions and/or certification or testing that validates the performance of the full range of duties and is at the discretion of higher level supervisory or management staff.

REPRESENTATIVE DUTIES: 0/10 representative duties are indirect = 0%
The following duties are typical for this classification. Incumbents may not perform all of the listed duties and/or may be required to perform additional or different duties from those set forth below to address business needs and changing business practices.

See duties next

1. Assumes responsibility for the preparation, identification, and maintenance of fingerprints and other related identification records.
2. Conducts specialized tasks in photography, latent fingerprint development, arson and bomb investigations, bloodstain interpretation, hair fiber and trace evidence collection.
3. Fingerprints suspects, prisoners, and corpses; classifies and identifies fingerprints; assists in identification matters with Federal, State and local authorities; prepares fingerprint displays for court.
4. Conducts identification calls to crime scenes; searches for and collects physical evidence; photographs and video records crime scene; makes diagrams and log items collected from each location.
5. Identifies and preserves evidence; presents it in court; books property into and out of evidence to preserve the chain of evidence; maintains files and daily logs; conducts police auction; destroys and releases property; inventories monies and narcotics; generates reports and assists other members of the department with investigations.
6. Compares latent fingerprints to known and unknown suspects and victims; searches files for identifying suspects.
7. Is responsible for the preparation, identification, and maintenance of fingerprints and other related identification records.
8. Conducts specialized tasks in photography, arson and bomb investigations, bloodstain interpretation, hair fiber and trace evidence collection.
9. Serves as an expert witness; provides courtroom testimony.
10. Performs related duties as required.

QUALIFICATION:
The following generally describes the knowledge and ability required to enter the job and/or be learned within a short period of time in order to successfully perform the assigned duties.

Knowledge of:
Principles and practices of evidence collection, analysis and management.
Crime scene investigation: photography, diagramming, collection and preservation of evidence.
Evidentiary collection methods and analyses: bloodstain pattern interpretation, arson and bomb related scenes, and gunshot wounds and ballistics.
Use of various electronic video equipment.
Standard fingerprint classification methods, practices, records, and equipment.
Modern methods, practices, and techniques of police work including knowledge of criminal investigation and crime scene analysis.
Photography and the various methods of printing, developing, and enlarging negatives to pictures.

Ability to:
Analyze crime scenes.
Develop evidence to be processed.
Identify, interpret, explain, and enforce evidentiary and other police procedures.
Review and interpret case reports.
Maintain awareness of safety at all times.
Prepare and analyze clear and concise reports.
Lift latent fingerprints and to classify fingerprints accurately.
Maintain detailed criminal records.
Reconstruct crime scenes.
Work under pressure.
Communicate clearly and concisely, both orally and in writing.
Establish and maintain effective working relationships with those contacted in the course of work.

Education and Experience Guidelines - Any combination of education and experience that would likely provide the required knowledge and abilities is qualifying. A typical way to obtain the knowledge and abilities would be:

Evidence/Property Technician
Education/Training:
Equivalent to the completion of the twelfth grade. Additional specialized training in evidence collection, law enforcement, or a related field is desirable.

Experience:
Some evidence identification and collection experience with the ability to classify fingerprints and conduct fingerprint comparisons is desirable.

License or Certificate:
Possession of a valid California or Nevada driver's license.

Senior Evidence/Property Technician

Education/Training:
Equivalent to the completion of the twelfth grade supplemented by specialized training in evidence collection, law enforcement, or a related field.

Experience:
Two years of responsible technical and paraprofessional non-sworn experience comparable to a Evidence/Property Technician with the City of South Lake Tahoe.

License or Certificate:
Possession of a California or Nevada driver's license.

PHYSICAL DEMANDS-WORKING CONDITIONS:
The conditions herein are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential job functions.

Environment: Work is performed in an office, storage room, and field environment; travel to different locations; incumbents may be exposed to inclement weather conditions; work and/or walk on various types of surfaces including slippery or uneven surfaces; work at heights on ladders; exposure to hazards including bio-hazards such as body fluids and dust; incumbents may be required to work extended hours including evenings and weekends.

Physical: Primary functions require sufficient physical ability and mobility to work in an office and field setting; to walk or sit for prolonged periods of time; to lift, carry, push, and/or pull light to moderate amounts of weight; to operate office equipment requiring repetitive hand movement and fine coordination including use of a computer keyboard; to operate assigned equipment and vehicle; and to verbally communicate to exchange information.
Vision: See in the normal visual range with or without correction.
Hearing: Hear in the normal audio range with or without correction.

FLSA Designation: Non-Exempt

EXHIBIT H

Career Guide / Career Development / List of Common Clerical Duties

CAREER DEVELOPMENT

List of Common Clerical Duties

February 8, 2021

If you enjoy providing support to professionals in an office environment, then a career as a clerical assistant will be ideal for you. Office or administrative clerks aide in the effective functioning of a company or organization. In this article, we explain what defines common clerical duties in an office atmosphere, the average salary of clerical assistants, and the requirements to be one.

What are clerical duties?

Clerical work typically involves daily office duties such as data entry, answering phone calls and sorting and filing documents. It is used in different types of administrative and office support roles. Usually, clerical duties are performed by office clerks, secretaries and sometimes, administrative assistants.

Today, technological development has greatly impacted the way clerical duties are performed. Offices use sophisticated computer systems, copiers, printers and other equipment to carry out many clerical duties.

Related: Learn About Being an Office Clerk

Common clerical duties

The following are common clerical duties typically carried out in offices:

- **Bookkeeping duties:** This involves the recording of financial transactions using spreadsheets and other financial software.
- **Completing bank transactions:** This clerical duty involves the completion of basic banking transactions and record-keeping.
- **Collection and disbursement of money:** Office clerks can also be involved with the collection, counting and disbursement of money in an office.
- **Communication with customers and colleagues:** Office clerks communicate with customers or colleagues by answering their questions, passing along relevant information and addressing customers' complaints.

- **Answering phone calls:** Answering phone calls and taking messages are two of the most common clerical duties in an office.
- **Records and document filings:** Office clerks file important company records and ensure documents are well kept. This also involves compiling, copying and sorting records of office activities.
- **Operating office machines:** Clerical duties involve operating office machines like voicemail systems, photocopiers and scanners, and personal computers.
- **Keeping records and reports:** Office clerks carry out the computation and recording of important company reports.
- **Maintaining the mailing database:** Compiling and keeping the mailing database systems of a company is another clerical duty in an office. This is either done manually or with the use of a computer.
- **Replying to emails:** Office clerks check and record information from company emails and pass them along to relevant departments in the company.
- **Delivering messages:** Running errands and delivering messages in and out of the office are also common clerical duties.
- **Arranging appointments:** Office clerks complete work schedules, manage calendars and organize appointments.

Related: Learn About Being a Help Desk Clerk

Average salary of clerical assistants

The typical salary for clerical assistants depends on experience, the industry and where the job is located. There may be opportunities for a higher salary with more experience at the job.

The average salary in the U.S. for clerical assistants: $13.51 per hour

Requirements for people who perform clerical duties

People who perform clerical duties are required to have some form of education and job skills to perform their duties efficiently and effectively. The following are basic categories of requirements for employees who carry out clerical duties:

- Educational requirements
- Clerical skills requirements
- Administrative and organizational skills requirements
- Computer skills requirements
- Mathematical skills requirements

Educational requirements

Employees in offices do not need extensive education beyond high school to work effectively in an office performing clerical duties. Though there are higher education programs for both clerical and secretarial paths, clerical assistants may not need to go through such programs to properly carry out their duties. If they opt to go through such programs, it will only boost their employment chances.

Some employers may also require clerical assistants to sign a confidentiality agreement and submit to a background check before they are offered employment. This is due to the nature of the job that requires a high level of confidentiality and trust.

Clerical skills requirements

Clerical duties involve paying close attention to details in an office daily. Clerical assistants must ensure documents are properly reviewed for errors or typos before they leave their desks.

The following are skills commonly used by clerical assistants:

- Sound reasoning
- Proper time management
- Good typing skills
- Ability to schedule appointments and carry out travel arrangements
- Good record-keeping skills
- Excellent problem-solving skills
- Ability to plan and organize events
- Good observation skills
- Precise analytical skills
- Active-listening skills

Administrative and organizational skills requirements

Clerical duties involve lots of administrative tasks like answering phone calls, sending emails and welcoming customers. Clerical assistants are expected to possess the following administrative and organizational skills:

- Good written and oral communications skills
- Ability to answer phone calls professionally and politely
- Good customer service skills
- Ability to send and check emails
- Ability to use faxing and other machines
- Ability to work in a team
- Excellent front desk skills
- Good filing and documentation skills
- Good office management skills
- Ability to prioritize effectively
- Ability to multi-task

Computer skills requirements

Due to today's rapid development in technology, most clerical duties are handled using different computer applications and software. Clerical assistants are required to be good users of computer software like Microsoft Excel for data entry, Microsoft Word for typing documents, Microsoft PowerPoint for presentation and other relevant computer applications. Here are some of the computer skills people who perform clerical duties must possess:

- Data entry skills
- Sound knowledge of desktop publishing
- Ability to use digital calendars
- Ability to design and edit webpages
- Ability to update or post on social media sites
- Excellent and fast typing skills
- Data management and visualization skills
- Ability to use Microsoft Office

Mathematical skills requirements

Clerical duties involve carrying out different mathematical processes and calculations. Some clerical assistants are required to perform some degree of bookkeeping and accounting duties that involve numerical tasks. The following are some of the basic math or numerical skills people who perform clerical duties are supposed to have:

- Accounting skills

- Bookkeeping skills
- Knowledge of arithmetic
- Excellent budgeting skills
- Excellent logical thinking
- Ability to keep up with the latest computer trends

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EXHIBIT I

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

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 available to local agencies can be found in Section 2, Filing a Claim, page 10, Indirect Costs. Documentation to support actual costs must be kept on hand by the claimant and made available to the SCO upon request as explained in Section 2, Filing a Claim, page 20, Retention of Claim Records and Supporting Documentation.

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

2. 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 the Controller for costs to be reimbursed for the fiscal years specified in the first claiming instructions issued by the Controller pursuant to subdivision (b) of Section 17558.

B. Annual Reimbursement Claim

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

C. Entitlement Claim

A claim filed with the Controller 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 local agency. The county will determine if the submission of a combined claim is economically feasible and will be responsible for disbursing the funds to each local agency. A combined claim must show the individual claim costs for each eligible local agency. 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 the Controller, at

least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim.

4. Filing Deadline for Claims

A. Initial Reimbursement Claims

Each local agency, to which the mandate is applicable, shall submit claims for the costs of the initial fiscal years to the SCO within 120 days of the issuance date for 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. The 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 as 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 local agency must submit a claim to the 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 2014-15 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. Claims filed more than one year after the deadline will not be accepted for reimbursement.

C. Entitlement Claims

When a mandated program has been included in the SMAS, the SCO will determine a base-year entitlement amount for each local agency that has submitted reimbursement claims (or entitlement claims) for three consecutive fiscal years. 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 the 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, the SCO shall withhold 20% of the amount of the claim until the claim is audited to verify the actual amount of the mandated costs. Interest at the Pooled Money Investment Account (PMIA) rate begins to accrue when the payment is made more than 365 days after the adoption of the program's statewide cost estimate.

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 the Controller 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 subvened to the local agency for that fiscal year had the SMAS been in effect at the time of the initial payment.

The SCO reports the amounts of insufficient appropriations to the Director of the 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.

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 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:

1. 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;

2. The cost is allocable to a particular cost objective identified in the Ps & Gs; and

3. The cost is net of any applicable credits that offset or reduce expenses of items allocable to the mandate.

The SCO has identified certain costs that should not be claimed as direct program costs unless specified as reimbursable under the program's 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 the CSM.

Once the CSM approves a mandate for inclusion in the SMAS, the SCO will determine a base-year entitlement amount for each local agency that has submitted reimbursement claims (or entitlement claims) for three consecutive fiscal years. A base-year entitlement amount is determined by averaging the approved reimbursement claims (or entitlement claims) for 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 the 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.

The 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.

If an SMAS program is discontinued or made permissive, the 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 the CSM, the program shall be removed from the SMAS and the payments reduced accordingly, pursuant to GC section 17615.7.

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

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

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

7. Direct Costs

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

(1) Employee Wages, Salaries, and Fringe Benefits

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

(a) Productive Hourly Rate Options

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

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

If actual annual productive hours or weighted-average annual productive hours for each job title is chosen, the claimant must maintain documentation of how these hours were computed.

* 1,800 annual productive hours excludes the following employee time:

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

(b) Compute a Productive Hourly Rate

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

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

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

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

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

Table 2: Productive Hourly Rate, Percent of Salary Method

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

As illustrated in Table 1 and Table 2, both methods produce the same productive hourly rate.

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

- The amount of compensation is reasonable for the service rendered;
- The compensation paid and benefits received are appropriately authorized by the governing board;
- Amounts charged for personnel services are based on payroll documents that are supported by time and attendance or equivalent records for individual employees; 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.

(c) Calculating an Average 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:

Table 3: Calculating an Average Productive Hourly Rate

	Time Spent	Productive Hourly Rate	Total Cost by Employee
Employee A	1.25 hrs	$6.00	$7.50
Employee B	0.75 hrs	4.50	$3.38
Employee C	3.50 hrs	10.00	$35.00
Total	5.50 hrs		$45.88
Average Productive Hourly Rate is $45.88 ÷ 5.50 hrs. = $8.34			

(d) Employer's Benefits Contribution

A local agency 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:

Employer's Contribution	% to Salary
Retirement	15.00
Social Security	7.65
Health and Dental Insurance	5.25
Worker's Compensation	0.75
Total	28.65%

(2) 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 local agencies.

(a) 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	Cost Per Unit	Amount of Supplies Used Per Activity	Unit Cost of Supplies Per Activity
Paper	0.02	4	$0.08
Files	0.10	1	0.10
Envelopes	0.03	2	0.06
Photocopies	0.10	4	0.40
			$0.64

Table 5: Calculating a Unit Cost for Materials and Supplies

Supplies	Supplies Used	Unit Cost of Supplies Per Activity
Paper ($10.00 for 500 sheet ream)	250 Sheets	$5.00
Files ($2.50 for box of 25)	10 Folders	1.00
Envelopes ($3.00 for box of 100)	50 Envelopes	1.50
Photocopies ($0.05 per copy)	40 Copies	2.00
		$9.50

If the number of reimbursable instances is 25, then the unit cost of supplies is $0.38 per reimbursable instance ($9.50 ÷ 25).

(3) Contract Services

The cost of contract services is allowable if the local agency lacks the staff resources or necessary expertise, or it is economically feasible to hire a contractor to perform the mandated activity. The claimant must 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. 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.**

(4) 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, only the pro rata portion of the rental costs may be claimed.

(5) 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.

(6) 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 that 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.

(7) Documentation

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

8. Indirect Costs

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 Office of Management and Budget Circular (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 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.

Local agencies have the option of using 10% of direct labor as indirect costs or claiming indirect costs through a department's Indirect Cost Rate Proposal (ICRP) for the program, prepared in accordance with the provisions of OMB Circular 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:	
Auditor	Welfare Administration	Health Department
Warrant Writing:		
A. Salary of employee working	$5,000	$1,000
B. Benefits of above	800	200
C. Cost of paper	350	100
D. First-line supervision (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

Direct Costs Incurred By:	On Behalf of:	
Building & Grounds Department	Welfare Administration	Health Department
Maintenance of Buildings:		
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
Total amount charged to benefited departments for building maintenance services	$2,100	$1,020

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

B. Indirect Cost Rate Proposal Method

If a local agency elects not to utilize the 10% fixed rate method but wants to claim indirect costs, it must prepare an ICRP for the program. The proposal must follow the provisions of the 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.

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	Identifiable Program Costs: All Others
Salaries & Benefits						
Salaries & Wages	$ 1,150,000	$ 50,000 (f)	$ 150,000	$ 950,000 (f)	$ 100,000	$ 850,000
Overtime	20,000	0	20,000	0	0	0
Benefits	230,000	10,000	30,000	190,000	20,000	170,000
Total	$ 1,400,000	$ 60,000	$ 200,000	$ 1,140,000	$ 120,000	$ 1,020,000
Services & Supplies						
Office Expense	$ 200,000	$ 10,000	$ 20,000	$ 170,000	$ 10,000	$ 160,000
Communications	100,000	2,000	10,000	88,000	1,000	87,000
Transportation	120,000	5,000	0	115,000	5,000	110,000
Special Dept Expense (Contracts)	250,000	0	0	250,000	0	250,000
Other, Pass Through Program	800,000	800,000	0	0	0	0
Total	$ 1,470,000	$ 817,000	$ 30,000	$ 623,000	$ 16,000	$ 607,000
Capital Expenditures	$ 100,000	$ 100,000				
Total Budgetary Expenditures	$ 2,970,000	$ 977,000	$ 230,000	$ 1,763,000	$ 136,000	$ 1,627,000
Distribution Base						
Cost Plan Costs						
Building Use (Each line item	$ 50,000	$ 2,000	$ 6,000	$ 42,000	$ 2,000	$ 40,000
Equipment Use should be reviewed	30,000	1,000	3,000	26,000	1,000	25,000
Data Processing to see if it benefits	50,000	5,000	30,000	15,000	0	15,000
Auditor the mandate to	20,000	0	20,000	0	0	0
Personnel insure a fair and equitable	10,000	1,000	1,000	8,000	1,000	7,000
Roll Forward distribution.)	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		$ 15,000	$ (300,000)	$ 285,000	$ 30,000	$ 255,000
Totals	$ 3,140,000	$ 1,001,000	$ 0	$ 2,139,000	$ 170,000	$ 1,969,000

1) Notes to Table 6

Any local agency 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 and Unallowable Costs (may be combined or separated), Allowable Indirect Costs, 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 unallocable according to specific guidelines (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. Use the same year's cost allocation plan for developing the ICRP as the year for which the ICRP is being prepared. Do not include a roll-forward adjustment when the program is in its initial year.

f) Distribution base for the computation of the indirect cost rate is total salaries and wages.

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

Therefore, the Indirect Cost Rate for the program is:

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

9. Time Study Guidelines

Background

Two methods are acceptable for documenting employee time charged to mandated cost programs: 1) Actual Time Reporting and 2) 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.

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: Reflect an after-the-fact (contemporaneous) distribution of the actual activity of each employee;

- Account for the total activity for which each employee is compensated;
- Be prepared at least monthly and must coincide with one or more pay periods; and
- Be signed by the employee.

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

Time Study

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

Time Study Plan

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:

- 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; and
- Activities and/or programs to be studied – For each mandated program included, the time study must separately identify each reimbursable activity defined in the mandated program's Ps & Gs, which are derived from the program's Statement of Decision. If a reimbursable activity in the Ps & Gs identifies separate and distinct sub-activities, these sub-activities must also be treated as individual activities.

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

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

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

Time Study Documentation

Time studies must:

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

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

Time Study Results

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.

- 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 (1) the program's Ps & Gs specifically allows time studies; and (2) the time study is prepared based on mandated activity occurring between July 1, 2004, and December 31, 2004.
- Initial 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 (1) the program's Ps & Gs specifically allow time studies; and (2) the claimant prepares separate time studies for each fiscal year preceding January 1, 2005, based on mandated activity occurring during those years.

When projecting time study results, the claimant must certify that there have been no significant changes between years in either (1) the requirements of each mandated program activity; or (2) the processes and procedures used to accomplish the activity. For all years, the claimant must maintain 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.

A. Example 1:

As illustrated in Table 7, this example shows how the Offset Against a State Mandated claim is determined for local agencies 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.	If in (5) the non-local matching share is less than the amount expected, for example $49,000, the offset against state mandated claims is $250. Therefore, the claimable mandated costs are $2,250				

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

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 local agency. 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 local agency is sharing 50% of the program cost. As non-local revenues of $50,000 were fully realized, the offset against state mandated claims is $1,250.

B. Example 2:

As illustrated in Table 8, this example shows how the Offset Against State Mandated claims is determined for local agencies receiving special project funds based on approved actual costs. Non-local revenues for special projects must be applied proportionately to approve costs.

Table 8: Offset Against State Mandates, Example 2

	Program Costs	Actual Non-Local Agency Funding	State Mandated Costs	Offset Against State Mandated Claims	Claimable Mandated Costs
1.	$100,000	$100,000	$2,500	$2,500	$-0-
2.	100,000**	75,000	2,500	1,875	625
3. If in (2) the non-local matching share is less than the amount expected, because only $60,000 of the program costs were determined to be valid by the contracting agency, then a proportionate share of state mandated costs is likewise reduced to $1,500. The offset against state mandated claim is $1,125. Therefore, the claimable mandated costs are $375.					

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

In (2), the entire program cost was approved. As the non-local agency source covers 75% of the program cost, it also proportionately covered 75% of the $2,500 state mandated costs, or $1,875.

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

Federal and State Funding Sources

Governing Authority

Federal Programs:

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

State Programs:

State Aid for Agriculture	State-Health – Administration
State Aid for Construction	State-Public Assistance - Administration
State Aid for Corrections	

11. Notice of Claim Adjustment

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

12. Audit of Costs

Pursuant to GC section 17558.5, subdivision (b), the SCO may conduct a field review of any claim after it has been submitted to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the

P's & G's adopted by the CSM. If any adjustments are made to a claim, a Notice of Claim Adjustment specifying the claim activity adjusted, the amount adjusted, and the reason for the adjustment will be mailed within 30 days after payment of the claim.

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. The 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 the SCO upon request.

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 the 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.**

Use the following mailing addresses:

If delivered by U.S. Postal Service:

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

If delivered by other delivery services:

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

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

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

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

EXHIBIT J

PART 200—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS

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Subpart A—Acronyms and Definitions

ACRONYMS

§ 200.0 Acronyms.

ACRONYM TERM

CAS Cost Accounting Standards
CFDA Catalog of Federal Domestic Assistance
CFR Code of Federal Regulations
CMIA Cash Management Improvement Act
COG Councils Of Governments
COSO Committee of Sponsoring Organizations of the Treadway Commission
D&B Dun and Bradstreet
DUNS Data Universal Numbering System
EPA Environmental Protection Agency
ERISA Employee Retirement Income Security Act of 1974 (29 U.S.C. 1301–1461)
EUI Energy Usage Index
F&A Facilities and Administration
FAC Federal Audit Clearinghouse
FAIN Federal Award Identification Number
FAPIIS Federal Awardee Performance and Integrity Information System
FAR Federal Acquisition Regulation
FFATA Federal Funding Accountability and Transparency Act of 2006 or Transparency Act—Public Law 109–282, as amended by section 6202(a) of Public Law 110–252 (31 U.S.C. 6101)
FICA Federal Insurance Contributions Act
FOIA Freedom of Information Act
FR Federal Register
FTE Full-time equivalent
GAAP Generally Accepted Accounting Principles
GAGAS Generally Accepted Government Accounting Standards
GAO General Accounting Office
GOCO Government owned, contractor operated
GSA General Services Administration
IBS Institutional Base Salary
IHE Institutions of Higher Education
IRC Internal Revenue Code
ISDEAA Indian Self-Determination and Education and Assistance Act
MTC Modified Total Cost
MTDC Modified Total Direct Cost
OMB Office of Management and Budget
PII Personally Identifiable Information
PRHP Post-retirement Health Plans
PTE Pass-through Entity
REUI Relative Energy Usage Index
SAM System for Award Management
SFA Student Financial Aid
SNAP Supplemental Nutrition Assistance Program

SPOC Single Point of Contact
TANF Temporary Assistance for Needy Families
TFM Treasury Financial Manual
U.S.C. United States Code
VAT Value Added Tax

§ 200.1 Definitions.

These are the definitions for terms used in this part. Different definitions may be found in Federal statutes or regulations that apply more specifically to particular programs or activities. These definitions could be supplemented by additional instructional information provided in governmentwide standard information collections.

§ 200.2 Acquisition cost.

Acquisition cost means the cost of the asset including the cost to ready the asset for its intended use. Acquisition cost for equipment, for example, means the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. Acquisition costs for software includes those development costs capitalized in accordance with generally accepted accounting principles (GAAP). Ancillary charges, such as taxes, duty, protective in transit insurance, freight, and installation may be included in or excluded from the acquisition cost in accordance with the non-Federal entity's regular accounting practices.

§200.3 Advance payment.

Advance payment means a payment that a Federal awarding agency or pass-through entity makes by any appropriate payment mechanism, including a predetermined payment schedule, before the non-Federal entity disburses the funds for program purposes.

§ 200.4 Allocation.

Allocation means the process of assigning a cost, or a group of costs, to one or more cost objective(s), in reasonable proportion to the benefit provided or other equitable relationship. The process may entail assigning a cost(s) directly to a final cost objective or through one or more intermediate cost objectives.

§ 200.5 Audit finding.

Audit finding means deficiencies which the auditor is required by § 200.516 Audit findings, paragraph (a) to report in the schedule of findings and questioned costs.

§ 200.6 Auditee.

Auditee means any non-Federal entity that expends Federal awards which must be audited under Subpart F—Audit Requirements of this part.

§ 200.7 Auditor.

Auditor means an auditor who is a public accountant or a Federal, state or local government audit organization, which meets the general standards specified in generally accepted government auditing standards (GAGAS). The term auditor does not include internal auditors of nonprofit organizations.

§ 200.8 Budget.

Budget means the financial plan for the project or program that the Federal awarding agency or pass-through entity approves during the Federal award process or in subsequent amendments to the Federal award. It may include the Federal and non-Federal share or only the Federal share, as determined by the Federal awarding agency or pass-through entity.

§ 200.9 Central service cost allocation plan.

Central service cost allocation plan means the documentation identifying, accumulating, and allocating or developing billing rates based on the allowable costs of services provided by a state, local government, or Indian tribe on a centralized basis to its departments and agencies. The costs of these services may be allocated or billed to users.

§ 200.10 Catalog of Federal Domestic Assistance (CFDA) number.

CFDA number means the number assigned to a Federal program in the CFDA.

§ 200.11 CFDA program title.

CFDA program title means the title of the program under which the Federal award was funded in the CFDA.

§ 200.12 Capital assets.

Capital assets means tangible or intangible assets used in operations having a useful life of more than one year which are capitalized in accordance with GAAP. Capital assets include:

(a) Land, buildings (facilities), equipment, and intellectual property (including software) whether acquired by purchase, construction, manufacture, lease-purchase, exchange, or through capital leases; and

(b) Additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations to capital assets that materially increase their value or useful life (not ordinary repairs and maintenance).

§ 200.13 Capital expenditures.

Capital expenditures means expenditures to acquire capital assets or expenditures to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life.

§ 200.14 Claim.

Claim means, depending on the context, either:

(a) A written demand or written assertion by one of the parties to a Federal award seeking as a matter of right:

(1) The payment of money in a sum certain;

(2) The adjustment or interpretation of the terms and conditions of the Federal award; or

(3) Other relief arising under or relating to a Federal award.

(b) A request for payment that is not in dispute when submitted.

§ 200.15 Class of Federal awards.

Class of Federal awards means a group of Federal awards either awarded under a specific program or group of programs or to a specific type of non-Federal entity or group of non-Federal entities to which specific provisions or exceptions may apply.

§ 200.16 Closeout.

Closeout means the process by which the Federal awarding agency or pass-through entity determines that all applicable administrative actions and all required work of the Federal award have been completed and takes actions as described in § 200.343 Closeout.

§ 200.17 Cluster of programs.

Cluster of programs means a grouping of closely related programs that share common compliance requirements. The types of clusters of programs are research and development (R&D), student financial aid (SFA), and other clusters. ''Other clusters'' are as defined by OMB in the compliance supplement or as designated by a state for Federal awards the state provides to its subrecipients that meet the definition of a cluster of programs. When designating an ''other cluster,'' a state must identify the Federal awards included in the cluster and advise the subrecipients of compliance requirements applicable to the cluster, consistent with § 200.331 Requirements for pass-through entities, paragraph (a). A cluster of programs must be considered as one program for determining major programs, as described in § 200.518 Major program determination, and, with the exception of R&D as described in § 200.501 Audit requirements, paragraph (c), whether a program-specific audit may be elected.

§ 200.18 Cognizant agency for audit.

Cognizant agency for audit means the Federal agency designated to carry out the responsibilities described in § 200.513 Responsibilities, paragraph (a). The cognizant agency for audit is not necessarily the same as the cognizant agency for indirect costs. A list of cognizant agencies for audit may be found at the FAC Web site.

§ 200.19 Cognizant agency for indirect costs.

Cognizant agency for indirect costs means the Federal agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals developed under this part on behalf of all Federal agencies.

The cognizant agency for indirect cost is not necessarily the same as the cognizant agency for audit. For assignments of cognizant agencies see the following:

(a) For IHEs: Appendix III to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs), paragraph C.10.

(b) For nonprofit organizations: Appendix IV to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Nonprofit Organizations, paragraph C.1.

(c) For state and local governments: Appendix V to Part 200—State/Local Government and Indian Tribe-Wide Central Service Cost Allocation Plans, paragraph F.1.

§ 200.20 Computing devices.

Computing devices means machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or ''peripherals'') for printing, transmitting and receiving, or storing electronic information. See also §§ 200.94 Supplies and 200.58 Information technology systems.

§ 200.21 Compliance supplement.

Compliance supplement means Appendix XI to Part 200—Compliance Supplement (previously known as the Circular A–133 Compliance Supplement).

§ 200.22 Contract.

Contract means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward (see § 200.92 Subaward).

§ 200.23 Contractor.

Contractor means an entity that receives a contract as defined in § 200.22 Contract.

§ 200.24 Cooperative agreement.

Cooperative agreement means a legal instrument of financial assistance between a Federal awarding agency or pass-through entity and a non-Federal entity that, consistent with 31 U.S.C. 6302–6305:

(a) Is used to enter into a relationship the principal purpose of which is to transfer anything of value from the Federal awarding agency or pass-through entity to the non-Federal entity to carry out a public purpose authorized by a law of the United States (see 31 U.S.C. 6101(3)); and not to acquire property or services for the Federal government or pass-through entity's direct benefit or use;

(b) Is distinguished from a grant in that it provides for substantial involvement between the Federal awarding agency or pass-through entity and the non-Federal entity in carrying out the activity contemplated by the Federal award.

(c) The term does not include:

(1) A cooperative research and development agreement as defined in 15 U.S.C. 3710a; or

(2) An agreement that provides only:

(i) Direct United States Government cash assistance to an individual;

(ii) A subsidy;

(iii) A loan;

(iv) A loan guarantee; or

(v) Insurance.

§ 200.25 Cooperative audit resolution.

Cooperative audit resolution means the use of audit follow-up techniques which promote prompt corrective action by improving communication, fostering collaboration, promoting trust, and developing an understanding between the Federal agency and the non-Federal entity. This approach is based upon:

(a) A strong commitment by Federal agency and non-Federal entity leadership to program integrity;

(b) Federal agencies strengthening partnerships and working cooperatively with non-Federal entities and their auditors; and non-Federal entities and their auditors working cooperatively with Federal agencies;

(c) A focus on current conditions and corrective action going forward;

(d) Federal agencies offering appropriate relief for past noncompliance when audits show prompt corrective action has occurred; and

(e) Federal agency leadership sending a clear message that continued failure to correct conditions identified by audits which are likely to cause improper payments, fraud, waste, or abuse is unacceptable and will result in sanctions.

§ 200.26 Corrective action.

Corrective action means action taken by the auditee that:

(a) Corrects identified deficiencies;

(b) Produces recommended improvements; or

(c) Demonstrates that audit findings are either invalid or do not warrant auditee action.

§ 200.27 Cost allocation plan.

Cost allocation plan means central service cost allocation plan or public assistance cost allocation plan.

§ 200.28 Cost objective.

Cost objective means a program, function, activity, award, organizational subdivision, contract, or work unit for which cost data are desired and for which provision is made to accumulate and measure the cost of processes, products, jobs, capital projects, etc. A cost objective may be a major function of the non-Federal entity, a particular service or project, a Federal award, or an indirect (Facilities & Administrative (F&A)) cost activity, as described in Subpart E—Cost Principles of this Part. See also §§ 200.44 Final cost objective and 200.60 Intermediate cost objective.

§ 200.29 Cost sharing or matching.

Cost sharing or matching means the portion of project costs not paid by Federal funds (unless otherwise authorized by Federal statute). See also § 200.306 Cost sharing or matching.

§ 200.30 Cross-cutting audit finding.

Cross-cutting audit finding means an audit finding where the same underlying condition or issue affects Federal awards of more than one Federal awarding agency or pass-through entity.

§ 200.31 Disallowed costs.

Disallowed costs means those charges to a Federal award that the Federal awarding agency or pass-through entity determines to be unallowable, in accordance with the applicable Federal statutes, regulations, or the terms and conditions of the Federal award.

§ 200.32 Data Universal Numbering System (DUNS) number.

DUNS number means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify entities. A non-Federal entity is required to have a DUNS number in order to apply for, receive, and report on a Federal award. A DUNS number may be obtained from D&B by telephone (currently 866–705–5711) or the Internet (currently at *http://fedgov.dnb.com/webform)*.

§ 200.33 Equipment.

Equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or $5,000. See also §§ 200.12 Capital assets, 200.20 Computing devices, 200.48 General purpose equipment, 200.58 Information technology systems, 200.89 Special purpose equipment, and 200.94 Supplies.

§ 200.34 Expenditures.

Expenditures means charges made by a non-Federal entity to a project or program for which a Federal award was received.

(a) The charges may be reported on a cash or accrual basis, as long as the methodology is disclosed and is consistently applied.

(b) For reports prepared on a cash basis, expenditures are the sum of:

(1) Cash disbursements for direct charges for property and services;

(2) The amount of indirect expense charged;

(3) The value of third-party in-kind contributions applied; and

(4) The amount of cash advance payments and payments made to subrecipients.

(c) For reports prepared on an accrual basis, expenditures are the sum of:

(1) Cash disbursements for direct charges for property and services;

(2) The amount of indirect expense incurred;

(3) The value of third-party in-kind contributions applied; and

(4) The net increase or decrease in the amounts owed by the non-Federal entity for:

(i) Goods and other property received;

(ii) Services performed by employees, contractors, subrecipients, and other payees; and

(iii) Programs for which no current services or performance are required such as annuities, insurance claims, or other benefit payments.

§ 200.35 Federal agency.

Federal agency means an ''agency'' as defined at 5 U.S.C. 551(1) and further clarified by 5 U.S.C. 552(f).

§ 200.36 Federal Audit Clearinghouse (FAC).

FAC means the clearinghouse designated by OMB as the repository of record where non-Federal entities are required to transmit the reporting packages required by Subpart F—Audit Requirements of this part. The mailing address of the FAC is Federal Audit Clearinghouse, Bureau of the Census, 1201 E. 10th Street, Jeffersonville, IN 47132 and the web address is: *http://harvester.census.gov/sac/*. Any future updates to the location of the FAC may be found at the OMB Web site.

§ 200.37 Federal awarding agency.

Federal awarding agency means the Federal agency that provides a Federal award directly to a non-Federal entity.

§ 200.38 Federal award.

Federal award has the meaning, depending on the context, in either paragraph (a) or (b) of this section:

(a)(1) The Federal financial assistance that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass-through entity, as described in § 200.101 Applicability; or

(2) The cost-reimbursement contract under the Federal Acquisition Regulations that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass-through entity, as described in § 200.101 Applicability.

(b) The instrument setting forth the terms and conditions. The instrument is the grant agreement, cooperative agreement, other agreement for assistance covered in paragraph (b) of § 200.40 Federal financial assistance, or the cost-reimbursement contract awarded under the Federal Acquisition Regulations.

(c) Federal award does not include other contracts that a Federal agency uses to buy goods or services from a contractor or a contract to operate Federal government owned, contractor operated facilities (GOCOs).

(d) See also definitions of Federal financial assistance, grant agreement, and cooperative agreement.

§ 200.39 Federal award date.

Federal award date means the date when the Federal award is signed by the authorized official of the Federal awarding agency.

§ 200.40 Federal financial assistance.

(a) For grants and cooperative agreements, *Federal financial assistance* means assistance that non-Federal entities receive or administer in the form of:

(1) Grants;

(2) Cooperative agreements;

(3) Non-cash contributions or donations of property (including donated surplus property);

(4) Direct appropriations;

(5) Food commodities; and

(6) Other financial assistance (except assistance listed in paragraph (b) of this section).

(b) For Subpart F—Audit Requirements of this part, *Federal financial assistance* also includes assistance that non-Federal entities receive or administer in the form of:

(1) Loans;

(2) Loan Guarantees;

(3) Interest subsidies; and

(4) Insurance.

(c) *Federal financial assistance* does not include amounts received as reimbursement for services rendered to individuals as described in § 200.502 Basis for determining Federal awards *expended*, paragraph (h) and (i) of this part.

§ 200.41 Federal interest.

Federal interest means, for purposes of § 200.329 Reporting on real property or when used in connection with the acquisition or improvement of real property, equipment, or supplies under a Federal award, the dollar amount that is the product of the:

(a) Federal share of total project costs; and

(b) Current fair market value of the property, improvements, or both, to the extent the costs of acquiring or improving the property were included as project costs.

§ 200.42 Federal program.

Federal program means:

(a) All Federal awards which are assigned a single number in the CFDA.

(b) When no CFDA number is assigned, all Federal awards to non-Federal entities from the same agency made for the same purpose should be combined and considered one program.

(c) Notwithstanding paragraphs (a) and (b) of this definition, a cluster of programs. The types of clusters of programs are:

(1) Research and development (R&D);

(2) Student financial aid (SFA); and

(3) ''Other clusters,'' as described in the definition of Cluster of Programs.

§ 200.43 Federal share.

Federal share means the portion of the total project costs that are paid by Federal funds.

§ 200.44 Final cost objective.

Final cost objective means a cost objective which has allocated to it both direct and indirect costs and, in the non-Federal entity's accumulation system, is one of the final accumulation points, such as a particular award, internal project, or other direct activity of a non-Federal entity. See also §§ 200.28 Cost objective and 200.60 Intermediate cost objective.

§ 200.45 Fixed amount awards.

Fixed amount awards means a type of grant agreement under which the Federal awarding agency or pass-through entity provides a specific level of support without regard to actual costs incurred under the Federal award. This type of Federal award reduces some of the administrative burden and recordkeeping requirements for both the non-Federal entity and Federal awarding agency or pass-through entity. Accountability is based primarily on performance and results. See §§ 200.201 Use of grant agreements (including fixed amount awards), cooperative agreements, and contracts, paragraph (b) and 200.332 Fixed amount subawards.

§ 200.46 Foreign public entity.

Foreign public entity means:

(a) A foreign government or foreign governmental entity;

(b) A public international organization, which is an organization entitled to enjoy privileges, exemptions, and immunities as an international organization under the International Organizations Immunities Act (22 U.S.C. 288–288f);

(c) An entity owned (in whole or in part) or controlled by a foreign government; or

(d) Any other entity consisting wholly or partially of one or more foreign governments or foreign governmental entities.

§ 200.47 Foreign organization.

Foreign organization means an entity that is:

(a) A public or private organization located in a country other than the United States and its territories that are subject to the laws of the country in which it is located, irrespective of the citizenship of project staff or place of performance;

(b) A private nongovernmental organization located in a country other than the United States that solicits and receives cash contributions from the general public;

(c) A charitable organization located in a country other than the United States that is nonprofit and tax exempt under the laws of its country of domicile and operation, and is not a university, college, accredited degree-granting institution of education, private foundation, hospital, organization engaged exclusively in research or scientific activities, church, synagogue, mosque or other similar entities organized primarily for religious purposes; or

(d) An organization located in a country other than the United States not recognized as a Foreign Public Entity.

§ 200.48 General purpose equipment.

General purpose equipment means equipment which is not limited to research, medical, scientific or other technical activities. Examples include office equipment and furnishings, modular offices, telephone networks, information technology equipment and systems, air conditioning equipment, reproduction and printing equipment, and motor vehicles. See also Equipment and Special Purpose Equipment.

§ 200.49 Generally Accepted Accounting Principles (GAAP).

GAAP has the meaning specified in accounting standards issued by the Government Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB).

§ 200.50 Generally Accepted Government Auditing Standards (GAGAS).

GAGAS means generally accepted government auditing standards issued by the Comptroller General of the United States, which are applicable to financial audits.

§ 200.51 Grant agreement.

Grant agreement means a legal instrument of financial assistance between a Federal awarding agency or pass-through entity and a non-Federal entity that, consistent with 31 U.S.C. 6302, 6304:

(a) Is used to enter into a relationship the principal purpose of which is to transfer anything of value from the Federal awarding agency or pass-through entity to the non-Federal entity to carry out a public purpose authorized by a law of the United States (see 31 U.S.C. 6101(3)); and not to acquire property or services for the Federal awarding agency or pass-through entity's direct benefit or use;

(b) Is distinguished from a cooperative agreement in that it does not provide for substantial involvement between the Federal awarding agency or pass-through entity and the non-Federal entity in carrying out the activity contemplated by the Federal award.

(c) Does not include an agreement that provides only:

(1) Direct United States Government cash assistance to an individual;

(2) A subsidy;

(3) A loan;

(4) A loan guarantee; or

(5) Insurance.

§ 200.52 Hospital.

Hospital means a facility licensed as a hospital under the law of any state or a facility operated as a hospital by the United States, a state, or a subdivision of a state.

§ 200.53 Improper payment.

(a) *Improper payment* means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and

(b) *Improper payment* includes any payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except for such payments where authorized by law), any payment that does not account for credit for applicable discounts, and any payment where insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper.

§ 200.54 Indian tribe (or "federally recognized Indian tribe").

Indian tribe means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. Chapter 33), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians (25 U.S.C. 450b(e)). See annually published Bureau of Indian Affairs list of Indian Entities Recognized and Eligible to Receive Services.

§ 200.55 Institutions of Higher Education (IHEs).

IHE is defined at 20 U.S.C. 1001.

§ 200.56 Indirect (facilities & administrative (F&A)) costs.

Indirect (F&A) costs means those costs incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. To facilitate equitable distribution of indirect expenses to the cost objectives served, it may be necessary to establish a number of pools of indirect (F&A) costs. Indirect (F&A) cost pools should be distributed to benefitted cost objectives on bases that will produce an equitable result in consideration of relative benefits derived.

§ 200.57 Indirect cost rate proposal.

Indirect cost rate proposal means the documentation prepared by a non-Federal entity to substantiate its request for the establishment of an indirect cost rate as described in Appendix III to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs) through Appendix VII to Part 200—States and Local Government and Indian Tribe Indirect Cost Proposals of this part.

§ 200.58 Information technology systems.

Information technology systems means computing devices, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related resources. See also §§ 200.20 Computing devices and 200.33 Equipment.

§ 200.59 Intangible property.

Intangible property means property having no physical existence, such as trademarks, copyrights, patents and patent applications and property, such as loans, notes and other debt instruments, lease agreements, stock and other instruments of property ownership (whether the property is tangible or intangible).

§ 200.60 Intermediate cost objective.

Intermediate cost objective means a cost objective that is used to accumulate indirect costs or service center costs that are subsequently allocated to one or more indirect cost pools or final cost objectives. See also § 200.28 Cost objective and § 200.44 Final cost objective.

§ 200.61 Internal controls.

Internal controls means a process, implemented by a non-Federal entity, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

(a) Effectiveness and efficiency of operations;

(b) Reliability of reporting for internal and external use; and

(c) Compliance with applicable laws and regulations.

§ 200.62 Internal control over compliance requirements for Federal awards.

Internal control over compliance requirements for Federal awards means a process implemented by a non-Federal entity designed to provide reasonable assurance regarding the achievement of the following objectives for Federal awards:

(a) Transactions are properly recorded and accounted for, in order to:

(1) Permit the preparation of reliable financial statements and Federal reports;

(2) Maintain accountability over assets; and

(3) Demonstrate compliance with Federal statutes, regulations, and the terms and conditions of the Federal award;

(b) Transactions are executed in compliance with:

(1) Federal statutes, regulations, and the terms and conditions of the Federal award that could have a direct and material effect on a Federal program; and

(2) Any other Federal statutes and regulations that are identified in the Compliance Supplement; and

(c) Funds, property, and other assets are safeguarded against loss from unauthorized use or disposition.

§ 200.63 Loan.

Loan means a Federal loan or loan guarantee received or administered by a non-Federal entity, except as used in the definition of § 200.80 Program income.

(a) The term ''direct loan'' means a disbursement of funds by the Federal government to a non-Federal borrower under a contract that requires the repayment of such funds with or without interest. The term includes the purchase of, or participation in, a loan made by another lender and financing arrangements that defer payment for more than 90 days, including the sale of a Federal government asset on credit terms. The term does not include the acquisition of a federally guaranteed loan in satisfaction of default claims or the price support loans of the Commodity Credit Corporation.

(b) The term ''direct loan obligation'' means a binding agreement by a Federal awarding agency to make a direct loan when specified conditions are fulfilled by the borrower.

(c) The term ''loan guarantee'' means any Federal government guarantee, insurance, or other pledge with respect to the payment of all or a part of the principal or interest on any debt obligation of a non-Federal borrower to a non-Federal lender, but does not include the insurance of deposits, shares, or other withdrawable accounts in financial institutions.

(d) The term ''loan guarantee commitment'' means a binding agreement by a Federal awarding agency to make a loan guarantee when specified conditions are fulfilled by the borrower, the lender, or any other party to the guarantee agreement.

§ 200.64 Local government.

Local government means any unit of government within a state, including a:

(a) County;

(b) Borough;

(c) Municipality;

(d) City;

(e) Town;

(f) Township;

(g) Parish;

(h) Local public authority, including any public housing agency under the United States Housing Act of 1937;

(i) Special district;

(j) School district;

(k) Intrastate district;

(l) Council of governments, whether or not incorporated as a nonprofit corporation under state law; and

(m) Any other agency or instrumentality of a multi-, regional, or intrastate or local government.

§ 200.65 Major program.

Major program means a Federal program determined by the auditor to be a major program in accordance with § 200.518 Major program determination or a program identified as a major program by a Federal awarding agency or pass-through entity in accordance with § 200.503 Relation to other audit requirements, paragraph (e).

§ 200.66 Management decision.

Management decision means the evaluation by the Federal awarding agency or pass-through entity of the audit findings and corrective action plan and the issuance of a written decision to the auditee as to what corrective action is necessary.

§ 200.67 Micro-purchase.

Micro-purchase means a purchase of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed the micro-purchase threshold. Micro-purchase procedures comprise a subset of a non-Federal entity's small purchase procedures. The non-Federal entity uses such procedures in order to expedite the completion of its lowest-dollar small purchase transactions and minimize the associated administrative burden and cost. The micro-purchase threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions). It is $3,000 except as otherwise discussed in Subpart 2.1 of that regulation, but this threshold is periodically adjusted for inflation.

§ 200.68 Modified Total Direct Cost (MTDC).

MTDC means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and subawards and subcontracts up to the first $25,000 of each subaward or subcontract (regardless of the period of performance of the subawards and subcontracts under the award). MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support

costs and the portion of each subaward and subcontract in excess of $25,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.

§ 200.69 Non-Federal entity.

Non-Federal entity means a state, local government, Indian tribe, institution of higher education (IHE), or nonprofit organization that carries out a Federal award as a recipient or subrecipient.

§ 200.70 Nonprofit organization.

Nonprofit organization means any corporation, trust, association, cooperative, or other organization, not including IHEs, that:

(a) Is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;

(b) Is not organized primarily for profit; and

(c) Uses net proceeds to maintain, improve, or expand the operations of the organization.

§ 200.71 Obligations.

When used in connection with a non-Federal entity's utilization of funds under a Federal award, *obligations* means orders placed for property and services, contracts and subawards made, and similar transactions during a given period that require payment by the non-Federal entity during the same or a future period.

§ 200.72 Office of Management and Budget (OMB).

OMB means the Executive Office of the President, Office of Management and Budget.

§ 200.73 Oversight agency for audit.

Oversight agency for audit means the Federal awarding agency that provides the predominant amount of funding directly to a non-Federal entity not assigned a cognizant agency for audit. When there is no direct funding, the Federal awarding agency which is the predominant source of pass-through funding must assume the oversight responsibilities. The duties of the oversight agency for audit and the process for any reassignments are described in § 200.513 Responsibilities, paragraph (b).

§ 200.74 Pass-through entity.

Pass-through entity means a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.

§ 200.75 Participant support costs.

Participant support costs means direct costs for items such as stipends or subsistence allowances, travel allowances, and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with conferences, or training projects.

§ 200.76 Performance goal.

Performance goal means a target level of performance expressed as a tangible, measurable objective, against which actual achievement can be compared, including a goal expressed as a quantitative standard, value, or rate. In some instances (e.g., discretionary research awards), this may be limited to the requirement to submit technical performance reports (to be evaluated in accordance with agency policy).

§ 200.77 Period of performance.

Period of performance means the time during which the non-Federal entity may incur new obligations to carry out the work authorized under the Federal award. The Federal awarding agency or pass-through entity must include start and end dates of the period of performance in the Federal award (see §§ 200.210 Information contained in a Federal award paragraph (a)(5) and 200.331 Requirements for pass-through entities, paragraph (a)(1)(iv)).

§ 200.78 Personal property.

Personal property means property other than real property. It may be tangible, having physical existence, or intangible.

§ 200.79 Personally Identifiable Information (PII).

PII means information that can be used to distinguish or trace an individual's identity, either alone or when combined with other personal or identifying information that is linked or

linkable to a specific individual. Some information that is considered to be PII is available in public sources such as telephone books, public Web sites, and university listings. This type of information is considered to be Public PII and includes, for example, first and last name, address, work telephone number, email address, home telephone number, and general educational credentials. The definition of PII is not anchored to any single category of information or technology. Rather, it requires a case-by-case assessment of the specific risk that an individual can be identified. Non-PII can become PII whenever additional information is made publicly available, in any medium and from any source, that, when combined with other available information, could be used to identify an individual.

§ 200.80 Program income.

Program income means gross income earned by the non-Federal entity that is directly generated by a supported activity or earned as a result of the Federal award during the period of performance. (See § 200.77 Period of performance.) Program income includes but is not limited to income from fees for services performed, the use or rental or real or personal property acquired under Federal awards, the sale of commodities or items fabricated under a Federal award, license fees and royalties on patents and copyrights, and principal and interest on loans made with Federal award funds. Interest earned on advances of Federal funds is not program income. Except as otherwise provided in Federal statutes, regulations, or the terms and conditions of the Federal award, program income does not include rebates, credits, discounts, and interest earned on any of them. See also § 200.407 Prior written approval (prior approval). See also 35 U.S.C. 200–212 ''Disposition of Rights in Educational Awards'' applies to inventions made under Federal awards.

§ 200.81 Property.

Property means real property or personal property.

§ 200.82 Protected Personally Identifiable Information (Protected PII).

Protected PII means an individual's first name or first initial and last name in combination with any one or more of types of information, including, but not limited to, social security number, passport number, credit card numbers, clearances, bank numbers, biometrics, date and place of birth, mother's maiden name, criminal, medical and financial records, educational transcripts. This does not include PII that is required by law to be disclosed. (See also § 200.79 Personally Identifiable Information (PII)).

§ 200.83 Project cost.

Project cost means total allowable costs incurred under a Federal award and all required cost sharing and voluntary committed cost sharing, including third-party contributions.

§ 200.84 Questioned cost.

Questioned cost means a cost that is questioned by the auditor because of an audit finding:

(a) Which resulted from a violation or possible violation of a statute, regulation, or the terms and conditions of a Federal award, including for funds used to match Federal funds;

(b) Where the costs, at the time of the audit, are not supported by adequate documentation; or

(c) Where the costs incurred appear unreasonable and do not reflect the actions a prudent person would take in the circumstances.

§ 200.85 Real property.

Real property means land, including land improvements, structures and appurtenances thereto, but excludes moveable machinery and equipment.

§ 200.86 Recipient.

Recipient means a non-Federal entity that receives a Federal award directly from a Federal awarding agency to carry out an activity under a Federal program. The term recipient does not include subrecipients. See also § 200.69 Non-Federal entity.

§ 200.87 Research and Development (R&D).

R&D means all research activities, both basic and applied, and all development activities that are performed by non-Federal entities. The term research also includes activities involving the training of individuals in research techniques where such activities utilize the same facilities as other research and development activities and where such activities are not included in the instruction function.

''Research'' is defined as a systematic study directed toward fuller scientific knowledge or understanding of the subject studied. ''Development'' is the systematic use of knowledge and understanding gained from research directed toward the production of useful materials, devices, systems, or methods, including design and development of prototypes and processes.

§ 200.88 Simplified acquisition threshold.

Simplified acquisition threshold means the dollar amount below which a non-Federal entity may purchase property or services using small purchase methods. Non-Federal entities adopt small purchase procedures in order to expedite the purchase of items costing less than the simplified acquisition threshold. The simplified acquisition threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions) and in accordance with 41 U.S.C. 1908. As of the publication of this part, the simplified acquisition threshold is $150,000, but this threshold is periodically adjusted for inflation. (Also see definition of § 200.67 Micro-purchase.)

§ 200.89 Special purpose equipment.

Special purpose equipment means equipment which is used only for research, medical, scientific, or other technical activities. Examples of special purpose equipment include microscopes, x-ray machines, surgical instruments, and spectrometers. See also §§ 200.33 Equipment and 200.48 General purpose equipment.

§ 200.90 State.

State means any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any agency or instrumentality thereof exclusive of local governments.

§ 200.91 Student Financial Aid (SFA).

SFA means Federal awards under those programs of general student assistance, such as those authorized by Title IV of the Higher Education Act of 1965, as amended, (20 U.S.C. 1070–1099d), which are administered by the U.S. Department of Education, and similar programs provided by other Federal agencies. It does not include Federal awards under programs that provide fellowships or similar Federal awards to students on a competitive basis, or for specified studies or research.

§ 200.92 Subaward.

Subaward means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

§ 200.93 Subrecipient.

Subrecipient means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

§ 200.94 Supplies.

Supplies means all tangible personal property other than those described in § 200.33 Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the non-Federal entity for financial statement purposes or $5,000, regardless of the length of its useful life. See also §§ 200.20 Computing devices and 200.33 Equipment.

§ 200.95 Termination.

Termination means the ending of a Federal award, in whole or in part at any time prior to the planned end of period of performance.

§ 200.96 Third-party in-kind contributions.

Third-party in-kind contributions means the value of non-cash contributions (i.e., property or services) that—

(a) Benefit a federally assisted project or program; and

(b) Are contributed by non-Federal third parties, without charge, to a non-Federal entity under a Federal award.

§ 200.97 Unliquidated obligations.

Unliquidated obligations means, for financial reports prepared on a cash basis, obligations incurred by the non-Federal entity that have not been paid (liquidated). For reports prepared on an accrual expenditure basis, these are obligations incurred by the non-Federal entity for which an expenditure has not been recorded.

§ 200.98 Unobligated balance.

Unobligated balance means the amount of funds under a Federal award that the non-Federal entity has not obligated. The amount is computed by subtracting the cumulative amount of the non-Federal entity's unliquidated obligations and expenditures of funds under the Federal award from the cumulative amount of the funds that the Federal awarding agency or pass-through entity authorized the non-Federal entity to obligate.

§ 200.99 Voluntary committed cost sharing.

Voluntary committed cost sharing means cost sharing specifically pledged on a voluntary basis in the proposal's budget or the Federal award on the part of the non-Federal entity and that becomes a binding requirement of Federal award.

Subpart B—General Provisions

§ 200.100 Purpose.

(a)(1) This part establishes uniform administrative requirements, cost principles, and audit requirements for Federal awards to non-Federal entities, as described in § 200.101 Applicability. Federal awarding agencies must not impose additional or inconsistent requirements, except as provided in §§ 200.102 Exceptions and 200.210 Information contained in a Federal award, or unless specifically required by Federal statute, regulation, or Executive Order.

(2) This part provides the basis for a systematic and periodic collection and uniform submission by Federal agencies of information on all Federal financial assistance programs to the Office of Management and Budget (OMB). It also establishes Federal policies related to the delivery of this information to the public, including through the use of electronic media. It prescribes the manner in which General Services Administration (GSA), OMB, and Federal agencies that administer Federal financial assistance programs are to carry out their statutory responsibilities under the Federal Program Information Act (31 U.S.C. 6101–6106).

(b) Administrative requirements. Subparts B through D of this part set forth the uniform administrative requirements for grant and cooperative agreements, including the requirements for Federal awarding agency management of Federal grant programs before the Federal award has been made, and the requirements Federal awarding agencies may impose on non-Federal entities in the Federal award.

(c) Cost Principles. Subpart E—Cost Principles of this part establishes principles for determining the allowable costs incurred by non-Federal entities under Federal awards. The principles are for the purpose of cost determination and are not intended to identify the circumstances or dictate the extent of Federal government participation in the financing of a particular program or project. The principles are designed to provide that Federal awards bear their fair share of cost recognized under these principles except where restricted or prohibited by statute.

(d) Single Audit Requirements and Audit Follow-up. Subpart F—Audit Requirements of this part is issued pursuant to the Single Audit Act Amendments of 1996, (31 U.S.C. 7501–7507). It

sets forth standards for obtaining consistency and uniformity among Federal agencies for the audit of non-Federal entities expending Federal awards. These provisions also provide the policies and procedures for Federal awarding agencies and pass-through entities when using the results of these audits.

(e) For OMB guidance to Federal awarding agencies on Challenges and Prizes, please see M–10–11 Guidance on the Use of Challenges and Prizes to Promote Open Government, issued March 8, 2010, or its successor.

§ 200.101 Applicability.

(a) *General applicability to Federal agencies.* The requirements established in this part apply to Federal agencies that make Federal awards to non-Federal entities. These requirements are applicable to all costs related to Federal awards.

(b)(1) *Applicability to different types of Federal awards.* The following table describes what portions of this part apply to which types of Federal awards. The terms and conditions of Federal awards (including this part) flow down to subawards to subrecipients unless a particular section of this part or the terms and conditions of the Federal award specifically indicate otherwise. This means that non-Federal entities must comply with requirements in this part regardless of whether the non-Federal entity is a recipient or subrecipient of a Federal award. Pass-through entities must comply with the requirements described in Subpart D—Post Federal Award Requirements of this part, §§ 200.330 Subrecipient and contractor determinations through 200.332 Fixed amount Subawards, but not any requirements in this part directed towards Federal awarding agencies unless the requirements of this part or the terms and conditions of the Federal award indicate otherwise.

The following portions of the part:	Are applicable to the following types of Federal Awards (except as noted in paragraphs (d) and (e) of this section):	Are NOT applicable to the following types of Federal Awards:
This table must be read along with the other provisions of this section		
Authority: 31 U.S.C. 503		
Subpart A—Acronyms and Definitions	—All.	
Subpart B—General Provisions, except for §§ 200.111 English *language,* § 200.112 Conflict of *interest,* § 200.113 Mandatory *disclosures*	—All.	
§ 200.111 English *language,* § 200.112 Conflict of *interest,* and § 200.113 Mandatory *disclosures*	—Grant agreements and cooperative agreements	—Agreements for: loans, loan guarantees, interest subsidies, and insurance. —Cost-reimbursement contracts awarded under the Federal Acquisition Regulations and cost-reimbursement subcontracts under these contracts.
Subparts C–D, except for Subrecipient Monitoring and Management	—Grant agreements and cooperative agreements	—Agreements for: loans, loan guarantees, interest subsidies, and insurance. —Cost-reimbursement contracts awarded under the Federal Acquisition Regulations and cost-reimbursement subcontracts under these contracts.
Subpart D—Post Federal Award Requirements, Subrecipient Monitoring and Management	—All.	
Subpart E—Cost Principles	—Grant agreements and cooperative agreements, except those providing food commodities —Cost-reimbursement contracts awarded under the Federal Acquisition Regulations and cost-reimbursement subcontracts under these contracts in accordance with the FAR	—Grant agreements and cooperative agreements providing food commodities. —Fixed amount awards. —Agreements for: loans, loan guarantees, interest subsidies, insurance. —Federal awards to hospitals (see Appendix IX to Part 200—Hospital Cost Principles).
Subpart F—Audit Requirements	—All.	

(2) *Federal award of cost-reimbursement contract under the FAR to a non-Federal entity*. When a non-Federal entity is awarded a cost-reimbursement contract, only Subpart D—Post Federal Award Requirements of this part, §§ 200.330 Subrecipient and contractor determinations through 200.332 Fixed amount Subawards (in addition to any FAR related requirements for subaward monitoring), Subpart E—Cost Principles of this part and Subpart F—Audit Requirements of this part are incorporated by reference into the contract. However, when the Cost Accounting Standards (CAS) are applicable to the contract, they take precedence over the requirements of this part except for Subpart F—Audit Requirements of this part when they are in conflict. In addition, costs that are made unallowable under 10 U.S.C. 2324(e) and 41 U.S.C. 4304(a) as described in the FAR subpart 31.2 and subpart 31.603 are always unallowable. For requirements other than those covered in Subpart D—Post Federal Award Requirements of this part, §§ 200.330 Subrecipient and contractor determinations through 200.332 Fixed amount Subawards, Subpart E—Cost Principles of this part and Subpart F—Audit Requirements of this part, the terms of the contract and the FAR apply.

(3) With the exception of Subpart F—Audit Requirements of this part, which is required by the Single Audit Act, in any circumstances where the provisions of Federal statutes or regulations differ from the provisions of this part, the provision of the Federal statutes or regulations govern. This includes, for agreements with Indian tribes, the provisions of the Indian Self-Determination and Education and Assistance Act (ISDEAA), as amended, 25 U.S.C 450–458ddd–2.

(c) Federal agencies may apply subparts A through E of this part to for-profit entities, foreign public entities, or foreign organizations, except where the Federal awarding agency determines that the application these subparts would be inconsistent with the international obligations of the United States or the statute or regulations of a foreign government.

(d) Except for § 200.202 Requirement to provide public notice of Federal financial assistance programs and §§ 200.330 Subrecipient and contractor determinations through 200.332 Fixed amount Subawards of Subpart D—Post Federal Award Requirements of this part, the requirements in Subpart C—Pre-Federal Award Requirements and Contents of Federal Awards, Subpart D—Post Federal Award Requirements of this part, and Subpart E—Cost Principles of this part do not apply to the following programs:

(1) The block grant awards authorized by the Omnibus Budget Reconciliation Act of 1981 (including Community Services; Preventive Health and Health Services; Alcohol, Drug Abuse, and Mental Health Services; Maternal and Child Health Services; Social Services; Low-Income Home Energy Assistance; States' Program of Community Development Block Grant Awards for Small Cities; and Elementary and Secondary Education other than programs administered by the Secretary of Education under title V, subtitle D, chapter 2, section 583—the Secretary's discretionary award program) and both the Alcohol and Drug Abuse Treatment and Rehabilitation Block Grant Award (42 U.S.C. 300x–21 to 300x–35 and 42 U.S.C. 300x–51 to 300x64) and the Mental Health Service for the Homeless Block Grant Award (42 U.S.C. 300x to 300x–9) under the Public Health Services Act.

(2) Federal awards to local education agencies under 20 U.S.C. 7702–7703b, (portions of the Impact Aid program);

(3) Payments under the Department of Veterans Affairs' State Home Per Diem Program (38 U.S.C. 1741); and

(4) Federal awards authorized under the Child Care and Development Block Grant Act of 1990, as amended:

(i) Child Care and Development Block Grant (42 U.S.C. 9858)

(ii) Child Care Mandatory and Matching Funds of the Child Care and Development Fund (42 U.S.C. 9858)

(e) Except for § 200.202 Requirement to provide public notice of Federal financial assistance programs the guidance in Subpart C—Pre-Federal Award Requirements and Contents of Federal Awards of this part does not apply to the following programs:

(1) Entitlement Federal awards to carry out the following programs of the Social Security Act:

(i) Temporary Assistance to Needy Families (title IV–A of the Social Security Act, 42 U.S.C. 601–619);

(ii) Child Support Enforcement and Establishment of Paternity (title IV–D of the Social Security Act, 42 U.S.C. 651–669b);

(iii) Foster Care and Adoption Assistance (title IV–E of the Act, 42 U.S.C. 670–679c);

(iv) Aid to the Aged, Blind, and Disabled (titles I, X, XIV, and XVI–AABD of the Act, as amended); and

(v) Medical Assistance (Medicaid) (title XIX of the Act, 42 U.S.C. 1396–1396w–5) not including the State Medicaid Fraud Control program authorized by section 1903(a)(6)(B) of the Social Security Act (42 U.S.C. 1396b(a)(6)(B)).

(2) A Federal award for an experimental, pilot, or demonstration project that is also supported by a Federal award listed in paragraph (e)(1) of this section;

(3) Federal awards under subsection 412(e) of the Immigration and Nationality Act and subsection 501(a) of the Refugee Education Assistance Act of 1980 (Pub. L. 96–422, 94 Stat. 1809), for cash assistance, medical assistance, and supplemental security income benefits to refugees and entrants and the administrative costs of providing the assistance and benefits (8 U.S.C. 1522(e));

(4) Entitlement awards under the following programs of The National School Lunch Act:

(i) National School Lunch Program (section 4 of the Act, 42 U.S.C. 1753),

(ii) Commodity Assistance (section 6 of the Act, 42 U.S.C. 1755),

(iii) Special Meal Assistance (section 11 of the Act, 42 U.S.C. 1759a),

(iv) Summer Food Service Program for Children (section 13 of the Act, 42 U.S.C. 1761), and

(v) Child and Adult Care Food Program (section 17 of the Act, 42 U.S.C. 1766).

(5) Entitlement awards under the following programs of The Child Nutrition Act of 1966:

(i) Special Milk Program (section 3 of the Act, 42 U.S.C. 1772),

(ii) School Breakfast Program (section 4 of the Act, 42 U.S.C. 1773), and

(iii) State Administrative Expenses (section 7 of the Act, 42 U.S.C. section 1776).

(6) Entitlement awards for State Administrative Expenses under The Food and Nutrition Act of 2008 (section 16 of the Act, 7 U.S.C. 2025).

(7) Non-discretionary Federal awards under the following non-entitlement programs:

(i) Special Supplemental Nutrition Program for Women, Infants and Children (section 17 of the Child Nutrition Act of 1966) 42 U.S.C. section 1786;

(ii) The Emergency Food Assistance Programs (Emergency Food Assistance Act of 1983) 7 U.S.C. section 7501 note; and

(iii) Commodity Supplemental Food Program (section 5 of the Agriculture and Consumer Protection Act of 1973) 7 U.S.C. section 612c note.

§ 200.102 Exceptions.

(a) With the exception of Subpart F—Audit Requirements of this part, OMB may allow exceptions for classes of Federal awards or non-Federal entities subject to the requirements of this part when exceptions are not prohibited by statute. However, in the interest of maximum uniformity, exceptions from the requirements of this part will be permitted only in unusual circumstances. Exceptions for classes of Federal awards or non-Federal entities will be published on the OMB Web site at *www.whitehouse.gov/omb*.

(b) Exceptions on a case-by-case basis for individual non-Federal entities may be authorized by the Federal awarding agency or cognizant agency for indirect costs except where otherwise required by law or where OMB or other approval is expressly required by this part. No case-by-case exceptions may be granted to the provisions of Subpart F—Audit Requirements of this part.

(c) The Federal awarding agency may apply more restrictive requirements to a class of Federal awards or non-Federal entities when approved by OMB, required by Federal statutes or regulations except for the requirements in Subpart F—Audit Requirements of this part. A Federal awarding agency may apply less restrictive requirements when making fixed amount awards as defined in Subpart A—Acronyms and

Definitions of this part, except for those requirements imposed by statute or in Subpart F—Audit Requirements of this part.

(d) On a case-by-case basis, OMB will approve new strategies for Federal awards when proposed by the Federal awarding agency in accordance with OMB guidance (such as M–13–17) to develop additional evidence relevant to addressing important policy challenges or to promote cost-effectiveness in and across Federal programs. Proposals may draw on the innovative program designs discussed in M–13–17 to expand or improve the use of effective practices in delivering Federal financial assistance while also encouraging innovation in service delivery. Proposals submitted to OMB in accordance with M–13–17 may include requests to waive requirements other than those in Subpart F—Audit Requirements of this part.

§ 200.103 Authorities.

This part is issued under the following authorities.

(a) Subpart B—General Provisions of this part through Subpart D—Post Federal Award Requirements of this part are authorized under 31 U.S.C. 503 (the Chief Financial Officers Act, Functions of the Deputy Director for Management), 31 U.S.C. 1111 (Improving Economy and Efficiency of the United States Government), 41 U.S.C. 1101–1131 (the Office of Federal Procurement Policy Act), Reorganization Plan No. 2 of 1970, and Executive Order 11541 (''Prescribing the Duties of the Office of Management and Budget and the Domestic Policy Council in the Executive Office of the President''), the Single Audit Act Amendments of 1996, (31 U.S.C. 7501–7507), as well as The Federal Program Information Act (Public Law 95–220 and Public Law 98–169, as amended, codified at 31 U.S.C. 6101–6106).

(b) Subpart E—Cost Principles of this part is authorized under the Budget and Accounting Act of 1921, as amended; the Budget and Accounting Procedures Act of 1950, as amended (31 U.S.C. 1101–1125); the Chief Financial Officers Act of 1990 (31 U.S.C. 503–504); Reorganization Plan No. 2 of 1970; and Executive Order No. 11541, ''Prescribing the Duties of the Office of Management and Budget and the Domestic Policy Council in the Executive Office of the President.''

(c) Subpart F—Audit Requirements of this part is authorized under the Single Audit Act Amendments of 1996, (31 U.S.C. 7501–7507).

§ 200.104 Supersession.

As described in § 200.110 Effective/applicability date, this part supersedes the following OMB guidance documents and regulations under Title 2 of the Code of Federal Regulations:

(a) A–21, ''Cost Principles for Educational Institutions'' (2 CFR part 220);

(b) A–87, ''Cost Principles for State, Local and Indian Tribal Governments'' (2 CFR part 225) and also FEDERAL REGISTER notice 51 FR 552 (January 6, 1986);

(c) A–89, ''Federal Domestic Assistance Program Information'';

(d) A–102, ''Grant Awards and Cooperative Agreements with State and Local Governments'';

(e) A–110, ''Uniform Administrative Requirements for Awards and Other Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations'' (codified at 2 CFR 215);

(f) A–122, ''Cost Principles for Non-Profit Organizations'' (2 CFR part 230);

(g) A–133, ''Audits of States, Local Governments and Non-Profit Organizations,''; and

(h) Those sections of A–50 related to audits performed under Subpart F—Audit Requirements of this part.

§ 200.105 Effect on other issuances.

For Federal awards subject to this part, all administrative requirements, program manuals, handbooks and other non-regulatory materials that are inconsistent with the requirements of this part must be superseded upon implementation of this part by the Federal agency, except to the extent they are required by statute or authorized in accordance with the provisions in § 200.102 Exceptions.

§ 200.106 Agency implementation.

The specific requirements and responsibilities of Federal agencies and non-Federal entities are set forth in this part. Federal agencies making Federal awards to non-Federal entities

must implement the language in the Subpart C—Pre-Federal Award Requirements and Contents of Federal Awards of this part through Subpart F—Audit Requirements of this part in codified regulations unless different provisions are required by Federal statute or are approved by OMB.

§ 200.107 OMB responsibilities.

OMB will review Federal agency regulations and implementation of this part, and will provide interpretations of policy requirements and assistance to ensure effective and efficient implementation. Any exceptions will be subject to approval by OMB. Exceptions will only be made in particular cases where adequate justification is presented.

§ 200.108 Inquiries.

Inquiries concerning this part may be directed to the Office of Federal Financial Management Office of Management and Budget, in Washington, DC. Non-Federal entities' inquiries should be addressed to the Federal awarding agency, cognizant agency for indirect costs, cognizant or oversight agency for audit, or pass-through entity as appropriate.

§ 200.109 Review date.

OMB will review this part at least every five years after December 26, 2013.

§ 200.110 Effective/applicability date.

(a) The standards set forth in this part which affect administration of Federal awards issued by Federal agencies become effective once implemented by Federal agencies or when any future amendment to this part becomes final. Federal agencies must implement the policies and procedures applicable to Federal awards by promulgating a regulation to be effective by December 26, 2014 unless different provisions are required by statute or approved by OMB.

(b) The standards set forth in Subpart F—Audit Requirements of this part and any other standards which apply directly to Federal agencies will be effective December 26, 2013 and will apply to audits of fiscal years beginning on or after December 26, 2014.

§ 200.111 English language.

(a) All Federal financial assistance announcements and Federal award information must be in the English language. Applications must be submitted in the English language and must be in the terms of U.S. dollars. If the Federal awarding agency receives applications in another currency, the Federal awarding agency will evaluate the application by converting the foreign currency to United States currency using the date specified for receipt of the application.

(b) Non-Federal entities may translate the Federal award and other documents into another language. In the event of inconsistency between any terms and conditions of the Federal award and any translation into another language, the English language meaning will control. Where a significant portion of the non-Federal entity's employees who are working on the Federal award are not fluent in English, the non-Federal entity must provide the Federal award in English and the language(s) with which employees are more familiar.

§ 200.112 Conflict of interest.

The Federal awarding agency must establish conflict of interest policies for Federal awards. The non-Federal entity must disclose in writing any potential conflict of interest to the Federal awarding agency or pass-through entity in accordance with applicable Federal awarding agency policy.

§ 200.113 Mandatory disclosures.

The non-Federal entity or applicant for a Federal award must disclose, in a timely manner, in writing to the Federal awarding agency or pass-through entity all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures can result in any of the remedies described in § 200.338 Remedies for noncompliance, including suspension or debarment. (See also 2 CFR part 180 and 31 U.S.C. 3321).

Subpart C—Pre-Federal Award Requirements and Contents of Federal Awards

§ 200.200 Purpose.

(a) Sections 200.201 Use of grant agreements (including fixed amount awards), cooperative agreements, and contracts through 200.208 Certifications and representations. Prescribe instructions and other pre-award matters to be used in the announcement and application process.

(b) Use of §§ 200.203 Notices of funding opportunities, 200.204 Federal awarding agency review of merit of proposals, 200.205 Federal awarding agency review of risk posed by applicants, and 200.207 Specific conditions, is required only for competitive Federal awards, but may also be used by the Federal awarding agency for non-competitive awards where appropriate or where required by Federal statute.

§ 200.201 Use of grant agreements (including fixed amount awards), cooperative agreements, and contracts.

(a) The Federal awarding agency or pass-through entity must decide on the appropriate instrument for the Federal award (i.e., grant agreement, cooperative agreement, or contract) in accordance with the Federal Grant and Cooperative Agreement Act (31 U.S.C. 6301–08).

(b) Fixed Amount Awards. In addition to the options described in paragraph (a) of this section, Federal awarding agencies, or pass-through entities as permitted in § 200.332 Fixed amount subawards, may use fixed amount awards (see § 200.45 Fixed amount awards) to which the following conditions apply:

(1) Payments are based on meeting specific requirements of the Federal award. Accountability is based on performance and results. The Federal award amount is negotiated using the cost principles (or other pricing information) as a guide. Except in the case of termination before completion of the Federal award, there is no governmental review of the actual costs incurred by the non-Federal entity in performance of the award. The Federal awarding agency or pass-through entity may use fixed amount awards if the project scope is specific and if adequate cost, historical, or unit pricing data is available to establish a fixed amount award with assurance that the non-Federal entity will realize no increment above actual cost. Some of the ways in which the Federal award may be paid include, but are not limited to:

(i) In several partial payments, the amount of each agreed upon in advance, and the ''milestone'' or event triggering the payment also agreed upon in advance, and set forth in the Federal award;

(ii) On a unit price basis, for a defined unit or units, at a defined price or prices, agreed to in advance of performance of the Federal award and set forth in the Federal award; or,

(iii) In one payment at Federal award completion.

(2) A fixed amount award cannot be used in programs which require mandatory cost sharing or match.

(3) The non-Federal entity must certify in writing to the Federal awarding agency or pass-through entity at the end of the Federal award that the project or activity was completed or the level of effort was expended. If the required level of activity or effort was not carried out, the amount of the Federal award must be adjusted.

(4) Periodic reports may be established for each Federal award.

(5) Changes in principal investigator, project leader, project partner, or scope of effort must receive the prior written approval of the Federal awarding agency or pass-through entity.

§ 200.202 Requirement to provide public notice of Federal financial assistance programs.

(a) The Federal awarding agency must notify the public of Federal programs in the Catalog of Federal Domestic Assistance (CFDA), maintained by the General Services Administration (GSA).

(1) The CFDA, or any OMB-designated replacement, is the single, authoritative, governmentwide comprehensive source of Federal financial assistance program information produced by the executive branch of the Federal government.

(2) The information that the Federal awarding agency must submit to GSA for approval by OMB is listed in paragraph (b) of this section. GSA must prescribe the format for the submission.

(3) The Federal awarding agency may not award Federal financial assistance without assigning it to a program that has been included in the CFDA as required in this section unless there are exigent circumstances requiring otherwise, such as timing requirements imposed by statute.

(b) For each program that awards discretionary Federal awards, non-discretionary Federal awards, loans, insurance, or any other type of Federal financial assistance, the Federal awarding agency must submit the following information to GSA:

(1) Program Description, Purpose, Goals and Measurement. A brief summary of the statutory or regulatory requirements of the program and its intended outcome. Where appropriate, the Program Description, Purpose, Goals, and Measurement should align with the strategic goals and objectives within the Federal awarding agency's performance plan and should support the Federal awarding agency's performance measurement, management, and reporting as required by Part 6 of OMB Circular A–11;

(2) Identification of whether the program makes Federal awards on a discretionary basis or the Federal awards are prescribed by Federal statute, such as in the case of formula grants.

(3) Projected total amount of funds available for the program. Estimates based on previous year funding are acceptable if current appropriations are not available at the time of the submission;

(4) Anticipated Source of Available Funds: The statutory authority for funding the program and, to the extent possible, agency, sub-agency, or, if known, the specific program unit that will issue the Federal awards, and associated funding identifier (e.g., Treasury Account Symbol(s));

(5) General Eligibility Requirements: The statutory, regulatory or other eligibility factors or considerations that determine the applicant's qualification for Federal awards under the program (e.g., type of non-Federal entity); and

(6) Applicability of Single Audit Requirements as required by Subpart F—Audit Requirements of this part.

§ 200.203 Notices of funding opportunities.

For competitive grants and cooperative agreements, the Federal awarding agency must announce specific funding opportunities by providing the following information in a public notice:

(a) *Summary Information in Notices of Funding Opportunities.* The Federal awarding agency must display the following information posted on the OMB-designated governmentwide Web site for finding and applying for Federal financial assistance, in a location preceding the full text of the announcement:

(1) Federal Awarding Agency Name;

(2) Funding Opportunity Title;

(3) Announcement Type (whether the funding opportunity is the initial announcement of this funding opportunity or a modification of a previously announced opportunity);

(4) Funding Opportunity Number (required, if applicable). If the Federal awarding agency has assigned or will assign a number to the funding opportunity announcement, this number must be provided;

(5) Catalog of Federal Financial Assistance (CFDA) Number(s);

(6) Key Dates. Key dates include due dates for applications or Executive Order 12372 submissions, as well as for any letters of intent or pre-applications. For any announcement issued before a program's application materials are available, key dates also include the date on which those materials will be released; and any other additional information, as deemed applicable by the relevant Federal awarding agency.

(b) The Federal awarding agency must generally make all funding opportunities available for application for at least 60 calendar days. The Federal awarding agency may make a determination to have a less than 60 calendar day availability period but no funding opportunity should be available for less than 30 calendar days unless exigent circumstances require as

determined by the Federal awarding agency head or delegate.

(c) *Full Text of Funding Opportunities.* The Federal awarding agency must include the following information in the full text of each funding opportunity. For specific instructions on the content required in this section, refer to Appendix I to Part 200—Full Text of Notice of Funding Opportunity to this part.

(1) Full programmatic description of the funding opportunity.

(2) Federal award information, including sufficient information to help an applicant make an informed decision about whether to submit an application. (See also § 200.414 Indirect (F&A) costs, paragraph (b)).

(3) Specific eligibility information, including any factors or priorities that affect an applicant's or its application's eligibility for selection.

(4) Application Preparation and Submission Information, including the applicable submission dates and time.

(5) Application Review Information including the criteria and process to be used to evaluate applications. See also § 200.205 Federal awarding agency review of risk posed by applicants. See also 2 CFR part 27.

(6) Federal Award Administration Information. See also § 200.210 Information contained in a Federal award.

§ 200.204 Federal awarding agency review of merit of proposals.

For competitive grants or cooperative agreements, unless prohibited by Federal statute, the Federal awarding agency must design and execute a merit review process for applications. This process must be described or incorporated by reference in the applicable funding opportunity (see Appendix I to this part, Full text of the Funding Opportunity.) See also § 200.203 Notices of funding opportunities.

§ 200.205 Federal awarding agency review of risk posed by applicants.

(a) Prior to making a Federal award, the Federal awarding agency is required by 31 U.S.C. 3321 and 41 U.S.C. 2313 note to review information available through any OMB-designated repositories of governmentwide eligibility qualification or financial integrity information, such as Federal Awardee Performance and Integrity Information System (FAPIIS), Dun and Bradstreet, and ''Do Not Pay''. See also suspension and debarment requirements at 2 CFR part 180 as well as individual Federal agency suspension and debarment regulations in title 2 of the Code of Federal Regulations.

(b) In addition, for competitive grants or cooperative agreements, the Federal awarding agency must have in place a framework for evaluating the risks posed by applicants before they receive Federal awards. This evaluation may incorporate results of the evaluation of the applicant's eligibility or the quality of its application. If the Federal awarding agency determines that a Federal award will be made, special conditions that correspond to the degree of risk assessed may be applied to the Federal award. Criteria to be evaluated must be described in the announcement of funding opportunity described in § 200.203 Notices of funding opportunities.

(c) In evaluating risks posed by applicants, the Federal awarding agency may use a risk-based approach and may consider any items such as the following:

(1) Financial stability;

(2) Quality of management systems and ability to meet the management standards prescribed in this part;

(3) History of performance. The applicant's record in managing Federal awards, if it is a prior recipient of Federal awards, including timeliness of compliance with applicable reporting requirements, conformance to the terms and conditions of previous Federal awards, and if applicable, the extent to which any previously awarded amounts will be expended prior to future awards;

(4) Reports and findings from audits performed under Subpart F—Audit Requirements of this part or the reports and findings of any other available audits; and

(5) The applicant's ability to effectively implement statutory, regulatory, or other requirements imposed on non-Federal entities.

(d) In addition to this review, the Federal awarding agency must comply with the guidelines on governmentwide

suspension and debarment in 2 CFR part 180, and must require non-Federal entities to comply with these provisions. These provisions restrict Federal awards, subawards and contracts with certain parties that are debarred, suspended or otherwise excluded from or ineligible for participation in Federal programs or activities.

§ 200.206 Standard application requirements.

(a) *Paperwork clearances*. The Federal awarding agency may only use application information collections approved by OMB under the Paperwork Reduction Act of 1995 and OMB's implementing regulations in 5 CFR part 1320, Controlling Paperwork Burdens on the Public. Consistent with these requirements, OMB will authorize additional information collections only on a limited basis.

(b) If applicable, the Federal awarding agency may inform applicants and recipients that they do not need to provide certain information otherwise required by the relevant information collection.

§ 200.207 Specific conditions.

(a) Based on the criteria set forth in § 200.205 Federal awarding agency review of risk posed by applicants or when an applicant or recipient has a history of failure to comply with the general or specific terms and conditions of a Federal award, or failure to meet expected performance goals as described in § 200.210 Information contained in a Federal award, or is not otherwise responsible, the Federal awarding agency or pass-through entity may impose additional specific award conditions as needed under the procedure specified in paragraph (b) of this section. These additional Federal award conditions may include items such as the following:

(1) Requiring payments as reimbursements rather than advance payments;

(2) Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given period of performance;

(3) Requiring additional, more detailed financial reports;

(4) Requiring additional project monitoring;

(5) Requiring the non-Federal entity to obtain technical or management assistance; or

(6) Establishing additional prior approvals.

(b) The Federal awarding agency or pass-through entity must notify the applicant or non-Federal entity as to:

(1) The nature of the additional requirements;

(2) The reason why the additional requirements are being imposed;

(3) The nature of the action needed to remove the additional requirement, if applicable;

(4) The time allowed for completing the actions if applicable, and

(5) The method for requesting reconsideration of the additional requirements imposed.

(c) Any special conditions must be promptly removed once the conditions that prompted them have been corrected.

§ 200.208 Certifications and representations.

Unless prohibited by Federal statutes or regulations, each Federal awarding agency or pass-through entity is authorized to require the non-Federal entity to submit certifications and representations required by Federal statutes, or regulations on an annual basis. Submission may be required more frequently if the non-Federal entity fails to meet a requirement of a Federal award.

§ 200.209 Pre-award costs.

For requirements on costs incurred by the applicant prior to the start date of the period of performance of the Federal award, see § 200.458 Pre-award costs.

§ 200.210 Information contained in a Federal award.

A Federal award must include the following information:

(a) *General Federal Award Information*. The Federal awarding agency must include the following general Federal award information in each Federal award:

(1) Recipient name (which must match registered name in DUNS);

(2) Recipient's DUNS number (see § 200.32 Data Universal Numbering System (DUNS) number);

(3) Unique Federal Award Identification Number (FAIN);

(4) Federal Award Date (see § 200.39 Federal award date);

(5) Period of Performance Start and End Date;

(6) Amount of Federal Funds Obligated by this action;

(7) Total Amount of Federal Funds Obligated;

(8) Total Amount of the Federal Award;

(9) Budget Approved by the Federal Awarding Agency;

(10) Total Approved Cost Sharing or Matching, where applicable;

(11) Federal award project description, (to comply with statutory requirements (e.g., FFATA));

(12) Name of Federal awarding agency and contact information for awarding official,

(13) CFDA Number and Name;

(14) Identification of whether the award is R&D; and

(15) Indirect cost rate for the Federal award (including if the de minimis rate is charged per § 200.414 Indirect (F&A) costs).

(b) *General Terms and Conditions* (1) Federal awarding agencies must incorporate the following general terms and conditions either in the Federal award or by reference, as applicable:

(i) Administrative requirements implemented by the Federal awarding agency as specified in this part.

(ii) National policy requirements. These include statutory, executive order, other Presidential directive, or regulatory requirements that apply by specific reference and are not program-specific. See § 200.300 Statutory and national policy requirements.

(2) The Federal award must include wording to incorporate, by reference, the applicable set of general terms and conditions. The reference must be to the Web site at which the Federal awarding agency maintains the general terms and conditions.

(3) If a non-Federal entity requests a copy of the full text of the general terms and conditions, the Federal awarding agency must provide it.

(4) Wherever the general terms and conditions are publicly available, the Federal awarding agency must maintain an archive of previous versions of the general terms and conditions, with effective dates, for use by the non-Federal entity, auditors, or others.

(c) *Federal Awarding Agency, Program, or Federal Award Specific Terms and Conditions.* The Federal awarding agency may include with each Federal award any terms and conditions necessary to communicate requirements that are in addition to the requirements outlined in the Federal awarding agency's general terms and conditions. Whenever practicable, these specific terms and conditions also should be shared on a public Web site and in notices of funding opportunities (as outlined in § 200.203 Notices of funding opportunities) in addition to being included in a Federal award. See also § 200.206 Standard application requirements.

(d) *Federal Award Performance Goals.* The Federal awarding agency must include in the Federal award an indication of the timing and scope of expected performance by the non-Federal entity as related to the outcomes intended to be achieved by the program. In some instances (e.g., discretionary research awards), this may be limited to the requirement to submit technical performance reports (to be evaluated in accordance with Federal awarding agency policy). Where appropriate, the Federal award may include specific performance goals, indicators, milestones, or expected outcomes (such as outputs, or services performed or public impacts of any of these) with an expected timeline for accomplishment. Reporting requirements must be clearly articulated such that, where appropriate, performance during the execution of the Federal award has a standard against which non-Federal entity performance can be measured. The Federal awarding agency may include program-specific requirements, as applicable. These requirements should be aligned with agency strategic goals, strategic objectives or performance goals that are relevant to the program. See also OMB Circular A–11, Preparation, Submission and Execution of the

Budget Part 6 for definitions of strategic objectives and performance goals.

(e) Any other information required by the Federal awarding agency.

§ 200.211 Public access to Federal award information.

(a) In accordance with statutory requirements for Federal spending transparency (e.g., FFATA), except as noted in this section, for applicable Federal awards the Federal awarding agency must announce all Federal awards publicly and publish the required information on a publicly available OMB-designated governmentwide Web site (at time of publication, *www.USAspending.gov*).

(b) Nothing in this section may be construed as requiring the publication of information otherwise exempt under the Freedom of Information Act (5 U.S.C 552), or controlled unclassified information pursuant to Executive Order 13556.

Subpart D—Post Federal Award Requirements

STANDARDS FOR FINANCIAL AND PROGRAM MANAGEMENT

§ 200.300 Statutory and national policy requirements.

(a) The Federal awarding agency must manage and administer the Federal award in a manner so as to ensure that Federal funding is expended and associated programs are implemented in full accordance with U.S. statutory and public policy requirements: including, but not limited to, those protecting public welfare, the environment, and prohibiting discrimination. The Federal awarding agency must communicate to the non-Federal entity all relevant public policy requirements, including those in general appropriations provisions, and incorporate them either directly or by reference in the terms and conditions of the Federal award.

(b) The non-Federal entity is responsible for complying with all requirements of the Federal award. For all Federal awards, this includes the provisions of FFATA, which includes requirements on executive compensation, and also requirements implementing the Act for the non-Federal entity at 2 CFR part 25 Financial Assistance Use of Universal Identifier and Central Contractor Registration and 2 CFR part 170 Reporting Subaward and Executive Compensation Information. See also statutory requirements for whistleblower protections at 10 U.S.C. 2409, 41 U.S.C. 4712, and 10 U.S.C. 2324, 41 U.S.C. 4304 and 4310.

§ 200.301 Performance measurement.

The Federal awarding agency must require the recipient to use OMB-approved governmentwide standard information collections when providing financial and performance information. As appropriate and in accordance with above mentioned information collections, the Federal awarding agency must require the recipient to relate financial data to performance accomplishments of the Federal award. Also, in accordance with above mentioned governmentwide standard information collections, and when applicable, recipients must also provide cost information to demonstrate cost effective practices (e.g., through unit cost data). The recipient's performance should be measured in a way that will help the Federal awarding agency and other non-Federal entities to improve program outcomes, share lessons learned, and spread the adoption of promising practices. The Federal awarding agency should provide recipients with clear performance goals, indicators, and milestones as described in § 200.210 Information contained in a Federal award. Performance reporting frequency and content should be established to not only allow the Federal awarding agency to understand the recipient progress but also to facilitate identification of promising practices among recipients and build the evidence upon which the Federal awarding agency's program and performance decisions are made.

§ 200.302 Financial management.

(a) Each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the

state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award. See also § 200.450 Lobbying.

(b) The financial management system of each non-Federal entity must provide for the following (see also §§ 200.333 Retention requirements for records, 200.334 Requests for transfer of records, 200.335 Methods for collection, transmission and storage of information, 200.336 Access to records, and 200.337 Restrictions on public access to records):

(1) Identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received. Federal program and Federal award identification must include, as applicable, the CFDA title and number, Federal award identification number and year, name of the Federal agency, and name of the pass-through entity, if any.

(2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§ 200.327 Financial reporting and 200.328 Monitoring and reporting program performance. If a Federal awarding agency requires reporting on an accrual basis from a recipient that maintains its records on other than an accrual basis, the recipient must not be required to establish an accrual accounting system. This recipient may develop accrual data for its reports on the basis of an analysis of the documentation on hand. Similarly, a pass-through entity must not require a subrecipient to establish an accrual accounting system and must allow the subrecipient to develop accrual data for its reports on the basis of an analysis of the documentation on hand.

(3) Records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.

(4) Effective control over, and accountability for, all funds, property, and other assets. The non-Federal entity must adequately safeguard all assets and assure that they are used solely for authorized purposes. See § 200.303 Internal controls.

(5) Comparison of expenditures with budget amounts for each Federal award.

(6) Written procedures to implement the requirements of § 200.305 Payment.

(7) Written procedures for determining the allowability of costs in accordance with Subpart E—Cost Principles of this part and the terms and conditions of the Federal award.

§ 200.303 Internal controls.

The non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in ''Standards for Internal Control in the Federal Government'' issued by the Comptroller General of the United States and the ''Internal Control Integrated Framework'', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

(b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.

(c) Evaluate and monitor the non-Federal entity's compliance with statute, regulations and the terms and conditions of Federal awards.

(d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

(e) Take reasonable measures to safeguard protected personally identifiable

information and other information the Federal awarding agency or pass-through entity designates as sensitive or the non-Federal entity considers sensitive consistent with applicable Federal, state and local laws regarding privacy and obligations of confidentiality.

§ 200.304 Bonds.

The Federal awarding agency may include a provision on bonding, insurance, or both in the following circumstances:

(a) Where the Federal government guarantees or insures the repayment of money borrowed by the recipient, the Federal awarding agency, at its discretion, may require adequate bonding and insurance if the bonding and insurance requirements of the non-Federal entity are not deemed adequate to protect the interest of the Federal government.

(b) The Federal awarding agency may require adequate fidelity bond coverage where the non-Federal entity lacks sufficient coverage to protect the Federal government's interest.

(c) Where bonds are required in the situations described above, the bonds must be obtained from companies holding certificates of authority as acceptable sureties, as prescribed in 31 CFR Part 223, ''Surety Companies Doing Business with the United States.''

§ 200.305 Payment.

(a) For states, payments are governed by Treasury-State CMIA agreements and default procedures codified at 31 CFR Part 205 ''Rules and Procedures for Efficient Federal-State Funds Transfers'' and TFM 4A–2000 Overall Disbursing Rules for All Federal Agencies.

(b) For non-Federal entities other than states, payments methods must minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the non-Federal entity whether the payment is made by electronic funds transfer, or issuance or redemption of checks, warrants, or payment by other means. See also §200.302 Financial management paragraph (f). Except as noted elsewhere in this part, Federal agencies must require recipients to use only OMB-approved standard governmentwide information collection requests to request payment.

(1) The non-Federal entity must be paid in advance, provided it maintains or demonstrates the willingness to maintain both written procedures that minimize the time elapsing between the transfer of funds and disbursement by the non-Federal entity, and financial management systems that meet the standards for fund control and accountability as established in this part. Advance payments to a non-Federal entity must be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the non-Federal entity in carrying out the purpose of the approved program or project. The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements by the non-Federal entity for direct program or project costs and the proportionate share of any allowable indirect costs. The non-Federal entity must make timely payment to contractors in accordance with the contract provisions.

(2) Whenever possible, advance payments must be consolidated to cover anticipated cash needs for all Federal awards made by the Federal awarding agency to the recipient.

(i) Advance payment mechanisms include, but are not limited to, Treasury check and electronic funds transfer and should comply with applicable guidance in 31 CFR part 208.

(ii) Non-Federal entities must be authorized to submit requests for advance payments and reimbursements at least monthly when electronic fund transfers are not used, and as often as they like when electronic transfers are used, in accordance with the provisions of the Electronic Fund Transfer Act (15 U.S.C. 1601).

(3) Reimbursement is the preferred method when the requirements in paragraph (b) cannot be met, when the Federal awarding agency sets a specific condition per §200.207 Specific conditions, or when the non-Federal entity requests payment by reimbursement. This method may be used on any Federal award for construction, or if the

major portion of the construction project is accomplished through private market financing or Federal loans, and the Federal award constitutes a minor portion of the project. When the reimbursement method is used, the Federal awarding agency or pass-through entity must make payment within 30 calendar days after receipt of the billing, unless the Federal awarding agency or pass-through entity reasonably believes the request to be improper.

(4) If the non-Federal entity cannot meet the criteria for advance payments and the Federal awarding agency or pass-through entity has determined that reimbursement is not feasible because the non-Federal entity lacks sufficient working capital, the Federal awarding agency or pass-through entity may provide cash on a working capital advance basis. Under this procedure, the Federal awarding agency or pass-through entity must advance cash payments to the non-Federal entity to cover its estimated disbursement needs for an initial period generally geared to the non-Federal entity's disbursing cycle. Thereafter, the Federal awarding agency or pass-through entity must reimburse the non-Federal entity for its actual cash disbursements. Use of the working capital advance method of payment requires that the pass-through entity provide timely advance payments to any subrecipients in order to meet the subrecipient's actual cash disbursements. The working capital advance method of payment must not be used by the pass-through entity if the reason for using this method is the unwillingness or inability of the pass-through entity to provide timely advance payments to the subrecipient to meet the subrecipient's actual cash disbursements.

(5) Use of resources before requesting cash advance payments. To the extent available, the non-Federal entity must disburse funds available from program income (including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting additional cash payments.

(6) Unless otherwise required by Federal statutes, payments for allowable costs by non-Federal entities must not be withheld at any time during the period of performance unless the conditions of §§ 200.207 Specific conditions, Subpart D—Post Federal Award Requirements of this part, 200.338 Remedies for Noncompliance, or the following apply:

(i) The non-Federal entity has failed to comply with the project objectives, Federal statutes, regulations, or the terms and conditions of the Federal award.

(ii) The non-Federal entity is delinquent in a debt to the United States as defined in OMB Guidance A–129, ''Policies for Federal Credit Programs and Non-Tax Receivables.'' Under such conditions, the Federal awarding agency or pass-through entity may, upon reasonable notice, inform the non-Federal entity that payments must not be made for obligations incurred after a specified date until the conditions are corrected or the indebtedness to the Federal government is liquidated.

(iii) A payment withheld for failure to comply with Federal award conditions, but without suspension of the Federal award, must be released to the non-Federal entity upon subsequent compliance. When a Federal award is suspended, payment adjustments will be made in accordance with § 200.342 Effects of suspension and termination.

(iv) A payment must not be made to a non-Federal entity for amounts that are withheld by the non-Federal entity from payment to contractors to assure satisfactory completion of work. A payment must be made when the non-Federal entity actually disburses the withheld funds to the contractors or to escrow accounts established to assure satisfactory completion of work.

(7) Standards governing the use of banks and other institutions as depositories of advance payments under Federal awards are as follows.

(i) The Federal awarding agency and pass-through entity must not require separate depository accounts for funds provided to a non-Federal entity or establish any eligibility requirements for depositories for funds provided to the non-Federal entity. However, the non-Federal entity must be able to account for the receipt, obligation and expenditure of funds.

(ii) Advance payments of Federal funds must be deposited and maintained in insured accounts whenever possible.

(8) The non-Federal entity must maintain advance payments of Federal awards in interest-bearing accounts, unless the following apply.

(i) The non-Federal entity receives less than $120,000 in Federal awards per year.

(ii) The best reasonably available interest-bearing account would not be expected to earn interest in excess of $500 per year on Federal cash balances.

(iii) The depository would require an average or minimum balance so high that it would not be feasible within the expected Federal and non-Federal cash resources.

(iv) A foreign government or banking system prohibits or precludes interest bearing accounts.

(9) Interest earned on Federal advance payments deposited in interest-bearing accounts must be remitted annually to the Department of Health and Human Services, Payment Management System, Rockville, MD 20852. Interest amounts up to $500 per year may be retained by the non-Federal entity for administrative expense.

§ 200.306 Cost sharing or matching.

(a) Under Federal research proposals, voluntary committed cost sharing is not expected. It cannot be used as a factor during the merit review of applications or proposals, but may be considered if it is both in accordance with Federal awarding agency regulations and specified in a notice of funding opportunity. Criteria for considering voluntary committed cost sharing and any other program policy factors that may be used to determine who may receive a Federal award must be explicitly described in the notice of funding opportunity. Furthermore, only mandatory cost sharing or cost sharing specifically committed in the project budget must be included in the organized research base for computing the indirect (F&A) cost rate or reflected in any allocation of indirect costs. See also §§ 200.414 Indirect (F&A) costs, 200.203 Notices of funding opportunities, and Appendix I to Part 200—Full Text of Notice of Funding Opportunity.

(b) For all Federal awards, any shared costs or matching funds and all contributions, including cash and third party in-kind contributions, must be accepted as part of the non-Federal entity's cost sharing or matching when such contributions meet all of the following criteria:

(1) Are verifiable from the non-Federal entity's records;

(2) Are not included as contributions for any other Federal award;

(3) Are necessary and reasonable for accomplishment of project or program objectives;

(4) Are allowable under Subpart E—Cost Principles of this part;

(5) Are not paid by the Federal government under another Federal award, except where the Federal statute authorizing a program specifically provides that Federal funds made available for such program can be applied to matching or cost sharing requirements of other Federal programs;

(6) Are provided for in the approved budget when required by the Federal awarding agency; and

(7) Conform to other provisions of this part, as applicable.

(c) Unrecovered indirect costs, including indirect costs on cost sharing or matching may be included as part of cost sharing or matching only with the prior approval of the Federal awarding agency. Unrecovered indirect cost means the difference between the amount charged to the Federal award and the amount which could have been to the Federal award under the non-Federal entity's approved negotiated indirect cost rate.

(d) Values for non-Federal entity contributions of services and property must be established in accordance with § 200.434 Contributions and donations. If a Federal awarding agency authorizes the non-Federal entity to donate buildings or land for construction/facilities acquisition projects or long-term use, the value of the donated property for cost sharing or matching must be the lesser of paragraphs (d)(1) or (2) of this section.

(1) The value of the remaining life of the property recorded in the non-Federal entity's accounting records at the time of donation.

(2) The current fair market value. However, when there is sufficient justification, the Federal awarding agency may approve the use of the current fair market value of the donated property, even if it exceeds the value described in (1) above at the time of donation.

(e) Volunteer services furnished by third-party professional and technical personnel, consultants, and other skilled and unskilled labor may be counted as cost sharing or matching if the service is an integral and necessary part of an approved project or program. Rates for third-party volunteer services must be consistent with those paid for similar work by the non-Federal entity. In those instances in which the required skills are not found in the non-Federal entity, rates must be consistent with those paid for similar work in the labor market in which the non-Federal entity competes for the kind of services involved. In either case, paid fringe benefits that are reasonable, necessary, allocable, and otherwise allowable may be included in the valuation.

(f) When a third-party organization furnishes the services of an employee, these services must be valued at the employee's regular rate of pay plus an amount of fringe benefits that is reasonable, necessary, allocable, and otherwise allowable, and indirect costs at either the third-party organization's approved federally negotiated indirect cost rate or, a rate in accordance with §200.414 Indirect (F&A) costs, paragraph (d), provided these services employ the same skill(s) for which the employee is normally paid. Where donated services are treated as indirect costs, indirect cost rates will separate the value of the donated services so that reimbursement for the donated services will not be made.

(g) Donated property from third parties may include such items as equipment, office supplies, laboratory supplies, or workshop and classroom supplies. Value assessed to donated property included in the cost sharing or matching share must not exceed the fair market value of the property at the time of the donation.

(h) The method used for determining cost sharing or matching for third-party-donated equipment, buildings and land for which title passes to the non-Federal entity may differ according to the purpose of the Federal award, if paragraph (h)(1) or (2) of this section applies.

(1) If the purpose of the Federal award is to assist the non-Federal entity in the acquisition of equipment, buildings or land, the aggregate value of the donated property may be claimed as cost sharing or matching.

(2) If the purpose of the Federal award is to support activities that require the use of equipment, buildings or land, normally only depreciation charges for equipment and buildings may be made. However, the fair market value of equipment or other capital assets and fair rental charges for land may be allowed, provided that the Federal awarding agency has approved the charges. See also §200.420 Considerations for selected items of cost.

(i) The value of donated property must be determined in accordance with the usual accounting policies of the non-Federal entity, with the following qualifications:

(1) The value of donated land and buildings must not exceed its fair market value at the time of donation to the non-Federal entity as established by an independent appraiser (e.g., certified real property appraiser or General Services Administration representative) and certified by a responsible official of the non-Federal entity as required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601–4655) (Uniform Act) except as provided in the implementing regulations at 49 CFR part 24.

(2) The value of donated equipment must not exceed the fair market value of equipment of the same age and condition at the time of donation.

(3) The value of donated space must not exceed the fair rental value of comparable space as established by an independent appraisal of comparable space and facilities in a privately-owned building in the same locality.

(4) The value of loaned equipment must not exceed its fair rental value.

(j) For third-party in-kind contributions, the fair market value of goods and services must be documented and

to the extent feasible supported by the same methods used internally by the non-Federal entity.

§ 200.307 Program income.

(a) *General.* Non-Federal entities are encouraged to earn income to defray program costs where appropriate.

(b) *Cost of generating program income.* If authorized by Federal regulations or the Federal award, costs incidental to the generation of program income may be deducted from gross income to determine program income, provided these costs have not been charged to the Federal award.

(c) *Governmental revenues.* Taxes, special assessments, levies, fines, and other such revenues raised by a non-Federal entity are not program income unless the revenues are specifically identified in the Federal award or Federal awarding agency regulations as program income.

(d) *Property.* Proceeds from the sale of real property or equipment are not program income; such proceeds will be handled in accordance with the requirements of Subpart D—Post Federal Award Requirements of this part, Property Standards §§ 200.311 Real property and 200.313 Equipment, or as specifically identified in Federal statutes, regulations, or the terms and conditions of the Federal award.

(e) *Use of program income.* If the Federal awarding agency does not specify in its regulations or the terms and conditions of the Federal award, or give prior approval for how program income is to be used, paragraph (e)(1) of this section must apply. For Federal awards made to IHEs and nonprofit research institutions, if the Federal awarding agency does not specify in its regulations or the terms and conditions of the Federal award how program income is to be used, paragraph (e)(2) of this section must apply. In specifying alternatives to paragraphs (e)(1) and (2) of this section, the Federal awarding agency may distinguish between income earned by the recipient and income earned by subrecipients and between the sources, kinds, or amounts of income. When the Federal awarding agency authorizes the approaches in paragraphs (e)(2) and (3) of this section, program income in excess of any amounts specified must also be deducted from expenditures.

(1) *Deduction.* Ordinarily program income must be deducted from total allowable costs to determine the net allowable costs. Program income must be used for current costs unless the Federal awarding agency authorizes otherwise. Program income that the non-Federal entity did not anticipate at the time of the Federal award must be used to reduce the Federal award and non-Federal entity contributions rather than to increase the funds committed to the project.

(2) *Addition.* With prior approval of the Federal awarding agency, program income may be added to the Federal award by the Federal agency and the non-Federal entity. The program income must be used for the purposes and under the conditions of the Federal award.

(3) *Cost sharing or matching.* With prior approval of the Federal awarding agency, program income may be used to meet the cost sharing or matching requirement of the Federal award. The amount of the Federal award remains the same.

(f) *Income after the period of performance.* There are no Federal requirements governing the disposition of income earned after the end of the period of performance for the Federal award, unless the Federal awarding agency regulations or the terms and conditions of the Federal award provide otherwise. The Federal awarding agency may negotiate agreements with recipients regarding appropriate uses of income earned after the period of performance as part of the grant closeout process. See also § 200.343 Closeout.

§ 200.308 Revision of budget and program plans.

(a) The approved budget for the Federal award summarizes the financial aspects of the project or program as approved during the Federal award process. It may include either the Federal and non-Federal share (see § 200.43 Federal share) or only the Federal share, depending upon Federal awarding agency requirements. It must be related to performance for program evaluation purposes whenever appropriate.

(b) Recipients are required to report deviations from budget or project scope or objective, and request prior approvals from Federal awarding agencies for budget and program plan revisions, in accordance with this section.

(c) For non-construction Federal awards, recipients must request prior approvals from Federal awarding agencies for one or more of the following program or budget-related reasons:

(1) Change in the scope or the objective of the project or program (even if there is no associated budget revision requiring prior written approval).

(2) Change in a key person specified in the application or the Federal award.

(3) The disengagement from the project for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director or principal investigator.

(4) The inclusion, unless waived by the Federal awarding agency, of costs that require prior approval in accordance with Subpart E—Cost Principles of this part or 45 CFR Part 74 Appendix E, ''Principles for Determining Costs Applicable to Research and Development under Awards and Contracts with Hospitals,'' or 48 CFR Part 31, ''Contract Cost Principles and Procedures,'' as applicable.

(5) The transfer of funds budgeted for participant support costs as defined in § 200.75 Participant support costs to other categories of expense.

(6) Unless described in the application and funded in the approved Federal awards, the subawarding, transferring or contracting out of any work under a Federal award. This provision does not apply to the acquisition of supplies, material, equipment or general support services.

(7) Changes in the amount of approved cost-sharing or matching provided by the non-Federal entity. No other prior approval requirements for specific items may be imposed unless a deviation has been approved by OMB. See also §§ 200.102 Exceptions and 200.407 Prior written approval (prior approval).

(d) Except for requirements listed in paragraph (c)(1) of this section, the Federal awarding agency are authorized, at their option, to waive prior written approvals required by paragraph (c) this section. Such waivers may include authorizing recipients to do any one or more of the following:

(1) Incur project costs 90 calendar days before the Federal awarding agency makes the Federal award. Expenses more than 90 calendar days pre-award require prior approval of the Federal awarding agency. All costs incurred before the Federal awarding agency makes the Federal award are at the recipient's risk (i.e., the Federal awarding agency is under no obligation to reimburse such costs if for any reason the recipient does not receive a Federal award or if the Federal award is less than anticipated and inadequate to cover such costs). See also § 200.458 Pre-award costs.

(2) Initiate a one-time extension of the period of performance by up to 12 months unless one or more of the conditions outlined in paragraphs (d)(2)(i) through (iii) of this section apply. For one-time extensions, the recipient must notify the Federal awarding agency in writing with the supporting reasons and revised period of performance at least 10 calendar days before the end of the period of performance specified in the Federal award. This one-time extension may not be exercised merely for the purpose of using unobligated balances. Extensions require explicit prior Federal awarding agency approval when:

(i) The terms and conditions of the Federal award prohibit the extension.

(ii) The extension requires additional Federal funds.

(iii) The extension involves any change in the approved objectives or scope of the project.

(3) Carry forward unobligated balances to subsequent periods of performance.

(4) For Federal awards that support research, unless the Federal awarding agency provides otherwise in the Federal award or in the Federal awarding agency's regulations, the prior approval requirements described in paragraph (d) are automatically waived (i.e., recipients need not obtain such prior approvals) unless one of the conditions included in paragraph (d)(2) applies.

(e) The Federal awarding agency may, at its option, restrict the transfer of funds among direct cost categories or programs, functions and activities for Federal awards in which the Federal share of the project exceeds the Simplified Acquisition Threshold and the cumulative amount of such transfers exceeds or is expected to exceed 10 percent of the total budget as last approved by the Federal awarding agency. The Federal awarding agency cannot permit a transfer that would cause any Federal appropriation to be used for purposes other than those consistent with the appropriation.

(f) All other changes to non-construction budgets, except for the changes described in paragraph (c) of this section, do not require prior approval (see also §200.407 Prior written approval (prior approval)).

(g) For construction Federal awards, the recipient must request prior written approval promptly from the Federal awarding agency for budget revisions whenever paragraph (g)(1), (2), or (3) of this section applies.

(1) The revision results from changes in the scope or the objective of the project or program.

(2) The need arises for additional Federal funds to complete the project.

(3) A revision is desired which involves specific costs for which prior written approval requirements may be imposed consistent with applicable OMB cost principles listed in Subpart E—Cost Principles of this part.

(4) No other prior approval requirements for budget revisions may be imposed unless a deviation has been approved by OMB.

(5) When a Federal awarding agency makes a Federal award that provides support for construction and non-construction work, the Federal awarding agency may require the recipient to obtain prior approval from the Federal awarding agency before making any fund or budget transfers between the two types of work supported.

(h) When requesting approval for budget revisions, the recipient must use the same format for budget information that was used in the application, unless the Federal awarding agency indicates a letter of request suffices.

(i) Within 30 calendar days from the date of receipt of the request for budget revisions, the Federal awarding agency must review the request and notify the recipient whether the budget revisions have been approved. If the revision is still under consideration at the end of 30 calendar days, the Federal awarding agency must inform the recipient in writing of the date when the recipient may expect the decision.

§200.309 Period of performance.

A non-Federal entity may charge to the Federal award only allowable costs incurred during the period of performance and any costs incurred before the Federal awarding agency or pass-through entity made the Federal award that were authorized by the Federal awarding agency or pass-through entity.

PROPERTY STANDARDS

§200.310 Insurance coverage.

The non-Federal entity must, at a minimum, provide the equivalent insurance coverage for real property and equipment acquired or improved with Federal funds as provided to property owned by the non-Federal entity. Federally-owned property need not be insured unless required by the terms and conditions of the Federal award.

§200.311 Real property.

(a) *Title.* Subject to the obligations and conditions set forth in this section, title to real property acquired or improved under a Federal award will vest upon acquisition in the non-Federal entity.

(b) *Use.* Except as otherwise provided by Federal statutes or by the Federal awarding agency, real property will be used for the originally authorized purpose as long as needed for that purpose, during which time the non-Federal entity must not dispose of or encumber its title or other interests.

(c) *Disposition.* When real property is no longer needed for the originally authorized purpose, the non-Federal entity must obtain disposition instructions from the Federal awarding agency or pass-through entity. The instructions must provide for one of the following alternatives:

(1) Retain title after compensating the Federal awarding agency. The amount paid to the Federal awarding agency will be computed by applying the Federal awarding agency's percentage of participation in the cost of the original purchase (and costs of any improvements) to the fair market value of the property. However, in those situations where non-Federal entity is disposing of real property acquired or improved with a Federal award and acquiring replacement real property under the same Federal award, the net proceeds from the disposition may be used as an offset to the cost of the replacement property.

(2) Sell the property and compensate the Federal awarding agency. The amount due to the Federal awarding agency will be calculated by applying the Federal awarding agency's percentage of participation in the cost of the original purchase (and cost of any improvements) to the proceeds of the sale after deduction of any actual and reasonable selling and fixing-up expenses. If the Federal award has not been closed out, the net proceeds from sale may be offset against the original cost of the property. When non-Federal entity is directed to sell property, sales procedures must be followed that provide for competition to the extent practicable and result in the highest possible return.

(3) Transfer title to the Federal awarding agency or to a third party designated/approved by the Federal awarding agency. The non-Federal entity is entitled to be paid an amount calculated by applying the non-Federal entity's percentage of participation in the purchase of the real property (and cost of any improvements) to the current fair market value of the property.

§ 200.312 Federally-owned and exempt property.

(a) Title to federally-owned property remains vested in the Federal government. The non-Federal entity must submit annually an inventory listing of federally-owned property in its custody to the Federal awarding agency. Upon completion of the Federal award or when the property is no longer needed, the non-Federal entity must report the property to the Federal awarding agency for further Federal agency utilization.

(b) If the Federal awarding agency has no further need for the property, it must declare the property excess and report it for disposal to the appropriate Federal disposal authority, unless the Federal awarding agency has statutory authority to dispose of the property by alternative methods (e.g., the authority provided by the Federal Technology Transfer Act (15 U.S.C. 3710 (i)) to donate research equipment to educational and non-profit organizations in accordance with Executive Order 12999, ''Educational Technology: Ensuring Opportunity for All Children in the Next Century.''). The Federal awarding agency must issue appropriate instructions to the non-Federal entity.

(c) Exempt federally-owned property means property acquired under a Federal award the title based upon the explicit terms and conditions of the Federal award that indicate the Federal awarding agency has chosen to vest in the non-Federal entity without further obligation to the Federal government or under conditions the Federal agency considers appropriate. The Federal awarding agency may exercise this option when statutory authority exists. Absent statutory authority and specific terms and conditions of the Federal award, title to exempt federally-owned property acquired under the Federal award remains with the Federal government.

§ 200.313 Equipment.

See also § 200.439 Equipment and other capital expenditures.

(a) *Title.* Subject to the obligations and conditions set forth in this section, title to equipment acquired under a Federal award will vest upon acquisition in the non-Federal entity. Unless a statute specifically authorizes the Federal agency to vest title in the non-Federal entity without further obligation to the Federal government, and the Federal agency elects to do so, the title must be a conditional title. Title must vest in the non-Federal entity subject to the following conditions:

(1) Use the equipment for the authorized purposes of the project until funding for the project ceases, or until the

property is no longer needed for the purposes of the project.

(2) Not encumber the property without approval of the Federal awarding agency or pass-through entity.

(3) Use and dispose of the property in accordance with paragraphs (b), (c) and (e) of this section.

(b) A state must use, manage and dispose of equipment acquired under a Federal award by the state in accordance with state laws and procedures. Other non-Federal entities must follow paragraphs (c) through (e) of this section.

(c) *Use.* (1) Equipment must be used by the non-Federal entity in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the Federal award, and the non-Federal entity must not encumber the property without prior approval of the Federal awarding agency. When no longer needed for the original program or project, the equipment may be used in other activities supported by the Federal awarding agency, in the following order of priority:

(i) Activities under a Federal award from the Federal awarding agency which funded the original program or project, then

(ii) Activities under Federal awards from other Federal awarding agencies. This includes consolidated equipment for information technology systems.

(2) During the time that equipment is used on the project or program for which it was acquired, the non-Federal entity must also make equipment available for use on other projects or programs currently or previously supported by the Federal government, provided that such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use must be given to other programs or projects supported by Federal awarding agency that financed the equipment and second preference must be given to programs or projects under Federal awards from other Federal awarding agencies. Use for non-federally-funded programs or projects is also permissible. User fees should be considered if appropriate.

(3) Notwithstanding the encouragement in § 200.307 Program income to earn program income, the non-Federal entity must not use equipment acquired with the Federal award to provide services for a fee that is less than private companies charge for equivalent services unless specifically authorized by Federal statute for as long as the Federal government retains an interest in the equipment.

(4) When acquiring replacement equipment, the non-Federal entity may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property.

(d) *Management requirements.* Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part under a Federal award, until disposition takes place will, as a minimum, meet the following requirements:

(1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

(2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.

(3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated.

(4) Adequate maintenance procedures must be developed to keep the property in good condition.

(5) If the non-Federal entity is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

(e) *Disposition.* When original or replacement equipment acquired under a Federal award is no longer needed for the original project or program or for

other activities currently or previously supported by a Federal awarding agency, except as otherwise provided in Federal statutes, regulations, or Federal awarding agency disposition instructions, the non-Federal entity must request disposition instructions from the Federal awarding agency if required by the terms and conditions of the Federal award. Disposition of the equipment will be made as follows, in accordance with Federal awarding agency disposition instructions:

(1) Items of equipment with a current per unit fair market value of $5,000 or less may be retained, sold or otherwise disposed of with no further obligation to the Federal awarding agency.

(2) Except as provided in § 200.312 Federally-owned and exempt property, paragraph (b), or if the Federal awarding agency fails to provide requested disposition instructions within 120 days, items of equipment with a current per-unit fair-market value in excess of $5,000 may be retained by the non-Federal entity or sold. The Federal awarding agency is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the Federal awarding agency's percentage of participation in the cost of the original purchase. If the equipment is sold, the Federal awarding agency may permit the non-Federal entity to deduct and retain from the Federal share $500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.

(3) The non-Federal entity may transfer title to the property to the Federal Government or to an eligible third party provided that, in such cases, the non-Federal entity must be entitled to compensation for its attributable percentage of the current fair market value of the property.

(4) In cases where a non-Federal entity fails to take appropriate disposition actions, the Federal awarding agency may direct the non-Federal entity to take disposition actions.

§ 200.314 Supplies.

See also § 200.453 Materials and supplies costs, including costs of computing devices.

(a) Title to supplies will vest in the non-Federal entity upon acquisition. If there is a residual inventory of unused supplies exceeding $5,000 in total aggregate value upon termination or completion of the project or program and the supplies are not needed for any other Federal award, the non-Federal entity must retain the supplies for use on other activities or sell them, but must, in either case, compensate the Federal government for its share. The amount of compensation must be computed in the same manner as for equipment. See § 200.313 Equipment, paragraph (e)(2) for the calculation methodology.

(b) As long as the Federal government retains an interest in the supplies, the non-Federal entity must not use supplies acquired under a Federal award to provide services to other organizations for a fee that is less than private companies charge for equivalent services, unless specifically authorized by Federal statute.

§ 200.315 Intangible property.

(a) Title to intangible property (see § 200.59 Intangible property) acquired under a Federal award vests upon acquisition in the non-Federal entity. The non-Federal entity must use that property for the originally-authorized purpose, and must not encumber the property without approval of the Federal awarding agency. When no longer needed for the originally authorized purpose, disposition of the intangible property must occur in accordance with the provisions in § 200.313 Equipment paragraph (e).

(b) The non-Federal entity may copyright any work that is subject to copyright and was developed, or for which ownership was acquired, under a Federal award. The Federal awarding agency reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so.

(c) The non-Federal entity is subject to applicable regulations governing patents and inventions, including governmentwide regulations issued by the Department of Commerce at 37 CFR Part 401, ''Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government

Awards, Contracts and Cooperative Agreements.''

(d) The Federal government has the right to:

(1) Obtain, reproduce, publish, or otherwise use the data produced under a Federal award; and

(2) Authorize others to receive, reproduce, publish, or otherwise use such data for Federal purposes.

(e) Freedom of Information Act (FOIA).

(1) In addition, in response to a Freedom of Information Act (FOIA) request for research data relating to published research findings produced under a Federal award that were used by the Federal government in developing an agency action that has the force and effect of law, the Federal awarding agency must request, and the non-Federal entity must provide, within a reasonable time, the research data so that they can be made available to the public through the procedures established under the FOIA. If the Federal awarding agency obtains the research data solely in response to a FOIA request, the Federal awarding agency may charge the requester a reasonable fee equaling the full incremental cost of obtaining the research data. This fee should reflect costs incurred by the Federal agency and the non-Federal entity. This fee is in addition to any fees the Federal awarding agency may assess under the FOIA (5 U.S.C. 552(a)(4)(A)).

(2) Published research findings means when:

(i) Research findings are published in a peer-reviewed scientific or technical journal; or

(ii) A Federal agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law. ''Used by the Federal government in developing an agency action that has the force and effect of law'' is defined as when an agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law.

(3) Research data means the recorded factual material commonly accepted in the scientific community as necessary to validate research findings, but not any of the following: preliminary analyses, drafts of scientific papers, plans for future research, peer reviews, or communications with colleagues. This ''recorded'' material excludes physical objects (e.g., laboratory samples). Research data also do not include:

(i) Trade secrets, commercial information, materials necessary to be held confidential by a researcher until they are published, or similar information which is protected under law; and

(ii) Personnel and medical information and similar information the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, such as information that could be used to identify a particular person in a research study.

§ 200.316 Property trust relationship.

Real property, equipment, and intangible property, that are acquired or improved with a Federal award must be held in trust by the non-Federal entity as trustee for the beneficiaries of the project or program under which the property was acquired or improved. The Federal awarding agency may require the non-Federal entity to record liens or other appropriate notices of record to indicate that personal or real property has been acquired or improved with a Federal award and that use and disposition conditions apply to the property.

PROCUREMENT STANDARDS

§ 200.317 Procurements by states.

When procuring property and services under a Federal award, a state must follow the same policies and procedures it uses for procurements from its non-Federal funds. The state will comply with § 200.322 Procurement of recovered *materials* and ensure that every purchase order or other contract includes any clauses required by section § 200.326 Contract provisions. All other non-Federal entities, including subrecipients of a state, will follow §§ 200.318 General procurement standards through 200.326 Contract provisions.

§ 200.318 General procurement standards.

(a) The non-Federal entity must use its own documented procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this section.

(b) Non-Federal entities must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

(c)(1) The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent must participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.

(2) If the non-Federal entity has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.

(d) The non-Federal entity's procedures must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

(e) To foster greater economy and efficiency, and in accordance with efforts to promote cost-effective use of shared services across the Federal government, the non-Federal entity is encouraged to enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services.

(f) The non-Federal entity is encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

(g) The non-Federal entity is encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

(h) The non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

(i) The non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor

selection or rejection, and the basis for the contract price.

(j)(1) The non-Federal entity may use time and material type contracts only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and material type contract means a contract whose cost to a non-Federal entity is the sum of:

(i) The actual cost of materials; and

(ii) Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

(2) Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the non-Federal entity awarding such a contract must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

(k) The non-Federal entity alone must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the non-Federal entity of any contractual responsibilities under its contracts. The Federal awarding agency will not substitute its judgment for that of the non-Federal entity unless the matter is primarily a Federal concern. Violations of law will be referred to the local, state, or Federal authority having proper jurisdiction.

§ 200.319 Competition.

(a) All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, and invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

(1) Placing unreasonable requirements on firms in order for them to qualify to do business;

(2) Requiring unnecessary experience and excessive bonding;

(3) Noncompetitive pricing practices between firms or between affiliated companies;

(4) Noncompetitive contracts to consultants that are on retainer contracts;

(5) Organizational conflicts of interest;

(6) Specifying only a ''brand name'' product instead of allowing ''an equal'' product to be offered and describing the performance or other relevant requirements of the procurement; and

(7) Any arbitrary action in the procurement process.

(b) The non-Federal entity must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

(c) The non-Federal entity must have written procedures for procurement transactions. These procedures must ensure that all solicitations:

(1) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and

standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a ''brand name or equivalent'' description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and

(2) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

(d) The non-Federal entity must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the non-Federal entity must not preclude potential bidders from qualifying during the solicitation period.

§ 200.320 Methods of procurement to be followed.

The non-Federal entity must use one of the following methods of procurement.

(a) Procurement by micro-purchases. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed $3,000 (or $2,000 in the case of acquisitions for construction subject to the Davis-Bacon Act). To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable.

(b) Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.

(c) Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in paragraph (c)(1) of this section apply.

(1) In order for sealed bidding to be feasible, the following conditions should be present:

(i) A complete, adequate, and realistic specification or purchase description is available;

(ii) Two or more responsible bidders are willing and able to compete effectively for the business; and

(iii) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

(2) If sealed bids are used, the following requirements apply:

(i) The invitation for bids will be publicly advertised and bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids;

(ii) The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;

(iii) All bids will be publicly opened at the time and place prescribed in the invitation for bids;

(iv) A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and

(v) Any or all bids may be rejected if there is a sound documented reason.

(d) Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source submitting an

offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

(1) Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;

(2) Proposals must be solicited from an adequate number of qualified sources;

(3) The non-Federal entity must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;

(4) Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and

(5) The non-Federal entity may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

(e) [Reserved]

(f) Procurement by noncompetitive proposals. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

(1) The item is available only from a single source;

(2) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;

(3) The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or

(4) After solicitation of a number of sources, competition is determined inadequate.

§ 200.321 Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.

(a) The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

(b) Affirmative steps must include:

(1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

(2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

(3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;

(4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;

(5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and

(6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

§ 200.322 Procurement of recovered materials.

A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition,

where the purchase price of the item exceeds $10,000 or the value of the quantity acquired by the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

§ 200.323 Contract cost and price.

(a) The non-Federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals.

(b) The non-Federal entity must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

(c) Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable for the non-Federal entity under Subpart E—Cost Principles of this part. The non-Federal entity may reference its own cost principles that comply with the Federal cost principles.

(d) The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used.

§ 200.324 Federal awarding agency or pass-through entity review.

(a) The non-Federal entity must make available, upon request of the Federal awarding agency or pass-through entity, technical specifications on proposed procurements where the Federal awarding agency or pass-through entity believes such review is needed to ensure that the item or service specified is the one being proposed for acquisition. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the non-Federal entity desires to have the review accomplished after a solicitation has been developed, the Federal awarding agency or pass-through entity may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.

(b) The non-Federal entity must make available upon request, for the Federal awarding agency or pass-through entity pre-procurement review, procurement documents, such as requests for proposals or invitations for bids, or independent cost estimates, when:

(1) The non-Federal entity's procurement procedures or operation fails to comply with the procurement standards in this part;

(2) The procurement is expected to exceed the Simplified Acquisition Threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation;

(3) The procurement, which is expected to exceed the Simplified Acquisition Threshold, specifies a ''brand name'' product;

(4) The proposed contract is more than the Simplified Acquisition Threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or

(5) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the Simplified Acquisition Threshold.

(c) The non-Federal entity is exempt from the pre-procurement review in paragraph (b) of this section if the Federal awarding agency or pass-through entity determines that its procurement systems comply with the standards of this part.

(1) The non-Federal entity may request that its procurement system be

reviewed by the Federal awarding agency or pass-through entity to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews must occur where there is continuous high-dollar funding, and third party contracts are awarded on a regular basis;

(2) The non-Federal entity may self-certify its procurement system. Such self-certification must not limit the Federal awarding agency's right to survey the system. Under a self-certification procedure, the Federal awarding agency may rely on written assurances from the non-Federal entity that it is complying with these standards. The non-Federal entity must cite specific policies, procedures, regulations, or standards as being in compliance with these requirements and have its system available for review.

§ 200.325 Bonding requirements.

For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, the Federal awarding agency or pass-through entity may accept the bonding policy and requirements of the non-Federal entity provided that the Federal awarding agency or pass-through entity has made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:

(a) A bid guarantee from each bidder equivalent to five percent of the bid price. The ''bid guarantee'' must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.

(b) A performance bond on the part of the contractor for 100 percent of the contract price. A ''performance bond'' is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

(c) A payment bond on the part of the contractor for 100 percent of the contract price. A ''payment bond'' is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

§ 200.326 Contract provisions.

The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to Part 200—Contract Provisions for non-Federal Entity Contracts Under Federal Awards.

Performance and Financial Monitoring and Reporting

§ 200.327 Financial reporting.

Unless otherwise approved by OMB, the Federal awarding agency may solicit only the standard, OMB-approved governmentwide data elements for collection of financial information (at time of publication the Federal Financial Report or such future collections as may be approved by OMB and listed on the OMB Web site). This information must be collected with the frequency required by the terms and conditions of the Federal award, but no less frequently than annually nor more frequently than quarterly except in unusual circumstances, for example where more frequent reporting is necessary for the effective monitoring of the Federal award or could significantly affect program outcomes, and preferably in coordination with performance reporting.

200.328 Monitoring and reporting program performance.

(a) *Monitoring by the non-Federal entity.* The non-Federal entity is responsible for oversight of the operations of the Federal award supported activities. The non-Federal entity must monitor its activities under Federal awards to assure compliance with applicable Federal requirements and performance expectations are being achieved. Monitoring by the non-Federal entity must cover each program, function or activity. See also §200.331 Requirements for pass-through *entities.*

(b) *Non-construction performance reports.* The Federal awarding agency must use standard, OMB-approved data elements for collection of performance information (including performance

progress reports, Research Performance Progress Report, or such future collections as may be approved by OMB and listed on the OMB Web site).

(1) The non-Federal entity must submit performance reports at the interval required by the Federal awarding agency or pass-through entity to best inform improvements in program outcomes and productivity. Intervals must be no less frequent than annually nor more frequent than quarterly except in unusual circumstances, for example where more frequent reporting is necessary for the effective monitoring of the Federal award or could significantly affect program outcomes. Annual reports must be due 90 calendar days after the reporting period; quarterly or semiannual reports must be due 30 calendar days after the reporting period. Alternatively, the Federal awarding agency or pass-through entity may require annual reports before the anniversary dates of multiple year Federal awards. The final performance report will be due 90 calendar days after the period of performance end date. If a justified request is submitted by a non-Federal entity, the Federal agency may extend the due date for any performance report.

(2) The non-Federal entity must submit performance reports using OMB-approved governmentwide standard information collections when providing performance information. As appropriate in accordance with above mentioned information collections, these reports will contain, for each Federal award, brief information on the following unless other collections are approved by OMB:

(i) A comparison of actual accomplishments to the objectives of the Federal award established for the period. Where the accomplishments of the Federal award can be quantified, a computation of the cost (for example, related to units of accomplishment) may be required if that information will be useful. Where performance trend data and analysis would be informative to the Federal awarding agency program, the Federal awarding agency should include this as a performance reporting requirement.

(ii) The reasons why established goals were not met, if appropriate.

(iii) Additional pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

(c) *Construction performance reports.* For the most part, onsite technical inspections and certified percentage of completion data are relied on heavily by Federal awarding agencies and pass-through entities to monitor progress under Federal awards and subawards for construction. The Federal awarding agency may require additional performance reports only when considered necessary.

(d) *Significant developments.* Events may occur between the scheduled performance reporting dates that have significant impact upon the supported activity. In such cases, the non-Federal entity must inform the Federal awarding agency or pass-through entity as soon as the following types of conditions become known:

(1) Problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the Federal award. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.

(2) Favorable developments which enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more or different beneficial results than originally planned.

(e) The Federal awarding agency may make site visits as warranted by program needs.

(f) The Federal awarding agency may waive any performance report required by this part if not needed.

§ 200.329 Reporting on real property.

The Federal awarding agency or pass-through entity must require a non-Federal entity to submit reports at least annually on the status of real property in which the Federal government retains an interest, unless the Federal interest in the real property extends 15 years or longer. In those instances where the Federal interest attached is for a period of 15 years or more, the Federal awarding agency or pass-through entity, at its option, may require the non-Federal entity to report at various multi-year frequencies (e.g.,

every two years or every three years, not to exceed a five-year reporting period; or a Federal awarding agency or pass-through entity may require annual reporting for the first three years of a Federal award and thereafter require reporting every five years).

SUBRECIPIENT MONITORING AND MANAGEMENT

§ 200.330 Subrecipient and contractor determinations.

The non-Federal entity may concurrently receive Federal awards as a recipient, a subrecipient, and a contractor, depending on the substance of its agreements with Federal awarding agencies and pass-through entities. Therefore, a pass-through entity must make case-by-case determinations whether each agreement it makes for the disbursement of Federal program funds casts the party receiving the funds in the role of a subrecipient or a contractor. The Federal awarding agency may supply and require recipients to comply with additional guidance to support these determinations provided such guidance does not conflict with this section.

(a) *Subrecipients.* A subaward is for the purpose of carrying out a portion of a Federal award and creates a Federal assistance relationship with the subrecipient. See §200.92 Subaward. Characteristics which support the classification of the non-Federal entity as a subrecipient include when the non-Federal entity:

(1) Determines who is eligible to receive what Federal assistance;

(2) Has its performance measured in relation to whether objectives of a Federal program were met;

(3) Has responsibility for programmatic decision making;

(4) Is responsible for adherence to applicable Federal program requirements specified in the Federal award; and

(5) In accordance with its agreement, uses the Federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity.

(b) *Contractors.* A contract is for the purpose of obtaining goods and services for the non-Federal entity's own use and creates a procurement relationship with the contractor. See §200.22 Contract. Characteristics indicative of a procurement relationship between the non-Federal entity and a contractor are when the non-Federal entity receiving the Federal funds:

(1) Provides the goods and services within normal business operations;

(2) Provides similar goods or services to many different purchasers;

(3) Normally operates in a competitive environment;

(4) Provides goods or services that are ancillary to the operation of the Federal program; and

(5) Is not subject to compliance requirements of the Federal program as a result of the agreement, though similar requirements may apply for other reasons.

(c) *Use of judgment in making determination.* In determining whether an agreement between a pass-through entity and another non-Federal entity casts the latter as a subrecipient or a contractor, the substance of the relationship is more important than the form of the agreement. All of the characteristics listed above may not be present in all cases, and the pass-through entity must use judgment in classifying each agreement as a subaward or a procurement contract.

§ 200.331 Requirements for pass-through entities.

All pass-through entities must:

(a) Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the following information at the time of the subaward and if any of these data elements change, include the changes in subsequent subaward modification. When some of this information is not available, the pass-through entity must provide the best information available to describe the Federal award and subaward. Required information includes:

(1) Federal Award Identification.

(i) Subrecipient name (which must match registered name in DUNS);

(ii) Subrecipient's DUNS number (see §200.32 Data Universal Numbering System (DUNS) *number*);

(iii) Federal Award Identification Number (FAIN);

(iv) Federal Award Date (see § 200.39 Federal award date);
(v) Subaward Period of Performance Start and End Date;
(vi) Amount of Federal Funds Obligated by this action;
(vii) Total Amount of Federal Funds Obligated to the subrecipient;
(viii) Total Amount of the Federal Award;
(ix) Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA);
(x) Name of Federal awarding agency, pass-through entity, and contact information for awarding official,
(xi) CFDA Number and Name; the pass-through entity must identify the dollar amount made available under each Federal award and the CFDA number at time of disbursement;
(xii) Identification of whether the award is R&D; and
(xiii) Indirect cost rate for the Federal award (including if the de minimis rate is charged per § 200.414 Indirect (F&A) costs).
(2) All requirements imposed by the pass-through entity on the subrecipient so that the Federal award is used in accordance with Federal statutes, regulations and the terms and conditions of the Federal award.
(3) Any additional requirements that the pass-through entity imposes on the subrecipient in order for the pass-through entity to meet its own responsibility to the Federal awarding agency including identification of any required financial and performance reports;
(4) An approved federally recognized indirect cost rate negotiated between the subrecipient and the Federal government or, if no such rate exists, either a rate negotiated between the pass-through entity and the subrecipient (in compliance with this part), or a de minimis indirect cost rate as defined in § 200.414 Indirect (F&A) costs, paragraph (b) of this part.
(5) A requirement that the subrecipient permit the pass-through entity and auditors to have access to the subrecipient's records and financial statements as necessary for the pass-through entity to meet the requirements of this section, §§ 200.300 Statutory and national policy requirements through 200.309 Period of performance, and Subpart F—Audit Requirements of this part; and
(6) Appropriate terms and conditions concerning closeout of the subaward.
(b) Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraph (e) of this section, which may include consideration of such factors as:
(1) The subrecipient's prior experience with the same or similar subawards;
(2) The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with Subpart F—Audit Requirements of this part, and the extent to which the same or similar subaward has been audited as a major program;
(3) Whether the subrecipient has new personnel or new or substantially changed systems; and
(4) The extent and results of Federal awarding agency monitoring (e.g., if the subrecipient also receives Federal awards directly from a Federal awarding agency).
(c) Consider imposing specific subaward conditions upon a subrecipient if appropriate as described in § 200.207 Specific conditions.
(d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:
(1) Reviewing financial and programmatic reports required by the pass-through entity.
(2) Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and other means.
(3) Issuing a management decision for audit findings pertaining to the Federal award provided to the subrecipient

from the pass-through entity as required by § 200.521 Management decision.

(e) Depending upon the pass-through entity's assessment of risk posed by the subrecipient (as described in paragraph (b) of this section), the following monitoring tools may be useful for the pass-through entity to ensure proper accountability and compliance with program requirements and achievement of performance goals:

(1) Providing subrecipients with training and technical assistance on program-related matters; and

(2) Performing on-site reviews of the subrecipient's program operations;

(3) Arranging for agreed-upon-procedures engagements as described in § 200.425 Audit services.

(f) Verify that every subrecipient is audited as required by Subpart F—Audit Requirements of this part when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in § 200.501 Audit requirements.

(g) Consider whether the results of the subrecipient's audits, on-site reviews, or other monitoring indicate conditions that necessitate adjustments to the pass-through entity's own records.

(h) Consider taking enforcement action against noncompliant subrecipients as described in § 200.338 Remedies for noncompliance of this part and in program regulations.

§ 200.332 Fixed amount subawards.

With prior written approval from the Federal awarding agency, a pass-through entity may provide subawards based on fixed amounts up to the Simplified Acquisition Threshold, provided that the subawards meet the requirements for fixed amount awards in § 200.201 Use of grant agreements (including fixed amount awards), cooperative agreements, and contracts.

Record Retention and Access

§ 200.333 Retention requirements for records.

Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient. Federal awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. The only exceptions are the following:

(a) If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.

(b) When the non-Federal entity is notified in writing by the Federal awarding agency, cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or pass-through entity to extend the retention period.

(c) Records for real property and equipment acquired with Federal funds must be retained for 3 years after final disposition.

(d) When records are transferred to or maintained by the Federal awarding agency or pass-through entity, the 3-year retention requirement is not applicable to the non-Federal entity.

(e) Records for program income transactions after the period of performance. In some cases recipients must report program income after the period of performance. Where there is such a requirement, the retention period for the records pertaining to the earning of the program income starts from the end of the non-Federal entity's fiscal year in which the program income is earned.

(f) Indirect cost rate proposals and cost allocations plans. This paragraph applies to the following types of documents and their supporting records: indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer

usage chargeback rates or composite fringe benefit rates).

(1) *If submitted for negotiation.* If the proposal, plan, or other computation is required to be submitted to the Federal government (or to the pass-through entity) to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts from the date of such submission.

(2) *If not submitted for negotiation.* If the proposal, plan, or other computation is not required to be submitted to the Federal government (or to the pass-through entity) for negotiation purposes, then the 3-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.

§ 200.334 Requests for transfer of records.

The Federal awarding agency must request transfer of certain records to its custody from the non-Federal entity when it determines that the records possess long-term retention value. However, in order to avoid duplicate recordkeeping, the Federal awarding agency may make arrangements for the non-Federal entity to retain any records that are continuously needed for joint use.

§ 200.335 Methods for collection, transmission and storage of information.

In accordance with the May 2013 Executive Order on Making Open and Machine Readable the New Default for Government Information, the Federal awarding agency and the non-Federal entity should, whenever practicable, collect, transmit, and store Federal award-related information in open and machine readable formats rather than in closed formats or on paper. The Federal awarding agency or pass-through entity must always provide or accept paper versions of Federal award-related information to and from the non-Federal entity upon request. If paper copies are submitted, the Federal awarding agency or pass-through entity must not require more than an original and two copies. When original records are electronic and cannot be altered, there is no need to create and retain paper copies. When original records are paper, electronic versions may be substituted through the use of duplication or other forms of electronic media provided that they are subject to periodic quality control reviews, provide reasonable safeguards against alteration, and remain readable.

§ 200.336 Access to records.

(a) *Records of non-Federal entities.* The Federal awarding agency, Inspectors General, the Comptroller General of the United States, and the pass-through entity, or any of their authorized representatives, must have the right of access to any documents, papers, or other records of the non-Federal entity which are pertinent to the Federal award, in order to make audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable access to the non-Federal entity's personnel for the purpose of interview and discussion related to such documents.

(b) Only under extraordinary and rare circumstances would such access include review of the true name of victims of a crime. Routine monitoring cannot be considered extraordinary and rare circumstances that would necessitate access to this information. When access to the true name of victims of a crime is necessary, appropriate steps to protect this sensitive information must be taken by both the non-Federal entity and the Federal awarding agency. Any such access, other than under a court order or subpoena pursuant to a bona fide confidential investigation, must be approved by the head of the Federal awarding agency or delegate.

(c) *Expiration of right of access.* The rights of access in this section are not limited to the required retention period but last as long as the records are retained. Federal awarding agencies and pass-through entities must not impose any other access requirements upon non-Federal entities.

§ 200.337 Restrictions on public access to records.

No Federal awarding agency may place restrictions on the non-Federal entity that limit public access to the

records of the non-Federal entity pertinent to a Federal award, except for protected personally identifiable information (PII) or when the Federal awarding agency can demonstrate that such records will be kept confidential and would have been exempted from disclosure pursuant to the Freedom of Information Act (5 U.S.C. 552) or controlled unclassified information pursuant to Executive Order 13556 if the records had belonged to the Federal awarding agency. The Freedom of Information Act (5 U.S.C. 552) (FOIA) does not apply to those records that remain under a non-Federal entity's control except as required under §200.315 Intangible property. Unless required by Federal, state, or local statute, non-Federal entities are not required to permit public access to their records. The non-Federal entity's records provided to a Federal agency generally will be subject to FOIA and applicable exemptions.

REMEDIES FOR NONCOMPLIANCE

§200.338 Remedies for noncompliance.

If a non-Federal entity fails to comply with Federal statutes, regulations or the terms and conditions of a Federal award, the Federal awarding agency or pass-through entity may impose additional conditions, as described in §200.207 Specific conditions. If the Federal awarding agency or pass-through entity determines that noncompliance cannot be remedied by imposing additional conditions, the Federal awarding agency or pass-through entity may take one or more of the following actions, as appropriate in the circumstances:

(a) Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity.

(b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.

(c) Wholly or partly suspend or terminate the Federal award.

(d) Initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a Federal awarding agency).

(e) Withhold further Federal awards for the project or program.

(f) Take other remedies that may be legally available.

§200.339 Termination.

(a) The Federal award may be terminated in whole or in part as follows:

(1) By the Federal awarding agency or pass-through entity, if a non-Federal entity fails to comply with the terms and conditions of a Federal award;

(2) By the Federal awarding agency or pass-through entity for cause;

(3) By the Federal awarding agency or pass-through entity with the consent of the non-Federal entity, in which case the two parties must agree upon the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated; or

(4) By the non-Federal entity upon sending to the Federal awarding agency or pass-through entity written notification setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if the Federal awarding agency or pass-through entity determines in the case of partial termination that the reduced or modified portion of the Federal award or subaward will not accomplish the purposes for which the Federal award was made, the Federal awarding agency or pass-through entity may terminate the Federal award in its entirety.

(b) When a Federal award is terminated or partially terminated, both the Federal awarding agency or pass-through entity and the non-Federal entity remain responsible for compliance with the requirements in §§200.343 Closeout and 200.344 Post-closeout adjustments and continuing responsibilities.

§200.340 Notification of termination requirement.

(a) The Federal agency or pass-through entity must provide to the

non-Federal entity a notice of termination.

(b) If the Federal award is terminated for the non-Federal entity's failure to comply with the Federal statutes, regulations, or terms and conditions of the Federal award, the notification must state that the termination decision may be considered in evaluating future applications received from the non-Federal entity.

(c) Upon termination of a Federal award, the Federal awarding agency must provide the information required under FFATA to the Federal Web site established to fulfill the requirements of FFATA, and update or notify any other relevant governmentwide systems or entities of any indications of poor performance as required by 41 U.S.C. 417b and 31 U.S.C. 3321 and implementing guidance at 2 CFR part 77. See also the requirements for Suspension and Debarment at 2 CFR part 180.

§ 200.341 Opportunities to object, hearings and appeals.

Upon taking any remedy for noncompliance, the Federal awarding agency must provide the non-Federal entity an opportunity to object and provide information and documentation challenging the suspension or termination action, in accordance with written processes and procedures published by the Federal awarding agency. The Federal awarding agency or pass-through entity must comply with any requirements for hearings, appeals or other administrative proceedings which the non-Federal entity is entitled under any statute or regulation applicable to the action involved.

§ 200.342 Effects of suspension and termination.

Costs to the non-Federal entity resulting from obligations incurred by the non-Federal entity during a suspension or after termination of a Federal award or subaward are not allowable unless the Federal awarding agency or pass-through entity expressly authorizes them in the notice of suspension or termination or subsequently. However, costs during suspension or after termination are allowable if:

(a) The costs result from obligations which were properly incurred by the non-Federal entity before the effective date of suspension or termination, are not in anticipation of it; and

(b) The costs would be allowable if the Federal award was not suspended or expired normally at the end of the period of performance in which the termination takes effect.

CLOSEOUT

§ 200.343 Closeout.

The Federal agency or pass-through entity will close-out the Federal award when it determines that all applicable administrative actions and all required work of the Federal award have been completed by the non-Federal entity. This section specifies the actions the non-Federal entity and Federal awarding agency or pass-through entity must take to complete this process at the end of the period of performance.

(a) The non-Federal entity must submit, no later than 90 calendar days after the end date of the period of performance, all financial, performance, and other reports as required by or the terms and conditions of the Federal award. The Federal awarding agency or pass-through entity may approve extensions when requested by the non-Federal entity.

(b) Unless the Federal awarding agency or pass-through entity authorizes an extension, a non-Federal entity must liquidate all obligations incurred under the Federal award not later than 90 calendar days after the end date of the period of performance as specified in the terms and conditions of the Federal award.

(c) The Federal awarding agency or pass-through entity must make prompt payments to the non-Federal entity for allowable reimbursable costs under the Federal award being closed out.

(d) The non-Federal entity must promptly refund any balances of unobligated cash that the Federal awarding agency or pass-through entity paid in advance or paid and that is not authorized to be retained by the non-Federal entity for use in other projects. See OMB Circular A–129 and see § 200.345 Collection of amounts due for requirements regarding unreturned amounts that become delinquent debts.

(e) Consistent with the terms and conditions of the Federal award, the Federal awarding agency or pass-through entity must make a settlement for any upward or downward adjustments to the Federal share of costs after closeout reports are received.

(f) The non-Federal entity must account for any real and personal property acquired with Federal funds or received from the Federal government in accordance with §§ 200.310 Insurance coverage through 200.316 Property trust relationship and 200.329 Reporting on real property.

(g) The Federal awarding agency or pass-through entity should complete all closeout actions for Federal awards no later than one year after receipt and acceptance of all required final reports.

POST-CLOSEOUT ADJUSTMENTS AND CONTINUING RESPONSIBILITIES

§ 200.344 Post-closeout adjustments and continuing responsibilities.

(a) The closeout of a Federal award does not affect any of the following.

(1) The right of the Federal awarding agency or pass-through entity to disallow costs and recover funds on the basis of a later audit or other review. The Federal awarding agency or pass-through entity must make any cost disallowance determination and notify the non-Federal entity within the record retention period.

(2) The obligation of the non-Federal entity to return any funds due as a result of later refunds, corrections, or other transactions including final indirect cost rate adjustments.

(3) Audit requirements in Subpart F—Audit Requirements of this part.

(4) Property management and disposition requirements in Subpart D—Post Federal Award Requirements of this part, §§ 200.310 Insurance Coverage through 200.316 Property trust relationship.

(5) Records retention as required in Subpart D—Post Federal Award Requirements of this part, §§ 200.333 Retention requirements for records through 200.337 Restrictions on public access to records.

(b) After closeout of the Federal award, a relationship created under the Federal award may be modified or ended in whole or in part with the consent of the Federal awarding agency or pass-through entity and the non-Federal entity, provided the responsibilities of the non-Federal entity referred to in paragraph (a) of this section including those for property management as applicable, are considered and provisions made for continuing responsibilities of the non-Federal entity, as appropriate.

COLLECTION OF AMOUNTS DUE

§ 200.345 Collection of amounts due.

(a) Any funds paid to the non-Federal entity in excess of the amount to which the non-Federal entity is finally determined to be entitled under the terms of the Federal award constitute a debt to the Federal government. If not paid within 90 calendar days after demand, the Federal awarding agency may reduce the debt by:

(1) Making an administrative offset against other requests for reimbursements;

(2) Withholding advance payments otherwise due to the non-Federal entity; or

(3) Other action permitted by Federal statute.

(b) Except where otherwise provided by statutes or regulations, the Federal awarding agency will charge interest on an overdue debt in accordance with the Federal Claims Collection Standards (31 CFR parts 900 through 999). The date from which interest is computed is not extended by litigation or the filing of any form of appeal.

Subpart E—Cost Principles

GENERAL PROVISIONS

§ 200.400 Policy guide.

The application of these cost principles is based on the fundamental premises that:

(a) The non-Federal entity is responsible for the efficient and effective administration of the Federal award through the application of sound management practices.

(b) The non-Federal entity assumes responsibility for administering Federal funds in a manner consistent with

underlying agreements, program objectives, and the terms and conditions of the Federal award.

(c) The non-Federal entity, in recognition of its own unique combination of staff, facilities, and experience, has the primary responsibility for employing whatever form of sound organization and management techniques may be necessary in order to assure proper and efficient administration of the Federal award.

(d) The application of these cost principles should require no significant changes in the internal accounting policies and practices of the non-Federal entity. However, the accounting practices of the non-Federal entity must be consistent with these cost principles and support the accumulation of costs as required by the principles, and must provide for adequate documentation to support costs charged to the Federal award.

(e) In reviewing, negotiating and approving cost allocation plans or indirect cost proposals, the cognizant agency for indirect costs should generally assure that the non-Federal entity is applying these cost accounting principles on a consistent basis during their review and negotiation of indirect cost proposals. Where wide variations exist in the treatment of a given cost item by the non-Federal entity, the reasonableness and equity of such treatments should be fully considered. See § 200.56 Indirect (facilities & administrative (F&A)) costs.

(f) For non-Federal entities that educate and engage students in research, the dual role of students as both trainees and employees contributing to the completion of Federal awards for research must be recognized in the application of these principles.

(g) The non-Federal entity may not earn or keep any profit resulting from Federal financial assistance, unless expressly authorized by the terms and conditions of the Federal award. See also § 200.307 Program income.

§ 200.401 Application.

(a) *General.* These principles must be used in determining the allowable costs of work performed by the non-Federal entity under Federal awards. These principles also must be used by the non-Federal entity as a guide in the pricing of fixed-price contracts and subcontracts where costs are used in determining the appropriate price. The principles do not apply to:

(1) Arrangements under which Federal financing is in the form of loans, scholarships, fellowships, traineeships, or other fixed amounts based on such items as education allowance or published tuition rates and fees.

(2) For IHEs, capitation awards, which are awards based on case counts or number of beneficiaries according to the terms and conditions of the Federal award.

(3) Fixed amount awards. See also Subpart A—Acronyms and Definitions, §§ 200.45 Fixed amount awards and 200.201 Use of grant agreements (including fixed amount awards), cooperative agreements, and contracts.

(4) Federal awards to hospitals (see Appendix IX to Part 200—Hospital Cost Principles).

(5) Other awards under which the non-Federal entity is not required to account to the Federal government for actual costs incurred.

(b) *Federal Contract.* Where a Federal contract awarded to a non-Federal entity is subject to the Cost Accounting Standards (CAS), it incorporates the applicable CAS clauses, Standards, and CAS administration requirements per the 48 CFR Chapter 99 and 48 CFR part 30 (FAR Part 30). CAS applies directly to the CAS-covered contract and the Cost Accounting Standards at 48 CFR parts 9904 or 9905 takes precedence over the cost principles in this Subpart E—Cost Principles of this part with respect to the allocation of costs. When a contract with a non-Federal entity is subject to full CAS coverage, the allowability of certain costs under the cost principles will be affected by the allocation provisions of the Cost Accounting Standards (e.g., CAS 414—48 CFR 9904.414, Cost of Money as an Element of the Cost of Facilities Capital, and CAS 417—48 CFR 9904.417, Cost of Money as an Element of the Cost of Capital Assets Under Construction), apply rather the allowability provisions of § 200.449 Interest. In complying

with those requirements, the non-Federal entity's application of cost accounting practices for estimating, accumulating, and reporting costs for other Federal awards and other cost objectives under the CAS-covered contract still must be consistent with its cost accounting practices for the CAS-covered contracts. In all cases, only one set of accounting records needs to be maintained for the allocation of costs by the non-Federal entity.

(c) *Exemptions.* Some nonprofit organizations, because of their size and nature of operations, can be considered to be similar to for-profit entities for purpose of applicability of cost principles. Such nonprofit organizations must operate under Federal cost principles applicable to for-profit entities located at 48 CFR 31.2. A listing of these organizations is contained in Appendix VIII to Part 200—Nonprofit Organizations Exempted From Subpart E—Cost Principles of this part. Other organizations, as approved by the cognizant agency for indirect costs, may be added from time to time.

BASIC CONSIDERATIONS

§ 200.402 Composition of costs.

Total cost. The total cost of a Federal award is the sum of the allowable direct and allocable indirect costs less any applicable credits.

§ 200.403 Factors affecting allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards:

(a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.

(b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.

(c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.

(d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.

(e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.

(f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).

(g) Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

§ 200.404 Reasonable costs.

A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. The question of reasonableness is particularly important when the non-Federal entity is predominantly federally-funded. In determining reasonableness of a given cost, consideration must be given to:

(a) Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the non-Federal entity or the proper and efficient performance of the Federal award.

(b) The restraints or requirements imposed by such factors as: sound business practices; arm's-length bargaining; Federal, state and other laws and regulations; and terms and conditions of the Federal award.

(c) Market prices for comparable goods or services for the geographic area.

(d) Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the non-Federal entity, its employees, where applicable its students or membership, the public at large, and the Federal government.

(e) Whether the non-Federal entity significantly deviates from its established practices and policies regarding the incurrence of costs, which may

unjustifiably increase the Federal award's cost.

§ 200.405 Allocable costs.

(a) A cost is allocable to a particular Federal award or other cost objective if the goods or services involved are chargeable or assignable to that Federal award or cost objective in accordance with relative benefits received. This standard is met if the cost:

(1) Is incurred specifically for the Federal award;

(2) Benefits both the Federal award and other work of the non-Federal entity and can be distributed in proportions that may be approximated using reasonable methods; and

(3) Is necessary to the overall operation of the non-Federal entity and is assignable in part to the Federal award in accordance with the principles in this subpart.

(b) All activities which benefit from the non-Federal entity's indirect (F&A) cost, including unallowable activities and donated services by the non-Federal entity or third parties, will receive an appropriate allocation of indirect costs.

(c) Any cost allocable to a particular Federal award under the principles provided for in this part may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by Federal statutes, regulations, or terms and conditions of the Federal awards, or for other reasons. However, this prohibition would not preclude the non-Federal entity from shifting costs that are allowable under two or more Federal awards in accordance with existing Federal statutes, regulations, or the terms and conditions of the Federal awards.

(d) Direct cost allocation principles. If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost should be allocated to the projects based on the proportional benefit. If a cost benefits two or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, then, notwithstanding paragraph (c) of this section, the costs may be allocated or transferred to benefitted projects on any reasonable documented basis. Where the purchase of equipment or other capital asset is specifically authorized under a Federal award, the costs are assignable to the Federal award regardless of the use that may be made of the equipment or other capital asset involved when no longer needed for the purpose for which it was originally required. See also §§ 200.310 Insurance coverage through 200.316 Property trust relationship and 200.439 Equipment and other capital expenditures.

(e) If the contract is subject to CAS, costs must be allocated to the contract pursuant to the Cost Accounting Standards. To the extent that CAS is applicable, the allocation of costs in accordance with CAS takes precedence over the allocation provisions in this part.

§ 200.406 Applicable credits.

(a) Applicable credits refer to those receipts or reduction-of-expenditure-type transactions that offset or reduce expense items allocable to the Federal award as direct or indirect (F&A) costs. Examples of such transactions are: purchase discounts, rebates or allowances, recoveries or indemnities on losses, insurance refunds or rebates, and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or received by the non-Federal entity relate to allowable costs, they must be credited to the Federal award either as a cost reduction or cash refund, as appropriate.

(b) In some instances, the amounts received from the Federal government to finance activities or service operations of the non-Federal entity should be treated as applicable credits. Specifically, the concept of netting such credit items (including any amounts used to meet cost sharing or matching requirements) should be recognized in determining the rates or amounts to be charged to the Federal award. (See §§ 200.436 Depreciation and 200.468 Specialized service facilities, for areas of potential application in the matter of Federal financing of activities.)

§ 200.407 Prior written approval (prior approval).

Under any given Federal award, the reasonableness and allocability of certain items of costs may be difficult to determine. In order to avoid subsequent disallowance or dispute based on unreasonableness or nonallocability, the non-Federal entity may seek the prior written approval of the cognizant agency for indirect costs or the Federal awarding agency in advance of the incurrence of special or unusual costs. Prior written approval should include the timeframe or scope of the agreement. The absence of prior written approval on any element of cost will not, in itself, affect the reasonableness or allocability of that element, unless prior approval is specifically required for allowability as described under certain circumstances in the following sections of this part:

(a) § 200.201 Use of grant agreements (including fixed amount awards), cooperative agreements, and contracts, paragraph (b)(5);

(b) § 200.306 Cost sharing or matching;

(c) § 200.307 Program income;

(d) § 200.308 Revision of budget and program plans;

(e) § 200.332 Fixed amount subawards;

(f) § 200.413 Direct costs, paragraph (c);

(g) § 200.430 Compensation—personal services, paragraph (h);

(h) § 200.431 Compensation—fringe benefits;

(i) § 200.438 Entertainment costs;

(j) § 200.439 Equipment and other capital expenditures;

(k) § 200.440 Exchange rates;

(l) § 200.441 Fines, penalties, damages and other settlements;

(m) § 200.442 Fund raising and investment management costs;

(n) § 200.445 Goods or services for personal use;

(o) § 200.447 Insurance and indemnification;

(p) § 200.454 Memberships, subscriptions, and professional activity costs, paragraph (c);

(q) § 200.455 Organization costs;

(r) § 200.456 Participant support costs;

(s) § 200.458 Pre-award costs;

(t) § 200.462 Rearrangement and reconversion costs;

(u) § 200.467 Selling and marketing costs; and

(v) § 200.474 Travel costs.

§ 200.408 Limitation on allowance of costs.

The Federal award may be subject to statutory requirements that limit the allowability of costs. When the maximum amount allowable under a limitation is less than the total amount determined in accordance with the principles in this part, the amount not recoverable under the Federal award may not be charged to the Federal award.

§ 200.409 Special considerations.

In addition to the basic considerations regarding the allowability of costs highlighted in this subtitle, other subtitles in this part describe special considerations and requirements applicable to states, local governments, Indian tribes, and IHEs. In addition, certain provisions among the items of cost in this subpart, are only applicable to certain types of non-Federal entities, as specified in the following sections:

(a) Direct and Indirect (F&A) Costs (§§ 200.412 Classification of costs through 200.415 Required certifications) of this subpart;

(b) Special Considerations for States, Local Governments and Indian Tribes (§§ 200.416 Cost allocation plans and indirect cost proposals and 200.417 Interagency service) of this subpart; and

(c) Special Considerations for Institutions of Higher Education (§§ 200.418 Costs incurred by states and local governments and 200.419 Cost accounting standards and disclosure statement) of this subpart.

§ 200.410 Collection of unallowable costs.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also

Subpart D—Post Federal Award Requirements of this part, §§ 200.300 Statutory and national policy requirements through 200.309 Period of performance.

§ 200.411 Adjustment of previously negotiated indirect (F&A) cost rates containing unallowable costs.

(a) Negotiated indirect (F&A) cost rates based on a proposal later found to have included costs that:

(1) Are unallowable as specified by Federal statutes, regulations or the terms and conditions of a Federal award; or

(2) Are unallowable because they are not allocable to the Federal award(s), must be adjusted, or a refund must be made, in accordance with the requirements of this section. These adjustments or refunds are designed to correct the proposals used to establish the rates and do not constitute a reopening of the rate negotiation. The adjustments or refunds will be made regardless of the type of rate negotiated (predetermined, final, fixed, or provisional).

(b) For rates covering a future fiscal year of the non-Federal entity, the unallowable costs will be removed from the indirect (F&A) cost pools and the rates appropriately adjusted.

(c) For rates covering a past period, the Federal share of the unallowable costs will be computed for each year involved and a cash refund (including interest chargeable in accordance with applicable regulations) will be made to the Federal government. If cash refunds are made for past periods covered by provisional or fixed rates, appropriate adjustments will be made when the rates are finalized to avoid duplicate recovery of the unallowable costs by the Federal government.

(d) For rates covering the current period, either a rate adjustment or a refund, as described in paragraphs (b) and (c) of this section, must be required by the cognizant agency for indirect costs. The choice of method must be at the discretion of the cognizant agency for indirect costs, based on its judgment as to which method would be most practical.

(e) The amount or proportion of unallowable costs included in each year's rate will be assumed to be the same as the amount or proportion of unallowable costs included in the base year proposal used to establish the rate.

Direct and Indirect (F&A) Costs

§ 200.412 Classification of costs.

There is no universal rule for classifying certain costs as either direct or indirect (F&A) under every accounting system. A cost may be direct with respect to some specific service or function, but indirect with respect to the Federal award or other final cost objective. Therefore, it is essential that each item of cost incurred for the same purpose be treated consistently in like circumstances either as a direct or an indirect (F&A) cost in order to avoid possible double-charging of Federal awards. Guidelines for determining direct and indirect (F&A) costs charged to Federal awards are provided in this subpart.

§ 200.413 Direct costs.

(a) *General.* Direct costs are those costs that can be identified specifically with a particular final cost objective, such as a Federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy. Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect (F&A) costs. See also § 200.405 Allocable costs.

(b) *Application to Federal awards.* Identification with the Federal award rather than the nature of the goods and services involved is the determining factor in distinguishing direct from indirect (F&A) costs of Federal awards. Typical costs charged directly to a Federal award are the compensation of employees who work on that award, their related fringe benefit costs, the costs of materials and other items of expense incurred for the Federal award. If directly related to a specific award, certain costs that otherwise would be treated as indirect costs may also include extraordinary utility consumption, the cost of materials supplied from stock or services rendered by specialized facilities or other institutional service operations.

(c) The salaries of administrative and clerical staff should normally be treated as indirect (F&A) costs. Direct charging of these costs may be appropriate only if all of the following conditions are met:

(1) Administrative or clerical services are integral to a project or activity;

(2) Individuals involved can be specifically identified with the project or activity;

(3) Such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency; and

(4) The costs are not also recovered as indirect costs.

(d) *Minor items.* Any direct cost of minor amount may be treated as an indirect (F&A) cost for reasons of practicality where such accounting treatment for that item of cost is consistently applied to all Federal and non-Federal cost objectives.

(e) The costs of certain activities are not allowable as charges to Federal awards. However, even though these costs are unallowable for purposes of computing charges to Federal awards, they nonetheless must be treated as direct costs for purposes of determining indirect (F&A) cost rates and be allocated their equitable share of the non-Federal entity's indirect costs if they represent activities which:

(1) Include the salaries of personnel,

(2) Occupy space, and

(3) Benefit from the non-Federal entity's indirect (F&A) costs.

(f) For nonprofit organizations, the costs of activities performed by the non-Federal entity primarily as a service to members, clients, or the general public when significant and necessary to the non-Federal entity's mission must be treated as direct costs whether or not allowable, and be allocated an equitable share of indirect (F&A) costs. Some examples of these types of activities include:

(1) Maintenance of membership rolls, subscriptions, publications, and related functions. See also §200.454 Memberships, subscriptions, and professional activity costs.

(2) Providing services and information to members, legislative or administrative bodies, or the public. See also §§200.454 Memberships, subscriptions, and professional activity costs and 200.450 Lobbying.

(3) Promotion, lobbying, and other forms of public relations. See also §§200.421 Advertising and public relations and 200.450 Lobbying.

(4) Conferences except those held to conduct the general administration of the non-Federal entity. See also §200.432 Conferences.

(5) Maintenance, protection, and investment of special funds not used in operation of the non-Federal entity.

(6) Administration of group benefits on behalf of members or clients, including life and hospital insurance, annuity or retirement plans, and financial aid. See also §200.431 Compensation—fringe benefits.

§200.414 Indirect (F&A) costs.

(a) *Facilities and Administration Classification.* For major IHEs and major nonprofit organizations, indirect (F&A) costs must be classified within two broad categories: ''Facilities'' and ''Administration.'' ''Facilities'' is defined as depreciation on buildings, equipment and capital improvement, interest on debt associated with certain buildings, equipment and capital improvements, and operations and maintenance expenses. ''Administration'' is defined as general administration and general expenses such as the director's office, accounting, personnel and all other types of expenditures not listed specifically under one of the subcategories of ''Facilities'' (including cross allocations from other pools, where applicable). For nonprofit organizations, library expenses are included in the ''Administration'' category; for institutions of higher education, they are included in the ''Facilities'' category. Major IHEs are defined as those required to use the Standard Format for Submission as noted in Appendix III to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs) paragraph C. 11. Major nonprofit organizations are those which receive more than $10 million dollars in direct Federal funding.

(b) *Diversity of nonprofit organizations.* Because of the diverse characteristics and accounting practices of nonprofit

organizations, it is not possible to specify the types of cost which may be classified as indirect (F&A) cost in all situations. Identification with a Federal award rather than the nature of the goods and services involved is the determining factor in distinguishing direct from indirect (F&A) costs of Federal awards. However, typical examples of indirect (F&A) cost for many nonprofit organizations may include depreciation on buildings and equipment, the costs of operating and maintaining facilities, and general administration and general expenses, such as the salaries and expenses of executive officers, personnel administration, and accounting.

(c) *Federal Agency Acceptance of Negotiated Indirect Cost Rates.* (See also § 200.306 Cost sharing or matching.)

(1) The negotiated rates must be accepted by all Federal awarding agencies. A Federal awarding agency may use a rate different from the negotiated rate for a class of Federal awards or a single Federal award only when required by Federal statute or regulation, or when approved by a Federal awarding agency head or delegate based on documented justification as described in paragraph (c)(3) of this section.

(2) The Federal awarding agency head or delegate must notify OMB of any approved deviations.

(3) The Federal awarding agency must implement, and make publicly available, the policies, procedures and general decision making criteria that their programs will follow to seek and justify deviations from negotiated rates.

(4) As required under § 200.203 Notices of funding opportunities, the Federal awarding agency must include in the notice of funding opportunity the policies relating to indirect cost rate reimbursement, matching, or cost share as approved under paragraph (e)(1) of this section. As appropriate, the Federal agency should incorporate discussion of these policies into Federal awarding agency outreach activities with non-Federal entities prior to the posting of a notice of funding opportunity.

(d) Pass-through entities are subject to the requirements in § 200.331 Requirements for pass-through entities, paragraph (a)(4).

(e) Requirements for development and submission of indirect (F&A) cost rate proposals and cost allocation plans are contained in Appendices III–VII as follows:

(1) Appendix III to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for

(2) Appendix IV to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Nonprofit Organizations;

(3) Appendix V to Part 200—State/Local Government and Indian Tribe-Wide Central Service Cost Allocation Plans;

(4) Appendix VI to Part 200—Public Assistance Cost Allocation Plans; and

(5) Appendix VII to Part 200—States and Local Government and Indian Tribe Indirect Cost Proposals.

(f) In addition to the procedures outlined in the appendices in paragraph (e) of this section, any non-Federal entity that has never received a negotiated indirect cost rate, except for those non-Federal entities described in Appendix VII to Part 200—States and Local Government and Indian Tribe Indirect Cost Proposals, paragraph (d)(1)(B) may elect to charge a de minimis rate of) 10% of modified total direct costs (MTDC) which may be used indefinitely. As described in § 200.403 Factors affecting allowability of costs, costs must be consistently charged as either indirect or direct costs, but may not be double charged or inconsistently charged as both. If chosen, this methodology once elected must be used consistently for all Federal awards until such time as a non-Federal entity chooses to negotiate for a rate, which the non-Federal entity may apply to do at any time.

(g) Any non-Federal entity that has a federally negotiated indirect cost rate may apply for a one-time extension of a current negotiated indirect cost rates for a period of up to four years. This extension will be subject to the review and approval of the cognizant agency for indirect costs. If an extension is granted the non-Federal entity may not request a rate review until the extension period ends. At the end of the

4-year extension, the non-Federal entity must re-apply to negotiate a rate.

§ 200.415 Required certifications.

Required certifications include:

(a) To assure that expenditures are proper and in accordance with the terms and conditions of the Federal award and approved project budgets, the annual and final fiscal reports or vouchers requesting payment under the agreements must include a certification, signed by an official who is authorized to legally bind the non-Federal entity, which reads as follows: ''By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729–3730 and 3801–3812).''

(b) Certification of cost allocation plan or indirect (F&A) cost rate proposal. Each cost allocation plan or indirect (F&A) cost rate proposal must comply with the following:

(1) A proposal to establish a cost allocation plan or an indirect (F&A) cost rate, whether submitted to a Federal cognizant agency for indirect costs or maintained on file by the non-Federal entity, must be certified by the non-Federal entity using the Certificate of Cost Allocation Plan or Certificate of Indirect Costs as set forth in Appendices III through VII. The certificate must be signed on behalf of the non-Federal entity by an individual at a level no lower than vice president or chief financial officer of the non-Federal entity that submits the proposal.

(2) Unless the non-Federal entity has elected the option under §200.414 Indirect (F&A) costs, paragraph (f), the Federal government may either disallow all indirect (F&A) costs or unilaterally establish such a plan or rate when the non-Federal entity fails to submit a certified proposal for establishing such a plan or rate in accordance with the requirements. Such a plan or rate may be based upon audited historical data or such other data that have been furnished to the cognizant agency for indirect costs and for which it can be demonstrated that all unallowable costs have been excluded. When a cost allocation plan or indirect cost rate is unilaterally established by the Federal government because the non-Federal entity failed to submit a certified proposal, the plan or rate established will be set to ensure that potentially unallowable costs will not be reimbursed.

(c) Certifications by non-profit organizations as appropriate that they did not meet the definition of a major corporation as defined in §200.414 Indirect (F&A) costs, paragraph (a).

(d) See also §200.450 Lobbying for another required certification.

Special Considerations for States, Local Governments and Indian Tribes

§ 200.416 Cost allocation plans and indirect cost proposals.

(a) For states, local governments and Indian tribes, certain services, such as motor pools, computer centers, purchasing, accounting, etc., are provided to operating agencies on a centralized basis. Since Federal awards are performed within the individual operating agencies, there needs to be a process whereby these central service costs can be identified and assigned to benefitted activities on a reasonable and consistent basis. The central service cost allocation plan provides that process.

(b) Individual operating agencies (governmental department or agency), normally charge Federal awards for indirect costs through an indirect cost rate. A separate indirect cost rate(s) proposal for each operating agency is usually necessary to claim indirect costs under Federal awards. Indirect costs include:

(1) The indirect costs originating in each department or agency of the governmental unit carrying out Federal awards and

(2) The costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.

(c) The requirements for development and submission of cost allocation plans (for central service costs and public assistance programs) and indirect cost rate proposals are contained in appendices IV, V and VI to this part.

§ 200.417 Interagency service.

The cost of services provided by one agency to another within the governmental unit may include allowable direct costs of the service plus a prorated share of indirect costs. A standard indirect cost allowance equal to ten percent of the direct salary and wage cost of providing the service (excluding overtime, shift premiums, and fringe benefits) may be used in lieu of determining the actual indirect costs of the service. These services do not include centralized services included in central service cost allocation plans as described in Appendix V to Part 200—State/Local Government and Indian Tribe-Wide Central Service Cost Allocation Plans.

SPECIAL CONSIDERATIONS FOR INSTITUTIONS OF HIGHER EDUCATION

§ 200.418 Costs incurred by states and local governments.

Costs incurred or paid by a state or local government on behalf of its IHEs for fringe benefit programs, such as pension costs and FICA and any other costs specifically incurred on behalf of, and in direct benefit to, the IHEs, are allowable costs of such IHEs whether or not these costs are recorded in the accounting records of the institutions, subject to the following:

(a) The costs meet the requirements of §§ 200.402 Composition of costs through 200.411 Adjustment of previously negotiated indirect (F&A) cost rates containing unallowable costs, of this subpart;

(b) The costs are properly supported by approved cost allocation plans in accordance with applicable Federal cost accounting principles in this part; and

(c) The costs are not otherwise borne directly or indirectly by the Federal government.

§ 200.419 Cost accounting standards and disclosure statement.

(a) An IHE that receives aggregate Federal awards totaling $50 million or more in Federal awards subject to this part in its most recently completed fiscal year must comply with the Cost Accounting Standards Board's cost accounting standards located at 48 CFR 9905.501, 9905.502, 9905.505, and 9905.506. CAS-covered contracts awarded to the IHEs are subject to the CAS requirements at 48 CFR 9900 through 9999 and 48 CFR part 30 (FAR Part 30).

(b) *Disclosure statement.* An IHE that receives aggregate Federal awards totaling $50 million or more subject to this part during its most recently completed fiscal year must disclose their cost accounting practices by filing a Disclosure Statement (DS–2), which is reproduced in Appendix III to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs). With the approval of the cognizant agency for indirect costs, an IHE may meet the DS–2 submission by submitting the DS–2 for each business unit that received $50 million or more in Federal awards.

(1) The DS–2 must be submitted to the cognizant agency for indirect costs with a copy to the IHE's cognizant agency for audit.

(2) An IHE is responsible for maintaining an accurate DS–2 and complying with disclosed cost accounting practices. An IHE must file amendments to the DS–2 to the cognizant agency for indirect costs six months in advance of a disclosed practices being changed to comply with a new or modified standard, or when practices are changed for other reasons. An IHE may proceed with implementing the change only if it has not been notified by the Federal cognizant agency for indirect costs that either a longer period will be needed for review or there are concerns with the potential change within the six months period. Amendments of a DS–2 may be submitted at any time. Resubmission of a complete, updated DS–2 is discouraged except when there are extensive changes to disclosed practices.

(3) *Cost and funding adjustments.* Cost adjustments must be made by the cognizant agency for indirect costs if an IHE fails to comply with the cost policies in this part or fails to consistently follow its established or disclosed cost accounting practices when estimating, accumulating or reporting the costs of Federal awards, and the aggregate cost impact on Federal awards is material. The cost adjustment must normally be made on an aggregate basis for all affected Federal awards through an adjustment of the IHE's future F&A costs rates or other means considered appropriate by the cognizant agency for indirect costs. Under the terms of CAS covered contracts, adjustments in the amount of funding provided may also be required when the estimated proposal costs were not determined in accordance with established cost accounting practices.

(4) *Overpayments.* Excess amounts paid in the aggregate by the Federal government under Federal awards due to a noncompliant cost accounting practice used to estimate, accumulate, or report costs must be credited or refunded, as deemed appropriate by the cognizant agency for indirect costs. Interest applicable to the excess amounts paid in the aggregate during the period of noncompliance must also be determined and collected in accordance with applicable Federal agency regulations.

(5) *Compliant cost accounting practice changes.* Changes from one compliant cost accounting practice to another compliant practice that are approved by the cognizant agency for indirect costs may require cost adjustments if the change has a material effect on Federal awards and the changes are deemed appropriate by the cognizant agency for indirect costs.

(6) *Responsibilities.* The cognizant agency for indirect cost must:

(i) Determine cost adjustments for all Federal awards in the aggregate on behalf of the Federal Government. Actions of the cognizant agency for indirect cost in making cost adjustment determinations must be coordinated with all affected Federal awarding agencies to the extent necessary.

(ii) Prescribe guidelines and establish internal procedures to promptly determine on behalf of the Federal Government that a DS–2 adequately discloses the IHE's cost accounting practices and that the disclosed practices are compliant with applicable CAS and the requirements of this part.

(iii) Distribute to all affected Federal awarding agencies any DS–2 determination of adequacy or noncompliance.

GENERAL PROVISIONS FOR SELECTED ITEMS OF COST

§ 200.420 Considerations for selected items of cost.

This section provides principles to be applied in establishing the allowability of certain items involved in determining cost, in addition to the requirements of Subtitle II. Basic Considerations of this subpart. These principles apply whether or not a particular item of cost is properly treated as direct cost or indirect (F&A) cost. Failure to mention a particular item of cost is not intended to imply that it is either allowable or unallowable; rather, determination as to allowability in each case should be based on the treatment provided for similar or related items of cost, and based on the principles described in §§ 200.402 Composition of costs through 200.411 Adjustment of previously negotiated indirect (F&A) cost rates containing unallowable costs. In case of a discrepancy between the provisions of a specific Federal award and the provisions below, the Federal award governs. Criteria outlined in § 200.403 Factors affecting allowability of *costs* must be applied in determining allowability. See also § 200.102 Exceptions.

§ 200.421 Advertising and public relations.

(a) The term advertising costs means the costs of advertising media and corollary administrative costs. Advertising media include magazines, newspapers, radio and television, direct mail, exhibits, electronic or computer transmittals, and the like.

(b) The only allowable advertising costs are those which are solely for:

(1) The recruitment of personnel required by the non-Federal entity for performance of a Federal award (See also § 200.463 Recruiting costs);

(2) The procurement of goods and services for the performance of a Federal award;

(3) The disposal of scrap or surplus materials acquired in the performance of a Federal award except when non-Federal entities are reimbursed for disposal costs at a predetermined amount; or

(4) Program outreach and other specific purposes necessary to meet the requirements of the Federal award.

(c) The term ''public relations'' includes community relations and means those activities dedicated to maintaining the image of the non-Federal entity or maintaining or promoting understanding and favorable relations with the community or public at large or any segment of the public.

(d) The only allowable public relations costs are:

(1) Costs specifically required by the Federal award;

(2) Costs of communicating with the public and press pertaining to specific activities or accomplishments which result from performance of the Federal award (these costs are considered necessary as part of the outreach effort for the Federal award); or

(3) Costs of conducting general liaison with news media and government public relations officers, to the extent that such activities are limited to communication and liaison necessary to keep the public informed on matters of public concern, such as notices of funding opportunities, financial matters, etc.

(e) Unallowable advertising and public relations costs include the following:

(1) All advertising and public relations costs other than as specified in paragraphs (b) and (d) of this section;

(2) Costs of meetings, conventions, convocations, or other events related to other activities of the entity (see also § 200.432 Conferences), including:

(i) Costs of displays, demonstrations, and exhibits;

(ii) Costs of meeting rooms, hospitality suites, and other special facilities used in conjunction with shows and other special events; and

(iii) Salaries and wages of employees engaged in setting up and displaying exhibits, making demonstrations, and providing briefings;

(3) Costs of promotional items and memorabilia, including models, gifts, and souvenirs;

(4) Costs of advertising and public relations designed solely to promote the non-Federal entity.

§ 200.422 Advisory councils.

Costs incurred by advisory councils or committees are unallowable unless authorized by statute, the Federal awarding agency or as an indirect cost where allocable to Federal awards. See § 200.444 General costs of government, applicable to states, local governments and Indian tribes.

§ 200.423 Alcoholic beverages.

Costs of alcoholic beverages are unallowable.

§ 200.424 Alumni/ae activities.

Costs incurred by IHEs for, or in support of, alumni/ae activities are unallowable.

§ 200.425 Audit services.

(a) A reasonably proportionate share of the costs of audits required by, and performed in accordance with, the Single Audit Act Amendments of 1996 (31 U.S.C. 7501–7507), as implemented by requirements of this part, are allowable. However, the following audit costs are unallowable:

(1) Any costs when audits required by the Single Audit Act and Subpart F—Audit Requirements of this part have not been conducted or have been conducted but not in accordance therewith; and

(2) Any costs of auditing a non-Federal entity that is exempted from having an audit conducted under the Single Audit Act and Subpart F—Audit Requirements of this part because its expenditures under Federal awards are less than $750,000 during the non-Federal entity's fiscal year.

(b) The costs of a financial statement audit of a non-Federal entity that does not currently have a Federal award may be included in the indirect cost pool for a cost allocation plan or indirect cost proposal.

(c) Pass-through entities may charge Federal awards for the cost of agreed-

upon-procedures engagements to monitor subrecipients (in accordance with Subpart D—Post Federal Award Requirements of this part, §§ 200.330 Subrecipient and contractor determinations through 200.332 Fixed Amount Subawards) who are exempted from the requirements of the Single Audit Act and Subpart F—Audit Requirements of this part. This cost is allowable only if the agreed-upon-procedures engagements are:

(1) Conducted in accordance with GAGAS attestation standards;

(2) Paid for and arranged by the pass-through entity; and

(3) Limited in scope to one or more of the following types of compliance requirements: activities allowed or unallowed; allowable costs/cost principles; eligibility; and reporting.

§ 200.426 Bad debts.

Bad debts (debts which have been determined to be uncollectable), including losses (whether actual or estimated) arising from uncollectable accounts and other claims, are unallowable. Related collection costs, and related legal costs, arising from such debts after they have been determined to be uncollectable are also unallowable. See also § 200.428 Collections of improper payments.

§ 200.427 Bonding costs.

(a) Bonding costs arise when the Federal awarding agency requires assurance against financial loss to itself or others by reason of the act or default of the non-Federal entity. They arise also in instances where the non-Federal entity requires similar assurance, including: bonds as bid, performance, payment, advance payment, infringement, and fidelity bonds for employees and officials.

(b) Costs of bonding required pursuant to the terms and conditions of the Federal award are allowable.

(c) Costs of bonding required by the non-Federal entity in the general conduct of its operations are allowable as an indirect cost to the extent that such bonding is in accordance with sound business practice and the rates and premiums are reasonable under the circumstances.

§ 200.428 Collections of improper payments.

The costs incurred by a non-Federal entity to recover improper payments are allowable as either direct or indirect costs, as appropriate. Amounts collected may be used by the non-Federal entity in accordance with cash management standards set forth in § 200.305 *Payment*.

§ 200.429 Commencement and convocation costs.

For IHEs, costs incurred for commencements and convocations are unallowable, except as provided for in Appendix III to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs), paragraph (B)(9) Student Administration and Services, as student activity costs.

§ 200.430 Compensation—personal services.

(a) *General.* Compensation for personal services includes all remuneration, paid currently or accrued, for services of employees rendered during the period of performance under the Federal award, including but not necessarily limited to wages and salaries. Compensation for personal services may also include fringe benefits which are addressed in § 200.431 Compensation—fringe benefits. Costs of compensation are allowable to the extent that they satisfy the specific requirements of this part, and that the total compensation for individual employees:

(1) Is reasonable for the services rendered and conforms to the established written policy of the non-Federal entity consistently applied to both Federal and non-Federal activities;

(2) Follows an appointment made in accordance with a non-Federal entity's laws and/or rules or written policies and meets the requirements of Federal statute, where applicable; and

(3) Is determined and supported as provided in paragraph (i) of this section, Standards for Documentation of Personnel Expenses, when applicable.

(b) *Reasonableness.* Compensation for employees engaged in work on Federal awards will be considered reasonable to the extent that it is consistent with

that paid for similar work in other activities of the non-Federal entity. In cases where the kinds of employees required for Federal awards are not found in the other activities of the non-Federal entity, compensation will be considered reasonable to the extent that it is comparable to that paid for similar work in the labor market in which the non-Federal entity competes for the kind of employees involved.

(c) *Professional activities outside the non-Federal entity*. Unless an arrangement is specifically authorized by a Federal awarding agency, a non-Federal entity must follow its written non-Federal entity-wide policies and practices concerning the permissible extent of professional services that can be provided outside the non-Federal entity for non-organizational compensation. Where such non-Federal entity-wide written policies do not exist or do not adequately define the permissible extent of consulting or other non-organizational activities undertaken for extra outside pay, the Federal government may require that the effort of professional staff working on Federal awards be allocated between:

(1) Non-Federal entity activities, and

(2) Non-organizational professional activities. If the Federal awarding agency considers the extent of non-organizational professional effort excessive or inconsistent with the conflicts-of-interest terms and conditions of the Federal award, appropriate arrangements governing compensation will be negotiated on a case-by-case basis.

(d) *Unallowable costs*. (1) Costs which are unallowable under other sections of these principles must not be allowable under this section solely on the basis that they constitute personnel compensation.

(2) The allowable compensation for certain employees is subject to a ceiling in accordance with statute. For the amount of the ceiling for cost-reimbursement contracts, the covered compensation subject to the ceiling, the covered employees, and other relevant provisions, see 10 U.S.C. 2324(e)(1)(P), and 41 U.S.C. 1127 and 4304(a)(16). For other types of Federal awards, other statutory ceilings may apply.

(e) *Special considerations*. Special considerations in determining allowability of compensation will be given to any change in a non-Federal entity's compensation policy resulting in a substantial increase in its employees' level of compensation (particularly when the change was concurrent with an increase in the ratio of Federal awards to other activities) or any change in the treatment of allowability of specific types of compensation due to changes in Federal policy.

(f) *Incentive compensation*. Incentive compensation to employees based on cost reduction, or efficient performance, suggestion awards, safety awards, etc., is allowable to the extent that the overall compensation is determined to be reasonable and such costs are paid or accrued pursuant to an agreement entered into in good faith between the non-Federal entity and the employees before the services were rendered, or pursuant to an established plan followed by the non-Federal entity so consistently as to imply, in effect, an agreement to make such payment.

(g) *Nonprofit organizations*. For compensation to members of nonprofit organizations, trustees, directors, associates, officers, or the immediate families thereof, determination should be made that such compensation is reasonable for the actual personal services rendered rather than a distribution of earnings in excess of costs. This may include director's and executive committee member's fees, incentive awards, allowances for off-site pay, incentive pay, location allowances, hardship pay, and cost-of-living differentials.

(h) *Institutions of higher education (IHEs)*. (1) Certain conditions require special consideration and possible limitations in determining allowable personnel compensation costs under Federal awards. Among such conditions are the following:

(i) Allowable activities. Charges to Federal awards may include reasonable amounts for activities contributing and directly related to work under an agreement, such as delivering special lectures about specific aspects of the ongoing activity, writing reports and articles, developing and maintaining protocols (human, animals, etc.), managing substances/chemicals, managing

and securing project-specific data, coordinating research subjects, participating in appropriate seminars, consulting with colleagues and graduate students, and attending meetings and conferences.

(ii) Incidental activities. Incidental activities for which supplemental compensation is allowable under written institutional policy (at a rate not to exceed institutional base salary) need not be included in the records described in paragraph (h)(9) of this section to directly charge payments of incidental activities, such activities must either be specifically provided for in the Federal award budget or receive prior written approval by the Federal awarding agency.

(2) *Salary basis.* Charges for work performed on Federal awards by faculty members during the academic year are allowable at the IBS rate. Except as noted in paragraph (h)(1)(ii) of this section, in no event will charges to Federal awards, irrespective of the basis of computation, exceed the proportionate share of the IBS for that period. This principle applies to all members of faculty at an institution. IBS is defined as the annual compensation paid by an IHE for an individual's appointment, whether that individual's time is spent on research, instruction, administration, or other activities. IBS excludes any income that an individual earns outside of duties performed for the IHE. Unless there is prior approval by the Federal awarding agency, charges of a faculty member's salary to a Federal award must not exceed the proportionate share of the IBS for the period during which the faculty member worked on the award.

(3) *Intra-Institution of Higher Education (IHE) consulting.* Intra-IHE consulting by faculty is assumed to be undertaken as an IHE obligation requiring no compensation in addition to IBS. However, in unusual cases where consultation is across departmental lines or involves a separate or remote operation, and the work performed by the faculty member is in addition to his or her regular responsibilities, any charges for such work representing additional compensation above IBS are allowable provided that such consulting arrangements are specifically provided for in the Federal award or approved in writing by the Federal awarding agency.

(4) Extra Service Pay normally represents overload compensation, subject to institutional compensation policies for services above and beyond IBS. Where extra service pay is a result of Intra-IHE consulting, it is subject to the same requirements of paragraph (b) above. It is allowable if all of the following conditions are met:

(i) The non-Federal entity establishes consistent written policies which apply uniformly to all faculty members, not just those working on Federal awards.

(ii) The non-Federal entity establishes a consistent written definition of work covered by IBS which is specific enough to determine conclusively when work beyond that level has occurred. This may be described in appointment letters or other documentations.

(iii) The supplementation amount paid is commensurate with the IBS rate of pay and the amount of additional work performed. See paragraph (h)(2) of this section.

(iv) The salaries, as supplemented, fall within the salary structure and pay ranges established by and documented in writing or otherwise applicable to the non-Federal entity.

(v) The total salaries charged to Federal awards including extra service pay are subject to the Standards of Documentation as described in paragraph (i) of this section.

(5) *Periods outside the academic year.* (i) Except as specified for teaching activity in paragraph (h)(5)(ii) of this section, charges for work performed by faculty members on Federal awards during periods not included in the base salary period will be at a rate not in excess of the IBS.

(ii) Charges for teaching activities performed by faculty members on Federal awards during periods not included in IBS period will be based on the normal written policy of the IHE governing compensation to faculty members for teaching assignments during such periods.

(6) *Part-time faculty.* Charges for work performed on Federal awards by faculty members having only part-time appointments will be determined at a

rate not in excess of that regularly paid for part-time assignments.

(7) *Sabbatical leave costs.* Rules for sabbatical leave are as follow:

(i) Costs of leaves of absence by employees for performance of graduate work or sabbatical study, travel, or research are allowable provided the IHE has a uniform written policy on sabbatical leave for persons engaged in instruction and persons engaged in research. Such costs will be allocated on an equitable basis among all related activities of the IHE.

(ii) Where sabbatical leave is included in fringe benefits for which a cost is determined for assessment as a direct charge, the aggregate amount of such assessments applicable to all work of the institution during the base period must be reasonable in relation to the IHE's actual experience under its sabbatical leave policy.

(8) *Salary rates for non-faculty members.* Non-faculty full-time professional personnel may also earn ''extra service pay'' in accordance with the non-Federal entity's written policy and consistent with paragraph (h)(1)(i) of this section.

(i) *Standards for Documentation of Personnel Expenses* (1) Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

(i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;

(ii) Be incorporated into the official records of the non-Federal entity;

(iii) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities (for IHE, this per the IHE's definition of IBS);

(iv) Encompass both federally assisted and all other activities compensated by the non-Federal entity on an integrated basis, but may include the use of subsidiary records as defined in the non-Federal entity's written policy;

(v) Comply with the established accounting policies and practices of the non-Federal entity (See paragraph (h)(1)(ii) above for treatment of incidental work for IHEs.); and

(vi) [Reserved]

(vii) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.

(viii) Budget estimates (i.e., estimates determined before the services are performed) alone do not qualify as support for charges to Federal awards, but may be used for interim accounting purposes, provided that:

(A) The system for establishing the estimates produces reasonable approximations of the activity actually performed;

(B) Significant changes in the corresponding work activity (as defined by the non-Federal entity's written policies) are identified and entered into the records in a timely manner. Short term (such as one or two months) fluctuation between workload categories need not be considered as long as the distribution of salaries and wages is reasonable over the longer term; and

(C) The non-Federal entity's system of internal controls includes processes to review after-the-fact interim charges made to a Federal awards based on budget estimates. All necessary adjustment must be made such that the final amount charged to the Federal award is accurate, allowable, and properly allocated.

(ix) Because practices vary as to the activity constituting a full workload (for IHEs, IBS), records may reflect categories of activities expressed as a percentage distribution of total activities.

(x) It is recognized that teaching, research, service, and administration are often inextricably intermingled in an academic setting. When recording salaries and wages charged to Federal awards for IHEs, a precise assessment of factors that contribute to costs is therefore not always feasible, nor is it expected.

(2) For records which meet the standards required in paragraph (i)(1) of this section, the non-Federal entity will not be required to provide additional support or documentation for the work performed, other than that referenced in paragraph (i)(3) of this section.

(3) In accordance with Department of Labor regulations implementing the Fair Labor Standards Act (FLSA) (29 CFR part 516), charges for the salaries and wages of nonexempt employees, in addition to the supporting documentation described in this section, must also be supported by records indicating the total number of hours worked each day.

(4) Salaries and wages of employees used in meeting cost sharing or matching requirements on Federal awards must be supported in the same manner as salaries and wages claimed for reimbursement from Federal awards.

(5) For states, local governments and Indian tribes, substitute processes or systems for allocating salaries and wages to Federal awards may be used in place of or in addition to the records described in paragraph (1) if approved by the cognizant agency for indirect cost. Such systems may include, but are not limited to, random moment sampling, ''rolling'' time studies, case counts, or other quantifiable measures of work performed.

(i) Substitute systems which use sampling methods (primarily for Temporary Assistance for Needy Families (TANF), the Supplemental Nutrition Assistance Program (SNAP), Medicaid, and other public assistance programs) must meet acceptable statistical sampling standards including:

(A) The sampling universe must include all of the employees whose salaries and wages are to be allocated based on sample results except as provided in paragraph (i)(5)(iii) of this section;

(B) The entire time period involved must be covered by the sample; and

(C) The results must be statistically valid and applied to the period being sampled.

(ii) Allocating charges for the sampled employees' supervisors, clerical and support staffs, based on the results of the sampled employees, will be acceptable.

(iii) Less than full compliance with the statistical sampling standards noted in subsection (5)(i) may be accepted by the cognizant agency for indirect costs if it concludes that the amounts to be allocated to Federal awards will be minimal, or if it concludes that the system proposed by the non-Federal entity will result in lower costs to Federal awards than a system which complies with the standards.

(6) Cognizant agencies for indirect costs are encouraged to approve alternative proposals based on outcomes and milestones for program performance where these are clearly documented. Where approved by the Federal cognizant agency for indirect costs, these plans are acceptable as an alternative to the requirements of paragraph (i)(1) of this section.

(7) For Federal awards of similar purpose activity or instances of approved blended funding, a non-Federal entity may submit performance plans that incorporate funds from multiple Federal awards and account for their combined use based on performance-oriented metrics, provided that such plans are approved in advance by all involved Federal awarding agencies. In these instances, the non-Federal entity must submit a request for waiver of the requirements based on documentation that describes the method of charging costs, relates the charging of costs to the specific activity that is applicable to all fund sources, and is based on quantifiable measures of the activity in relation to time charged.

(8) For a non-Federal entity where the records do not meet the standards described in this section, the Federal government may require personnel activity reports, including prescribed certifications, or equivalent documentation that support the records as required in this section.

§ 200.431 Compensation—fringe benefits.

(a) Fringe benefits are allowances and services provided by employers to their employees as compensation in addition to regular salaries and wages. Fringe benefits include, but are not limited to, the costs of leave (vacation,

family-related, sick or military), employee insurance, pensions, and unemployment benefit plans. Except as provided elsewhere in these principles, the costs of fringe benefits are allowable provided that the benefits are reasonable and are required by law, non-Federal entity-employee agreement, or an established policy of the non-Federal entity.

(b) *Leave.* The cost of fringe benefits in the form of regular compensation paid to employees during periods of authorized absences from the job, such as for annual leave, family-related leave, sick leave, holidays, court leave, military leave, administrative leave, and other similar benefits, are allowable if all of the following criteria are met:

(1) They are provided under established written leave policies;

(2) The costs are equitably allocated to all related activities, including Federal awards; and,

(3) The accounting basis (cash or accrual) selected for costing each type of leave is consistently followed by the non-Federal entity or specified grouping of employees.

(i) When a non-Federal entity uses the cash basis of accounting, the cost of leave is recognized in the period that the leave is taken and paid for. Payments for unused leave when an employee retires or terminates employment are allowable as indirect costs in the year of payment.

(ii) The accrual basis may be only used for those types of leave for which a liability as defined by GAAP exists when the leave is earned. When a non-Federal entity uses the accrual basis of accounting, allowable leave costs are the lesser of the amount accrued or funded.

(c) The cost of fringe benefits in the form of employer contributions or expenses for social security; employee life, health, unemployment, and worker's compensation insurance (except as indicated in §200.447 Insurance and indemnification); pension plan costs (see paragraph (i) of this section); and other similar benefits are allowable, provided such benefits are granted under established written policies. Such benefits, must be allocated to Federal awards and all other activities in a manner consistent with the pattern of benefits attributable to the individuals or group(s) of employees whose salaries and wages are chargeable to such Federal awards and other activities, and charged as direct or indirect costs in accordance with the non-Federal entity's accounting practices.

(d) Fringe benefits may be assigned to cost objectives by identifying specific benefits to specific individual employees or by allocating on the basis of entity-wide salaries and wages of the employees receiving the benefits. When the allocation method is used, separate allocations must be made to selective groupings of employees, unless the non-Federal entity demonstrates that costs in relationship to salaries and wages do not differ significantly for different groups of employees.

(e) *Insurance.* See also §200.447 Insurance and indemnification, paragraphs (d)(1) and (2).

(1) Provisions for a reserve under a self-insurance program for unemployment compensation or workers' compensation are allowable to the extent that the provisions represent reasonable estimates of the liabilities for such compensation, and the types of coverage, extent of coverage, and rates and premiums would have been allowable had insurance been purchased to cover the risks. However, provisions for self-insured liabilities which do not become payable for more than one year after the provision is made must not exceed the present value of the liability.

(2) Costs of insurance on the lives of trustees, officers, or other employees holding positions of similar responsibility are allowable only to the extent that the insurance represents additional compensation. The costs of such insurance when the non-Federal entity is named as beneficiary are unallowable.

(3) Actual claims paid to or on behalf of employees or former employees for workers' compensation, unemployment compensation, severance pay, and similar employee benefits (e.g., post-retirement health benefits), are allowable in the year of payment provided that the non-Federal entity follows a consistent costing policy and they are allocated as indirect costs.

(f) *Automobiles.* That portion of automobile costs furnished by the entity that relates to personal use by employees (including transportation to and from work) is unallowable as fringe benefit or indirect (F&A) costs regardless of whether the cost is reported as taxable income to the employees.

(g) *Pension Plan Costs.* Pension plan costs which are incurred in accordance with the established policies of the non-Federal entity are allowable, provided that:

(1) Such policies meet the test of reasonableness.

(2) The methods of cost allocation are not discriminatory.

(3) For entities using accrual based accounting, the cost assigned to each fiscal year is determined in accordance with GAAP.

(4) The costs assigned to a given fiscal year are funded for all plan participants within six months after the end of that year. However, increases to normal and past service pension costs caused by a delay in funding the actuarial liability beyond 30 calendar days after each quarter of the year to which such costs are assignable are unallowable. Non-Federal entity may elect to follow the ''Cost Accounting Standard for Composition and Measurement of Pension Costs'' (48 CFR 9904.412).

(5) Pension plan termination insurance premiums paid pursuant to the Employee Retirement Income Security Act (ERISA) of 1974 (29 U.S.C. 1301–1461) are allowable. Late payment charges on such premiums are unallowable. Excise taxes on accumulated funding deficiencies and other penalties imposed under ERISA are unallowable.

(6) Pension plan costs may be computed using a pay-as-you-go method or an acceptable actuarial cost method in accordance with established written policies of the non-Federal entity.

(i) For pension plans financed on a pay-as-you-go method, allowable costs will be limited to those representing actual payments to retirees or their beneficiaries.

(ii) Pension costs calculated using an actuarial cost-based method recognized by GAAP are allowable for a given fiscal year if they are funded for that year within six months after the end of that year. Costs funded after the six month period (or a later period agreed to by the cognizant agency for indirect costs) are allowable in the year funded. The cognizant agency for indirect costs may agree to an extension of the six month period if an appropriate adjustment is made to compensate for the timing of the charges to the Federal government and related Federal reimbursement and the non-Federal entity's contribution to the pension fund. Adjustments may be made by cash refund or other equitable procedures to compensate the Federal government for the time value of Federal reimbursements in excess of contributions to the pension fund.

(iii) Amounts funded by the non-Federal entity in excess of the actuarially determined amount for a fiscal year may be used as the non-Federal entity's contribution in future periods.

(iv) When a non-Federal entity converts to an acceptable actuarial cost method, as defined by GAAP, and funds pension costs in accordance with this method, the unfunded liability at the time of conversion is allowable if amortized over a period of years in accordance with GAAP.

(v) The Federal government must receive an equitable share of any previously allowed pension costs (including earnings thereon) which revert or inure to the non-Federal entity in the form of a refund, withdrawal, or other credit.

(h) *Post-Retirement Health.* Post-retirement health plans (PRHP) refers to costs of health insurance or health services not included in a pension plan covered by paragraph (g) of this section for retirees and their spouses, dependents, and survivors. PRHP costs may be computed using a pay-as-you-go method or an acceptable actuarial cost method in accordance with established written policies of the non-Federal entity.

(1) For PRHP financed on a pay-as-you-go method, allowable costs will be limited to those representing actual payments to retirees or their beneficiaries.

(2) PRHP costs calculated using an actuarial cost method recognized by GAAP are allowable if they are funded for that year within six months after the end of that year. Costs funded after

the six month period (or a later period agreed to by the cognizant agency) are allowable in the year funded. The Federal cognizant agency for indirect costs may agree to an extension of the six month period if an appropriate adjustment is made to compensate for the timing of the charges to the Federal government and related Federal reimbursements and the non-Federal entity's contributions to the PRHP fund. Adjustments may be made by cash refund, reduction in current year's PRHP costs, or other equitable procedures to compensate the Federal government for the time value of Federal reimbursements in excess of contributions to the PRHP fund.

(3) Amounts funded in excess of the actuarially determined amount for a fiscal year may be used as the Federal government's contribution in a future period.

(4) When a non-Federal entity converts to an acceptable actuarial cost method and funds PRHP costs in accordance with this method, the initial unfunded liability attributable to prior years is allowable if amortized over a period of years in accordance with GAAP, or, if no such GAAP period exists, over a period negotiated with the cognizant agency for indirect costs.

(5) To be allowable in the current year, the PRHP costs must be paid either to:

(i) An insurer or other benefit provider as current year costs or premiums, or

(ii) An insurer or trustee to maintain a trust fund or reserve for the sole purpose of providing post-retirement benefits to retirees and other beneficiaries.

(6) The Federal government must receive an equitable share of any amounts of previously allowed post-retirement benefit costs (including earnings thereon) which revert or inure to the entity in the form of a refund, withdrawal, or other credit.

(i) *Severance Pay.* (1) Severance pay, also commonly referred to as dismissal wages, is a payment in addition to regular salaries and wages, by non-Federal entities to workers whose employment is being terminated. Costs of severance pay are allowable only to the extent that in each case, it is required by (a) law, (b) employer-employee agreement, (c) established policy that constitutes, in effect, an implied agreement on the non-Federal entity's part, or (d) circumstances of the particular employment.

(2) Costs of severance payments are divided into two categories as follows:

(i) Actual normal turnover severance payments must be allocated to all activities; or, where the non-Federal entity provides for a reserve for normal severances, such method will be acceptable if the charge to current operations is reasonable in light of payments actually made for normal severances over a representative past period, and if amounts charged are allocated to all activities of the non-Federal entity.

(ii) Measurement of costs of abnormal or mass severance pay by means of an accrual will not achieve equity to both parties. Thus, accruals for this purpose are not allowable. However, the Federal government recognizes its obligation to participate, to the extent of its fair share, in any specific payment. Prior approval by the Federal awarding agency or cognizant agency for indirect cost, as appropriate, is required.

(3) Costs incurred in certain severance pay packages which are in an amount in excess of the normal severance pay paid by the non-Federal entity to an employee upon termination of employment and are paid to the employee contingent upon a change in management control over, or ownership of, the non-Federal entity's assets, are unallowable.

(4) Severance payments to foreign nationals employed by the non-Federal entity outside the United States, to the extent that the amount exceeds the customary or prevailing practices for the non-Federal entity in the United States, are unallowable, unless they are necessary for the performance of Federal programs and approved by the Federal awarding agency.

(5) Severance payments to foreign nationals employed by the non-Federal entity outside the United States due to the termination of the foreign national as a result of the closing of, or curtailment of activities by, the non-Federal entity in that country, are unallowable, unless they are necessary for the

performance of Federal programs and approved by the Federal awarding agency.

(j)(1) *For IHEs only.* Fringe benefits in the form of tuition or remission of tuition for individual employees are allowable, provided such benefits are granted in accordance with established non-Federal entity policies, and are distributed to all non-Federal entity activities on an equitable basis. Tuition benefits for family members other than the employee are unallowable.

(2) Fringe benefits in the form of tuition or remission of tuition for individual employees not employed by IHEs are limited to the tax-free amount allowed per section 127 of the Internal Revenue Code as amended.

(3) IHEs may offer employees tuition waivers or tuition reductions for undergraduate education under IRC Section 117(d) as amended, provided that the benefit does not discriminate in favor of highly compensated employees. Federal reimbursement of tuition or remission of tuition is also limited to the institution for which the employee works. See §200.466 Scholarships and student aid costs, for treatment of tuition remission provided to students.

(k) For IHEs whose costs are paid by state or local governments, fringe benefit programs (such as pension costs and FICA) and any other benefits costs specifically incurred on behalf of, and in direct benefit to, the non-Federal entity, are allowable costs of such non-Federal entities whether or not these costs are recorded in the accounting records of the non-Federal entities, subject to the following:

(1) The costs meet the requirements of Basic Considerations in §§200.402 Composition of costs through 200.411 Adjustment of previously negotiated indirect (F&A) cost rates containing unallowable costs of this subpart;

(2) The costs are properly supported by approved cost allocation plans in accordance with applicable Federal cost accounting principles; and

(3) The costs are not otherwise borne directly or indirectly by the Federal government.

§200.432 Conferences.

A conference is defined as a meeting, retreat, seminar, symposium, workshop or event whose primary purpose is the dissemination of technical information beyond the non-Federal entity and is necessary and reasonable for successful performance under the Federal award. Allowable conference costs paid by the non-Federal entity as a sponsor or host of the conference may include rental of facilities, speakers' fees, costs of meals and refreshments, local transportation, and other items incidental to such conferences unless further restricted by the terms and conditions of the Federal award. As needed, the costs of identifying, but not providing, locally available dependent-care resources are allowable. Conference hosts/sponsors must exercise discretion and judgment in ensuring that conference costs are appropriate, necessary and managed in a manner that minimizes costs to the Federal award. The Federal awarding agency may authorize exceptions where appropriate for programs including Indian tribes, children, and the elderly. See also §§200.438 Entertainment costs, 200.456 Participant support costs, 200.474 Travel costs, and 200.475 Trustees.

§200.433 Contingency provisions.

(a) Contingency is that part of a budget estimate of future costs (typically of large construction projects, IT systems, or other items as approved by the Federal awarding agency) which is associated with possible events or conditions arising from causes the precise outcome of which is indeterminable at the time of estimate, and that experience shows will likely result, in aggregate, in additional costs for the approved activity or project. Amounts for major project scope changes, unforeseen risks, or extraordinary events may not be included.

(b) It is permissible for contingency amounts other than those excluded in paragraph (b)(1) of this section to be explicitly included in budget estimates, to the extent they are necessary to improve the precision of those estimates. Amounts must be estimated using broadly-accepted cost estimating methodologies, specified in the budget documentation of the Federal award, and accepted by the Federal awarding agency. As such, contingency amounts

are to be included in the Federal award. In order for actual costs incurred to be allowable, they must comply with the cost principles and other requirements in this part (see also §§ 200.300 Statutory and national policy requirements through 200.309 Period of performance of Subpart D of this part and 200.403 Factors affecting allowability of costs); be necessary and reasonable for proper and efficient accomplishment of project or program objectives, and be verifiable from the non-Federal entity's records.

(c) Payments made by the Federal awarding agency to the non-Federal entity's ''contingency reserve'' or any similar payment made for events the occurrence of which cannot be foretold with certainty as to the time or intensity, or with an assurance of their happening, are unallowable, except as noted in §§ 200.431 Compensation—fringe benefits regarding self-insurance, pensions, severance and post-retirement health costs and 200.447 Insurance and indemnification.

§ 200.434 Contributions and donations.

(a) Costs of contributions and donations, including cash, property, and services, from the non-Federal entity to other entities, are unallowable.

(b) The value of services and property donated to the non-Federal entity may not be charged to the Federal award either as a direct or indirect (F&A) cost. The value of donated services and property may be used to meet cost sharing or matching requirements (see § 200.306 Cost sharing or matching). Depreciation on donated assets is permitted in accordance with § 200.436 Depreciation, as long as the donated property is not counted towards cost sharing or matching requirements.

(c) Services donated or volunteered to the non-Federal entity may be furnished to a non-Federal entity by professional and technical personnel, consultants, and other skilled and unskilled labor. The value of these services is not allowable either as a direct or indirect cost. However, the value of donated services may be used to meet cost sharing or matching requirements in accordance with the provisions of § 200.306 Cost sharing or matching.

(d) To the extent feasible, services donated to the non-Federal entity will be supported by the same methods used to support the allocability of regular personnel services.

(e) The following provisions apply to nonprofit organizations. The value of services donated to the nonprofit organization utilized in the performance of a direct cost activity must be considered in the determination of the non-Federal entity's indirect cost rate(s) and, accordingly, must be allocated a proportionate share of applicable indirect costs when the following circumstances exist:

(1) The aggregate value of the services is material;

(2) The services are supported by a significant amount of the indirect costs incurred by the non-Federal entity;

(i) In those instances where there is no basis for determining the fair market value of the services rendered, the non-Federal entity and the cognizant agency for indirect costs must negotiate an appropriate allocation of indirect cost to the services.

(ii) Where donated services directly benefit a project supported by the Federal award, the indirect costs allocated to the services will be considered as a part of the total costs of the project. Such indirect costs may be reimbursed under the Federal award or used to meet cost sharing or matching requirements.

(f) Fair market value of donated services must be computed as described in § 200.306 Cost sharing or matching.

(g) Personal Property and Use of Space.

(1) Donated personal property and use of space may be furnished to a non-Federal entity. The value of the personal property and space is not reimbursable either as a direct or indirect cost.

(2) The value of the donations may be used to meet cost sharing or matching share requirements under the conditions described in §§ 200.300 Statutory and national policy requirements through 200.309 Period of performance of subpart D of this part. The value of the donations must be determined in accordance with §§ 200.300 Statutory and national policy requirements

through 200.309 Period of performance. Where donations are treated as indirect costs, indirect cost rates will separate the value of the donations so that reimbursement will not be made.

§ 200.435 Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements.

(a) Definitions for the purposes of this section.

(1) *Conviction* means a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon verdict or a plea, including a conviction due to a plea of nolo contendere.

(2) *Costs* include the services of in-house or private counsel, accountants, consultants, or others engaged to assist the non-Federal entity before, during, and after commencement of a judicial or administrative proceeding, that bear a direct relationship to the proceeding.

(3) *Fraud* means:

(i) Acts of fraud or corruption or attempts to defraud the Federal government or to corrupt its agents,

(ii) Acts that constitute a cause for debarment or suspension (as specified in agency regulations), and

(iii) Acts which violate the False Claims Act (31 U.S.C. 3729–3732) or the Anti-kickback Act (41 U.S.C. 1320a–7b(b)).

(4) *Penalty* does not include restitution, reimbursement, or compensatory damages.

(5) *Proceeding* includes an investigation.

(b) *Costs.* (1) Except as otherwise described herein, costs incurred in connection with any criminal, civil or administrative proceeding (including filing of a false certification) commenced by the Federal government, a state, local government, or foreign government, or joined by the Federal government (including a proceeding under the False Claims Act), against the non-Federal entity, (or commenced by third parties or a current or former employee of the non-Federal entity who submits a whistleblower complaint of reprisal in accordance with 10 U.S.C. 2409 or 41 U.S.C. 4712), are not allowable if the proceeding:

(i) Relates to a violation of, or failure to comply with, a Federal, state, local or foreign statute, regulation or the terms and conditions of the Federal award, by the non-Federal entity (including its agents and employees); and

(ii) Results in any of the following dispositions:

(A) In a criminal proceeding, a conviction.

(B) In a civil or administrative proceeding involving an allegation of fraud or similar misconduct, a determination of non-Federal entity liability.

(C) In the case of any civil or administrative proceeding, the disallowance of costs or the imposition of a monetary penalty, or an order issued by the Federal awarding agency head or delegate to the non-Federal entity to take corrective action under 10 U.S.C. 2409 or 41 U.S.C. 4712.

(D) A final decision by an appropriate Federal official to debar or suspend the non-Federal entity, to rescind or void a Federal award, or to terminate a Federal award for default by reason of a violation or failure to comply with a statute, regulation, or the terms and conditions of the Federal award.

(E) A disposition by consent or compromise, if the action could have resulted in any of the dispositions described in paragraphs (b)(1)(ii)(A) through (D) of this section.

(2) If more than one proceeding involves the same alleged misconduct, the costs of all such proceedings are unallowable if any results in one of the dispositions shown in paragraph (b) of this section.

(c) If a proceeding referred to in paragraph (b) of this section is commenced by the Federal government and is resolved by consent or compromise pursuant to an agreement by the non-Federal entity and the Federal government, then the costs incurred may be allowed to the extent specifically provided in such agreement.

(d) If a proceeding referred to in paragraph (b) of this section is commenced by a state, local or foreign government, the authorized Federal official may allow the costs incurred if such authorized official determines that the costs were incurred as a result of:

(1) A specific term or condition of the Federal award, or

(2) Specific written direction of an authorized official of the Federal awarding agency.

(e) Costs incurred in connection with proceedings described in paragraph (b) of this section, which are not made unallowable by that subsection, may be allowed but only to the extent that:

(1) The costs are reasonable and necessary in relation to the administration of the Federal award and activities required to deal with the proceeding and the underlying cause of action;

(2) Payment of the reasonable, necessary, allocable and otherwise allowable costs incurred is not prohibited by any other provision(s) of the Federal award;

(3) The costs are not recovered from the Federal Government or a third party, either directly as a result of the proceeding or otherwise; and,

(4) An authorized Federal official must determine the percentage of costs allowed considering the complexity of litigation, generally accepted principles governing the award of legal fees in civil actions involving the United States, and such other factors as may be appropriate. Such percentage must not exceed 80 percent. However, if an agreement reached under paragraph (c) of this section has explicitly considered this 80 percent limitation and permitted a higher percentage, then the full amount of costs resulting from that agreement are allowable.

(f) Costs incurred by the non-Federal entity in connection with the defense of suits brought by its employees or ex-employees under section 2 of the Major Fraud Act of 1988 (18 U.S.C. 1031), including the cost of all relief necessary to make such employee whole, where the non-Federal entity was found liable or settled, are unallowable.

(g) Costs of prosecution of claims against the Federal government, including appeals of final Federal agency decisions, are unallowable.

(h) Costs of legal, accounting, and consultant services, and related costs, incurred in connection with patent infringement litigation, are unallowable unless otherwise provided for in the Federal award.

(i) Costs which may be unallowable under this section, including directly associated costs, must be segregated and accounted for separately. During the pendency of any proceeding covered by paragraphs (b) and (f) of this section, the Federal government must generally withhold payment of such costs. However, if in its best interests, the Federal government may provide for conditional payment upon provision of adequate security, or other adequate assurance, and agreement to repay all unallowable costs, plus interest, if the costs are subsequently determined to be unallowable.

§ 200.436 Depreciation.

(a) Depreciation is the method for allocating the cost of fixed assets to periods benefitting from asset use. The non-Federal entity may be compensated for the use of its buildings, capital improvements, equipment, and software projects capitalized in accordance with GAAP, provided that they are used, needed in the non-Federal entity's activities, and properly allocated to Federal awards. Such compensation must be made by computing depreciation.

(b) The allocation for depreciation must be made in accordance with Appendices IV through VIII.

(c) Depreciation is computed applying the following rules. The computation of depreciation must be based on the acquisition cost of the assets involved. For an asset donated to the non-Federal entity by a third party, its fair market value at the time of the donation must be considered as the acquisition cost. Such assets may be depreciated or claimed as matching but not both. For this purpose, the acquisition cost will exclude:

(1) The cost of land;

(2) Any portion of the cost of buildings and equipment borne by or donated by the Federal government, irrespective of where title was originally vested or where it is presently located;

(3) Any portion of the cost of buildings and equipment contributed by or for the non-Federal entity, or where law or agreement prohibits recovery; and

(4) Any asset acquired solely for the performance of a non-Federal award.

(d) When computing depreciation charges, the following must be observed:

(1) The period of useful service or useful life established in each case for usable capital assets must take into consideration such factors as type of construction, nature of the equipment, technological developments in the particular area, historical data, and the renewal and replacement policies followed for the individual items or classes of assets involved.

(2) The depreciation method used to charge the cost of an asset (or group of assets) to accounting periods must reflect the pattern of consumption of the asset during its useful life. In the absence of clear evidence indicating that the expected consumption of the asset will be significantly greater in the early portions than in the later portions of its useful life, the straight-line method must be presumed to be the appropriate method. Depreciation methods once used may not be changed unless approved in advance by the cognizant agency. The depreciation methods used to calculate the depreciation amounts for indirect (F&A) rate purposes must be the same methods used by the non-Federal entity for its financial statements.

(3) The entire building, including the shell and all components, may be treated as a single asset and depreciated over a single useful life. A building may also be divided into multiple components. Each component item may then be depreciated over its estimated useful life. The building components must be grouped into three general components of a building: building shell (including construction and design costs), building services systems (e.g., elevators, HVAC, plumbing system and heating and air-conditioning system) and fixed equipment (e.g., sterilizers, casework, fume hoods, cold rooms and glassware/washers). In exceptional cases, a cognizant agency may authorize a non-Federal entity to use more than these three groupings. When a non-Federal entity elects to depreciate its buildings by its components, the same depreciation methods must be used for indirect (F&A) purposes and financial statements purposes, as described in paragraphs (d)(1) and (2) of this section.

(4) No depreciation may be allowed on any assets that have outlived their depreciable lives.

(5) Where the depreciation method is introduced to replace the use allowance method, depreciation must be computed as if the asset had been depreciated over its entire life (i.e., from the date the asset was acquired and ready for use to the date of disposal or withdrawal from service). The total amount of use allowance and depreciation for an asset (including imputed depreciation applicable to periods prior to the conversion from the use allowance method as well as depreciation after the conversion) may not exceed the total acquisition cost of the asset.

(e) Charges for depreciation must be supported by adequate property records, and physical inventories must be taken at least once every two years to ensure that the assets exist and are usable, used, and needed. Statistical sampling techniques may be used in taking these inventories. In addition, adequate depreciation records showing the amount of depreciation taken each period must also be maintained.

§ 200.437 Employee health and welfare costs.

(a) Costs incurred in accordance with the non-Federal entity's documented policies for the improvement of working conditions, employer-employee relations, employee health, and employee performance are allowable.

(b) Such costs will be equitably apportioned to all activities of the non-Federal entity. Income generated from any of these activities will be credited to the cost thereof unless such income has been irrevocably sent to employee welfare organizations.

(c) Losses resulting from operating food services are allowable only if the non-Federal entity's objective is to operate such services on a break-even basis. Losses sustained because of operating objectives other than the above are allowable only:

(1) Where the non-Federal entity can demonstrate unusual circumstances; and

(2) With the approval of the cognizant agency for indirect costs.

§ 200.438 Entertainment costs.

Costs of entertainment, including amusement, diversion, and social activities and any associated costs are unallowable, except where specific costs that might otherwise be considered entertainment have a programmatic purpose and are authorized either in the approved budget for the Federal award or with prior written approval of the Federal awarding agency.

§ 200.439 Equipment and other capital expenditures.

(a) See §§ 200.13 Capital expenditures, 200.33 Equipment, 200.89 Special purpose equipment, 200.48 General purpose equipment, 200.2 Acquisition cost, and 200.12 Capital assets.

(b) The following rules of allowability must apply to equipment and other capital expenditures:

(1) Capital expenditures for general purpose equipment, buildings, and land are unallowable as direct charges, except with the prior written approval of the Federal awarding agency or pass-through entity.

(2) Capital expenditures for special purpose equipment are allowable as direct costs, provided that items with a unit cost of $5,000 or more have the prior written approval of the Federal awarding agency or pass-through entity.

(3) Capital expenditures for improvements to land, buildings, or equipment which materially increase their value or useful life are unallowable as a direct cost except with the prior written approval of the Federal awarding agency, or pass-through entity. See § 200.436 Depreciation, for rules on the allowability of depreciation on buildings, capital improvements, and equipment. See also § 200.465 Rental costs of real property and equipment.

(4) When approved as a direct charge pursuant to paragraphs (b)(1) through (3) of this section, capital expenditures will be charged in the period in which the expenditure is incurred, or as otherwise determined appropriate and negotiated with the Federal awarding agency.

(5) The unamortized portion of any equipment written off as a result of a change in capitalization levels may be recovered by continuing to claim the otherwise allowable depreciation on the equipment, or by amortizing the amount to be written off over a period of years negotiated with the Federal cognizant agency for indirect cost.

(6) Cost of equipment disposal. If the non-Federal entity is instructed by the Federal awarding agency to otherwise dispose of or transfer the equipment the costs of such disposal or transfer are allowable.

§ 200.440 Exchange rates.

(a) Cost increases for fluctuations in exchange rates are allowable costs subject to the availability of funding, and prior approval by the Federal awarding agency. The Federal awarding agency must however ensure that adequate funds are available to cover currency fluctuations in order to avoid a violation of the Anti-Deficiency Act.

(b) The non-Federal entity is required to make reviews of local currency gains to determine the need for additional federal funding before the expiration date of the Federal award. Subsequent adjustments for currency increases may be allowable only when the non-Federal entity provides the Federal awarding agency with adequate source documentation from a commonly used source in effect at the time the expense was made, and to the extent that sufficient Federal funds are available.

§ 200.441 Fines, penalties, damages and other settlements.

Costs resulting from non-Federal entity violations of, alleged violations of, or failure to comply with, Federal, state, tribal, local or foreign laws and regulations are unallowable, except when incurred as a result of compliance with specific provisions of the Federal award, or with prior written approval of the Federal awarding agency. See also § 200.435 Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements.

§ 200.442 Fund raising and investment management costs.

(a) Costs of organized fund raising, including financial campaigns, endowment drives, solicitation of gifts and bequests, and similar expenses incurred

to raise capital or obtain contributions are unallowable. Fund raising costs for the purposes of meeting the Federal program objectives are allowable with prior written approval from the Federal awarding agency. Proposal costs are covered in § 200.460 Proposal costs.

(b) Costs of investment counsel and staff and similar expenses incurred to enhance income from investments are unallowable except when associated with investments covering pension, self-insurance, or other funds which include Federal participation allowed by this part.

(c) Costs related to the physical custody and control of monies and securities are allowable.

(d) Both allowable and unallowable fund raising and investment activities must be allocated as an appropriate share of indirect costs under the conditions described in § 200.413 Direct costs.

§ 200.443 Gains and losses on disposition of depreciable assets.

(a) Gains and losses on the sale, retirement, or other disposition of depreciable property must be included in the year in which they occur as credits or charges to the asset cost grouping(s) in which the property was included. The amount of the gain or loss to be included as a credit or charge to the appropriate asset cost grouping(s) is the difference between the amount realized on the property and the undepreciated basis of the property.

(b) Gains and losses from the disposition of depreciable property must not be recognized as a separate credit or charge under the following conditions:

(1) The gain or loss is processed through a depreciation account and is reflected in the depreciation allowable under §§ 200.436 Depreciation and 200.439 Equipment and other capital expenditures.

(2) The property is given in exchange as part of the purchase price of a similar item and the gain or loss is taken into account in determining the depreciation cost basis of the new item.

(3) A loss results from the failure to maintain permissible insurance, except as otherwise provided in § 46*200.447 Insurance and indemnification.

(4) Compensation for the use of the property was provided through use allowances in lieu of depreciation.

(5) Gains and losses arising from mass or extraordinary sales, retirements, or other dispositions must be considered on a case-by-case basis.

(c) Gains or losses of any nature arising from the sale or exchange of property other than the property covered in paragraph (a) of this section, e.g., land, must be excluded in computing Federal award costs.

(d) When assets acquired with Federal funds, in part or wholly, are disposed of, the distribution of the proceeds must be made in accordance with §§ 200.310 Insurance Coverage through 200.316 Property trust relationship.

§ 200.444 General costs of government.

(a) For states, local governments, and Indian Tribes, the general costs of government are unallowable (except as provided in § 200.474 Travel costs). Unallowable costs include:

(1) Salaries and expenses of the Office of the Governor of a state or the chief executive of a local government or the chief executive of an Indian tribe;

(2) Salaries and other expenses of a state legislature, tribal council, or similar local governmental body, such as a county supervisor, city council, school board, etc., whether incurred for purposes of legislation or executive direction;

(3) Costs of the judicial branch of a government;

(4) Costs of prosecutorial activities unless treated as a direct cost to a specific program if authorized by statute or regulation (however, this does not preclude the allowability of other legal activities of the Attorney General as described in § 200.435 Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements); and

(5) Costs of other general types of government services normally provided to the general public, such as fire and police, unless provided for as a direct cost under a program statute or regulation.

(b) For Indian tribes and Councils Of Governments (COGs) (see § 200.64 Local government), the portion of salaries and expenses directly attributable to

managing and operating Federal programs by the chief executive and his or her staff is allowable. Up to 50% of these costs can be included in the indirect cost calculation without documentation.

§ 200.445 Goods or services for personal use.

(a) Costs of goods or services for personal use of the non-Federal entity's employees are unallowable regardless of whether the cost is reported as taxable income to the employees.

(b) Costs of housing (e.g., depreciation, maintenance, utilities, furnishings, rent), housing allowances and personal living expenses are only allowable as direct costs regardless of whether reported as taxable income to the employees. In addition, to be allowable direct costs must be approved in advance by a Federal awarding agency.

§ 200.446 Idle facilities and idle capacity.

(a) As used in this section the following terms have the meanings set forth in this section:

(1) Facilities means land and buildings or any portion thereof, equipment individually or collectively, or any other tangible capital asset, wherever located, and whether owned or leased by the non-Federal entity.

(2) Idle facilities means completely unused facilities that are excess to the non-Federal entity's current needs.

(3) Idle capacity means the unused capacity of partially used facilities. It is the difference between:

(i) That which a facility could achieve under 100 percent operating time on a one-shift basis less operating interruptions resulting from time lost for repairs, setups, unsatisfactory materials, and other normal delays and;

(ii) The extent to which the facility was actually used to meet demands during the accounting period. A multi-shift basis should be used if it can be shown that this amount of usage would normally be expected for the type of facility involved.

(4) Cost of idle facilities or idle capacity means costs such as maintenance, repair, housing, rent, and other related costs, e.g., insurance, interest, and depreciation. These costs could include the costs of idle public safety emergency facilities, telecommunications, or information technology system capacity that is built to withstand major fluctuations in load, e.g., consolidated data centers.

(b) The costs of idle facilities are unallowable except to the extent that:

(1) They are necessary to meet workload requirements which may fluctuate and are allocated appropriately to all benefiting programs; or

(2) Although not necessary to meet fluctuations in workload, they were necessary when acquired and are now idle because of changes in program requirements, efforts to achieve more economical operations, reorganization, termination, or other causes which could not have been reasonably foreseen. Under the exception stated in this subsection, costs of idle facilities are allowable for a reasonable period of time, ordinarily not to exceed one year, depending on the initiative taken to use, lease, or dispose of such facilities.

(c) The costs of idle capacity are normal costs of doing business and are a factor in the normal fluctuations of usage or indirect cost rates from period to period. Such costs are allowable, provided that the capacity is reasonably anticipated to be necessary to carry out the purpose of the Federal award or was originally reasonable and is not subject to reduction or elimination by use on other Federal awards, subletting, renting, or sale, in accordance with sound business, economic, or security practices. Widespread idle capacity throughout an entire facility or among a group of assets having substantially the same function may be considered idle facilities.

§ 200.447 Insurance and indemnification.

(a) Costs of insurance required or approved and maintained, pursuant to the Federal award, are allowable.

(b) Costs of other insurance in connection with the general conduct of activities are allowable subject to the following limitations:

(1) Types and extent and cost of coverage are in accordance with the non-Federal entity's policy and sound business practice.

(2) Costs of insurance or of contributions to any reserve covering the risk of loss of, or damage to, Federal government property are unallowable except to the extent that the Federal awarding agency has specifically required or approved such costs.

(3) Costs allowed for business interruption or other similar insurance must exclude coverage of management fees.

(4) Costs of insurance on the lives of trustees, officers, or other employees holding positions of similar responsibilities are allowable only to the extent that the insurance represents additional compensation (see § 200.431 Compensation—fringe benefits). The cost of such insurance when the non-Federal entity is identified as the beneficiary is unallowable.

(5) Insurance against defects. Costs of insurance with respect to any costs incurred to correct defects in the non-Federal entity's materials or workmanship are unallowable.

(6) Medical liability (malpractice) insurance. Medical liability insurance is an allowable cost of Federal research programs only to the extent that the Federal research programs involve human subjects or training of participants in research techniques. Medical liability insurance costs must be treated as a direct cost and must be assigned to individual projects based on the manner in which the insurer allocates the risk to the population covered by the insurance.

(c) Actual losses which could have been covered by permissible insurance (through a self-insurance program or otherwise) are unallowable, unless expressly provided for in the Federal award. However, costs incurred because of losses not covered under nominal deductible insurance coverage provided in keeping with sound management practice, and minor losses not covered by insurance, such as spoilage, breakage, and disappearance of small hand tools, which occur in the ordinary course of operations, are allowable.

(d) Contributions to a reserve for certain self-insurance programs including workers' compensation, unemployment compensation, and severance pay are allowable subject to the following provisions:

(1) The type of coverage and the extent of coverage and the rates and premiums would have been allowed had insurance (including reinsurance) been purchased to cover the risks. However, provision for known or reasonably estimated self-insured liabilities, which do not become payable for more than one year after the provision is made, must not exceed the discounted present value of the liability. The rate used for discounting the liability must be determined by giving consideration to such factors as the non-Federal entity's settlement rate for those liabilities and its investment rate of return.

(2) Earnings or investment income on reserves must be credited to those reserves.

(3)(i) Contributions to reserves must be based on sound actuarial principles using historical experience and reasonable assumptions. Reserve levels must be analyzed and updated at least biennially for each major risk being insured and take into account any reinsurance, coinsurance, etc. Reserve levels related to employee-related coverages will normally be limited to the value of claims:

(A) Submitted and adjudicated but not paid;

(B) Submitted but not adjudicated; and

(C) Incurred but not submitted.

(ii) Reserve levels in excess of the amounts based on the above must be identified and justified in the cost allocation plan or indirect cost rate proposal.

(4) Accounting records, actuarial studies, and cost allocations (or billings) must recognize any significant differences due to types of insured risk and losses generated by the various insured activities or agencies of the non-Federal entity. If individual departments or agencies of the non-Federal entity experience significantly different levels of claims for a particular risk, those differences are to be recognized by the use of separate allocations or other techniques resulting in an equitable allocation.

(5) Whenever funds are transferred from a self-insurance reserve to other accounts (e.g., general fund or unrestricted account), refunds must be made to the Federal government for its

share of funds transferred, including earned or imputed interest from the date of transfer and debt interest, if applicable, chargeable in accordance with applicable Federal cognizant agency for indirect cost, claims collection regulations.

(e) Insurance refunds must be credited against insurance costs in the year the refund is received.

(f) Indemnification includes securing the non-Federal entity against liabilities to third persons and other losses not compensated by insurance or otherwise. The Federal government is obligated to indemnify the non-Federal entity only to the extent expressly provided for in the Federal award, except as provided in paragraph (c) of this section.

§ 200.448 Intellectual property.

(a) *Patent costs.* (1) The following costs related to securing patents and copyrights are allowable:

(i) Costs of preparing disclosures, reports, and other documents required by the Federal award, and of searching the art to the extent necessary to make such disclosures;

(ii) Costs of preparing documents and any other patent costs in connection with the filing and prosecution of a United States patent application where title or royalty-free license is required by the Federal government to be conveyed to the Federal government; and

(iii) General counseling services relating to patent and copyright matters, such as advice on patent and copyright laws, regulations, clauses, and employee intellectual property agreements (See also § 200.459 Professional service costs).

(2) The following costs related to securing patents and copyrights are unallowable:

(i) Costs of preparing disclosures, reports, and other documents, and of searching the art to make disclosures not required by the Federal award;

(ii) Costs in connection with filing and prosecuting any foreign patent application, or any United States patent application, where the Federal award does not require conveying title or a royalty-free license to the Federal government.

(b) *Royalties and other costs for use of patents and copyrights.* (1) Royalties on a patent or copyright or amortization of the cost of acquiring by purchase a copyright, patent, or rights thereto, necessary for the proper performance of the Federal award are allowable unless:

(i) The Federal government already has a license or the right to free use of the patent or copyright.

(ii) The patent or copyright has been adjudicated to be invalid, or has been administratively determined to be invalid.

(iii) The patent or copyright is considered to be unenforceable.

(iv) The patent or copyright is expired.

(2) Special care should be exercised in determining reasonableness where the royalties may have been arrived at as a result of less-than-arm's-length bargaining, such as:

(i) Royalties paid to persons, including corporations, affiliated with the non-Federal entity.

(ii) Royalties paid to unaffiliated parties, including corporations, under an agreement entered into in contemplation that a Federal award would be made.

(iii) Royalties paid under an agreement entered into after a Federal award is made to a non-Federal entity.

(3) In any case involving a patent or copyright formerly owned by the non-Federal entity, the amount of royalty allowed should not exceed the cost which would have been allowed had the non-Federal entity retained title thereto.

§ 200.449 Interest.

(a) *General.* Costs incurred for interest on borrowed capital, temporary use of endowment funds, or the use of the non-Federal entity's own funds, however represented, are unallowable. Financing costs (including interest) to acquire, construct, or replace capital assets are allowable, subject to the conditions in this section.

(b)(1) Capital assets is defined as noted in § 200.12 Capital assets. An asset cost includes (as applicable) acquisition costs, construction costs, and other costs capitalized in accordance with GAAP.

(2) For non-Federal entity fiscal years beginning on or after January 1, 2016, intangible assets include patents and computer software. For software development projects, only interest attributable to the portion of the project costs capitalized in accordance with GAAP is allowable.

(c) *Conditions for all non-Federal entities.* (1) The non-Federal entity uses the capital assets in support of Federal awards;

(2) The allowable asset costs to acquire facilities and equipment are limited to a fair market value available to the non-Federal entity from an unrelated (arm's length) third party.

(3) The non-Federal entity obtains the financing via an arm's-length transaction (that is, a transaction with an unrelated third party); or claims reimbursement of actual interest cost at a rate available via such a transaction.

(4) The non-Federal entity limits claims for Federal reimbursement of interest costs to the least expensive alternative. For example, a capital lease may be determined less costly than purchasing through debt financing, in which case reimbursement must be limited to the amount of interest determined if leasing had been used.

(5) The non-Federal entity expenses or capitalizes allowable interest cost in accordance with GAAP.

(6) Earnings generated by the investment of borrowed funds pending their disbursement for the asset costs are used to offset the current period's allowable interest cost, whether that cost is expensed or capitalized. Earnings subject to being reported to the Federal Internal Revenue Service under arbitrage requirements are excludable.

(7) The following conditions must apply to debt arrangements over $1 million to purchase or construct facilities, unless the non-Federal entity makes an initial equity contribution to the purchase of 25 percent or more. For this purpose, ''initial equity contribution'' means the amount or value of contributions made by the non-Federal entity for the acquisition of facilities prior to occupancy.

(i) The non-Federal entity must reduce claims for reimbursement of interest cost by an amount equal to imputed interest earnings on excess cash flow attributable to the portion of the facility used for Federal awards.

(ii) The non-Federal entity must impute interest on excess cash flow as follows:

(A) Annually, the non-Federal entity must prepare a cumulative (from the inception of the project) report of monthly cash inflows and outflows, regardless of the funding source. For this purpose, inflows consist of Federal reimbursement for depreciation, amortization of capitalized construction interest, and annual interest cost. Outflows consist of initial equity contributions, debt principal payments (less the pro-rata share attributable to the cost of land), and interest payments.

(B) To compute monthly cash inflows and outflows, the non-Federal entity must divide the annual amounts determined in step (i) by the number of months in the year (usually 12) that the building is in service.

(C) For any month in which cumulative cash inflows exceed cumulative outflows, interest must be calculated on the excess inflows for that month and be treated as a reduction to allowable interest cost. The rate of interest to be used must be the three-month Treasury bill closing rate as of the last business day of that month.

(8) Interest attributable to a fully depreciated asset is unallowable.

(d) Additional conditions for states, local governments and Indian tribes. For costs to be allowable, the non-Federal entity must have incurred the interest costs for buildings after October 1, 1980, or for land and equipment after September 1, 1995.

(1) The requirement to offset interest earned on borrowed funds against current allowable interest cost (paragraph (c)(5), above) also applies to earnings on debt service reserve funds.

(2) The non-Federal entity will negotiate the amount of allowable interest cost related to the acquisition of facilities with asset costs of $1 million or more, as outlined in paragraph (c)(7) of this section. For this purpose, a non-Federal entity must consider only cash inflows and outflows attributable to that portion of the real property used for Federal awards.

(e) Additional conditions for IHEs. For costs to be allowable, the IHE must have incurred the interest costs after September 23, 1982, in connection with acquisitions of capital assets that occurred after that date.

(f) Additional condition for nonprofit organizations. For costs to be allowable, the nonprofit organization incurred the interest costs after September 29, 1995, in connection with acquisitions of capital assets that occurred after that date.

(g) The interest allowability provisions of this section do not apply to a nonprofit organization subject to ''full coverage'' under the Cost Accounting Standards (CAS), as defined at 48 CFR 9903.201–2(a). The non-Federal entity's Federal awards are instead subject to CAS 414 (48 CFR 9904.414), ''Cost of Money as an Element of the Cost of Facilities Capital'', and CAS 417 (48 CFR 9904.417), ''Cost of Money as an Element of the Cost of Capital Assets Under Construction''.

§ 200.450 Lobbying.

(a) The cost of certain influencing activities associated with obtaining grants, contracts, cooperative agreements, or loans is an unallowable cost. Lobbying with respect to certain grants, contracts, cooperative agreements, and loans is governed by relevant statutes, including among others, the provisions of 31 U.S.C. 1352, as well as the common rule, ''New Restrictions on Lobbying'' published at 55 FR 6736 (February 26, 1990), including definitions, and the Office of Management and Budget ''Governmentwide Guidance for New Restrictions on Lobbying'' and notices published at 54 FR 52306 (December 20, 1989), 55 FR 24540 (June 15, 1990), 57 FR 1772 (January 15, 1992), and 61 FR 1412 (January 19, 1996).

(b) Executive lobbying costs. Costs incurred in attempting to improperly influence either directly or indirectly, an employee or officer of the executive branch of the Federal government to give consideration or to act regarding a Federal award or a regulatory matter are unallowable. Improper influence means any influence that induces or tends to induce a Federal employee or officer to give consideration or to act regarding a Federal award or regulatory matter on any basis other than the merits of the matter.

(c) In addition to the above, the following restrictions are applicable to nonprofit organizations and IHEs:

(1) Costs associated with the following activities are unallowable:

(i) Attempts to influence the outcomes of any Federal, state, or local election, referendum, initiative, or similar procedure, through in-kind or cash contributions, endorsements, publicity, or similar activity;

(ii) Establishing, administering, contributing to, or paying the expenses of a political party, campaign, political action committee, or other organization established for the purpose of influencing the outcomes of elections in the United States;

(iii) Any attempt to influence:

(A)The introduction of Federal or state legislation;

(B) The enactment or modification of any pending Federal or state legislation through communication with any member or employee of the Congress or state legislature (including efforts to influence state or local officials to engage in similar lobbying activity);

(C) The enactment or modification of any pending Federal or state legislation by preparing, distributing, or using publicity or propaganda, or by urging members of the general public, or any segment thereof, to contribute to or participate in any mass demonstration, march, rally, fund raising drive, lobbying campaign or letter writing or telephone campaign; or

(D) Any government official or employee in connection with a decision to sign or veto enrolled legislation;

(iv) Legislative liaison activities, including attendance at legislative sessions or committee hearings, gathering information regarding legislation, and analyzing the effect of legislation, when such activities are carried on in support of or in knowing preparation for an effort to engage in unallowable lobbying.

(2) The following activities are excepted from the coverage of paragraph (c)(1) of this section:

(i) Technical and factual presentations on topics directly related to the performance of a grant, contract, or other agreement (through hearing

testimony, statements, or letters to the Congress or a state legislature, or subdivision, member, or cognizant staff member thereof), in response to a documented request (including a Congressional Record notice requesting testimony or statements for the record at a regularly scheduled hearing) made by the non-Federal entity's member of congress, legislative body or a subdivision, or a cognizant staff member thereof, provided such information is readily obtainable and can be readily put in deliverable form, and further provided that costs under this section for travel, lodging or meals are unallowable unless incurred to offer testimony at a regularly scheduled Congressional hearing pursuant to a written request for such presentation made by the Chairman or Ranking Minority Member of the Committee or Subcommittee conducting such hearings;

(ii) Any lobbying made unallowable by paragraph (c)(1)(iii) of this section to influence state legislation in order to directly reduce the cost, or to avoid material impairment of the non-Federal entity's authority to perform the grant, contract, or other agreement; or

(iii) Any activity specifically authorized by statute to be undertaken with funds from the Federal award.

(iv) Any activity excepted from the definitions of ''lobbying'' or ''influencing legislation'' by the Internal Revenue Code provisions that require nonprofit organizations to limit their participation in direct and ''grass roots'' lobbying activities in order to retain their charitable deduction status and avoid punitive excise taxes, I.R.C. §§ 501(c)(3), 501(h), 4911(a), including:

(A) Nonpartisan analysis, study, or research reports;

(B) Examinations and discussions of broad social, economic, and similar problems; and

(C) Information provided upon request by a legislator for technical advice and assistance, as defined by I.R.C. § 4911(d)(2) and 26 CFR 56.4911–2(c)(1)–(c)(3).

(v) When a non-Federal entity seeks reimbursement for indirect (F&A) costs, total lobbying costs must be separately identified in the indirect (F&A) cost rate proposal, and thereafter treated as other unallowable activity costs in accordance with the procedures of § 200.413 Direct costs.

(vi) The non-Federal entity must submit as part of its annual indirect (F&A) cost rate proposal a certification that the requirements and standards of this section have been complied with. (See also § 200.415 Required certifications.)

(vii)(A) Time logs, calendars, or similar records are not required to be created for purposes of complying with the record keeping requirements in § 200.302 Financial management with respect to lobbying costs during any particular calendar month when:

(*1*) The employee engages in lobbying (as defined in paragraphs (c)(1) and (c)(2) of this section) 25 percent or less of the employee's compensated hours of employment during that calendar month; and

(*2*) Within the preceding five-year period, the non-Federal entity has not materially misstated allowable or unallowable costs of any nature, including legislative lobbying costs.

(B) When conditions in paragraph (c)(2)(vii)(A)(*1*) and (*2*) of this section are met, non-Federal entities are not required to establish records to support the allowability of claimed costs in addition to records already required or maintained. Also, when conditions in paragraphs (c)(2)(vii)(A)(*1*) and (*2*) of this section are met, the absence of time logs, calendars, or similar records will not serve as a basis for disallowing costs by contesting estimates of lobbying time spent by employees during a calendar month.

(viii) The Federal awarding agency must establish procedures for resolving in advance, in consultation with OMB, any significant questions or disagreements concerning the interpretation or application of this section. Any such advance resolutions must be binding in any subsequent settlements, audits, or investigations with respect to that grant or contract for purposes of interpretation of this part, provided, however, that this must not be construed to prevent a contractor or non-Federal entity from contesting the lawfulness of such a determination.

§ 200.451 Losses on other awards or contracts.

Any excess of costs over income under any other award or contract of any nature is unallowable. This includes, but is not limited to, the non-Federal entity's contributed portion by reason of cost-sharing agreements or any under-recoveries through negotiation of flat amounts for indirect (F&A) costs. Also, any excess of costs over authorized funding levels transferred from any award or contract to another award or contract is unallowable. All losses are not allowable indirect (F&A) costs and are required to be included in the appropriate indirect cost rate base for allocation of indirect costs.

§ 200.452 Maintenance and repair costs.

Costs incurred for utilities, insurance, security, necessary maintenance, janitorial services, repair, or upkeep of buildings and equipment (including Federal property unless otherwise provided for) which neither add to the permanent value of the property nor appreciably prolong its intended life, but keep it in an efficient operating condition, are allowable. Costs incurred for improvements which add to the permanent value of the buildings and equipment or appreciably prolong their intended life must be treated as capital expenditures (see § 200.439 Equipment and other capital expenditures). These costs are only allowable to the extent not paid through rental or other agreements.

§ 200.453 Materials and supplies costs, including costs of computing devices.

(a) Costs incurred for materials, supplies, and fabricated parts necessary to carry out a Federal award are allowable.

(b) Purchased materials and supplies must be charged at their actual prices, net of applicable credits. Withdrawals from general stores or stockrooms should be charged at their actual net cost under any recognized method of pricing inventory withdrawals, consistently applied. Incoming transportation charges are a proper part of materials and supplies costs.

(c) Materials and supplies used for the performance of a Federal award may be charged as direct costs. In the specific case of computing devices, charging as direct costs is allowable for devices that are essential and allocable, but not solely dedicated, to the performance of a Federal award.

(d) Where federally-donated or furnished materials are used in performing the Federal award, such materials will be used without charge.

§ 200.454 Memberships, subscriptions, and professional activity costs.

(a) Costs of the non-Federal entity's membership in business, technical, and professional organizations are allowable.

(b) Costs of the non-Federal entity's subscriptions to business, professional, and technical periodicals are allowable.

(c) Costs of membership in any civic or community organization are allowable with prior approval by the Federal awarding agency or pass-through entity.

(d) Costs of membership in any country club or social or dining club or organization are unallowable.

(e) Costs of membership in organizations whose primary purpose is lobbying are unallowable. See also § 200.450 Lobbying.

§ 200.455 Organization costs.

Costs such as incorporation fees, brokers' fees, fees to promoters, organizers or management consultants, attorneys, accountants, or investment counselor, whether or not employees of the non-Federal entity in connection with establishment or reorganization of an organization, are unallowable except with prior approval of the Federal awarding agency.

§ 200.456 Participant support costs.

Participant support costs as defined in § 200.75 Participant support costs are allowable with the prior approval of the Federal awarding agency.

§ 200.457 Plant and security costs.

Necessary and reasonable expenses incurred for routine and security to protect facilities, personnel, and work products are allowable. Such costs include, but are not limited to, wages

and uniforms of personnel engaged in security activities; equipment; barriers; protective (non-military) gear, devices, and equipment; contractual security services; and consultants. Capital expenditures for plant security purposes are subject to §200.439 Equipment and other capital expenditures.

§200.458 Pre-award costs.

Pre-award costs are those incurred prior to the effective date of the Federal award directly pursuant to the negotiation and in anticipation of the Federal award where such costs are necessary for efficient and timely performance of the scope of work. Such costs are allowable only to the extent that they would have been allowable if incurred after the date of the Federal award and only with the written approval of the Federal awarding agency.

§200.459 Professional service costs.

(a) Costs of professional and consultant services rendered by persons who are members of a particular profession or possess a special skill, and who are not officers or employees of the non-Federal entity, are allowable, subject to paragraphs (b) and (c) when reasonable in relation to the services rendered and when not contingent upon recovery of the costs from the Federal government. In addition, legal and related services are limited under §200.435 Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements.

(b) In determining the allowability of costs in a particular case, no single factor or any special combination of factors is necessarily determinative. However, the following factors are relevant:

(1) The nature and scope of the service rendered in relation to the service required.

(2) The necessity of contracting for the service, considering the non-Federal entity's capability in the particular area.

(3) The past pattern of such costs, particularly in the years prior to Federal awards.

(4) The impact of Federal awards on the non-Federal entity's business (i.e., what new problems have arisen).

(5) Whether the proportion of Federal work to the non-Federal entity's total business is such as to influence the non-Federal entity in favor of incurring the cost, particularly where the services rendered are not of a continuing nature and have little relationship to work under Federal awards.

(6) Whether the service can be performed more economically by direct employment rather than contracting.

(7) The qualifications of the individual or concern rendering the service and the customary fees charged, especially on non-federally funded activities.

(8) Adequacy of the contractual agreement for the service (e.g., description of the service, estimate of time required, rate of compensation, and termination provisions).

(c) In addition to the factors in paragraph (b) of this section, to be allowable, retainer fees must be supported by evidence of bona fide services available or rendered.

§200.460 Proposal costs.

Proposal costs are the costs of preparing bids, proposals, or applications on potential Federal and non-Federal awards or projects, including the development of data necessary to support the non-Federal entity's bids or proposals. Proposal costs of the current accounting period of both successful and unsuccessful bids and proposals normally should be treated as indirect (F&A) costs and allocated currently to all activities of the non-Federal entity. No proposal costs of past accounting periods will be allocable to the current period.

§200.461 Publication and printing costs.

(a) Publication costs for electronic and print media, including distribution, promotion, and general handling are allowable. If these costs are not identifiable with a particular cost objective, they should be allocated as indirect costs to all benefiting activities of the non-Federal entity.

(b) Page charges for professional journal publications are allowable where:

(1) The publications report work supported by the Federal government; and

(2) The charges are levied impartially on all items published by the journal, whether or not under a Federal award.

(3) The non-Federal entity may charge the Federal award before closeout for the costs of publication or sharing of research results if the costs are not incurred during the period of performance of the Federal award.

§ 200.462 Rearrangement and reconversion costs.

(a) Costs incurred for ordinary and normal rearrangement and alteration of facilities are allowable as indirect costs. Special arrangements and alterations costs incurred specifically for a Federal award are allowable as a direct cost with the prior approval of the Federal awarding agency or pass-through entity.

(b) Costs incurred in the restoration or rehabilitation of the non-Federal entity's facilities to approximately the same condition existing immediately prior to commencement of Federal awards, less costs related to normal wear and tear, are allowable.

§ 200.463 Recruiting costs.

(a) Subject to paragraphs (b) and (c) of this section, and provided that the size of the staff recruited and maintained is in keeping with workload requirements, costs of ''help wanted'' advertising, operating costs of an employment office necessary to secure and maintain an adequate staff, costs of operating an aptitude and educational testing program, travel costs of employees while engaged in recruiting personnel, travel costs of applicants for interviews for prospective employment, and relocation costs incurred incident to recruitment of new employees, are allowable to the extent that such costs are incurred pursuant to the non-Federal entity's standard recruitment program. Where the non-Federal entity uses employment agencies, costs not in excess of standard commercial rates for such services are allowable.

(b) Special emoluments, fringe benefits, and salary allowances incurred to attract professional personnel that do not meet the test of reasonableness or do not conform with the established practices of the non-Federal entity, are unallowable.

(c) Where relocation costs incurred incident to recruitment of a new employee have been funded in whole or in part as a direct cost to a Federal award, and the newly hired employee resigns for reasons within the employee's control within 12 months after hire, the non-Federal entity will be required to refund or credit the Federal share of such relocation costs to the Federal government. See also § 200.464 Relocation costs of employees.

(d) Short-term, travel visa costs (as opposed to longer-term, immigration visas) are generally allowable expenses that may be proposed as a direct cost. Since short-term visas are issued for a specific period and purpose, they can be clearly identified as directly connected to work performed on a Federal award. For these costs to be directly charged to a Federal award, they must:

(1) Be critical and necessary for the conduct of the project;

(2) Be allowable under the applicable cost principles;

(3) Be consistent with the non-Federal entity's cost accounting practices and non-Federal entity policy; and

(4) Meet the definition of ''direct cost'' as described in the applicable cost principles.

§ 200.464 Relocation costs of employees.

(a) Relocation costs are costs incident to the permanent change of duty assignment (for an indefinite period or for a stated period of not less than 12 months) of an existing employee or upon recruitment of a new employee. Relocation costs are allowable, subject to the limitations described in paragraphs (b), (c), and (d) of this section, provided that:

(1) The move is for the benefit of the employer.

(2) Reimbursement to the employee is in accordance with an established written policy consistently followed by the employer.

(3) The reimbursement does not exceed the employee's actual (or reasonably estimated) expenses.

(b) Allowable relocation costs for current employees are limited to the following:

(1) The costs of transportation of the employee, members of his or her immediate family and his household, and personal effects to the new location.

(2) The costs of finding a new home, such as advance trips by employees and spouses to locate living quarters and temporary lodging during the transition period, up to maximum period of 30 calendar days.

(3) Closing costs, such as brokerage, legal, and appraisal fees, incident to the disposition of the employee's former home. These costs, together with those described in (4), are limited to 8 per cent of the sales price of the employee's former home.

(4) The continuing costs of ownership (for up to six months) of the vacant former home after the settlement or lease date of the employee's new permanent home, such as maintenance of buildings and grounds (exclusive of fixing-up expenses), utilities, taxes, and property insurance.

(5) Other necessary and reasonable expenses normally incident to relocation, such as the costs of canceling an unexpired lease, transportation of personal property, and purchasing insurance against loss of or damages to personal property. The cost of canceling an unexpired lease is limited to three times the monthly rental.

(c) Allowable relocation costs for new employees are limited to those described in paragraphs (b)(1) and (2) of this section. When relocation costs incurred incident to the recruitment of new employees have been allowed either as a direct or indirect cost and the employee resigns for reasons within the employee's control within 12 months after hire, the non-Federal entity must refund or credit the Federal government for its share of the cost. However, the costs of travel to an overseas location must be considered travel costs in accordance with §200.474 Travel costs, and not this §200.464 Relocation costs of employees, for the purpose of this paragraph if dependents are not permitted at the location for any reason and the costs do not include costs of transporting household goods.

(d) The following costs related to relocation are unallowable:

(1) Fees and other costs associated with acquiring a new home.

(2) A loss on the sale of a former home.

(3) Continuing mortgage principal and interest payments on a home being sold.

(4) Income taxes paid by an employee related to reimbursed relocation costs.

§200.465 Rental costs of real property and equipment.

(a) Subject to the limitations described in paragraphs (b) through (d) of this section, rental costs are allowable to the extent that the rates are reasonable in light of such factors as: rental costs of comparable property, if any; market conditions in the area; alternatives available; and the type, life expectancy, condition, and value of the property leased. Rental arrangements should be reviewed periodically to determine if circumstances have changed and other options are available.

(b) Rental costs under ''sale and lease back'' arrangements are allowable only up to the amount that would be allowed had the non-Federal entity continued to own the property. This amount would include expenses such as depreciation, maintenance, taxes, and insurance.

(c) Rental costs under ''less-than-arm's-length'' leases are allowable only up to the amount (as explained in paragraph (b) of this section). For this purpose, a less-than-arm's-length lease is one under which one party to the lease agreement is able to control or substantially influence the actions of the other. Such leases include, but are not limited to those between:

(1) Divisions of the non-Federal entity;

(2) The non-Federal entity under common control through common officers, directors, or members; and

(3) The non-Federal entity and a director, trustee, officer, or key employee of the non-Federal entity or an immediate family member, either directly or through corporations, trusts, or similar arrangements in which they hold a controlling interest. For example, the non-Federal entity may establish a separate corporation for the sole purpose of owning property and leasing it back to the non-Federal entity.

(4) Family members include one party with any of the following relationships to another party:

(i) Spouse, and parents thereof;

(ii) Children, and spouses thereof;

(iii) Parents, and spouses thereof;

(iv) Siblings, and spouses thereof;

(v) Grandparents and grandchildren, and spouses thereof;

(vi) Domestic partner and parents thereof, including domestic partners of any individual in 2 through 5 of this definition; and

(vii) Any individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship.

(5) Rental costs under leases which are required to be treated as capital leases under GAAP are allowable only up to the amount (as explained in paragraph (b) of this section) that would be allowed had the non-Federal entity purchased the property on the date the lease agreement was executed. The provisions of GAAP must be used to determine whether a lease is a capital lease. Interest costs related to capital leases are allowable to the extent they meet the criteria in § 200.449 Interest. Unallowable costs include amounts paid for profit, management fees, and taxes that would not have been incurred had the non-Federal entity purchased the property.

(6) The rental of any property owned by any individuals or entities affiliated with the non-Federal entity, to include commercial or residential real estate, for purposes such as the home office workspace is unallowable.

§ 200.466 Scholarships and student aid costs.

(a) Costs of scholarships, fellowships, and other programs of student aid at IHEs are allowable only when the purpose of the Federal award is to provide training to selected participants and the charge is approved by the Federal awarding agency. However, tuition remission and other forms of compensation paid as, or in lieu of, wages to students performing necessary work are allowable provided that:

(1) The individual is conducting activities necessary to the Federal award;

(2) Tuition remission and other support are provided in accordance with established policy of the IHE and consistently provided in a like manner to students in return for similar activities conducted under Federal awards as well as other activities; and

(3) During the academic period, the student is enrolled in an advanced degree program at a non-Federal entity or affiliated institution and the activities of the student in relation to the Federal award are related to the degree program;

(4) The tuition or other payments are reasonable compensation for the work performed and are conditioned explicitly upon the performance of necessary work; and

(5) It is the IHE's practice to similarly compensate students under Federal awards as well as other activities.

(b) Charges for tuition remission and other forms of compensation paid to students as, or in lieu of, salaries and wages must be subject to the reporting requirements in § 200.430 Compensation—personal services, and must be treated as direct or indirect cost in accordance with the actual work being performed. Tuition remission may be charged on an average rate basis. See also § 200.431 Compensation—fringe benefits.

§ 200.467 Selling and marketing costs.

Costs of selling and marketing any products or services of the non-Federal entity (unless allowed under § 200.421 Advertising and public relations.) are unallowable, except as direct costs, with prior approval by the Federal awarding agency when necessary for the performance of the Federal award.

§ 200.468 Specialized service facilities.

(a) The costs of services provided by highly complex or specialized facilities operated by the non-Federal entity, such as computing facilities, wind tunnels, and reactors are allowable, provided the charges for the services meet the conditions of either paragraphs (b) or (c) of this section, and, in addition, take into account any items of income or Federal financing that qualify as applicable credits under § 200.406 Applicable credits.

(b) The costs of such services, when material, must be charged directly to applicable awards based on actual usage of the services on the basis of a schedule of rates or established methodology that:

(1) Does not discriminate between activities under Federal awards and other activities of the non-Federal entity, including usage by the non-Federal entity for internal purposes, and

(2) Is designed to recover only the aggregate costs of the services. The costs of each service must consist normally of both its direct costs and its allocable share of all indirect (F&A) costs. Rates must be adjusted at least biennially, and must take into consideration over/under applied costs of the previous period(s).

(c) Where the costs incurred for a service are not material, they may be allocated as indirect (F&A) costs.

(d) Under some extraordinary circumstances, where it is in the best interest of the Federal government and the non-Federal entity to establish alternative costing arrangements, such arrangements may be worked out with the Federal cognizant agency for indirect costs.

§ 200.469 Student activity costs.

Costs incurred for intramural activities, student publications, student clubs, and other student activities, are unallowable, unless specifically provided for in the Federal award.

§ 200.470 Taxes (including Value Added Tax).

(a) For states, local governments and Indian tribes:

(1) Taxes that a governmental unit is legally required to pay are allowable, except for self-assessed taxes that disproportionately affect Federal programs or changes in tax policies that disproportionately affect Federal programs.

(2) Gasoline taxes, motor vehicle fees, and other taxes that are in effect user fees for benefits provided to the Federal government are allowable.

(3) This provision does not restrict the authority of the Federal awarding agency to identify taxes where Federal participation is inappropriate. Where the identification of the amount of unallowable taxes would require an inordinate amount of effort, the cognizant agency for indirect costs may accept a reasonable approximation thereof.

(b) For nonprofit organizations and IHEs:

(1) In general, taxes which the non-Federal entity is required to pay and which are paid or accrued in accordance with GAAP, and payments made to local governments in lieu of taxes which are commensurate with the local government services received are allowable, except for:

(i) Taxes from which exemptions are available to the non-Federal entity directly or which are available to the non-Federal entity based on an exemption afforded the Federal government and, in the latter case, when the Federal awarding agency makes available the necessary exemption certificates,

(ii) Special assessments on land which represent capital improvements, and

(iii) Federal income taxes.

(2) Any refund of taxes, and any payment to the non-Federal entity of interest thereon, which were allowed as Federal award costs, will be credited either as a cost reduction or cash refund, as appropriate, to the Federal government. However, any interest actually paid or credited to an non-Federal entity incident to a refund of tax, interest, and penalty will be paid or credited to the Federal government only to the extent that such interest accrued over the period during which the non-Federal entity has been reimbursed by the Federal government for the taxes, interest, and penalties.

(c) Value Added Tax (VAT) Foreign taxes charged for the purchase of goods or services that a non-Federal entity is legally required to pay in country is an allowable expense under Federal awards. Foreign tax refunds or applicable credits under Federal awards refer to receipts, or reduction of expenditures, which operate to offset or reduce expense items that are allocable to Federal awards as direct or indirect costs. To the extent that such credits accrued or received by the non-Federal entity relate to allowable cost, these costs must be credited to the Federal awarding agency either as costs or cash refunds. If the costs are credited back

to the Federal award, the non-Federal entity may reduce the Federal share of costs by the amount of the foreign tax reimbursement, or where Federal award has not expired, use the foreign government tax refund for approved activities under the Federal award with prior approval of the Federal awarding agency.

§200.471 Termination costs.

Termination of a Federal award generally gives rise to the incurrence of costs, or the need for special treatment of costs, which would not have arisen had the Federal award not been terminated. Cost principles covering these items are set forth in this section. They are to be used in conjunction with the other provisions of this part in termination situations.

(a) The cost of items reasonably usable on the non-Federal entity's other work must not be allowable unless the non-Federal entity submits evidence that it would not retain such items at cost without sustaining a loss. In deciding whether such items are reasonably usable on other work of the non-Federal entity, the Federal awarding agency should consider the non-Federal entity's plans and orders for current and scheduled activity. Contemporaneous purchases of common items by the non-Federal entity must be regarded as evidence that such items are reasonably usable on the non-Federal entity's other work. Any acceptance of common items as allocable to the terminated portion of the Federal award must be limited to the extent that the quantities of such items on hand, in transit, and on order are in excess of the reasonable quantitative requirements of other work.

(b) If in a particular case, despite all reasonable efforts by the non-Federal entity, certain costs cannot be discontinued immediately after the effective date of termination, such costs are generally allowable within the limitations set forth in this part, except that any such costs continuing after termination due to the negligent or willful failure of the non-Federal entity to discontinue such costs must be unallowable.

(c) Loss of useful value of special tooling, machinery, and equipment is generally allowable if:

(1) Such special tooling, special machinery, or equipment is not reasonably capable of use in the other work of the non-Federal entity,

(2) The interest of the Federal government is protected by transfer of title or by other means deemed appropriate by the Federal awarding agency (see also §200.313 Equipment, paragraph (d), and

(3) The loss of useful value for any one terminated Federal award is limited to that portion of the acquisition cost which bears the same ratio to the total acquisition cost as the terminated portion of the Federal award bears to the entire terminated Federal award and other Federal awards for which the special tooling, machinery, or equipment was acquired.

(d) Rental costs under unexpired leases are generally allowable where clearly shown to have been reasonably necessary for the performance of the terminated Federal award less the residual value of such leases, if:

(1) The amount of such rental claimed does not exceed the reasonable use value of the property leased for the period of the Federal award and such further period as may be reasonable, and

(2) The non-Federal entity makes all reasonable efforts to terminate, assign, settle, or otherwise reduce the cost of such lease. There also may be included the cost of alterations of such leased property, provided such alterations were necessary for the performance of the Federal award, and of reasonable restoration required by the provisions of the lease.

(e) Settlement expenses including the following are generally allowable:

(1) Accounting, legal, clerical, and similar costs reasonably necessary for:

(i) The preparation and presentation to the Federal awarding agency of settlement claims and supporting data with respect to the terminated portion of the Federal award, unless the termination is for cause (see Subpart D—Post Federal Award Requirements of this part, §§200.338 Remedies for Noncompliance through 200.342 Effects of Suspension and termination); and

(ii) The termination and settlement of subawards.

(2) Reasonable costs for the storage, transportation, protection, and disposition of property provided by the Federal government or acquired or produced for the Federal award.

(f) Claims under subawards, including the allocable portion of claims which are common to the Federal award and to other work of the non-Federal entity, are generally allowable. An appropriate share of the non-Federal entity's indirect costs may be allocated to the amount of settlements with contractors and/or subrecipients, provided that the amount allocated is otherwise consistent with the basic guidelines contained in §200.414 Indirect (F&A) costs. The indirect costs so allocated must exclude the same and similar costs claimed directly or indirectly as settlement expenses.

§200.472 Training and education costs.

The cost of training and education provided for employee development is allowable.

§200.473 Transportation costs.

Costs incurred for freight, express, cartage, postage, and other transportation services relating either to goods purchased, in process, or delivered, are allowable. When such costs can readily be identified with the items involved, they may be charged directly as transportation costs or added to the cost of such items. Where identification with the materials received cannot readily be made, inbound transportation cost may be charged to the appropriate indirect (F&A) cost accounts if the non-Federal entity follows a consistent, equitable procedure in this respect. Outbound freight, if reimbursable under the terms and conditions of the Federal award, should be treated as a direct cost.

§200.474 Travel costs.

(a) *General.* Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of the non-Federal entity. Such costs may be charged on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip and not to selected days of the trip, and results in charges consistent with those normally allowed in like circumstances in the non-Federal entity's non-federally-funded activities and in accordance with non-Federal entity's written travel reimbursement policies. Notwithstanding the provisions of §200.444 General costs of government, travel costs of officials covered by that section are allowable with the prior written approval of the Federal awarding agency or pass-through entity when they are specifically related to the Federal award.

(b) *Lodging and subsistence.* Costs incurred by employees and officers for travel, including costs of lodging, other subsistence, and incidental expenses, must be considered reasonable and otherwise allowable only to the extent such costs do not exceed charges normally allowed by the non-Federal entity in its regular operations as the result of the non-Federal entity's written travel policy. In addition, if these costs are charged directly to the Federal award documentation must justify that:

(1) Participation of the individual is necessary to the Federal award; and

(2) The costs are reasonable and consistent with non-Federal entity's established travel policy.

(c)(1) Temporary dependent care costs (as dependent is defined in 26 U.S.C. 152) above and beyond regular dependent care that directly results from travel to conferences is allowable provided that:

(i) The costs are a direct result of the individual's travel for the Federal award;

(ii) The costs are consistent with the non-Federal entity's documented travel policy for all entity travel; and

(iii) Are only temporary during the travel period.

(2) Travel costs for dependents are unallowable, except for travel of duration of six months or more with prior approval of the Federal awarding agency. See also §200.432 Conferences.

(3) In the absence of an acceptable, written non-Federal entity policy regarding travel costs, the rates and amounts established under 5 U.S.C.

5701–11, (''Travel and Subsistence Expenses; Mileage Allowances''), or by the Administrator of General Services, or by the President (or his or her designee) pursuant to any provisions of such subchapter must apply to travel under Federal awards (48 CFR 31.205–46(a)).

(d) *Commercial air travel.* (1) Airfare costs in excess of the basic least expensive unrestricted accommodations class offered by commercial airlines are unallowable except when such accommodations would:

(i) Require circuitous routing;

(ii) Require travel during unreasonable hours;

(iii) Excessively prolong travel;

(iv) Result in additional costs that would offset the transportation savings; or

(v) Offer accommodations not reasonably adequate for the traveler's medical needs. The non-Federal entity must justify and document these conditions on a case-by-case basis in order for the use of first-class or business-class airfare to be allowable in such cases.

(2) Unless a pattern of avoidance is detected, the Federal government will generally not question a non-Federal entity's determinations that customary standard airfare or other discount airfare is unavailable for specific trips if the non-Federal entity can demonstrate that such airfare was not available in the specific case.

(e) *Air travel by other than commercial carrier.* Costs of travel by non-Federal entity-owned, -leased, or -chartered aircraft include the cost of lease, charter, operation (including personnel costs), maintenance, depreciation, insurance, and other related costs. The portion of such costs that exceeds the cost of airfare as provided for in paragraph (d) of this section, is unallowable.

§ 200.475 Trustees.

Travel and subsistence costs of trustees (or directors) at IHEs and nonprofit organizations are allowable. See also § 200.474 Travel costs.

Subpart F—Audit Requirements

GENERAL

§ 200.500 Purpose.

This part sets forth standards for obtaining consistency and uniformity among Federal agencies for the audit of non-Federal entities expending Federal awards.

AUDITS

§ 200.501 Audit requirements.

(a) *Audit required.* A non-Federal entity that expends $750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year in accordance with the provisions of this part.

(b) *Single audit.* A non-Federal entity that expends $750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single audit conducted in accordance with § 200.514 Scope of audit except when it elects to have a program-specific audit conducted in accordance with paragraph (c) of this section.

(c) *Program-specific audit election.* When an auditee expends Federal awards under only one Federal program (excluding R&D) and the Federal program's statutes, regulations, or the terms and conditions of the Federal award do not require a financial statement audit of the auditee, the auditee may elect to have a program-specific audit conducted in accordance with § 200.507 Program-specific audits. A program-specific audit may not be elected for R&D unless all of the Federal awards expended were received from the same Federal agency, or the same Federal agency and the same pass-through entity, and that Federal agency, or pass-through entity in the case of a subrecipient, approves in advance a program-specific audit.

(d) *Exemption when Federal awards expended are less than $750,000.* A non-Federal entity that expends less than $750,000 during the non-Federal entity's fiscal year in Federal awards is exempt from Federal audit requirements for that year, except as noted in § 200.503 Relation to other audit requirements,

but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and Government Accountability Office (GAO).

(e) *Federally Funded Research and Development Centers (FFRDC).* Management of an auditee that owns or operates a FFRDC may elect to treat the FFRDC as a separate entity for purposes of this part.

(f) *Subrecipients and Contractors.* An auditee may simultaneously be a recipient, a subrecipient, and a contractor. Federal awards expended as a recipient or a subrecipient are subject to audit under this part. The payments received for goods or services provided as a contractor are not Federal awards. Section §200.330 Subrecipient and contractor determinations should be considered in determining whether payments constitute a Federal award or a payment for goods or services provided as a contractor.

(g) *Compliance responsibility for contractors.* In most cases, the auditee's compliance responsibility for contractors is only to ensure that the procurement, receipt, and payment for goods and services comply with Federal statutes, regulations, and the terms and conditions of Federal awards. Federal award compliance requirements normally do not pass through to contractors. However, the auditee is responsible for ensuring compliance for procurement transactions which are structured such that the contractor is responsible for program compliance or the contractor's records must be reviewed to determine program compliance. Also, when these procurement transactions relate to a major program, the scope of the audit must include determining whether these transactions are in compliance with Federal statutes, regulations, and the terms and conditions of Federal awards.

(h) *For-profit subrecipient.* Since this part does not apply to for-profit subrecipients, the pass-through entity is responsible for establishing requirements, as necessary, to ensure compliance by for-profit subrecipients. The agreement with the for-profit subrecipient should describe applicable compliance requirements and the for-profit subrecipient's compliance responsibility. Methods to ensure compliance for Federal awards made to for-profit subrecipients may include pre-award audits, monitoring during the agreement, and post-award audits. See also §200.331 Requirements for pass-through entities.

§ 200.502 Basis for determining Federal awards expended.

(a) *Determining Federal awards expended.* The determination of when a Federal award is expended should be based on when the activity related to the Federal award occurs. Generally, the activity pertains to events that require the non-Federal entity to comply with Federal statutes, regulations, and the terms and conditions of Federal awards, such as: expenditure/expense transactions associated with awards including grants, cost-reimbursement contracts under the FAR, compacts with Indian Tribes, cooperative agreements, and direct appropriations; the disbursement of funds to subrecipients; the use of loan proceeds under loan and loan guarantee programs; the receipt of property; the receipt of surplus property; the receipt or use of program income; the distribution or use of food commodities; the disbursement of amounts entitling the non-Federal entity to an interest subsidy; and the period when insurance is in force.

(b) *Loan and loan guarantees (loans).* Since the Federal government is at risk for loans until the debt is repaid, the following guidelines must be used to calculate the value of Federal awards expended under loan programs, except as noted in paragraphs (c) and (d) of this section:

(1) Value of new loans made or received during the audit period; plus

(2) Beginning of the audit period balance of loans from previous years for which the Federal government imposes continuing compliance requirements; plus

(3) Any interest subsidy, cash, or administrative cost allowance received.

(c) *Loan and loan guarantees (loans) at IHEs.* When loans are made to students of an IHE but the IHE does not make the loans, then only the value of loans made during the audit period must be considered Federal awards expended in that audit period. The balance of loans

for previous audit periods is not included as Federal awards expended because the lender accounts for the prior balances.

(d) *Prior loan and loan guarantees (loans).* Loans, the proceeds of which were received and expended in prior years, are not considered Federal awards expended under this part when the Federal statutes, regulations, and the terms and conditions of Federal awards pertaining to such loans impose no continuing compliance requirements other than to repay the loans.

(e) *Endowment funds.* The cumulative balance of Federal awards for endowment funds that are federally restricted are considered Federal awards expended in each audit period in which the funds are still restricted.

(f) *Free rent.* Free rent received by itself is not considered a Federal award expended under this part. However, free rent received as part of a Federal award to carry out a Federal program must be included in determining Federal awards expended and subject to audit under this part.

(g) *Valuing non-cash assistance.* Federal non-cash assistance, such as free rent, food commodities, donated property, or donated surplus property, must be valued at fair market value at the time of receipt or the assessed value provided by the Federal agency.

(h) *Medicare.* Medicare payments to a non-Federal entity for providing patient care services to Medicare-eligible individuals are not considered Federal awards expended under this part.

(i) *Medicaid.* Medicaid payments to a subrecipient for providing patient care services to Medicaid-eligible individuals are not considered Federal awards expended under this part unless a state requires the funds to be treated as Federal awards expended because reimbursement is on a cost-reimbursement basis.

(j) *Certain loans provided by the National Credit Union Administration.* For purposes of this part, loans made from the National Credit Union Share Insurance Fund and the Central Liquidity Facility that are funded by contributions from insured non-Federal entities are not considered Federal awards expended.

§ 200.503 Relation to other audit requirements.

(a) An audit conducted in accordance with this part must be in lieu of any financial audit of Federal awards which a non-Federal entity is required to undergo under any other Federal statute or regulation. To the extent that such audit provides a Federal agency with the information it requires to carry out its responsibilities under Federal statute or regulation, a Federal agency must rely upon and use that information.

(b) Notwithstanding subsection (a), a Federal agency, Inspectors General, or GAO may conduct or arrange for additional audits which are necessary to carry out its responsibilities under Federal statute or regulation. The provisions of this part do not authorize any non-Federal entity to constrain, in any manner, such Federal agency from carrying out or arranging for such additional audits, except that the Federal agency must plan such audits to not be duplicative of other audits of Federal awards. Prior to commencing such an audit, the Federal agency or pass-through entity must review the FAC for recent audits submitted by the non-Federal entity, and to the extent such audits meet a Federal agency or pass-through entity's needs, the Federal agency or pass-through entity must rely upon and use such audits. Any additional audits must be planned and performed in such a way as to build upon work performed, including the audit documentation, sampling, and testing already performed, by other auditors.

(c) The provisions of this part do not limit the authority of Federal agencies to conduct, or arrange for the conduct of, audits and evaluations of Federal awards, nor limit the authority of any Federal agency Inspector General or other Federal official. For example, requirements that may be applicable under the FAR or CAS and the terms and conditions of a cost-reimbursement contract may include additional applicable audits to be conducted or arranged for by Federal agencies.

(d) Federal agency to pay for additional audits. A Federal agency that

conducts or arranges for additional audits must, consistent with other applicable Federal statutes and regulations, arrange for funding the full cost of such additional audits.

(e) Request for a program to be audited as a major program. A Federal awarding agency may request that an auditee have a particular Federal program audited as a major program in lieu of the Federal awarding agency conducting or arranging for the additional audits. To allow for planning, such requests should be made at least 180 calendar days prior to the end of the fiscal year to be audited. The auditee, after consultation with its auditor, should promptly respond to such a request by informing the Federal awarding agency whether the program would otherwise be audited as a major program using the risk-based audit approach described in §200.518 Major program determination and, if not, the estimated incremental cost. The Federal awarding agency must then promptly confirm to the auditee whether it wants the program audited as a major program. If the program is to be audited as a major program based upon this Federal awarding agency request, and the Federal awarding agency agrees to pay the full incremental costs, then the auditee must have the program audited as a major program. A pass-through entity may use the provisions of this paragraph for a subrecipient.

§200.504 Frequency of audits.

Except for the provisions for biennial audits provided in paragraphs (a) and (b) of this section, audits required by this part must be performed annually. Any biennial audit must cover both years within the biennial period.

(a) A state, local government, or Indian tribe that is required by constitution or statute, in effect on January 1, 1987, to undergo its audits less frequently than annually, is permitted to undergo its audits pursuant to this part biennially. This requirement must still be in effect for the biennial period.

(b) Any nonprofit organization that had biennial audits for all biennial periods ending between July 1, 1992, and January 1, 1995, is permitted to undergo its audits pursuant to this part biennially.

§200.505 Sanctions.

In cases of continued inability or unwillingness to have an audit conducted in accordance with this part, Federal agencies and pass-through entities must take appropriate action as provided in §200.338 Remedies for noncompliance.

§200.506 Audit costs.

See §200.425 Audit services.

§200.507 Program-specific audits.

(a) *Program-specific audit guide available.* In many cases, a program-specific audit guide will be available to provide specific guidance to the auditor with respect to internal controls, compliance requirements, suggested audit procedures, and audit reporting requirements. A listing of current program-specific audit guides can be found in the compliance supplement beginning with the 2014 supplement including Federal awarding agency contact information and a Web site where a copy of the guide can be obtained. When a current program-specific audit guide is available, the auditor must follow GAGAS and the guide when performing a program-specific audit.

(b) *Program-specific audit guide not available.* (1) When a program-specific audit guide is not available, the auditee and auditor must have basically the same responsibilities for the Federal program as they would have for an audit of a major program in a single audit.

(2) The auditee must prepare the financial statement(s) for the Federal program that includes, at a minimum, a schedule of expenditures of Federal awards for the program and notes that describe the significant accounting policies used in preparing the schedule, a summary schedule of prior audit findings consistent with the requirements of §200.511 Audit findings follow-up, paragraph (b), and a corrective action plan consistent with the requirements of §200.511 Audit findings follow-up, paragraph (c).

(3) The auditor must:

(i) Perform an audit of the financial statement(s) for the Federal program in accordance with GAGAS;

(ii) Obtain an understanding of internal controls and perform tests of internal controls over the Federal program consistent with the requirements of § 200.514 Scope of audit, paragraph (c) for a major program;

(iii) Perform procedures to determine whether the auditee has complied with Federal statutes, regulations, and the terms and conditions of Federal awards that could have a direct and material effect on the Federal program consistent with the requirements of § 200.514 Scope of audit, paragraph (d) for a major program;

(iv) Follow up on prior audit findings, perform procedures to assess the reasonableness of the summary schedule of prior audit findings prepared by the auditee in accordance with the requirements of § 200.511 Audit findings follow-up, and report, as a current year audit finding, when the auditor concludes that the summary schedule of prior audit findings materially misrepresents the status of any prior audit finding; and

(v) Report any audit findings consistent with the requirements of § 200.516 Audit findings.

(4) The auditor's report(s) may be in the form of either combined or separate reports and may be organized differently from the manner presented in this section. The auditor's report(s) must state that the audit was conducted in accordance with this part and include the following:

(i) An opinion (or disclaimer of opinion) as to whether the financial statement(s) of the Federal program is presented fairly in all material respects in accordance with the stated accounting policies;

(ii) A report on internal control related to the Federal program, which must describe the scope of testing of internal control and the results of the tests;

(iii) A report on compliance which includes an opinion (or disclaimer of opinion) as to whether the auditee complied with laws, regulations, and the terms and conditions of Federal awards which could have a direct and material effect on the Federal program; and

(iv) A schedule of findings and questioned costs for the Federal program that includes a summary of the auditor's results relative to the Federal program in a format consistent with § 200.515 Audit reporting, paragraph (d)(1) and findings and questioned costs consistent with the requirements of § 200.515 Audit reporting, paragraph (d)(3).

(c) *Report submission for program-specific audits.* (1) The audit must be completed and the reporting required by paragraph (c)(2) or (c)(3) of this section submitted within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period, unless a different period is specified in a program-specific audit guide. Unless restricted by Federal law or regulation, the auditee must make report copies available for public inspection. Auditees and auditors must ensure that their respective parts of the reporting package do not include protected personally identifiable information.

(2) When a program-specific audit guide is available, the auditee must electronically submit to the FAC the data collection form prepared in accordance with § 200.512 Report submission, paragraph (b), as applicable to a program-specific audit, and the reporting required by the program-specific audit guide.

(3) When a program-specific audit guide is not available, the reporting package for a program-specific audit must consist of the financial statement(s) of the Federal program, a summary schedule of prior audit findings, and a corrective action plan as described in paragraph (b)(2) of this section, and the auditor's report(s) described in paragraph (b)(4) of this section. The data collection form prepared in accordance with § 200.512 Report submission, paragraph (b), as applicable to a program-specific audit, and one copy of this reporting package must be electronically submitted to the FAC.

(d) *Other sections of this part may apply.* Program-specific audits are subject to:

(1) 200.500 Purpose through 200.503 Relation to other audit requirements, paragraph (d);
(2) 200.504 Frequency of audits through 200.506 Audit costs;
(3) 200.508 Auditee responsibilities through 200.509 Auditor selection;
(4) 200.511 Audit findings follow-up;
(5) 200.512 Report submission, paragraphs (e) through (h);
(6) 200.513 Responsibilities;
(7) 200.516 Audit findings through 200.517 Audit documentation;
(8) 200.521 Management decision, and
(9) Other referenced provisions of this part unless contrary to the provisions of this section, a program-specific audit guide, or program statutes and regulations.

AUDITEES

§ 200.508 Auditee responsibilities.

The auditee must:
(a) Procure or otherwise arrange for the audit required by this part in accordance with § 200.509 Auditor selection, and ensure it is properly performed and submitted when due in accordance with § 200.512 Report submission.
(b) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with § 200.510 Financial statements.
(c) Promptly follow up and take corrective action on audit findings, including preparation of a summary schedule of prior audit findings and a corrective action plan in accordance with § 200.511 Audit findings follow-up, paragraph (b) and § 200.511 Audit findings follow-up, paragraph (c), respectively.
(d) Provide the auditor with access to personnel, accounts, books, records, supporting documentation, and other information as needed for the auditor to perform the audit required by this part.

§ 200.509 Auditor selection.

(a) *Auditor procurement.* In procuring audit services, the auditee must follow the procurement standards prescribed by the Procurement Standards in §§ 200.317 Procurement by states through 20.326 Contract provisions of Subpart D- Post Federal Award Requirements of this part or the FAR (48 CFR part 42), as applicable. When procuring audit services, the objective is to obtain high-quality audits. In requesting proposals for audit services, the objectives and scope of the audit must be made clear and the non-Federal entity must request a copy of the audit organization's peer review report which the auditor is required to provide under GAGAS. Factors to be considered in evaluating each proposal for audit services include the responsiveness to the request for proposal, relevant experience, availability of staff with professional qualifications and technical abilities, the results of peer and external quality control reviews, and price. Whenever possible, the auditee must make positive efforts to utilize small businesses, minority-owned firms, and women's business enterprises, in procuring audit services as stated in § 200.321 Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms, or the FAR (48 CFR part 42), as applicable.
(b) *Restriction on auditor preparing indirect cost proposals.* An auditor who prepares the indirect cost proposal or cost allocation plan may not also be selected to perform the audit required by this part when the indirect costs recovered by the auditee during the prior year exceeded $1 million. This restriction applies to the base year used in the preparation of the indirect cost proposal or cost allocation plan and any subsequent years in which the resulting indirect cost agreement or cost allocation plan is used to recover costs.
(c) *Use of Federal auditors.* Federal auditors may perform all or part of the work required under this part if they comply fully with the requirements of this part.

§ 200.510 Financial statements.

(a) *Financial statements.* The auditee must prepare financial statements that reflect its financial position, results of operations or changes in net assets, and, where appropriate, cash flows for the fiscal year audited. The financial statements must be for the same organizational unit and fiscal year that is chosen to meet the requirements of

this part. However, non-Federal entity-wide financial statements may also include departments, agencies, and other organizational units that have separate audits in accordance with § 200.514 Scope of audit, paragraph (a) and prepare separate financial statements.

(b) *Schedule of expenditures of Federal awards.* The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502 Basis for determining Federal awards expended. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple Federal award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule must:

(1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within the cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.

(2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.

(3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available. For a cluster of programs also provide the total for the cluster.

(4) Include the total amount provided to subrecipients from each Federal program.

(5) For loan or loan guarantee programs described in § 200.502 Basis for determining Federal awards expended, paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.

(6) Include notes that describe that significant accounting policies used in preparing the schedule, and note whether or not the non-Federal entity elected to use the 10% de minimis cost rate as covered in § 200.414 Indirect (F&A) costs.

§ 200.511 Audit findings follow-up.

(a) *General.* The auditee is responsible for follow-up and corrective action on all audit findings. As part of this responsibility, the auditee must prepare a summary schedule of prior audit findings. The auditee must also prepare a corrective action plan for current year audit findings. The summary schedule of prior audit findings and the corrective action plan must include the reference numbers the auditor assigns to audit findings under § 200.516 Audit findings, paragraph (c). Since the summary schedule may include audit findings from multiple years, it must include the fiscal year in which the finding initially occurred. The corrective action plan and summary schedule of prior audit findings must include findings relating to the financial statements which are required to be reported in accordance with GAGAS.

(b) *Summary schedule of prior audit findings.* The summary schedule of prior audit findings must report the status of all audit findings included in the prior audit's schedule of findings and questioned costs. The summary schedule must also include audit findings reported in the prior audit's summary schedule of prior audit findings except audit findings listed as corrected in accordance with paragraph (b)(1) of this section, or no longer valid or not warranting further action in accordance with paragraph (b)(3) of this section.

(1) When audit findings were fully corrected, the summary schedule need only list the audit findings and state that corrective action was taken.

(2) When audit findings were not corrected or were only partially corrected, the summary schedule must describe the reasons for the finding's recurrence

and planned corrective action, and any partial corrective action taken. When corrective action taken is significantly different from corrective action previously reported in a corrective action plan or in the Federal agency's or pass-through entity's management decision, the summary schedule must provide an explanation.

(3) When the auditee believes the audit findings are no longer valid or do not warrant further action, the reasons for this position must be described in the summary schedule. A valid reason for considering an audit finding as not warranting further action is that all of the following have occurred:

(i) Two years have passed since the audit report in which the finding occurred was submitted to the FAC;

(ii) The Federal agency or pass-through entity is not currently following up with the auditee on the audit finding; and

(iii) A management decision was not issued.

(c) *Corrective action plan.* At the completion of the audit, the auditee must prepare, in a document separate from the auditor's findings described in § 200.516 Audit findings, a corrective action plan to address each audit finding included in the current year auditor's reports. The corrective action plan must provide the name(s) of the contact person(s) responsible for corrective action, the corrective action planned, and the anticipated completion date. If the auditee does not agree with the audit findings or believes corrective action is not required, then the corrective action plan must include an explanation and specific reasons.

§ 200.512 Report submission.

(a) *General.* (1) The audit must be completed and the data collection form described in paragraph (b) of this section and reporting package described in paragraph (c) of this section must be submitted within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period. If the due date falls on a Saturday, Sunday, or Federal holiday, the reporting package is due the next business day.

(2) Unless restricted by Federal statutes or regulations, the auditee must make copies available for public inspection. Auditees and auditors must ensure that their respective parts of the reporting package do not include protected personally identifiable information.

(b) *Data Collection.* The FAC is the repository of record for Subpart F—Audit Requirements of this part reporting packages and the data collection form. All Federal agencies, pass-through entities and others interested in a reporting package and data collection form must obtain it by accessing the FAC.

(1) The auditee must submit required data elements described in Appendix X to Part 200—Data Collection Form (Form SF–SAC), which state whether the audit was completed in accordance with this part and provides information about the auditee, its Federal programs, and the results of the audit. The data must include information available from the audit required by this part that is necessary for Federal agencies to use the audit to ensure integrity for Federal programs. The data elements and format must be approved by OMB, available from the FAC, and include collections of information from the reporting package described in paragraph (c) of this section. A senior level representative of the auditee (e.g., state controller, director of finance, chief executive officer, or chief financial officer) must sign a statement to be included as part of the data collection that says that the auditee complied with the requirements of this part, the data were prepared in accordance with this part (and the instructions accompanying the form), the reporting package does not include protected personally identifiable information, the information included in its entirety is accurate and complete, and that the FAC is authorized to make the reporting package and the form publicly available on a Web site.

(2) *Exception for Indian Tribes.* An auditee that is an Indian tribe may opt not to authorize the FAC to make the reporting package publicly available on a Web site, by excluding the authorization for the FAC publication in the statement described in paragraph (b)(1) of this section. If this option is exercised, the auditee becomes responsible for submitting the reporting package

directly to any pass-through entities through which it has received a Federal award and to pass-through entities for which the summary schedule of prior audit findings reported the status of any findings related to Federal awards that the pass-through entity provided. Unless restricted by Federal statute or regulation, if the auditee opts not to authorize publication, it must make copies of the reporting package available for public inspection.

(3) Using the information included in the reporting package described in paragraph (c) of this section, the auditor must complete the applicable data elements of the data collection form. The auditor must sign a statement to be included as part of the data collection form that indicates, at a minimum, the source of the information included in the form, the auditor's responsibility for the information, that the form is not a substitute for the reporting package described in paragraph (c) of this section, and that the content of the form is limited to the collection of information prescribed by OMB.

(c) *Reporting package.* The reporting package must include the:

(1) Financial statements and schedule of expenditures of Federal awards discussed in §200.510 Financial statements, paragraphs (a) and (b), respectively;

(2) Summary schedule of prior audit findings discussed in §200.511 Audit findings follow-up, paragraph (b);

(3) Auditor's report(s) discussed in §200.515 Audit reporting; and

(4) Corrective action plan discussed in §200.511 Audit findings follow-up, paragraph (c).

(d) *Submission to FAC.* The auditee must electronically submit to the FAC the data collection form described in paragraph (b) of this section and the reporting package described in paragraph (c) of this section.

(e) *Requests for management letters issued by the auditor.* In response to requests by a Federal agency or pass-through entity, auditees must submit a copy of any management letters issued by the auditor.

(f) *Report retention requirements.* Auditees must keep one copy of the data collection form described in paragraph (b) of this section and one copy of the reporting package described in paragraph (c) of this section on file for three years from the date of submission to the FAC.

(g) *FAC responsibilities.* The FAC must make available the reporting packages received in accordance with paragraph (c) of this section and §200.507 Program-specific audits, paragraph (c) to the public, except for Indian tribes exercising the option in (b)(2) of this section, and maintain a data base of completed audits, provide appropriate information to Federal agencies, and follow up with known auditees that have not submitted the required data collection forms and reporting packages.

(h) *Electronic filing.* Nothing in this part must preclude electronic submissions to the FAC in such manner as may be approved by OMB.

FEDERAL AGENCIES

§ 200.513 Responsibilities.

(a)(1) Cognizant agency for audit responsibilities. A non-Federal entity expending more than $50 million a year in Federal awards must have a cognizant agency for audit. The designated cognizant agency for audit must be the Federal awarding agency that provides the predominant amount of direct funding to a non-Federal entity unless OMB designates a specific cognizant agency for audit.

(2) To provide for continuity of cognizance, the determination of the predominant amount of direct funding must be based upon direct Federal awards expended in the non-Federal entity's fiscal years ending in 2009, 2014, 2019 and every fifth year thereafter. For example, audit cognizance for periods ending in 2011 through 2015 will be determined based on Federal awards expended in 2009.

(3) Notwithstanding the manner in which audit cognizance is determined, a Federal awarding agency with cognizance for an auditee may reassign cognizance to another Federal awarding agency that provides substantial funding and agrees to be the cognizant agency for audit. Within 30 calendar days after any reassignment, both the old and the new cognizant agency for audit must provide notice of the

change to the FAC, the auditee, and, if known, the auditor. The cognizant agency for audit must:

(i) Provide technical audit advice and liaison assistance to auditees and auditors.

(ii) Obtain or conduct quality control reviews on selected audits made by non-Federal auditors, and provide the results to other interested organizations. Cooperate and provide support to the Federal agency designated by OMB to lead a governmentwide project to determine the quality of single audits by providing a statistically reliable estimate of the extent that single audits conform to applicable requirements, standards, and procedures; and to make recommendations to address noted audit quality issues, including recommendations for any changes to applicable requirements, standards and procedures indicated by the results of the project. This governmentwide audit quality project must be performed once every 6 years beginning in 2018 or at such other interval as determined by OMB, and the results must be public.

(iii) Promptly inform other affected Federal agencies and appropriate Federal law enforcement officials of any direct reporting by the auditee or its auditor required by GAGAS or statutes and regulations.

(iv) Advise the community of independent auditors of any noteworthy or important factual trends related to the quality of audits stemming from quality control reviews. Significant problems or quality issues consistently identified through quality control reviews of audit reports must be referred to appropriate state licensing agencies and professional bodies.

(v) Advise the auditor, Federal awarding agencies, and, where appropriate, the auditee of any deficiencies found in the audits when the deficiencies require corrective action by the auditor. When advised of deficiencies, the auditee must work with the auditor to take corrective action. If corrective action is not taken, the cognizant agency for audit must notify the auditor, the auditee, and applicable Federal awarding agencies and pass-through entities of the facts and make recommendations for follow-up action. Major inadequacies or repetitive substandard performance by auditors must be referred to appropriate state licensing agencies and professional bodies for disciplinary action.

(vi) Coordinate, to the extent practical, audits or reviews made by or for Federal agencies that are in addition to the audits made pursuant to this part, so that the additional audits or reviews build upon rather than duplicate audits performed in accordance with this part.

(vii) Coordinate a management decision for cross-cutting audit findings (as defined in §200.30 Cross-cutting audit finding) that affect the Federal programs of more than one agency when requested by any Federal awarding agency whose awards are included in the audit finding of the auditee.

(viii) Coordinate the audit work and reporting responsibilities among auditors to achieve the most cost-effective audit.

(ix) Provide advice to auditees as to how to handle changes in fiscal years.

(b) Oversight agency for audit responsibilities. An auditee who does not have a designated cognizant agency for audit will be under the general oversight of the Federal agency determined in accordance with §200.73 Oversight agency for audit. A Federal agency with oversight for an auditee may reassign oversight to another Federal agency that agrees to be the oversight agency for audit. Within 30 calendar days after any reassignment, both the old and the new oversight agency for audit must provide notice of the change to the FAC, the auditee, and, if known, the auditor. The oversight agency for audit:

(1) Must provide technical advice to auditees and auditors as requested.

(2) May assume all or some of the responsibilities normally performed by a cognizant agency for audit.

(c) Federal awarding agency responsibilities. The Federal awarding agency must perform the following for the Federal awards it makes (See also the requirements of §200.210 Information contained in a Federal award):

(1) Ensure that audits are completed and reports are received in a timely manner and in accordance with the requirements of this part.

(2) Provide technical advice and counsel to auditees and auditors as requested.

(3) Follow-up on audit findings to ensure that the recipient takes appropriate and timely corrective action. As part of audit follow-up, the Federal awarding agency must:

(i) Issue a management decision as prescribed in § 200.521 Management decision;

(ii) Monitor the recipient taking appropriate and timely corrective action;

(iii) Use cooperative audit resolution mechanisms (see § 200.25 Cooperative audit resolution) to improve Federal program outcomes through better audit resolution, follow-up, and corrective action; and

(iv) Develop a baseline, metrics, and targets to track, over time, the effectiveness of the Federal agency's process to follow-up on audit findings and on the effectiveness of Single Audits in improving non-Federal entity accountability and their use by Federal awarding agencies in making award decisions.

(4) Provide OMB annual updates to the compliance supplement and work with OMB to ensure that the compliance supplement focuses the auditor to test the compliance requirements most likely to cause improper payments, fraud, waste, abuse or generate audit finding for which the Federal awarding agency will take sanctions.

(5) Provide OMB with the name of a single audit accountable official from among the senior policy officials of the Federal awarding agency who must be:

(i) Responsible for ensuring that the agency fulfills all the requirement of § 200.513 Responsibilities and effectively uses the single audit process to reduce improper payments and improve Federal program outcomes.

(ii) Held accountable to improve the effectiveness of the single audit process based upon metrics as described in paragraph (c)(3)(iv) of this section.

(iii) Responsible for designating the Federal agency's key management single audit liaison.

(6) Provide OMB with the name of a key management single audit liaison who must:

(i) Serve as the Federal awarding agency's management point of contact for the single audit process both within and outside the Federal government.

(ii) Promote interagency coordination, consistency, and sharing in areas such as coordinating audit follow-up; identifying higher-risk non-Federal entities; providing input on single audit and follow-up policy; enhancing the utility of the FAC; and studying ways to use single audit results to improve Federal award accountability and best practices.

(iii) Oversee training for the Federal awarding agency's program management personnel related to the single audit process.

(iv) Promote the Federal awarding agency's use of cooperative audit resolution mechanisms.

(v) Coordinate the Federal awarding agency's activities to ensure appropriate and timely follow-up and corrective action on audit findings.

(vi) Organize the Federal cognizant agency for audit's follow-up on cross-cutting audit findings that affect the Federal programs of more than one Federal awarding agency.

(vii) Ensure the Federal awarding agency provides annual updates of the compliance supplement to OMB.

(viii) Support the Federal awarding agency's single audit accountable official's mission.

AUDITORS

§ 200.514 Scope of audit.

(a) *General.* The audit must be conducted in accordance with GAGAS. The audit must cover the entire operations of the auditee, or, at the option of the auditee, such audit must include a series of audits that cover departments, agencies, and other organizational units that expended or otherwise administered Federal awards during such audit period, provided that each such audit must encompass the financial statements and schedule of expenditures of Federal awards for each such department, agency, and other organizational unit, which must be considered to be a non-Federal entity. The financial statements and schedule of expenditures of Federal awards must be for the same audit period.

(b) *Financial statements.* The auditor must determine whether the financial

statements of the auditee are presented fairly in all material respects in accordance with generally accepted accounting principles. The auditor must also determine whether the schedule of expenditures of Federal awards is stated fairly in all material respects in relation to the auditee's financial statements as a whole.

(c) *Internal control.* (1) The compliance supplement provides guidance on internal controls over Federal programs based upon the guidance in Standards for Internal Control in the Federal Government issued by the Comptroller General of the United States and the Internal Control—Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

(2) In addition to the requirements of GAGAS, the auditor must perform procedures to obtain an understanding of internal control over Federal programs sufficient to plan the audit to support a low assessed level of control risk of noncompliance for major programs.

(3) Except as provided in paragraph (c)(4) of this section, the auditor must:

(i) Plan the testing of internal control over compliance for major programs to support a low assessed level of control risk for the assertions relevant to the compliance requirements for each major program; and

(ii) Perform testing of internal control as planned in paragraph (c)(3)(i) of this section.

(4) When internal control over some or all of the compliance requirements for a major program are likely to be ineffective in preventing or detecting noncompliance, the planning and performing of testing described in paragraph (c)(3) of this section are not required for those compliance requirements. However, the auditor must report a significant deficiency or material weakness in accordance with §200.516 Audit findings, assess the related control risk at the maximum, and consider whether additional compliance tests are required because of ineffective internal control.

(d) *Compliance.* (1) In addition to the requirements of GAGAS, the auditor must determine whether the auditee has complied with Federal statutes, regulations, and the terms and conditions of Federal awards that may have a direct and material effect on each of its major programs.

(2) The principal compliance requirements applicable to most Federal programs and the compliance requirements of the largest Federal programs are included in the compliance supplement.

(3) For the compliance requirements related to Federal programs contained in the compliance supplement, an audit of these compliance requirements will meet the requirements of this part. Where there have been changes to the compliance requirements and the changes are not reflected in the compliance supplement, the auditor must determine the current compliance requirements and modify the audit procedures accordingly. For those Federal programs not covered in the compliance supplement, the auditor should follow the compliance supplement's guidance for programs not included in the supplement.

(4) The compliance testing must include tests of transactions and such other auditing procedures necessary to provide the auditor sufficient appropriate audit evidence to support an opinion on compliance.

(e) *Audit follow-up.* The auditor must follow-up on prior audit findings, perform procedures to assess the reasonableness of the summary schedule of prior audit findings prepared by the auditee in accordance with §200.511 Audit findings follow-up paragraph (b), and report, as a current year audit finding, when the auditor concludes that the summary schedule of prior audit findings materially misrepresents the status of any prior audit finding. The auditor must perform audit follow-up procedures regardless of whether a prior audit finding relates to a major program in the current year.

(f) *Data Collection Form.* As required in §200.512 Report submission paragraph (b)(3), the auditor must complete and sign specified sections of the data collection form.

§200.515 Audit reporting.

The auditor's report(s) may be in the form of either combined or separate reports and may be organized differently

from the manner presented in this section. The auditor's report(s) must state that the audit was conducted in accordance with this part and include the following:

(a) An opinion (or disclaimer of opinion) as to whether the financial statements are presented fairly in all material respects in accordance with generally accepted accounting principles and an opinion (or disclaimer of opinion) as to whether the schedule of expenditures of Federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

(b) A report on internal control over financial reporting and compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, noncompliance with which could have a material effect on the financial statements. This report must describe the scope of testing of internal control and compliance and the results of the tests, and, where applicable, it will refer to the separate schedule of findings and questioned costs described in paragraph (d) of this section.

(c) A report on compliance for each major program and report and internal control over compliance. This report must describe the scope of testing of internal control over compliance, include an opinion or modified opinion as to whether the auditee complied with Federal statutes, regulations, and the terms and conditions of Federal awards which could have a direct and material effect on each major program and refer to the separate schedule of findings and questioned costs described in paragraph (d) of this section.

(d) A schedule of findings and questioned costs which must include the following three components:

(1) A summary of the auditor's results, which must include:

(i) The type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP (i.e., unmodified opinion, qualified opinion, adverse opinion, or disclaimer of opinion);

(ii) Where applicable, a statement about whether significant deficiencies or material weaknesses in internal control were disclosed by the audit of the financial statements;

(iii) A statement as to whether the audit disclosed any noncompliance that is material to the financial statements of the auditee;

(iv) Where applicable, a statement about whether significant deficiencies or material weaknesses in internal control over major programs were disclosed by the audit;

(v) The type of report the auditor issued on compliance for major programs (i.e., unmodified opinion, qualified opinion, adverse opinion, or disclaimer of opinion);

(vi) A statement as to whether the audit disclosed any audit findings that the auditor is required to report under §200.516 Audit findings paragraph (a);

(vii) An identification of major programs by listing each individual major program; however in the case of a cluster of programs only the cluster name as shown on the Schedule of Expenditures of Federal Awards is required;

(viii) The dollar threshold used to distinguish between Type A and Type B programs, as described in §200.518 Major program determination paragraph (b)(1), or (b)(3) when a recalculation of the Type A threshold is required for large loan or loan guarantees; and

(ix) A statement as to whether the auditee qualified as a low-risk auditee under §200.520 Criteria for a low-risk auditee.

(2) Findings relating to the financial statements which are required to be reported in accordance with GAGAS.

(3) Findings and questioned costs for Federal awards which must include audit findings as defined in §200.516 Audit findings, paragraph (a).

(i) Audit findings (e.g., internal control findings, compliance findings, questioned costs, or fraud) that relate to the same issue should be presented as a single audit finding. Where practical, audit findings should be organized by Federal agency or pass-through entity.

(ii) Audit findings that relate to both the financial statements and Federal awards, as reported under paragraphs (d)(2) and (d)(3) of this section, respectively, should be reported in both sections of the schedule. However, the reporting in one section of the schedule

may be in summary form with a reference to a detailed reporting in the other section of the schedule.

(e) Nothing in this part precludes combining of the audit reporting required by this section with the reporting required by § 200.512 Report submission, paragraph (b) Data Collection when allowed by GAGAS and Appendix X to Part 200—Data Collection Form (Form SF–SAC).

§ 200.516 Audit findings.

(a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:

(1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.

(2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

(3) Known questioned costs that are greater than $25,000 for a type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor. In evaluating the effect of questioned costs on the opinion on compliance, the auditor considers the best estimate of total costs questioned (likely questioned costs), not just the questioned costs specifically identified (known questioned costs). The auditor must also report known questioned costs when likely questioned costs are greater than $25,000 for a type of compliance requirement for a major program. In reporting questioned costs, the auditor must include information to provide proper perspective for judging the prevalence and consequences of the questioned costs.

(4) Known questioned costs that are greater than $25,000 for a Federal program which is not audited as a major program. Except for audit follow-up, the auditor is not required under this part to perform audit procedures for such a Federal program; therefore, the auditor will normally not find questioned costs for a program that is not audited as a major program. However, if the auditor does become aware of questioned costs for a Federal program that is not audited as a major program (e.g., as part of audit follow-up or other audit procedures) and the known questioned costs are greater than $25,000, then the auditor must report this as an audit finding.

(5) The circumstances concerning why the auditor's report on compliance for each major program is other than an unmodified opinion, unless such circumstances are otherwise reported as audit findings in the schedule of findings and questioned costs for Federal awards.

(6) Known or likely fraud affecting a Federal award, unless such fraud is otherwise reported as an audit finding in the schedule of findings and questioned costs for Federal awards. This paragraph does not require the auditor to report publicly information which could compromise investigative or legal proceedings or to make an additional reporting when the auditor confirms that the fraud was reported outside the auditor's reports under the direct reporting requirements of GAGAS.

(7) Instances where the results of audit follow-up procedures disclosed that the summary schedule of prior audit findings prepared by the auditee in accordance with § 200.511 Audit findings follow-up, paragraph (b) materially misrepresents the status of any prior audit finding.

(b) *Audit finding detail and clarity.* Audit findings must be presented in sufficient detail and clarity for the auditee to prepare a corrective action plan and take corrective action, and for Federal agencies and pass-through

entities to arrive at a management decision. The following specific information must be included, as applicable, in audit findings:

(1) Federal program and specific Federal award identification including the CFDA title and number, Federal award identification number and year, name of Federal agency, and name of the applicable pass-through entity. When information, such as the CFDA title and number or Federal award identification number, is not available, the auditor must provide the best information available to describe the Federal award.

(2) The criteria or specific requirement upon which the audit finding is based, including the Federal statutes, regulations, or the terms and conditions of the Federal awards. Criteria generally identify the required or desired state or expectation with respect to the program or operation. Criteria provide a context for evaluating evidence and understanding findings.

(3) The condition found, including facts that support the deficiency identified in the audit finding.

(4) A statement of cause that identifies the reason or explanation for the condition or the factors responsible for the difference between the situation that exists (condition) and the required or desired state (criteria), which may also serve as a basis for recommendations for corrective action.

(5) The possible asserted effect to provide sufficient information to the auditee and Federal agency, or pass-through entity in the case of a subrecipient, to permit them to determine the cause and effect to facilitate prompt and proper corrective action. A statement of the effect or potential effect should provide a clear, logical link to establish the impact or potential impact of the difference between the condition and the criteria.

(6) Identification of questioned costs and how they were computed. Known questioned costs must be identified by applicable CFDA number(s) and applicable Federal award identification number(s).

(7) Information to provide proper perspective for judging the prevalence and consequences of the audit findings, such as whether the audit findings represent an isolated instance or a systemic problem. Where appropriate, instances identified must be related to the universe and the number of cases examined and be quantified in terms of dollar value. The auditor should report whether the sampling was a statistically valid sample.

(8) Identification of whether the audit finding was a repeat of a finding in the immediately prior audit and if so any applicable prior year audit finding numbers.

(9) Recommendations to prevent future occurrences of the deficiency identified in the audit finding.

(10) Views of responsible officials of the auditee.

(c) *Reference numbers.* Each audit finding in the schedule of findings and questioned costs must include a reference number in the format meeting the requirements of the data collection form submission required by § 200.512 Report submission, paragraph (b) to allow for easy referencing of the audit findings during follow-up.

§ 200.517 Audit documentation.

(a) *Retention of audit documentation.* The auditor must retain audit documentation and reports for a minimum of three years after the date of issuance of the auditor's report(s) to the auditee, unless the auditor is notified in writing by the cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or pass-through entity to extend the retention period. When the auditor is aware that the Federal agency, pass-through entity, or auditee is contesting an audit finding, the auditor must contact the parties contesting the audit finding for guidance prior to destruction of the audit documentation and reports.

(b) *Access to audit documentation.* Audit documentation must be made available upon request to the cognizant or oversight agency for audit or its designee, cognizant agency for indirect cost, a Federal agency, or GAO at the completion of the audit, as part of a quality review, to resolve audit findings, or to carry out oversight responsibilities consistent with the purposes of this part. Access to audit documentation includes the right of Federal

agencies to obtain copies of audit documentation, as is reasonable and necessary.

§ 200.518 Major program determination.

(a) *General*. The auditor must use a risk-based approach to determine which Federal programs are major programs. This risk-based approach must include consideration of: current and prior audit experience, oversight by Federal agencies and pass-through entities, and the inherent risk of the Federal program. The process in paragraphs (b) through (i) of this section must be followed.

(b) *Step one*.(1) The auditor must identify the larger Federal programs, which must be labeled Type A programs. Type A programs are defined as Federal programs with Federal awards expended during the audit period exceeding the levels outlined in the table in this paragraph (b)(1):

Total Federal awards expended	Type A/B threshold
Equal to $750,000 but less than or equal to $25 million.	$750,000.
Exceed $25 million but less than or equal to $100 million.	Total Federal awards expended times .03.
Exceed $100 million but less than or equal to $1 billion.	$3 million.
Exceed $1 billion but less than or equal to $10 billion.	Total Federal awards expended times .003.
Exceed $10 billion but less than or equal to $20 billion.	$30 million.
Exceed $20 billion	Total Federal awards expended times .0015.

(2) Federal programs not labeled Type A under paragraph (b)(1) of this section must be labeled Type B programs.

(3) The inclusion of large loan and loan guarantees (loans) should not result in the exclusion of other programs as Type A programs. When a Federal program providing loans exceeds four times the largest non-loan program it is considered a large loan program, and the auditor must consider this Federal program as a Type A program and exclude its values in determining other Type A programs. This recalculation of the Type A program is performed after removing the total of all large loan programs. For the purposes of this paragraph a program is only considered to be a Federal program providing loans if the value of Federal awards expended for loans within the program comprises fifty percent or more of the total Federal awards expended for the program. A cluster of programs is treated as one program and the value of Federal awards expended under a loan program is determined as described in § 200.502 Basis for determining Federal awards *expended*.

(4) For biennial audits permitted under § 200.504 Frequency of audits, the determination of Type A and Type B programs must be based upon the Federal awards expended during the two-year period.

(c) *Step two*. (1) The auditor must identify Type A programs which are low-risk. In making this determination, the auditor must consider whether the requirements in § 200.519 Criteria for Federal program risk paragraph (c), the results of audit follow-up, or any changes in personnel or systems affecting the program indicate significantly increased risk and preclude the program from being low risk. For a Type A program to be considered low-risk, it must have been audited as a major program in at least one of the two most recent audit periods (in the most recent audit period in the case of a biennial audit), and, in the most recent audit period, the program must have not had:

(i) Internal control deficiencies which were identified as material weaknesses in the auditor's report on internal control for major programs as required under § 200.515 Audit reporting, paragraph (c);

(ii) A modified opinion on the program in the auditor's report on major programs as required under § 200.515 Audit reporting, paragraph (c); or

(iii) Known or likely questioned costs that exceed five percent of the total Federal awards expended for the program.

(2) Notwithstanding paragraph (c)(1) of this section, OMB may approve a Federal awarding agency's request that a Type A program may not be considered low risk for a certain recipient. For example, it may be necessary for a large Type A program to be audited as a major program each year at a particular recipient to allow the Federal awarding agency to comply with 31

U.S.C. 3515. The Federal awarding agency must notify the recipient and, if known, the auditor of OMB's approval at least 180 calendar days prior to the end of the fiscal year to be audited.

(d) *Step three.* (1) The auditor must identify Type B programs which are high-risk using professional judgment and the criteria in §200.519 Criteria for Federal program risk. However, the auditor is not required to identify more high-risk Type B programs than at least one fourth the number of low-risk Type A programs identified as low-risk under Step 2 (paragraph (c) of this section). Except for known material weakness in internal control or compliance problems as discussed in §200.519 Criteria for Federal program risk paragraphs (b)(1), (b)(2), and (c)(1), a single criteria in risk would seldom cause a Type B program to be considered high-risk. When identifying which Type B programs to risk assess, the auditor is encouraged to use an approach which provides an opportunity for different high-risk Type B programs to be audited as major over a period of time.

(2) The auditor is not expected to perform risk assessments on relatively small Federal programs. Therefore, the auditor is only required to perform risk assessments on Type B programs that exceed twenty-five percent (0.25) of the Type A threshold determined in Step 1 (paragraph (b) of this section).

(e) *Step four.* At a minimum, the auditor must audit all of the following as major programs:

(1) All Type A programs not identified as low risk under step two (paragraph (c)(1) of this section).

(2) All Type B programs identified as high-risk under step three (paragraph (d) of this section).

(3) Such additional programs as may be necessary to comply with the percentage of coverage rule discussed in paragraph (f) of this section. This may require the auditor to audit more programs as major programs than the number of Type A programs.

(f) *Percentage of coverage rule.* If the auditee meets the criteria in §200.520 Criteria for a low-risk auditee, the auditor need only audit the major programs identified in Step 4 (paragraph (e)(1) and (2) of this section) and such additional Federal programs with Federal awards expended that, in aggregate, all major programs encompass at least 20 percent (0.20) of total Federal awards expended. Otherwise, the auditor must audit the major programs identified in Step 4 (paragraphs (e)(1) and (2) of this section) and such additional Federal programs with Federal awards expended that, in aggregate, all major programs encompass at least 40 percent (0.40) of total Federal awards expended.

(g) *Documentation of risk.* The auditor must include in the audit documentation the risk analysis process used in determining major programs.

(h) *Auditor's judgment.* When the major program determination was performed and documented in accordance with this Subpart, the auditor's judgment in applying the risk-based approach to determine major programs must be presumed correct. Challenges by Federal agencies and pass-through entities must only be for clearly improper use of the requirements in this part. However, Federal agencies and pass-through entities may provide auditors guidance about the risk of a particular Federal program and the auditor must consider this guidance in determining major programs in audits not yet completed.

§200.519 Criteria for Federal program risk.

(a) *General.* The auditor's determination should be based on an overall evaluation of the risk of noncompliance occurring that could be material to the Federal program. The auditor must consider criteria, such as described in paragraphs (b), (c), and (d) of this section, to identify risk in Federal programs. Also, as part of the risk analysis, the auditor may wish to discuss a particular Federal program with auditee management and the Federal agency or pass-through entity.

(b) *Current and prior audit experience.* (1) Weaknesses in internal control over Federal programs would indicate higher risk. Consideration should be given to the control environment over Federal programs and such factors as the expectation of management's adherence to Federal statutes, regulations,

and the terms and conditions of Federal awards and the competence and experience of personnel who administer the Federal programs.

(i) A Federal program administered under multiple internal control structures may have higher risk. When assessing risk in a large single audit, the auditor must consider whether weaknesses are isolated in a single operating unit (e.g., one college campus) or pervasive throughout the entity.

(ii) When significant parts of a Federal program are passed through to subrecipients, a weak system for monitoring subrecipients would indicate higher risk.

(2) Prior audit findings would indicate higher risk, particularly when the situations identified in the audit findings could have a significant impact on a Federal program or have not been corrected.

(3) Federal programs not recently audited as major programs may be of higher risk than Federal programs recently audited as major programs without audit findings.

(c) *Oversight exercised by Federal agencies and pass-through entities.* (1) Oversight exercised by Federal agencies or pass-through entities could be used to assess risk. For example, recent monitoring or other reviews performed by an oversight entity that disclosed no significant problems would indicate lower risk, whereas monitoring that disclosed significant problems would indicate higher risk.

(2) Federal agencies, with the concurrence of OMB, may identify Federal programs that are higher risk. OMB will provide this identification in the compliance supplement.

(d) *Inherent risk of the Federal program.* (1) The nature of a Federal program may indicate risk. Consideration should be given to the complexity of the program and the extent to which the Federal program contracts for goods and services. For example, Federal programs that disburse funds through third party contracts or have eligibility criteria may be of higher risk. Federal programs primarily involving staff payroll costs may have high risk for noncompliance with requirements of §200.430 Compensation—personal services, but otherwise be at low risk.

(2) The phase of a Federal program in its life cycle at the Federal agency may indicate risk. For example, a new Federal program with new or interim regulations may have higher risk than an established program with time-tested regulations. Also, significant changes in Federal programs, statutes, regulations, or the terms and conditions of Federal awards may increase risk.

(3) The phase of a Federal program in its life cycle at the auditee may indicate risk. For example, during the first and last years that an auditee participates in a Federal program, the risk may be higher due to start-up or close-out of program activities and staff.

(4) Type B programs with larger Federal awards expended would be of higher risk than programs with substantially smaller Federal awards expended.

§200.520 Criteria for a low-risk auditee.

An auditee that meets all of the following conditions for each of the preceding two audit periods must qualify as a low-risk auditee and be eligible for reduced audit coverage in accordance with §200.518 Major program determination.

(a) Single audits were performed on an annual basis in accordance with the provisions of this Subpart, including submitting the data collection form and the reporting package to the FAC within the timeframe specified in §200.512 Report submission. A non-Federal entity that has biennial audits does not qualify as a low-risk auditee.

(b) The auditor's opinion on whether the financial statements were prepared in accordance with GAAP, or a basis of accounting required by state law, and the auditor's in relation to opinion on the schedule of expenditures of Federal awards were unmodified.

(c) There were no deficiencies in internal control which were identified as material weaknesses under the requirements of GAGAS.

(d) The auditor did not report a substantial doubt about the auditee's ability to continue as a going concern.

(e) None of the Federal programs had audit findings from any of the following in either of the preceding two audit periods in which they were classified as Type A programs:

(1) Internal control deficiencies that were identified as material weaknesses in the auditor's report on internal control for major programs as required under §200.515 Audit reporting, paragraph (c);

(2) A modified opinion on a major program in the auditor's report on major programs as required under §200.515 Audit reporting, paragraph (c); or

(3) Known or likely questioned costs that exceeded five percent of the total Federal awards expended for a Type A program during the audit period.

MANAGEMENT DECISIONS

§200.521 Management decision.

(a) *General.* The management decision must clearly state whether or not the audit finding is sustained, the reasons for the decision, and the expected auditee action to repay disallowed costs, make financial adjustments, or take other action. If the auditee has not completed corrective action, a timetable for follow-up should be given. Prior to issuing the management decision, the Federal agency or pass-through entity may request additional information or documentation from the auditee, including a request for auditor assurance related to the documentation, as a way of mitigating disallowed costs. The management decision should describe any appeal process available to the auditee. While not required, the Federal agency or pass-through entity may also issue a management decision on findings relating to the financial statements which are required to be reported in accordance with GAGAS.

(b) *Federal agency.* As provided in §200.513 Responsibilities, paragraph (a)(7), the cognizant agency for audit must be responsible for coordinating a management decision for audit findings that affect the programs of more than one Federal agency. As provided in §200.513 Responsibilities, paragraph (c)(3), a Federal awarding agency is responsible for issuing a management decision for findings that relate to Federal awards it makes to non-Federal entities.

(c) *Pass-through entity.* As provided in §200.331 Requirements for pass-through entities, paragraph (d), the pass-through entity must be responsible for issuing a management decision for audit findings that relate to Federal awards it makes to subrecipients.

(d) *Time requirements.* The Federal awarding agency or pass-through entity responsible for issuing a management decision must do so within six months of acceptance of the audit report by the FAC. The auditee must initiate and proceed with corrective action as rapidly as possible and corrective action should begin no later than upon receipt of the audit report.

(e) *Reference numbers.* Management decisions must include the reference numbers the auditor assigned to each audit finding in accordance with §200.516 Audit findings paragraph (c).

APPENDIX I TO PART 200—FULL TEXT OF NOTICE OF FUNDING OPPORTUNITY

The full text of the notice of funding opportunity is organized in sections. The required format outlined in this appendix indicates immediately following the title of each section whether that section is required in every announcement or is a Federal awarding agency option. The format is designed so that similar types of information will appear in the same sections in announcements of different Federal funding opportunities. Toward that end, there is text in each of the following sections to describe the types of information that a Federal awarding agency would include in that section of an actual announcement.

A Federal awarding agency that wishes to include information that the format does not specifically discuss may address that subject in whatever section(s) is most appropriate. For example, if a Federal awarding agency chooses to address performance goals in the announcement, it might do so in the funding opportunity description, the application content, or the reporting requirements.

Similarly, when this format calls for a type of information to be in a particular section, a Federal awarding agency wishing to address that subject in other sections may elect to repeat the information in those sections or use cross references between the sections (there should be hyperlinks for cross-references in any electronic versions of the announcement). For example, a Federal awarding agency may want to include in Section I information about the types of

non-Federal entities who are eligible to apply. The format specifies a standard location for that information in Section III.1 but that does not preclude repeating the information in Section I or creating a cross reference between Sections I and III.1, as long as a potential applicant can find the information quickly and easily from the standard location.

The sections of the full text of the announcement are described in the following paragraphs.

A. PROGRAM DESCRIPTION—REQUIRED

This section contains the full program description of the funding opportunity. It may be as long as needed to adequately communicate to potential applicants the areas in which funding may be provided. It describes the Federal awarding agency's funding priorities or the technical or focus areas in which the Federal awarding agency intends to provide assistance. As appropriate, it may include any program history (e.g., whether this is a new program or a new or changed area of program emphasis). This section may communicate indicators of successful projects (e.g., if the program encourages collaborative efforts) and may include examples of projects that have been funded previously. This section also may include other information the Federal awarding agency deems necessary, and must at a minimum include citations for authorizing statutes and regulations for the funding opportunity.

B. FEDERAL AWARD INFORMATION—REQUIRED

This section provides sufficient information to help an applicant make an informed decision about whether to submit a proposal. Relevant information could include the total amount of funding that the Federal awarding agency expects to award through the announcement; the anticipated number of Federal awards; the expected amounts of individual Federal awards (which may be a range); the amount of funding per Federal award, on average, experienced in previous years; and the anticipated start dates and periods of performance for new Federal awards. This section also should address whether applications for renewal or supplementation of existing projects are eligible to compete with applications for new Federal awards.

This section also must indicate the type(s) of assistance instrument (e.g., grant, cooperative agreement) that may be awarded if applications are successful. If cooperative agreements may be awarded, this section either should describe the ''substantial involvement'' that the Federal awarding agency expects to have or should reference where the potential applicant can find that information (e.g., in the funding opportunity description in A. Program Description—Required or Federal award administration information in section D. Application and Submission Information). If procurement contracts also may be awarded, this must be stated.

C. ELIGIBILITY INFORMATION

This section addresses the considerations or factors that determine applicant or application eligibility. This includes the eligibility of particular types of applicant organizations, any factors affecting the eligibility of the principal investigator or project director, and any criteria that make particular projects ineligible. Federal agencies should make clear whether an applicant's failure to meet an eligibility criterion by the time of an application deadline will result in the Federal awarding agency returning the application without review or, even though an application may be reviewed, will preclude the Federal awarding agency from making a Federal award. Key elements to be addressed are:

1. *Eligible Applicants—Required.* Announcements must clearly identify the types of entities that are eligible to apply. If there are no restrictions on eligibility, this section may simply indicate that all potential applicants are eligible. If there are restrictions on eligibility, it is important to be clear about the specific types of entities that are eligible, not just the types that are ineligible. For example, if the program is limited to nonprofit organizations subject to 26 U.S.C. 501(c)(3) of the tax code (26 U.S.C. 501(c)(3)), the announcement should say so. Similarly, it is better to state explicitly that Native American tribal organizations are eligible than to assume that they can unambiguously infer that from a statement that nonprofit organizations may apply. Eligibility also can be expressed by exception, (e.g., open to all types of domestic applicants other than individuals). This section should refer to any portion of Section IV specifying documentation that must be submitted to support an eligibility determination (e.g., proof of 501(c)(3) status as determined by the Internal Revenue Service or an authorizing tribal resolution). To the extent that any funding restriction in Section IV.5 could affect the eligibility of an applicant or project, the announcement must either restate that restriction in this section or provide a cross-reference to its description in Section IV.5.

2. *Cost Sharing or Matching—Required.* Announcements must state whether there is required cost sharing, matching, or cost participation without which an application would be ineligible (if cost sharing is not required, the announcement must explicitly say so). Required cost sharing may be a certain percentage or amount, or may be in the form of contributions of specified items or activities (e.g., provision of equipment). It is

important that the announcement be clear about any restrictions on the types of cost (e.g., in-kind contributions) that are acceptable as cost sharing. Cost sharing as an eligibility criterion includes requirements based in statute or regulation, as described in §200.306 Cost sharing or matching of this Part. This section should refer to the appropriate portion(s) of section D. Application and Submission Information stating any pre-award requirements for submission of letters or other documentation to verify commitments to meet cost-sharing requirements if a Federal award is made.

3. *Other—Required, if applicable.* If there are other eligibility criteria (i.e., criteria that have the effect of making an application or project ineligible for Federal awards, whether referred to as ''responsiveness'' criteria, ''go-no go'' criteria, ''threshold'' criteria, or in other ways), must be clearly stated and must include a reference to the regulation of requirement that describes the restriction, as applicable. For example, if entities that have been found to be in violation of a particular Federal statute are ineligible, it is important to say so. This section must also state any limit on the number of applications an applicant may submit under the announcement and make clear whether the limitation is on the submitting organization, individual investigator/program director, or both. This section should also address any eligibility criteria for beneficiaries or for program participants other than Federal award recipients.

D. APPLICATION AND SUBMISSION INFORMATION

1. *Address to Request Application Package—Required.* Potential applicants must be told how to get application forms, kits, or other materials needed to apply (if this announcement contains everything needed, this section need only say so). An Internet address where the materials can be accessed is acceptable. However, since high-speed Internet access is not yet universally available for downloading documents, and applicants may have additional accessibility requirements, there also should be a way for potential applicants to request paper copies of materials, such as a U.S. Postal Service mailing address, telephone or FAX number, Telephone Device for the Deaf (TDD), Text Telephone (TTY) number, and/or Federal Information Relay Service (FIRS) number.

2. *Content and Form of Application Submission—Required.* This section must identify the required content of an application and the forms or formats that an applicant must use to submit it. If any requirements are stated elsewhere because they are general requirements that apply to multiple programs or funding opportunities, this section should refer to where those requirements may be found. This section also should include required forms or formats as part of the announcement or state where the applicant may obtain them.

This section should specifically address content and form or format requirements for:

i. Pre-applications, letters of intent, or white papers required or encouraged (see Section IV.3), including any limitations on the number of pages or other formatting requirements similar to those for full applications.

ii. The application as a whole. For all submissions, this would include any limitations on the number of pages, font size and typeface, margins, paper size, number of copies, and sequence or assembly requirements. If electronic submission is permitted or required, this could include special requirements for formatting or signatures.

iii. Component pieces of the application (e.g., if all copies of the application must bear original signatures on the face page or the program narrative may not exceed 10 pages). This includes any pieces that may be submitted separately by third parties (e.g., references or letters confirming commitments from third parties that will be contributing a portion of any required cost sharing).

iv. Information that successful applicants must submit after notification of intent to make a Federal award, but prior to a Federal award. This could include evidence of compliance with requirements relating to human subjects or information needed to comply with the National Environmental Policy Act (NEPA) (42 U.S.C. 4321–4370h).

3. *Dun and Bradstreet Universal Numbering System (DUNS) Number and System for Award Management (SAM)—Required.*

This paragraph must state clearly that each applicant (unless the applicant is an individual or Federal awarding agency that is excepted from those requirements under 2 CFR §25.110(b) or (c), or has an exception approved by the Federal awarding agency under 2 CFR §25.110(d)) is required to: (i) Be registered in SAM before submitting its application; (ii) provide a valid DUNS number in its application; and (iii) continue to maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by a Federal awarding agency. It also must state that the Federal awarding agency may not make a Federal award to an applicant until the applicant has complied with all applicable DUNS and SAM requirements and, if an applicant has not fully complied with the requirements by the time the Federal awarding agency is ready to make a Federal award, the Federal awarding agency may determine that the applicant is not qualified to receive a Federal award and use that determination as a basis

for making a Federal award to another applicant.

4. *Submission Dates and Times—Required.* Announcements must identify due dates and times for all submissions. This includes not only the full applications but also any preliminary submissions (e.g., letters of intent, white papers, or pre-applications). It also includes any other submissions of information before Federal award that are separate from the full application. If the funding opportunity is a general announcement that is open for a period of time with no specific due dates for applications, this section should say so. Note that the information on dates that is included in this section also must appear with other overview information in a location preceding the full text of the announcement (see §200.203 Notices of funding opportunities of this Part).

Each type of submission should be designated as encouraged or required and, if required, any deadline date (or dates, if the Federal awarding agency plans more than one cycle of application submission, review, and Federal award under the announcement) should be specified. The announcement must state (or provide a reference to another document that states):

i. Any deadline in terms of a date and local time. If the due date falls on a Saturday, Sunday, or Federal holiday, the reporting package is due the next business day.

ii. What the deadline means (e.g., whether it is the date and time by which the Federal awarding agency must receive the application, the date by which the application must be postmarked, or something else) and how that depends, if at all, on the submission method (e.g., mail, electronic, or personal/courier delivery).

iii. The effect of missing a deadline (e.g., whether late applications are neither reviewed nor considered or are reviewed and considered under some circumstances).

iv. How the receiving Federal office determines whether an application or pre-application has been submitted before the deadline. This includes the form of acceptable proof of mailing or system-generated documentation of receipt date and time.

This section also may indicate whether, when, and in what form the applicant will receive an acknowledgement of receipt. This information should be displayed in ways that will be easy to understand and use. It can be difficult to extract all needed information from narrative paragraphs, even when they are well written. A tabular form for providing a summary of the information may help applicants for some programs and give them what effectively could be a checklist to verify the completeness of their application package before submission.

5. *Intergovernmental Review—Required, if applicable.* If the funding opportunity is subject to Executive Order 12372, ''Intergovernmental Review of Federal Programs,'' the notice must say so. In alerting applicants that they must contact their state's Single Point of Contact (SPOC) to find out about and comply with the state's process under Executive Order 12372, it may be useful to inform potential applicants that the names and addresses of the SPOCs are listed in the Office of Management and Budget's Web site. *www.whitehouse.gov/omb/grants/spoc.html.*

6. *Funding Restrictions—Required.* Notices must include information on funding restrictions in order to allow an applicant to develop an application and budget consistent with program requirements. Examples are whether construction is an allowable activity, if there are any limitations on direct costs such as foreign travel or equipment purchases, and if there are any limits on indirect costs (or facilities and administrative costs). Applicants must be advised if Federal awards will not allow reimbursement of pre-Federal award costs.

7. *Other Submission Requirements— Required.* This section must address any other submission requirements not included in the other paragraphs of this section. This might include the format of submission, i.e., paper or electronic, for each type of required submission. Applicants should not be required to submit in more than one format and this section should indicate whether they may choose whether to submit applications in hard copy or electronically, may submit only in hard copy, or may submit only electronically.

This section also must indicate where applications (and any pre-applications) must be submitted if sent by postal mail, electronic means, or hand-delivery. For postal mail submission, this must include the name of an office, official, individual or function (e.g., application receipt center) and a complete mailing address. For electronic submission, this must include the URL or email address; whether a password(s) is required; whether particular software or other electronic capabilities are required; what to do in the event of system problems and a point of contact who will be available in the event the applicant experiences technical difficulties.[1]

E. Application Review Information

1. Criteria—Required. This section must address the criteria that the Federal awarding agency will use to evaluate applications.

[1] With respect to electronic methods for providing information about funding opportunities or accepting applicants' submissions of information, each Federal awarding agency is responsible for compliance with Section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d).

This includes the merit and other review criteria that evaluators will use to judge applications, including any statutory, regulatory, or other preferences (e.g., minority status or Native American tribal preferences) that will be applied in the review process. These criteria are distinct from eligibility criteria that are addressed before an application is accepted for review and any program policy or other factors that are applied during the selection process, after the review process is completed. The intent is to make the application process transparent so applicants can make informed decisions when preparing their applications to maximize fairness of the process. The announcement should clearly describe all criteria, including any subcriteria. If criteria vary in importance, the announcement should specify the relative percentages, weights, or other means used to distinguish among them. For statutory, regulatory, or other preferences, the announcement should provide a detailed explanation of those preferences with an explicit indication of their effect (e.g., whether they result in additional points being assigned).

If an applicant's proposed cost sharing will be considered in the review process (as opposed to being an eligibility criterion described in Section III.2), the announcement must specifically address how it will be considered (e.g., to assign a certain number of additional points to applicants who offer cost sharing, or to break ties among applications with equivalent scores after evaluation against all other factors). If cost sharing will not be considered in the evaluation, the announcement should say so, so that there is no ambiguity for potential applicants. Vague statements that cost sharing is encouraged, without clarification as to what that means, are unhelpful to applicants. It also is important that the announcement be clear about any restrictions on the types of cost (e.g., in-kind contributions) that are acceptable as cost sharing.

2. *Review and Selection Process—Required.* This section may vary in the level of detail provided. The announcement must list any program policy or other factors or elements, other than merit criteria, that the selecting official may use in selecting applications for Federal award (e.g., geographical dispersion, program balance, or diversity). The Federal awarding agency may also include other appropriate details. For example, this section may indicate who is responsible for evaluation against the merit criteria (e.g., peers external to the Federal awarding agency or Federal awarding agency personnel) and/or who makes the final selections for Federal awards. If there is a multi-phase review process (e.g., an external panel advising internal Federal awarding agency personnel who make final recommendations to the deciding official), the announcement may describe the phases. It also may include: the number of people on an evaluation panel and how it operates, the way reviewers are selected, reviewer qualifications, and the way that conflicts of interest are avoided. With respect to electronic methods for providing information about funding opportunities or accepting applicants' submissions of information, each Federal awarding agency is responsible for compliance with Section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d).

In addition, if the Federal awarding agency permits applicants to nominate suggested reviewers of their applications or suggest those they feel may be inappropriate due to a conflict of interest, that information should be included in this section.

3. Anticipated Announcement and Federal Award Dates—Optional. This section is intended to provide applicants with information they can use for planning purposes. If there is a single application deadline followed by the simultaneous review of all applications, the Federal awarding agency can include in this section information about the anticipated dates for announcing or notifying successful and unsuccessful applicants and for having Federal awards in place. If applications are received and evaluated on a ''rolling'' basis at different times during an extended period, it may be appropriate to give applicants an estimate of the time needed to process an application and notify the applicant of the Federal awarding agency's decision.

F. Federal Award Administration Information

1. Federal Award Notices—Required. This section must address what a successful applicant can expect to receive following selection. If the Federal awarding agency's practice is to provide a separate notice stating that an application has been selected before it actually makes the Federal award, this section would be the place to indicate that the letter is not an authorization to begin performance (to the extent that it allows charging to Federal awards of pre-award costs at the non-Federal entity's own risk). This section should indicate that the notice of Federal award signed by the grants officer (or equivalent) is the authorizing document, and whether it is provided through postal mail or by electronic means and to whom. It also may address the timing, form, and content of notifications to unsuccessful applicants. See also §200.210 Information contained in a Federal award.

2. Administrative and National Policy Requirements—Required. This section must identify the usual administrative and national policy requirements the Federal awarding agency's Federal awards may include. Providing this information lets a potential applicant identify any requirements with which it would have difficulty complying if its application is successful. In those cases,

early notification about the requirements allows the potential applicant to decide not to apply or to take needed actions before receiving the Federal award. The announcement need not include all of the terms and conditions of the Federal award, but may refer to a document (with information about how to obtain it) or Internet site where applicants can see the terms and conditions. If this funding opportunity will lead to Federal awards with some special terms and conditions that differ from the Federal awarding agency's usual (sometimes called ''general'') terms and conditions, this section should highlight those special terms and conditions. Doing so will alert applicants that have received Federal awards from the Federal awarding agency previously and might not otherwise expect different terms and conditions. For the same reason, the announcement should inform potential applicants about special requirements that could apply to particular Federal awards after the review of applications and other information, based on the particular circumstances of the effort to be supported (e.g., if human subjects were to be involved or if some situations may justify special terms on intellectual property, data sharing or security requirements).

3. Reporting—Required. This section must include general information about the type (e.g., financial or performance), frequency, and means of submission (paper or electronic) of post-Federal award reporting requirements. Highlight any special reporting requirements for Federal awards under this funding opportunity that differ (e.g., by report type, frequency, form/format, or circumstances for use) from what the Federal awarding agency's Federal awards usually require.

G. FEDERAL AWARDING AGENCY CONTACT(S)—REQUIRED

The announcement must give potential applicants a point(s) of contact for answering questions or helping with problems while the funding opportunity is open. The intent of this requirement is to be as helpful as possible to potential applicants, so the Federal awarding agency should consider approaches such as giving:

i. Points of contact who may be reached in multiple ways (e.g., by telephone, FAX, and/or email, as well as regular mail).

ii. A fax or email address that multiple people access, so that someone will respond even if others are unexpectedly absent during critical periods.

iii. Different contacts for distinct kinds of help (e.g., one for questions of programmatic content and a second for administrative questions).

H. OTHER INFORMATION—OPTIONAL

This section may include any additional information that will assist a potential applicant. For example, the section might:

i. Indicate whether this is a new program or a one-time initiative.

ii. Mention related programs or other upcoming or ongoing Federal awarding agency funding opportunities for similar activities.

iii. Include current Internet addresses for Federal awarding agency Web sites that may be useful to an applicant in understanding the program.

iv. Alert applicants to the need to identify proprietary information and inform them about the way the Federal awarding agency will handle it.

v. Include certain routine notices to applicants (e.g., that the Federal government is not obligated to make any Federal award as a result of the announcement or that only grants officers can bind the Federal government to the expenditure of funds).

APPENDIX II TO PART 200—CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

(A) Contracts for more than the simplified acquisition threshold currently set at $150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

(B) All contracts in excess of $10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of ''federally assisted construction contract'' in 41 CFR Part 60–1.3 must include the equal opportunity clause provided under 41 CFR 60–1.4(b), in accordance with Executive Order 11246, ''Equal Employment Opportunity'' (30 FR 12319, 12935, 3 CFR Part, 1964–1965 Comp., p. 339), as amended by Executive Order 11375, ''Amending Executive Order 11246 Relating to Equal Employment Opportunity,'' and implementing regulations at 41 CFR part 60, ''Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.''

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141–3148). When required by Federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141–3144, and 3146–3148) as supplemented by Department of Labor regulations (29 CFR Part 5, ''Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction''). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland ''Anti-Kickback'' Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, ''Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States''). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701–3708). Where applicable, all contracts awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of ''funding agreement'' under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that ''funding agreement,'' the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, ''Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,'' and any implementing regulations issued by the awarding agency.

(G) Clean Air Act (42 U.S.C. 7401–7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251–1387), as amended—Contracts and subgrants of amounts in excess of $150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401–7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251–1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

(H) Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6201).

(I) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide Excluded Parties List System in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR Part 1986 Comp., p. 189) and 12689 (3 CFR Part 1989 Comp., p. 235), ''Debarment and Suspension.'' The Excluded Parties List System in SAM contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

(J) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award of $100,000 or more must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any

other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

(K) See §200.322 Procurement of recovered materials.

APPENDIX III TO PART 200—INDIRECT (F&A) COSTS IDENTIFICATION AND ASSIGNMENT, AND RATE DETERMINATION FOR INSTITUTIONS OF HIGHER EDUCATION (IHES)

A. GENERAL

This appendix provides criteria for identifying and computing indirect (or indirect (F&A)) rates at IHEs (institutions). Indirect (F&A) costs are those that are incurred for common or joint objectives and therefore cannot be identified readily and specifically with a particular sponsored project, an instructional activity, or any other institutional activity. See subsection B.1, Definition of Facilities and Administration, for a discussion of the components of indirect (F&A) costs.

1. Major Functions of an Institution

Refers to instruction, organized research, other sponsored activities and other institutional activities as defined in this section:

a. *Instruction* means the teaching and training activities of an institution. Except for research training as provided in subsection b, this term includes all teaching and training activities, whether they are offered for credits toward a degree or certificate or on a non-credit basis, and whether they are offered through regular academic departments or separate divisions, such as a summer school division or an extension division. Also considered part of this major function are departmental research, and, where agreed to, university research.

(1) *Sponsored instruction and training* means specific instructional or training activity established by grant, contract, or cooperative agreement. For purposes of the cost principles, this activity may be considered a major function even though an institution's accounting treatment may include it in the instruction function.

(2) *Departmental research* means research, development and scholarly activities that are not organized research and, consequently, are not separately budgeted and accounted for. Departmental research, for purposes of this document, is not considered as a major function, but as a part of the instruction function of the institution.

b. *Organized research* means all research and development activities of an institution that are separately budgeted and accounted for. It includes:

(1) *Sponsored research* means all research and development activities that are sponsored by Federal and non-Federal agencies and organizations. This term includes activities involving the training of individuals in research techniques (commonly called research training) where such activities utilize the same facilities as other research and development activities and where such activities are not included in the instruction function.

(2) *University research* means all research and development activities that are separately budgeted and accounted for by the institution under an internal application of institutional funds. University research, for purposes of this document, must be combined with sponsored research under the function of organized research.

c. *Other sponsored activities* means programs and projects financed by Federal and non-Federal agencies and organizations which involve the performance of work other than instruction and organized research. Examples of such programs and projects are health service projects and community service programs. However, when any of these activities are undertaken by the institution without outside support, they may be classified as other institutional activities.

d. *Other institutional activities* means all activities of an institution except for instruction, departmental research, organized research, and other sponsored activities, as defined in this section; indirect (F&A) cost activities identified in this Appendix paragraph B, Identification and assignment of indirect (F&A) costs; and specialized services facilities described in §200.468 Specialized service facilities of this Part.

Examples of other institutional activities include operation of residence halls, dining halls, hospitals and clinics, student unions, intercollegiate athletics, bookstores, faculty housing, student apartments, guest houses, chapels, theaters, public museums, and other similar auxiliary enterprises. This definition also includes any other categories of activities, costs of which are ''unallowable'' to Federal awards, unless otherwise indicated in an award.

2. Criteria for Distribution

a. *Base period.* A base period for distribution of indirect (F&A) costs is the period during which the costs are incurred. The base period normally should coincide with the fiscal year established by the institution, but in any event the base period should be so selected as to avoid inequities in the distribution of costs.

b. *Need for cost groupings.* The overall objective of the indirect (F&A) cost allocation process is to distribute the indirect (F&A) costs described in Section B, Identification and assignment of indirect (F&A) costs, to

the major functions of the institution in proportions reasonably consistent with the nature and extent of their use of the institution's resources. In order to achieve this objective, it may be necessary to provide for selective distribution by establishing separate groupings of cost within one or more of the indirect (F&A) cost categories referred to in subsection B.1, Definition of Facilities and Administration. In general, the cost groupings established within a category should constitute, in each case, a pool of those items of expense that are considered to be of like nature in terms of their relative contribution to (or degree of remoteness from) the particular cost objectives to which distribution is appropriate. Cost groupings should be established considering the general guides provided in subsection c of this section. Each such pool or cost grouping should then be distributed individually to the related cost objectives, using the distribution base or method most appropriate in light of the guidelines set forth in subsection d of this section.

c. *General considerations on cost groupings.* The extent to which separate cost groupings and selective distribution would be appropriate at an institution is a matter of judgment to be determined on a case-by-case basis. Typical situations which may warrant the establishment of two or more separate cost groupings (based on account classification or analysis) within an indirect (F&A) cost category include but are not limited to the following:

(1) If certain items or categories of expense relate solely to one of the major functions of the institution or to less than all functions, such expenses should be set aside as a separate cost grouping for direct assignment or selective allocation in accordance with the guides provided in subsections b and d.

(2) If any types of expense ordinarily treated as general administration or departmental administration are charged to Federal awards as direct costs, expenses applicable to other activities of the institution when incurred for the same purposes in like circumstances must, through separate cost groupings, be excluded from the indirect (F&A) costs allocable to those Federal awards and included in the direct cost of other activities for cost allocation purposes.

(3) If it is determined that certain expenses are for the support of a service unit or facility whose output is susceptible of measurement on a workload or other quantitative basis, such expenses should be set aside as a separate cost grouping for distribution on such basis to organized research, instructional, and other activities at the institution or within the department.

(4) If activities provide their own purchasing, personnel administration, building maintenance or similar service, the distribution of general administration and general expenses, or operation and maintenance expenses to such activities should be accomplished through cost groupings which include only that portion of central indirect (F&A) costs (such as for overall management) which are properly allocable to such activities.

(5) If the institution elects to treat fringe benefits as indirect (F&A) charges, such costs should be set aside as a separate cost grouping for selective distribution to related cost objectives.

(6) The number of separate cost groupings within a category should be held within practical limits, after taking into consideration the materiality of the amounts involved and the degree of precision attainable through less selective methods of distribution.

d. Selection of distribution method.

(1) Actual conditions must be taken into account in selecting the method or base to be used in distributing individual cost groupings. The essential consideration in selecting a base is that it be the one best suited for assigning the pool of costs to cost objectives in accordance with benefits derived; with a traceable cause-and-effect relationship; or with logic and reason, where neither benefit nor a cause-and-effect relationship is determinable.

(2) If a cost grouping can be identified directly with the cost objective benefitted, it should be assigned to that cost objective.

(3) If the expenses in a cost grouping are more general in nature, the distribution may be based on a cost analysis study which results in an equitable distribution of the costs. Such cost analysis studies may take into consideration weighting factors, population, or space occupied if appropriate. Cost analysis studies, however, must (a) be appropriately documented in sufficient detail for subsequent review by the cognizant agency for indirect costs, (b) distribute the costs to the related cost objectives in accordance with the relative benefits derived, (c) be statistically sound, (d) be performed specifically at the institution at which the results are to be used, and (e) be reviewed periodically, but not less frequently than rate negotiations, updated if necessary, and used consistently. Any assumptions made in the study must be stated and explained. The use of cost analysis studies and periodic changes in the method of cost distribution must be fully justified.

(4) If a cost analysis study is not performed, or if the study does not result in an equitable distribution of the costs, the distribution must be made in accordance with the appropriate base cited in Section B, Identification and assignment of indirect (F&A) costs, unless one of the following conditions is met:

(a) It can be demonstrated that the use of a different base would result in a more equitable allocation of the costs, or that a more readily available base would not increase the costs charged to Federal awards, or

(b) The institution qualifies for, and elects to use, the simplified method for computing indirect (F&A) cost rates described in Section D, Simplified method for small institutions.

(5) Notwithstanding subsection (3), effective July 1, 1998, a cost analysis or base other than that in Section B must not be used to distribute utility or student services costs. Instead, subsections B.4.c Operation and maintenance expenses, may be used in the recovery of utility costs.

e. Order of distribution.

(1) Indirect (F&A) costs are the broad categories of costs discussed in Section B.1, Definitions of Facilities and Administration

(2) Depreciation, interest expenses, operation and maintenance expenses, and general administrative and general expenses should be allocated in that order to the remaining indirect (F&A) cost categories as well as to the major functions and specialized service facilities of the institution. Other cost categories may be allocated in the order determined to be most appropriate by the institutions. When cross allocation of costs is made as provided in subsection (3), this order of allocation does not apply.

(3) Normally an indirect (F&A) cost category will be considered closed once it has been allocated to other cost objectives, and costs may not be subsequently allocated to it. However, a cross allocation of costs between two or more indirect (F&A) cost categories may be used if such allocation will result in a more equitable allocation of costs. If a cross allocation is used, an appropriate modification to the composition of the indirect (F&A) cost categories described in Section B is required.

B. Identification and Assignment of Indirect (F&A) Costs

1. Definition of Facilities and Administration

See §200.414 Indirect (F&A) costs which provides the basis for this indirect cost requirements.

2. Depreciation

a. The expenses under this heading are the portion of the costs of the institution's buildings, capital improvements to land and buildings, and equipment which are computed in accordance with §200.436 Depreciation.

b. In the absence of the alternatives provided for in Section A.2.d, Selection of distribution method, the expenses included in this category must be allocated in the following manner:

(1) Depreciation on buildings used exclusively in the conduct of a single function, and on capital improvements and equipment used in such buildings, must be assigned to that function.

(2) Depreciation on buildings used for more than one function, and on capital improvements and equipment used in such buildings, must be allocated to the individual functions performed in each building on the basis of usable square feet of space, excluding common areas such as hallways, stairwells, and rest rooms.

(3) Depreciation on buildings, capital improvements and equipment related to space (e.g., individual rooms, laboratories) used jointly by more than one function (as determined by the users of the space) must be treated as follows. The cost of each jointly used unit of space must be allocated to benefitting functions on the basis of:

(a) The employee full-time equivalents (FTEs) or salaries and wages of those individual functions benefitting from the use of that space; or

(b) Institution-wide employee FTEs or salaries and wages applicable to the benefitting major functions (see Section A.1) of the institution.

(4) Depreciation on certain capital improvements to land, such as paved parking areas, fences, sidewalks, and the like, not included in the cost of buildings, must be allocated to user categories of students and employees on a full-time equivalent basis. The amount allocated to the student category must be assigned to the instruction function of the institution. The amount allocated to the employee category must be further allocated to the major functions of the institution in proportion to the salaries and wages of all employees applicable to those functions.

3. Interest

Interest on debt associated with certain buildings, equipment and capital improvements, as defined in §200.449 Interest, must be classified as an expenditure under the category Facilities. These costs must be allocated in the same manner as the depreciation on the buildings, equipment and capital improvements to which the interest relates.

4. Operation and Maintenance Expenses

a. The expenses under this heading are those that have been incurred for the administration, supervision, operation, maintenance, preservation, and protection of the institution's physical plant. They include expenses normally incurred for such items as janitorial and utility services; repairs and ordinary or normal alterations of buildings, furniture and equipment; care of grounds; maintenance and operation of buildings and other plant facilities; security; earthquake

and disaster preparedness; environmental safety; hazardous waste disposal; property, liability and all other insurance relating to property; space and capital leasing; facility planning and management; and central receiving. The operation and maintenance expense category should also include its allocable share of fringe benefit costs, depreciation, and interest costs.

b. In the absence of the alternatives provided for in Section A.2.d, the expenses included in this category must be allocated in the same manner as described in subsection 2.b for depreciation.

c. A utility cost adjustment of up to 1.3 percentage points may be included in the negotiated indirect cost rate of the IHE for organized research, per the computation alternatives in paragraphs (c)(1) and (2) of this section:

(1) Where space is devoted to a single function and metering allows unambiguous measurement of usage related to that space, costs must be assigned to the function located in that space.

(2) Where space is allocated to different functions and metering does not allow unambiguous measurement of usage by function, costs must be allocated as follows:

(i) Utilities costs should be apportioned to functions in the same manner as depreciation, based on the calculated difference between the site or building actual square footage for monitored research laboratory space (site, building, floor, or room), and a separate calculation prepared by the IHE using the ''effective square footage'' described in subsection (c)(2)(ii) of this section.

(ii) ''Effective square footage'' allocated to research laboratory space must be calculated as the actual square footage times the relative energy utilization index (REUI) posted on the OMB Web site at the time of a rate determination.

A. This index is the ratio of a laboratory energy use index (lab EUI) to the corresponding index for overall average college or university space (college EUI).

B. In July 2012, values for these two indices (taken respectively from the Lawrence Berkeley Laboratory ''Labs for the 21st Century'' benchmarking tool *http://labs21benchmarking.lbl.gov/CompareData.php* and the US Department of Energy ''Buildings Energy Databook'' and *http://buildingsdatabook.eren.doe.gov/CBECS.aspx*) were 310 kBtu/sq ft-yr. and 155 kBtu/sq ft-yr., so that the adjustment ratio is 2.0 by this methodology. To retain currency, OMB will adjust the EUI numbers from time to time (no more often than annually nor less often than every 5 years), using reliable and publicly disclosed data. Current values of both the EUIs and the REUI will be posted on the OMB Web site.

5. General Administration and General Expenses

a. The expenses under this heading are those that have been incurred for the general executive and administrative offices of educational institutions and other expenses of a general character which do not relate solely to any major function of the institution; i.e., solely to (1) instruction, (2) organized research, (3) other sponsored activities, or (4) other institutional activities. The general administration and general expense category should also include its allocable share of fringe benefit costs, operation and maintenance expense, depreciation, and interest costs. Examples of general administration and general expenses include: those expenses incurred by administrative offices that serve the entire university system of which the institution is a part; central offices of the institution such as the President's or Chancellor's office, the offices for institution-wide financial management, business services, budget and planning, personnel management, and safety and risk management; the office of the General Counsel; and the operations of the central administrative management information systems. General administration and general expenses must not include expenses incurred within non-university-wide deans' offices, academic departments, organized research units, or similar organizational units. (See subsection 6, Departmental administration expenses.)

b. In the absence of the alternatives provided for in Section A.2.d, the expenses included in this category must be grouped first according to common major functions of the institution to which they render services or provide benefits. The aggregate expenses of each group must then be allocated to serviced or benefitted functions on the modified total cost basis. Modified total costs consist of the same elements as those in Section C.2. When an activity included in this indirect (F&A) cost category provides a service or product to another institution or organization, an appropriate adjustment must be made to either the expenses or the basis of allocation or both, to assure a proper allocation of costs.

6. Departmental Administration Expenses

a. The expenses under this heading are those that have been incurred for administrative and supporting services that benefit common or joint departmental activities or objectives in academic deans' offices, academic departments and divisions, and organized research units. Organized research units include such units as institutes, study centers, and research centers. Departmental administration expenses are subject to the following limitations.

(1) Academic deans' offices. Salaries and operating expenses are limited to those attributable to administrative functions.

(2) Academic departments:

(a) Salaries and fringe benefits attributable to the administrative work (including bid and proposal preparation) of faculty (including department heads) and other professional personnel conducting research and/or instruction, must be allowed at a rate of 3.6 percent of modified total direct costs. This category does not include professional business or professional administrative officers. This allowance must be added to the computation of the indirect (F&A) cost rate for major functions in Section C, Determination and application of indirect (F&A) cost rate or rates; the expenses covered by the allowance must be excluded from the departmental administration cost pool. No documentation is required to support this allowance.

(b) Other administrative and supporting expenses incurred within academic departments are allowable provided they are treated consistently in like circumstances. This would include expenses such as the salaries of secretarial and clerical staffs, the salaries of administrative officers and assistants, travel, office supplies, stockrooms, and the like.

(3) Other fringe benefit costs applicable to the salaries and wages included in subsections (1) and (2) are allowable, as well as an appropriate share of general administration and general expenses, operation and maintenance expenses, and depreciation.

(4) Federal agencies may authorize reimbursement of additional costs for department heads and faculty only in exceptional cases where an institution can demonstrate undue hardship or detriment to project performance.

b. The following guidelines apply to the determination of departmental administrative costs as direct or indirect (F&A) costs.

(1) In developing the departmental administration cost pool, special care should be exercised to ensure that costs incurred for the same purpose in like circumstances are treated consistently as either direct or indirect (F&A) costs. For example, salaries of technical staff, laboratory supplies (e.g., chemicals), telephone toll charges, animals, animal care costs, computer costs, travel costs, and specialized shop costs must be treated as direct costs wherever identifiable to a particular cost objective. Direct charging of these costs may be accomplished through specific identification of individual costs to benefitting cost objectives, or through recharge centers or specialized service facilities, as appropriate under the circumstances. See §§200.413 Direct costs, paragraph (c) and 200.468 Specialized service facilities.

(2) Items such as office supplies, postage, local telephone costs, and memberships must normally be treated as indirect (F&A) costs.

c. In the absence of the alternatives provided for in Section A.2.d, the expenses included in this category must be allocated as follows:

(1) The administrative expenses of the dean's office of each college and school must be allocated to the academic departments within that college or school on the modified total cost basis.

(2) The administrative expenses of each academic department, and the department's share of the expenses allocated in subsection (1) must be allocated to the appropriate functions of the department on the modified total cost basis.

7. Sponsored Projects Administration

a. The expenses under this heading are limited to those incurred by a separate organization(s) established primarily to administer sponsored projects, including such functions as grant and contract administration (Federal and non-Federal), special security, purchasing, personnel, administration, and editing and publishing of research and other reports. They include the salaries and expenses of the head of such organization, assistants, and immediate staff, together with the salaries and expenses of personnel engaged in supporting activities maintained by the organization, such as stock rooms, print shops, and the like. This category also includes an allocable share of fringe benefit costs, general administration and general expenses, operation and maintenance expenses, and depreciation. Appropriate adjustments will be made for services provided to other functions or organizations.

b. In the absence of the alternatives provided for in Section A.2.d, the expenses included in this category must be allocated to the major functions of the institution under which the sponsored projects are conducted on the basis of the modified total cost of sponsored projects.

c. An appropriate adjustment must be made to eliminate any duplicate charges to Federal awards when this category includes similar or identical activities as those included in the general administration and general expense category or other indirect (F&A) cost items, such as accounting, procurement, or personnel administration.

8. Library Expenses

a. The expenses under this heading are those that have been incurred for the operation of the library, including the cost of books and library materials purchased for the library, less any items of library income that qualify as applicable credits under §200.406 Applicable credits. The library expense category should also include the fringe benefits applicable to the salaries and wages included therein, an appropriate share of general administration and general expense,

operation and maintenance expense, and depreciation. Costs incurred in the purchases of rare books (museum-type books) with no value to Federal awards should not be allocated to them.

b. In the absence of the alternatives provided for in Section A.2.d, the expenses included in this category must be allocated first on the basis of primary categories of users, including students, professional employees, and other users.

(1) The student category must consist of full-time equivalent students enrolled at the institution, regardless of whether they earn credits toward a degree or certificate.

(2) The professional employee category must consist of all faculty members and other professional employees of the institution, on a full-time equivalent basis. This category may also include post-doctorate fellows and graduate students.

(3) The other users category must consist of a reasonable factor as determined by institutional records to account for all other users of library facilities.

c. Amount allocated in paragraph b of this section must be assigned further as follows:

(1) The amount in the student category must be assigned to the instruction function of the institution.

(2) The amount in the professional employee category must be assigned to the major functions of the institution in proportion to the salaries and wages of all faculty members and other professional employees applicable to those functions.

(3) The amount in the other users category must be assigned to the other institutional activities function of the institution.

9. Student Administration and Services

a. The expenses under this heading are those that have been incurred for the administration of student affairs and for services to students, including expenses of such activities as deans of students, admissions, registrar, counseling and placement services, student advisers, student health and infirmary services, catalogs, and commencements and convocations. The salaries of members of the academic staff whose responsibilities to the institution require administrative work that benefits sponsored projects may also be included to the extent that the portion charged to student administration is determined in accordance with Subpart E—Cost Principles of this Part. This expense category also includes the fringe benefit costs applicable to the salaries and wages included therein, an appropriate share of general administration and general expenses, operation and maintenance, interest expense, and depreciation.

b. In the absence of the alternatives provided for in Section A.2.d, the expenses in this category must be allocated to the instruction function, and subsequently to Federal awards in that function.

10. Offset for Indirect (F&A) Expenses Otherwise Provided for by the Federal Government

a. The items to be accumulated under this heading are the reimbursements and other payments from the Federal government which are made to the institution to support solely, specifically, and directly, in whole or in part, any of the administrative or service activities described in subsections 2 through 9.

b. The items in this group must be treated as a credit to the affected individual indirect (F&A) cost category before that category is allocated to benefitting functions.

C. Determination and Application of Indirect (F&A) Cost Rate or Rates

1. Indirect (F&A) Cost Pools

a. (1) Subject to subsection b, the separate categories of indirect (F&A) costs allocated to each major function of the institution as prescribed in paragraph B of this paragraph C.1 Identification and assignment of indirect (F&A) costs, must be aggregated and treated as a common pool for that function. The amount in each pool must be divided by the distribution base described in subsection 2 to arrive at a single indirect (F&A) cost rate for each function.

(2) The rate for each function is used to distribute indirect (F&A) costs to individual Federal awards of that function. Since a common pool is established for each major function of the institution, a separate indirect (F&A) cost rate would be established for each of the major functions described in Section A.1 under which Federal awards are carried out.

(3) Each institution's indirect (F&A) cost rate process must be appropriately designed to ensure that Federal sponsors do not in any way subsidize the indirect (F&A) costs of other sponsors, specifically activities sponsored by industry and foreign governments. Accordingly, each allocation method used to identify and allocate the indirect (F&A) cost pools, as described in Sections A.2, Criteria for distribution, and B.2 through B.9, must contain the full amount of the institution's modified total costs or other appropriate units of measurement used to make the computations. In addition, the final rate distribution base (as defined in subsection 2) for each major function (organized research, instruction, etc., as described in Section A.1, Major functions of an institution) must contain all the programs or activities which utilize the indirect (F&A) costs allocated to that major function. At the time an indirect (F&A) cost proposal is submitted to a cognizant agency for indirect costs, each institution must describe the process it uses to

ensure that Federal funds are not used to subsidize industry and foreign government funded programs.

b. In some instances a single rate basis for use across the board on all work within a major function at an institution may not be appropriate. A single rate for research, for example, might not take into account those different environmental factors and other conditions which may affect substantially the indirect (F&A) costs applicable to a particular segment of research at the institution. A particular segment of research may be that performed under a single sponsored agreement or it may consist of research under a group of Federal awards performed in a common environment. The environmental factors are not limited to the physical location of the work. Other important factors are the level of the administrative support required, the nature of the facilities or other resources employed, the scientific disciplines or technical skills involved, the organizational arrangements used, or any combination thereof. If a particular segment of a sponsored agreement is performed within an environment which appears to generate a significantly different level of indirect (F&A) costs, provisions should be made for a separate indirect (F&A) cost pool applicable to such work. The separate indirect (F&A) cost pool should be developed during the regular course of the rate determination process and the separate indirect (F&A) cost rate resulting therefrom should be utilized; provided it is determined that (1) such indirect (F&A) cost rate differs significantly from that which would have been obtained under subsection a, and (2) the volume of work to which such rate would apply is material in relation to other Federal awards at the institution.

2. The Distribution Basis

Indirect (F&A) costs must be distributed to applicable Federal awards and other benefitting activities within each major function (see section A.1, Major functions of an institution) on the basis of modified total direct costs (MTDC), consisting of all salaries and wages, fringe benefits, materials and supplies, services, travel, and subgrants and subcontracts up to the first $25,000 of each subaward (regardless of the period covered by the subaward). MTDC is defined in §200.68 Modified Total Direct Cost (MTDC). For this purpose, an indirect (F&A) cost rate should be determined for each of the separate indirect (F&A) cost pools developed pursuant to subsection 1. The rate in each case should be stated as the percentage which the amount of the particular indirect (F&A) cost pool is of the modified total direct costs identified with such pool.

3. Negotiated Lump Sum for Indirect (F&A) Costs

A negotiated fixed amount in lieu of indirect (F&A) costs may be appropriate for self-contained, off-campus, or primarily subcontracted activities where the benefits derived from an institution's indirect (F&A) services cannot be readily determined. Such negotiated indirect (F&A) costs will be treated as an offset before allocation to instruction, organized research, other sponsored activities, and other institutional activities. The base on which such remaining expenses are allocated should be appropriately adjusted.

4. Predetermined Rates for Indirect (F&A) Costs

Public Law 87–638 (76 Stat. 437) as amended (41 U.S.C. 4708) authorizes the use of predetermined rates in determining the ''indirect costs'' (indirect (F&A) costs) applicable under research agreements with educational institutions. The stated objectives of the law are to simplify the administration of cost-type research and development contracts (including grants) with educational institutions, to facilitate the preparation of their budgets, and to permit more expeditious closeout of such contracts when the work is completed. In view of the potential advantages offered by this procedure, negotiation of predetermined rates for indirect (F&A) costs for a period of two to four years should be the norm in those situations where the cost experience and other pertinent facts available are deemed sufficient to enable the parties involved to reach an informed judgment as to the probable level of indirect (F&A) costs during the ensuing accounting periods.

5. Negotiated Fixed Rates and Carry-Forward Provisions

When a fixed rate is negotiated in advance for a fiscal year (or other time period), the over- or under-recovery for that year may be included as an adjustment to the indirect (F&A) cost for the next rate negotiation. When the rate is negotiated before the carry-forward adjustment is determined, the carry-forward amount may be applied to the next subsequent rate negotiation. When such adjustments are to be made, each fixed rate negotiated in advance for a given period will be computed by applying the expected indirect (F&A) costs allocable to Federal awards for the forecast period plus or minus the carry-forward adjustment (over- or under-recovery) from the prior period, to the forecast distribution base. Unrecovered amounts under lump-sum agreements or cost-sharing provisions of prior years must not be carried forward for consideration in the new rate negotiation. There must, however, be an advance understanding in each case between the institution and the cognizant agency for indirect costs as to whether these differences

will be considered in the rate negotiation rather than making the determination after the differences are known. Further, institutions electing to use this carry-forward provision may not subsequently change without prior approval of the cognizant agency for indirect costs. In the event that an institution returns to a post-determined rate, any over- or under-recovery during the period in which negotiated fixed rates and carry-forward provisions were followed will be included in the subsequent post-determined rates. Where multiple rates are used, the same procedure will be applicable for determining each rate.

6. Provisional and Final Rates for Indirect (F&A) Costs

Where the cognizant agency for indirect costs determines that cost experience and other pertinent facts do not justify the use of predetermined rates, or a fixed rate with a carry-forward, or if the parties cannot agree on an equitable rate, a provisional rate must be established. To prevent substantial overpayment or underpayment, the provisional rate may be adjusted by the cognizant agency for indirect costs during the institution's fiscal year. Predetermined or fixed rates may replace provisional rates at any time prior to the close of the institution's fiscal year. If a provisional rate is not replaced by a predetermined or fixed rate prior to the end of the institution's fiscal year, a final rate will be established and upward or downward adjustments will be made based on the actual allowable costs incurred for the period involved.

7. Fixed Rates for the Life of the Sponsored Agreement

Federal agencies must use the negotiated rates except as provided in paragraph (e) of §200.414 Indirect (F&A) costs, must paragraph (b)(1) for indirect (F&A) costs in effect at the time of the initial award throughout the life of the Federal award. Award levels for Federal awards may not be adjusted in future years as a result of changes in negotiated rates. ''Negotiated rates'' per the rate agreement include final, fixed, and predetermined rates and exclude provisional rates. ''Life'' for the purpose of this subsection means each competitive segment of a project. A competitive segment is a period of years approved by the Federal awarding agency at the time of the Federal award. If negotiated rate agreements do not extend through the life of the Federal award at the time of the initial award, then the negotiated rate for the last year of the Federal award must be extended through the end of the life of the Federal award.

b. Except as provided in §200.414 Indirect (F&A) costs, when an educational institution does not have a negotiated rate with the Federal government at the time of an award (because the educational institution is a new recipient or the parties cannot reach agreement on a rate), the provisional rate used at the time of the award must be adjusted once a rate is negotiated and approved by the cognizant agency for indirect costs.

8. Limitation on Reimbursement of Administrative Costs

a. Notwithstanding the provisions of subsection C.1.a, the administrative costs charged to Federal awards awarded or amended (including continuation and renewal awards) with effective dates beginning on or after the start of the institution's first fiscal year which begins on or after October 1, 1991, must be limited to 26% of modified total direct costs (as defined in subsection 2) for the total of General Administration and General Expenses, Departmental Administration, Sponsored Projects Administration, and Student Administration and Services (including their allocable share of depreciation, interest costs, operation and maintenance expenses, and fringe benefits costs, as provided by Section B, Identification and assignment of indirect (F&A) costs, and all other types of expenditures not listed specifically under one of the subcategories of facilities in Section B.

b. Institutions should not change their accounting or cost allocation methods if the effect is to change the charging of a particular type of cost from F&A to direct, or to reclassify costs, or increase allocations from the administrative pools identified in paragraph B.1 of this Appendix to the other F&A cost pools or fringe benefits. Cognizant agencies for indirect cost are authorized to allow changes where an institution's charging practices are at variance with acceptable practices followed by a substantial majority of other institutions.

9. Alternative Method for Administrative Costs

a. Notwithstanding the provisions of subsection 1.a, an institution may elect to claim a fixed allowance for the ''Administration'' portion of indirect (F&A) costs. The allowance could be either 24% of modified total direct costs or a percentage equal to 95% of the most recently negotiated fixed or predetermined rate for the cost pools included under ''Administration'' as defined in Section B.1, whichever is less. Under this alternative, no cost proposal need be prepared for the ''Administration'' portion of the indirect (F&A) cost rate nor is further identification or documentation of these costs required (see subsection c). Where a negotiated indirect (F&A) cost agreement includes this alternative, an institution must make no further

charges for the expenditure categories described in Section B.5, General administration and general expenses, Section B.6, Departmental administration expenses, Section B.7, Sponsored projects administration, and Section B.9, Student administration and services.

b. In negotiations of rates for subsequent periods, an institution that has elected the option of subsection a may continue to exercise it at the same rate without further identification or documentation of costs.

c. If an institution elects to accept a threshold rate as defined in subsection a of this section, it is not required to perform a detailed analysis of its administrative costs. However, in order to compute the facilities components of its indirect (F&A) cost rate, the institution must reconcile its indirect (F&A) cost proposal to its financial statements and make appropriate adjustments and reclassifications to identify the costs of each major function as defined in Section A.1, as well as to identify and allocate the facilities components. Administrative costs that are not identified as such by the institution's accounting system (such as those incurred in academic departments) will be classified as instructional costs for purposes of reconciling indirect (F&A) cost proposals to financial statements and allocating facilities costs.

10. Individual Rate Components

In order to provide mutually agreed-upon information for management purposes, each indirect (F&A) cost rate negotiation or determination shall include development of a rate for each indirect (F&A) cost pool as well as the overall indirect (F&A) cost rate.

11. Negotiation and Approval of Indirect (F&A) Rate

a. Cognizant agency for indirect costs is defined in Subpart A—Acronyms and Definitions.

(1) Cost negotiation cognizance is assigned to the Department of Health and Human Services (HHS) or the Department of Defense's Office of Naval Research (DOD), normally depending on which of the two agencies (HHS or DOD) provides more funds to the educational institution for the most recent three years. Information on funding must be derived from relevant data gathered by the National Science Foundation. In cases where neither HHS nor DOD provides Federal funding to an educational institution, the cognizant agency for indirect costs assignment must default to HHS. Notwithstanding the method for cognizance determination described in this section, other arrangements for cognizance of a particular educational institution may also be based in part on the types of research performed at the educational institution and must be decided based on mutual agreement between HHS and DOD.

(2) After cognizance is established, it must continue for a five-year period.

b. Acceptance of rates. See §200.414 Indirect (F&A) costs.

c. Correcting deficiencies. The cognizant agency for indirect costs must negotiate changes needed to correct systems deficiencies relating to accountability for Federal awards. Cognizant agencies for indirect costs must address the concerns of other affected agencies, as appropriate, and must negotiate special rates for Federal agencies that are required to limit recovery of indirect costs by statute.

d. Resolving questioned costs. The cognizant agency for indirect costs must conduct any necessary negotiations with an educational institution regarding amounts questioned by audit that are due the Federal government related to costs covered by a negotiated agreement.

e. Reimbursement. Reimbursement to cognizant agencies for indirect costs for work performed under this Part may be made by reimbursement billing under the Economy Act, 31 U.S.C. 1535.

f. Procedure for establishing facilities and administrative rates must be established by one of the following methods:

(1) Formal negotiation. The cognizant agency for indirect costs is responsible for negotiating and approving rates for an educational institution on behalf of all Federal agencies. Non-cognizant Federal agencies for indirect costs, which make Federal awards to an educational institution, must notify the cognizant agency for indirect costs of specific concerns (i.e., a need to establish special cost rates) which could affect the negotiation process. The cognizant agency for indirect costs must address the concerns of all interested agencies, as appropriate. A pre-negotiation conference may be scheduled among all interested agencies, if necessary. The cognizant agency for indirect costs must then arrange a negotiation conference with the educational institution.

(2) Other than formal negotiation. The cognizant agency for indirect costs and educational institution may reach an agreement on rates without a formal negotiation conference; for example, through correspondence or use of the simplified method described in this section D of this Appendix.

g. Formalizing determinations and agreements. The cognizant agency for indirect costs must formalize all determinations or agreements reached with an educational institution and provide copies to other agencies having an interest. Determinations should include a description of any adjustments, the actual amount, both dollar and percentage adjusted, and the reason for making adjustments.

h. Disputes and disagreements. Where the cognizant agency for indirect costs is unable to reach agreement with an educational institution with regard to rates or audit resolution, the appeal system of the cognizant agency for indirect costs must be followed for resolution of the disagreement.

12. Standard Format for Submission

For facilities and administrative (indirect (F&A)) rate proposals, educational institutions must use the standard format, shown in section E of this appendix, to submit their indirect (F&A) rate proposal to the cognizant agency for indirect costs. The cognizant agency for indirect costs may, on an institution-by-institution basis, grant exceptions from all or portions of Part II of the standard format requirement. This requirement does not apply to educational institutions that use the simplified method for calculating indirect (F&A) rates, as described in Section D of this Appendix.

In order to provide mutually agreed upon information for management purposes, each F&A cost rate negotiation or determination must include development of a rate for each F&A cost pool as well as the overall F&A rate.

D. SIMPLIFIED METHOD FOR SMALL INSTITUTIONS

1. General

a. Where the total direct cost of work covered by this Part at an institution does not exceed $10 million in a fiscal year, the simplified procedure described in subsections 2 or 3 may be used in determining allowable indirect (F&A) costs. Under this simplified procedure, the institution's most recent annual financial report and immediately available supporting information must be utilized as a basis for determining the indirect (F&A) cost rate applicable to all Federal awards. The institution may use either the salaries and wages (see subsection 2) or modified total direct costs (see subsection 3) as the distribution basis.

b. The simplified procedure should not be used where it produces results which appear inequitable to the Federal government or the institution. In any such case, indirect (F&A) costs should be determined through use of the regular procedure.

2. Simplified Procedure—Salaries and Wages Base

a. Establish the total amount of salaries and wages paid to all employees of the institution.

b. Establish an indirect (F&A) cost pool consisting of the expenditures (exclusive of capital items and other costs specifically identified as unallowable) which customarily are classified under the following titles or their equivalents:

(1) General administration and general expenses (exclusive of costs of student administration and services, student activities, student aid, and scholarships).

(2) Operation and maintenance of physical plant and depreciation (after appropriate adjustment for costs applicable to other institutional activities).

(3) Library.

(4) Department administration expenses, which will be computed as 20 percent of the salaries and expenses of deans and heads of departments.

In those cases where expenditures classified under subsection (1) have previously been allocated to other institutional activities, they may be included in the indirect (F&A) cost pool. The total amount of salaries and wages included in the indirect (F&A) cost pool must be separately identified.

c. Establish a salary and wage distribution base, determined by deducting from the total of salaries and wages as established in subsection a from the amount of salaries and wages included under subsection b.

d. Establish the indirect (F&A) cost rate, determined by dividing the amount in the indirect (F&A) cost pool, subsection b, by the amount of the distribution base, subsection c.

e. Apply the indirect (F&A) cost rate to direct salaries and wages for individual agreements to determine the amount of indirect (F&A) costs allocable to such agreements.

3. Simplified Procedure—Modified Total Direct Cost Base

a. Establish the total costs incurred by the institution for the base period.

b. Establish an indirect (F&A) cost pool consisting of the expenditures (exclusive of capital items and other costs specifically identified as unallowable) which customarily are classified under the following titles or their equivalents:

(1) General administration and general expenses (exclusive of costs of student administration and services, student activities, student aid, and scholarships).

(2) Operation and maintenance of physical plant and depreciation (after appropriate adjustment for costs applicable to other institutional activities).

(3) Library.

(4) Department administration expenses, which will be computed as 20 percent of the salaries and expenses of deans and heads of departments. In those cases where expenditures classified under subsection (1) have previously been allocated to other institutional activities, they may be included in the indirect (F&A) cost pool. The modified total direct costs amount included in the indirect (F&A) cost pool must be separately identified.

c. Establish a modified total direct cost distribution base, as defined in Section C.2, The distribution basis, that consists of all institution's direct functions.

d. Establish the indirect (F&A) cost rate, determined by dividing the amount in the indirect (F&A) cost pool, subsection b, by the amount of the distribution base, subsection c.

e. Apply the indirect (F&A) cost rate to the modified total direct costs for individual agreements to determine the amount of indirect (F&A) costs allocable to such agreements.

E. DOCUMENTATION REQUIREMENTS

The standard format for documentation requirements for indirect (indirect (F&A)) rate proposals for claiming costs under the regular method is available on the OMB Web site here: *http://www.whitehouse.gov/omb/grants_forms*.

F. CERTIFICATION

1. Certification of Charges

To assure that expenditures for Federal awards are proper and in accordance with the agreement documents and approved project budgets, the annual and/or final fiscal reports or vouchers requesting payment under the agreements will include a certification, signed by an authorized official of the university, which reads ''By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and intent set forth in the award documents. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code, Title 18, Section 1001 and Title 31, Sections 3729–3733 and 3801–3812)''.

2. Certification of Indirect (F&A) Costs

a. *Policy*. Cognizant agencies must not accept a proposed indirect cost rate must unless such costs have been certified by the educational institution using the Certificate of indirect (F&A) Costs set forth in subsection F.2.c

b. The certificate must be signed on behalf of the institution by the chief financial officer or an individual designated by an individual at a level no lower than vice president or chief financial officer.

(1) No indirect (F&A) cost rate must be binding upon the Federal government if the most recent required proposal from the institution has not been certified. Where it is necessary to establish indirect (F&A) cost rates, and the institution has not submitted a certified proposal for establishing such rates in accordance with the requirements of this section, the Federal government must unilaterally establish such rates. Such rates may be based upon audited historical data or such other data that have been furnished to the cognizant agency for indirect costs and for which it can be demonstrated that all unallowable costs have been excluded. When indirect (F&A) cost rates are unilaterally established by the Federal government because of failure of the institution to submit a certified proposal for establishing such rates in accordance with this section, the rates established will be set at a level low enough to ensure that potentially unallowable costs will not be reimbursed.

c. *Certificate*. The certificate required by this section must be in the following form:

CERTIFICATE OF INDIRECT (F&A) COSTS

This is to certify that to the best of my knowledge and belief:

(1) I have reviewed the indirect (F&A) cost proposal submitted herewith;

(2) All costs included in this proposal [identify date] to establish billing or final indirect (F&A) costs rate for [identify period covered by rate] are allowable in accordance with the requirements of the Federal agreement(s) to which they apply and with the cost principles applicable to those agreements.

(3) This proposal does not include any costs which are unallowable under applicable cost principles such as (without limitation): public relations costs, contributions and donations, entertainment costs, fines and penalties, lobbying costs, and defense of fraud proceedings; and

(4) All costs included in this proposal are properly allocable to Federal agreements on the basis of a beneficial or causal relationship between the expenses incurred and the agreements to which they are allocated in accordance with applicable requirements.

I declare that the foregoing is true and correct.

Institution of Higher Education:
Signature: _____
Name of Official: _____
Title: _____
Date of Execution: _____

APPENDIX IV TO PART 200—INDIRECT (F&A) COSTS IDENTIFICATION AND ASSIGNMENT, AND RATE DETERMINATION FOR NONPROFIT ORGANIZATIONS

A. GENERAL

1. Indirect costs are those that have been incurred for common or joint objectives and cannot be readily identified with a particular final cost objective. Direct cost of minor amounts may be treated as indirect

costs under the conditions described in §200.413 Direct costs paragraph (d) of this Part. After direct costs have been determined and assigned directly to awards or other work as appropriate, indirect costs are those remaining to be allocated to benefitting cost objectives. A cost may not be allocated to a Federal award as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been assigned to a Federal award as a direct cost.

''Major nonprofit organizations'' are defined in §200.414 Indirect (F&A) costs. See indirect cost rate reporting requirements in sections B.2.e and B.3.g of this Appendix.

B. ALLOCATION OF INDIRECT COSTS AND DETERMINATION OF INDIRECT COST RATES

1. General

a. If a nonprofit organization has only one major function, or where all its major functions benefit from its indirect costs to approximately the same degree, the allocation of indirect costs and the computation of an indirect cost rate may be accomplished through simplified allocation procedures, as described in section B.2 of this Appendix.

b. If an organization has several major functions which benefit from its indirect costs in varying degrees, allocation of indirect costs may require the accumulation of such costs into separate cost groupings which then are allocated individually to benefitting functions by means of a base which best measures the relative degree of benefit. The indirect costs allocated to each function are then distributed to individual Federal awards and other activities included in that function by means of an indirect cost rate(s).

c. The determination of what constitutes an organization's major functions will depend on its purpose in being; the types of services it renders to the public, its clients, and its members; and the amount of effort it devotes to such activities as fundraising, public information and membership activities.

d. Specific methods for allocating indirect costs and computing indirect cost rates along with the conditions under which each method should be used are described in section B.2 through B.5 of this Appendix.

e. The base period for the allocation of indirect costs is the period in which such costs are incurred and accumulated for allocation to work performed in that period. The base period normally should coincide with the organization's fiscal year but, in any event, must be so selected as to avoid inequities in the allocation of the costs.

2. Simplified Allocation Method

a. Where an organization's major functions benefit from its indirect costs to approximately the same degree, the allocation of indirect costs may be accomplished by (i) separating the organization's total costs for the base period as either direct or indirect, and (ii) 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 individual Federal awards. The rate should be expressed as the percentage which the total amount of allowable indirect costs bears to the base selected. This method should also be used where an organization has only one major function encompassing a number of individual projects or activities, and may be used where the level of Federal awards to an organization is relatively small.

b. Both the direct costs and the indirect costs must exclude capital expenditures and unallowable costs. However, unallowable costs which represent activities must be included in the direct costs under the conditions described in §200.413 Direct costs, paragraph (e) of this Part.

c. The distribution base may be total direct costs (excluding capital expenditures and other distorting items, such contracts or subawards for $25,000 or more), direct salaries and wages, or other base which results in an equitable distribution. The distribution base must exclude participant support costs as defined in §200.75 Participant support costs.

d. Except where a special rate(s) is required in accordance with section B.5 of this Appendix, the indirect cost rate developed under the above principles is applicable to all Federal awards of the organization. If a special rate(s) is required, appropriate modifications must be made in order to develop the special rate(s).

e. For an organization that receives more than $10 million in Federal funding of direct costs in a fiscal year, a breakout of the indirect cost component into two broad categories, Facilities and Administration as defined in section A.3 of this Appendix, is required. The rate in each case must be stated as the percentage which the amount of the particular indirect cost category (i.e., Facilities or Administration) is of the distribution base identified with that category.

3. Multiple Allocation Base Method

a. General. Where an organization's indirect costs benefit its major functions in varying degrees, indirect costs must be accumulated into separate cost groupings, as described in subparagraph b. Each grouping must then be allocated individually to benefitting functions by means of a base which best measures the relative benefits. The default allocation bases by cost pool are described in section B.3.c of this Appendix.

b. Identification of indirect costs. Cost groupings must be established so as to permit the allocation of each grouping on the

basis of benefits provided to the major functions. Each grouping must constitute a pool of expenses that are of like character in terms of functions they benefit and in terms of the allocation base which best measures the relative benefits provided to each function. The groupings are classified within the two broad categories: ''Facilities'' and ''Administration,'' as described in section A.3 of this Appendix. The indirect cost pools are defined as follows:

(1) Depreciation. The expenses under this heading are the portion of the costs of the organization's buildings, capital improvements to land and buildings, and equipment which are computed in accordance with §200.436 Depreciation.

(2) Interest. Interest on debt associated with certain buildings, equipment and capital improvements are computed in accordance with §200.449 Interest.

(3) Operation and maintenance expenses. The expenses under this heading are those that have been incurred for the administration, operation, maintenance, preservation, and protection of the organization's physical plant. They include expenses normally incurred for such items as: janitorial and utility services; repairs and ordinary or normal alterations of buildings, furniture and equipment; care of grounds; maintenance and operation of buildings and other plant facilities; security; earthquake and disaster preparedness; environmental safety; hazardous waste disposal; property, liability and other insurance relating to property; space and capital leasing; facility planning and management; and central receiving. The operation and maintenance expenses category must also include its allocable share of fringe benefit costs, depreciation, and interest costs.

(4) General administration and general expenses. The expenses under this heading are those that have been incurred for the overall general executive and administrative offices of the organization and other expenses of a general nature which do not relate solely to any major function of the organization. This category must also include its allocable share of fringe benefit costs, operation and maintenance expense, depreciation, and interest costs. Examples of this category include central offices, such as the director's office, the office of finance, business services, budget and planning, personnel, safety and risk management, general counsel, management information systems, and library costs.

In developing this cost pool, special care should be exercised to ensure that costs incurred for the same purpose in like circumstances are treated consistently as either direct or indirect costs. For example, salaries of technical staff, project supplies, project publication, telephone toll charges, computer costs, travel costs, and specialized services costs must be treated as direct costs wherever identifiable to a particular program. The salaries and wages of administrative and pooled clerical staff should normally be treated as indirect costs. Direct charging of these costs may be appropriate where a major project or activity explicitly requires and budgets for administrative or clerical services and other individuals involved can be identified with the program or activity. Items such as office supplies, postage, local telephone costs, periodicals and memberships should normally be treated as indirect costs.

c. Allocation bases. Actual conditions must be taken into account in selecting the base to be used in allocating the expenses in each grouping to benefitting functions. The essential consideration in selecting a method or a base is that it is the one best suited for assigning the pool of costs to cost objectives in accordance with benefits derived; a traceable cause and effect relationship; or logic and reason, where neither the cause nor the effect of the relationship is determinable. When an allocation can be made by assignment of a cost grouping directly to the function benefitted, the allocation must be made in that manner. When the expenses in a cost grouping are more general in nature, the allocation must be made through the use of a selected base which produces results that are equitable to both the Federal government and the organization. The distribution must be made in accordance with the bases described herein unless it can be demonstrated that the use of a different base would result in a more equitable allocation of the costs, or that a more readily available base would not increase the costs charged to Federal awards. The results of special cost studies (such as an engineering utility study) must not be used to determine and allocate the indirect costs to Federal awards.

(1) Depreciation. Depreciation expenses must be allocated in the following manner:

(a) Depreciation on buildings used exclusively in the conduct of a single function, and on capital improvements and equipment used in such buildings, must be assigned to that function.

(b) Depreciation on buildings used for more than one function, and on capital improvements and equipment used in such buildings, must be allocated to the individual functions performed in each building on the basis of usable square feet of space, excluding common areas, such as hallways, stairwells, and restrooms.

(c) Depreciation on buildings, capital improvements and equipment related space (e.g., individual rooms, and laboratories) used jointly by more than one function (as determined by the users of the space) must be treated as follows. The cost of each jointly used unit of space must be allocated to the benefitting functions on the basis of:

(i) the employees and other users on a full-time equivalent (FTE) basis or salaries and wages of those individual functions benefitting from the use of that space; or

(ii) organization-wide employee FTEs or salaries and wages applicable to the benefitting functions of the organization.

(d) Depreciation on certain capital improvements to land, such as paved parking areas, fences, sidewalks, and the like, not included in the cost of buildings, must be allocated to user categories on a FTE basis and distributed to major functions in proportion to the salaries and wages of all employees applicable to the functions.

(2) Interest. Interest costs must be allocated in the same manner as the depreciation on the buildings, equipment and capital equipment to which the interest relates.

(3) Operation and maintenance expenses. Operation and maintenance expenses must be allocated in the same manner as the depreciation.

(4) General administration and general expenses. General administration and general expenses must be allocated to benefitting functions based on modified total costs (MTC). The MTC is the modified total direct costs (MTDC), as described in Subpart A—Acronyms and Definitions of Part 200, plus the allocated indirect cost proportion. The expenses included in this category could be grouped first according to major functions of the organization to which they render services or provide benefits. The aggregate expenses of each group must then be allocated to benefitting functions based on MTC.

d. Order of distribution.

(1) Indirect cost categories consisting of depreciation, interest, operation and maintenance, and general administration and general expenses must be allocated in that order to the remaining indirect cost categories as well as to the major functions of the organization. Other cost categories should be allocated in the order determined to be most appropriate by the organization. This order of allocation does not apply if cross allocation of costs is made as provided in section B.3.d.2 of this Appendix.

(2) Normally, an indirect cost category will be considered closed once it has been allocated to other cost objectives, and costs must not be subsequently allocated to it. However, a cross allocation of costs between two or more indirect costs categories could be used if such allocation will result in a more equitable allocation of costs. If a cross allocation is used, an appropriate modification to the composition of the indirect cost categories is required.

e. Application of indirect cost rate or rates. Except where a special indirect cost rate(s) is required in accordance with section B.5 of this Appendix, the separate groupings of indirect costs allocated to each major function must be aggregated and treated as a common pool for that function. The costs in the common pool must then be distributed to individual Federal awards included in that function by use of a single indirect cost rate.

f. Distribution basis. Indirect costs must be distributed to applicable Federal awards and other benefitting activities within each major function on the basis of MTDC (see definition in §200.68 Modified Total Direct Cost (MTDC) of Part 200.

g. Individual Rate Components. An indirect cost rate must be determined for each separate indirect cost pool developed. The rate in each case must be stated as the percentage which the amount of the particular indirect cost pool is of the distribution base identified with that pool. Each indirect cost rate negotiation or determination agreement must include development of the rate for each indirect cost pool as well as the overall indirect cost rate. The indirect cost pools must be classified within two broad categories: ''Facilities'' and ''Administration,'' as described in section A.3 of this Appendix.

4. Direct Allocation Method

a. Some nonprofit organizations treat all costs as direct costs except general administration and general expenses. These organizations generally separate their costs into three basic categories: (i) General administration and general expenses, (ii) fundraising, and (iii) other direct functions (including projects performed under Federal awards). Joint costs, such as depreciation, rental costs, operation and maintenance of facilities, telephone expenses, and the like are prorated individually as direct costs to each category and to each Federal award or other activity using a base most appropriate to the particular cost being prorated.

b. This method is acceptable, provided each joint cost is prorated using a base which accurately measures the benefits provided to each Federal award or other activity. The bases must be established in accordance with reasonable criteria, and be supported by current data. This method is compatible with the Standards of Accounting and Financial Reporting for Voluntary Health and Welfare Organizations issued jointly by the National Health Council, Inc., the National Assembly of Voluntary Health and Social Welfare Organizations, and the United Way of America.

c. Under this method, indirect costs consist exclusively of general administration and general expenses. In all other respects, the organization's indirect cost rates must be computed in the same manner as that described in section B.2 Simplified allocation method of this Appendix.

5. Special Indirect Cost Rates

In some instances, a single indirect cost rate for all activities of an organization or for each major function of the organization

may not be appropriate, since it would not take into account those different factors which may substantially affect the indirect costs applicable to a particular segment of work. For this purpose, a particular segment of work may be that performed under a single Federal award or it may consist of work under a group of Federal awards performed in a common environment. These factors may include the physical location of the work, the level of administrative support required, the nature of the facilities or other resources employed, the scientific disciplines or technical skills involved, the organizational arrangements used, or any combination thereof. When a particular segment of work is performed in an environment which appears to generate a significantly different level of indirect costs, provisions should be made for a separate indirect cost pool applicable to such work. The separate indirect cost pool should be developed during the course of the regular allocation process, and the separate indirect cost rate resulting therefrom should be used, provided it is determined that (i) the rate differs significantly from that which would have been obtained under sections B.2, B.3, and B.4 of this Appendix, and (ii) the volume of work to which the rate would apply is material.

C. NEGOTIATION AND APPROVAL OF INDIRECT COST RATES

1. Definitions

As used in this section, the following terms have the meanings set forth in this section:

a. *Cognizant agency for indirect costs* means the Federal agency responsible for negotiating and approving indirect cost rates for a nonprofit organization on behalf of all Federal agencies.

b. *Predetermined rate* means an indirect cost rate, applicable to a specified current or future period, usually the organization's fiscal year. The rate is based on an estimate of the costs to be incurred during the period. A predetermined rate is not subject to adjustment.

c. *Fixed rate* means an indirect cost rate which has the same characteristics as a predetermined rate, except that the difference between the estimated costs and the actual costs of the period covered by the rate is carried forward as an adjustment to the rate computation of a subsequent period.

d. *Final rate* means an indirect cost rate applicable to a specified past period which is based on the actual costs of the period. A final rate is not subject to adjustment.

e. *Provisional rate or billing rate* means a temporary indirect cost rate applicable to a specified period which is used for funding, interim reimbursement, and reporting indirect costs on Federal awards pending the establishment of a final rate for the period.

f. *Indirect cost proposal* means the documentation prepared by an organization to substantiate its claim for the reimbursement of indirect costs. This proposal provides the basis for the review and negotiation leading to the establishment of an organization's indirect cost rate.

g. *Cost objective* means a function, organizational subdivision, contract, Federal award, or other work unit for which cost data are desired and for which provision is made to accumulate and measure the cost of processes, projects, jobs and capitalized projects.

2. Negotiation and Approval of Rates

a. Unless different arrangements are agreed to by the Federal agencies concerned, the Federal agency with the largest dollar value of Federal awards with an organization will be designated as the cognizant agency for indirect costs for the negotiation and approval of the indirect cost rates and, where necessary, other rates such as fringe benefit and computer charge-out rates. Once an agency is assigned cognizance for a particular nonprofit organization, the assignment will not be changed unless there is a shift in the dollar volume of the Federal awards to the organization for at least three years. All concerned Federal agencies must be given the opportunity to participate in the negotiation process but, after a rate has been agreed upon, it will be accepted by all Federal agencies. When a Federal agency has reason to believe that special operating factors affecting its Federal awards necessitate special indirect cost rates in accordance with section B.5 of this Appendix, it will, prior to the time the rates are negotiated, notify the cognizant agency for indirect costs. (See also §200.414 Indirect (F&A) costs of Part 200.)

b. Except as otherwise provided in §200.414 Indirect (F&A) costs paragraph (e) of this Part, a nonprofit organization which has not previously established an indirect cost rate with a Federal agency must submit its initial indirect cost proposal immediately after the organization is advised that a Federal award will be made and, in no event, later than three months after the effective date of the Federal award.

c. Unless approved by the cognizant agency for indirect costs in accordance with §200.414 Indirect (F&A) costs paragraph (f) of this Part, organizations that have previously established indirect cost rates must submit a new indirect cost proposal to the cognizant agency for indirect costs within six months after the close of each fiscal year.

d. A predetermined rate may be negotiated for use on Federal awards where there is reasonable assurance, based on past experience and reliable projection of the organization's costs, that the rate is not likely to exceed a rate based on the organization's actual costs.

e. Fixed rates may be negotiated where predetermined rates are not considered appropriate. A fixed rate, however, must not be negotiated if (i) all or a substantial portion of the organization's Federal awards are expected to expire before the carry-forward adjustment can be made; (ii) the mix of Federal and non-Federal work at the organization is too erratic to permit an equitable carry-forward adjustment; or (iii) the organization's operations fluctuate significantly from year to year.

f. Provisional and final rates must be negotiated where neither predetermined nor fixed rates are appropriate. Predetermined or fixed rates may replace provisional rates at any time prior to the close of the organization's fiscal year. If that event does not occur, a final rate will be established and upward or downward adjustments will be made based on the actual allowable costs incurred for the period involved.

g. The results of each negotiation must be formalized in a written agreement between the cognizant agency for indirect costs and the nonprofit organization. The cognizant agency for indirect costs must make available copies of the agreement to all concerned Federal agencies.

h. If a dispute arises in a negotiation of an indirect cost rate between the cognizant agency for indirect costs and the nonprofit organization, the dispute must be resolved in accordance with the appeals procedures of the cognizant agency for indirect costs.

i. To the extent that problems are encountered among the Federal agencies in connection with the negotiation and approval process, OMB will lend assistance as required to resolve such problems in a timely manner.

D. Certification of Indirect (F&A) Costs

Required Certification. No proposal to establish indirect (F&A) cost rates must be acceptable unless such costs have been certified by the non-profit organization using the Certificate of Indirect (F&A) Costs set forth in section j. of this appendix. The certificate must be signed on behalf of the organization by an individual at a level no lower than vice president or chief financial officer for the organization.

j. Each indirect cost rate proposal must be accompanied by a certification in the following form:

Certificate of Indirect (F&A) Costs

This is to certify that to the best of my knowledge and belief:

(1) I have reviewed the indirect (F&A) cost proposal submitted herewith;

(2) All costs included in this proposal [identify date] to establish billing or final indirect (F&A) costs rate for [identify period covered by rate] are allowable in accordance with the requirements of the Federal awards to which they apply and with Subpart E—Cost Principles of Part 200.

(3) This proposal does not include any costs which are unallowable under Subpart E—Cost Principles of Part 200 such as (without limitation): public relations costs, contributions and donations, entertainment costs, fines and penalties, lobbying costs, and defense of fraud proceedings; and

(4) All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the Federal awards to which they are allocated in accordance with applicable requirements.

I declare that the foregoing is true and correct.

Nonprofit Organization: _____

Signature: _____

Name of Official: _____

Title: _____

Date of Execution: _____

Appendix V to Part 200—State/Local Government and Indian Tribe-Wide Central Service Cost Allocation Plans

A. General

1. Most governmental units provide certain services, such as motor pools, computer centers, purchasing, accounting, etc., to operating agencies on a centralized basis. Since federally-supported awards are performed within the individual operating agencies, there needs to be a process whereby these central service costs can be identified and assigned to benefitted activities on a reasonable and consistent basis. The central service cost allocation plan provides that process. All costs and other data used to distribute the costs included in the plan should be supported by formal accounting and other records that will support the propriety of the costs assigned to Federal awards.

2. Guidelines and illustrations of central service cost allocation plans are provided in a brochure published by the Department of Health and Human Services entitled ''*A Guide for State, Local and Indian Tribal Governments: Cost Principles and Procedures for Developing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government*.'' A copy of this brochure may be obtained from the Superintendent of Documents, U.S. Government Printing Office.

B. Definitions

1. *Agency or operating agency* means an organizational unit or sub-division within a governmental unit that is responsible for the performance or administration of Federal awards or activities of the governmental unit.

2. *Allocated central services* means central services that benefit operating agencies but are not billed to the agencies on a fee-for-service or similar basis. These costs are allocated to benefitted agencies on some reasonable basis. Examples of such services might include general accounting, personnel administration, purchasing, etc.

3. *Billed central services* means central services that are billed to benefitted agencies or programs on an individual fee-for-service or similar basis. Typical examples of billed central services include computer services, transportation services, insurance, and fringe benefits.

4. *Cognizant agency for indirect costs* is defined in §200.19 Cognizant agency for indirect costs of this Part. The determination of cognizant agency for indirect costs for states and local governments is described in section F.1, Negotiation and Approval of Central Service Plans.

5. *Major local government* means local government that receives more than $100 million in direct Federal awards subject to this Part.

C. SCOPE OF THE CENTRAL SERVICE COST ALLOCATION PLANS

The central service cost allocation plan will include all central service costs that will be claimed (either as a billed or an allocated cost) under Federal awards and will be documented as described in section E. Costs of central services omitted from the plan will not be reimbursed.

D. SUBMISSION REQUIREMENTS

1. Each state will submit a plan to the Department of Health and Human Services for each year in which it claims central service costs under Federal awards. The plan should include (a) a projection of the next year's allocated central service cost (based either on actual costs for the most recently completed year or the budget projection for the coming year), and (b) a reconciliation of actual allocated central service costs to the estimated costs used for either the most recently completed year or the year immediately preceding the most recently completed year.

2. Each major local government is also required to submit a plan to its cognizant agency for indirect costs annually.

3. All other local governments claiming central service costs must develop a plan in accordance with the requirements described in this Part and maintain the plan and related supporting documentation for audit. These local governments are not required to submit their plans for Federal approval unless they are specifically requested to do so by the cognizant agency for indirect costs. Where a local government only receives funds as a subrecipient, the pass-through entity will be responsible for monitoring the subrecipient's plan.

4. All central service cost allocation plans will be prepared and, when required, submitted within six months prior to the beginning of each of the governmental unit's fiscal years in which it proposes to claim central service costs. Extensions may be granted by the cognizant agency for indirect costs on a case-by-case basis.

E. DOCUMENTATION REQUIREMENTS FOR SUBMITTED PLANS

The documentation requirements described in this section may be modified, expanded, or reduced by the cognizant agency for indirect costs on a case-by-case basis. For example, the requirements may be reduced for those central services which have little or no impact on Federal awards. Conversely, if a review of a plan indicates that certain additional information is needed, and will likely be needed in future years, it may be routinely requested in future plan submissions. Items marked with an asterisk (*) should be submitted only once; subsequent plans should merely indicate any changes since the last plan.

1. General

All proposed plans must be accompanied by the following: an organization chart sufficiently detailed to show operations including the central service activities of the state/local government whether or not they are shown as benefitting from central service functions; a copy of the Comprehensive Annual Financial Report (or a copy of the Executive Budget if budgeted costs are being proposed) to support the allowable costs of each central service activity included in the plan; and, a certification (see subsection 4.) that the plan was prepared in accordance with this Part, contains only allowable costs, and was prepared in a manner that treated similar costs consistently among the various Federal awards and between Federal and non-Federal awards/activities.

2. Allocated Central Services

For each allocated central service, the plan must also include the following: a brief description of the service, an identification of the unit rendering the service and the operating agencies receiving the service, the items of expense included in the cost of the service, the method used to distribute the cost of the service to benefitted agencies, and a summary schedule showing the allocation of each service to the specific benefitted agencies. If any self-insurance funds or fringe benefits costs are treated as allocated (rather than billed) central services, documentation discussed in subsections 3.b. and c. must also be included.

3. Billed Services

a. *General.* The information described in this section must be provided for all billed central services, including internal service funds, self-insurance funds, and fringe benefit funds.

b. Internal service funds.

(1) For each internal service fund or similar activity with an operating budget of $5 million or more, the plan must include: a brief description of each service; a balance sheet for each fund based on individual accounts contained in the governmental unit's accounting system; a revenue/expenses statement, with revenues broken out by source, e.g., regular billings, interest earned, etc.; a listing of all non-operating transfers (as defined by Generally Accepted Accounting Principles (GAAP)) into and out of the fund; a description of the procedures (methodology) used to charge the costs of each service to users, including how billing rates are determined; a schedule of current rates; and, a schedule comparing total revenues (including imputed revenues) generated by the service to the allowable costs of the service, as determined under this Part, with an explanation of how variances will be handled.

(2) Revenues must consist of all revenues generated by the service, including unbilled and uncollected revenues. If some users were not billed for the services (or were not billed at the full rate for that class of users), a schedule showing the full imputed revenues associated with these users must be provided. Expenses must be broken out by object cost categories (e.g., salaries, supplies, etc.).

c. *Self-insurance funds.* For each self-insurance fund, the plan must include: the fund balance sheet; a statement of revenue and expenses including a summary of billings and claims paid by agency; a listing of all non-operating transfers into and out of the fund; the type(s) of risk(s) covered by the fund (e.g., automobile liability, workers' compensation, etc.); an explanation of how the level of fund contributions are determined, including a copy of the current actuarial report (with the actuarial assumptions used) if the contributions are determined on an actuarial basis; and, a description of the procedures used to charge or allocate fund contributions to benefitted activities. Reserve levels in excess of claims (1) submitted and adjudicated but not paid, (2) submitted but not adjudicated, and (3) incurred but not submitted must be identified and explained.

d. *Fringe benefits.* For fringe benefit costs, the plan must include: a listing of fringe benefits provided to covered employees, and the overall annual cost of each type of benefit; current fringe benefit policies; and procedures used to charge or allocate the costs of the benefits to benefitted activities. In addition, for pension and post-retirement health insurance plans, the following information must be provided: the governmental unit's funding policies, e.g., legislative bills, trust agreements, or state-mandated contribution rules, if different from actuarially determined rates; the pension plan's costs accrued for the year; the amount funded, and date(s) of funding; a copy of the current actuarial report (including the actuarial assumptions); the plan trustee's report; and, a schedule from the activity showing the value of the interest cost associated with late funding.

4. Required Certification

Each central service cost allocation plan will be accompanied by a certification in the following form:

CERTIFICATE OF COST ALLOCATION PLAN

This is to certify that I have reviewed the cost allocation plan submitted herewith and to the best of my knowledge and belief:

(1) All costs included in this proposal [identify date] to establish cost allocations or billings for [identify period covered by plan] are allowable in accordance with the requirements of this Part and the Federal award(s) to which they apply. Unallowable costs have been adjusted for in allocating costs as indicated in the cost allocation plan.

(2) All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the Federal awards to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently.

I declare that the foregoing is true and correct.

Governmental Unit: _____

Signature: _____

Name of Official: _____

Title: _____

Date of Execution: _____

F. NEGOTIATION AND APPROVAL OF CENTRAL SERVICE PLANS

1. Federal Cognizant Agency for Indirect Costs Assignments for Cost Negotiation

In general, unless different arrangements are agreed to by the concerned Federal agencies, for central service cost allocation plans, the cognizant agency responsible for review and approval is the Federal agency with the largest dollar value of total Federal awards with a governmental unit. For indirect cost rates and departmental indirect cost allocation plans, the cognizant agency is the Federal agency with the largest dollar value of direct Federal awards with a governmental unit or component, as appropriate.

Once designated as the cognizant agency for indirect costs, the Federal agency must remain so for a period of five years. In addition, the following Federal agencies continue to be responsible for the indicated governmental entities:

Department of Health and Human Services—Public assistance and state-wide cost allocation plans for all states (including the District of Columbia and Puerto Rico), state and local hospitals, libraries and health districts.

Department of the Interior—Indian tribal governments, territorial governments, and state and local park and recreational districts.

Department of Labor—State and local labor departments.

Department of Education—School districts and state and local education agencies.

Department of Agriculture—State and local agriculture departments.

Department of Transportation—State and local airport and port authorities and transit districts.

Department of Commerce—State and local economic development districts.

Department of Housing and Urban Development—State and local housing and development districts.

Environmental Protection Agency—State and local water and sewer districts.

2. Review

All proposed central service cost allocation plans that are required to be submitted will be reviewed, negotiated, and approved by the cognizant agency for indirect costs on a timely basis. The cognizant agency for indirect costs will review the proposal within six months of receipt of the proposal and either negotiate/approve the proposal or advise the governmental unit of the additional documentation needed to support/evaluate the proposed plan or the changes required to make the proposal acceptable. Once an agreement with the governmental unit has been reached, the agreement will be accepted and used by all Federal agencies, unless prohibited or limited by statute. Where a Federal awarding agency has reason to believe that special operating factors affecting its Federal awards necessitate special consideration, the funding agency will, prior to the time the plans are negotiated, notify the cognizant agency for indirect costs.

3. Agreement

The results of each negotiation must be formalized in a written agreement between the cognizant agency for indirect costs and the governmental unit. This agreement will be subject to re-opening if the agreement is subsequently found to violate a statute or the information upon which the plan was negotiated is later found to be materially incomplete or inaccurate. The results of the negotiation must be made available to all Federal agencies for their use.

4. Adjustments

Negotiated cost allocation plans based on a proposal later found to have included costs that: (a) are unallowable (i) as specified by law or regulation, (ii) as identified in subpart F, General Provisions for selected Items of Cost of this Part, or (iii) by the terms and conditions of Federal awards, or (b) are unallowable because they are clearly not allocable to Federal awards, must be adjusted, or a refund must be made at the option of the cognizant agency for indirect costs, including earned or imputed interest from the date of transfer and debt interest, if applicable, chargeable in accordance with applicable Federal cognizant agency for indirect costs regulations. Adjustments or cash refunds may include, at the option of the cognizant agency for indirect costs, earned or imputed interest from the date of expenditure and delinquent debt interest, if applicable, chargeable in accordance with applicable cognizant agency claims collection regulations. These adjustments or refunds are designed to correct the plans and do not constitute a reopening of the negotiation.

G. OTHER POLICIES

1. Billed Central Service Activities

Each billed central service activity must separately account for all revenues (including imputed revenues) generated by the service, expenses incurred to furnish the service, and profit/loss.

2. Working Capital Reserves

Internal service funds are dependent upon a reasonable level of working capital reserve to operate from one billing cycle to the next. Charges by an internal service activity to provide for the establishment and maintenance of a reasonable level of working capital reserve, in addition to the full recovery of costs, are allowable. A working capital reserve as part of retained earnings of up to 60 calendar days cash expenses for normal operating purposes is considered reasonable. A working capital reserve exceeding 60 calendar days may be approved by the cognizant agency for indirect costs in exceptional cases.

3. Carry-Forward Adjustments of Allocated Central Service Costs

Allocated central service costs are usually negotiated and approved for a future fiscal year on a ''fixed with carry-forward'' basis. Under this procedure, the fixed amounts for the future year covered by agreement are not subject to adjustment for that year. However, when the actual costs of the year

involved become known, the differences between the fixed amounts previously approved and the actual costs will be carried forward and used as an adjustment to the fixed amounts established for a later year. This ''carry-forward'' procedure applies to all central services whose costs were fixed in the approved plan. However, a carry-forward adjustment is not permitted, for a central service activity that was not included in the approved plan, or for unallowable costs that must be reimbursed immediately.

4. Adjustments of Billed Central Services

Billing rates used to charge Federal awards must be based on the estimated costs of providing the services, including an estimate of the allocable central service costs. A comparison of the revenue generated by each billed service (including total revenues whether or not billed or collected) to the actual allowable costs of the service will be made at least annually, and an adjustment will be made for the difference between the revenue and the allowable costs. These adjustments will be made through one of the following adjustment methods: (a) a cash refund including earned or imputed interest from the date of transfer and debt interest, if applicable, chargeable in accordance with applicable Federal cognizant agency for indirect costs regulations to the Federal Government for the Federal share of the adjustment, (b) credits to the amounts charged to the individual programs, (c) adjustments to future billing rates, or (d) adjustments to allocated central service costs. Adjustments to allocated central services will not be permitted where the total amount of the adjustment for a particular service (Federal share and non-Federal) share exceeds $500,000. Adjustment methods may include, at the option of the cognizant agency, earned or imputed interest from the date of expenditure and delinquent debt interest, if applicable, chargeable in accordance with applicable cognizant agency claims collection regulations.

5. Records Retention

All central service cost allocation plans and related documentation used as a basis for claiming costs under Federal awards must be retained for audit in accordance with the records retention requirements contained in Subpart D—Post Federal Award Requirements, of Part 200.

6. Appeals

If a dispute arises in the negotiation of a plan between the cognizant agency for indirect costs and the governmental unit, the dispute must be resolved in accordance with the appeals procedures of the cognizant agency for indirect costs.

7. OMB Assistance

To the extent that problems are encountered among the Federal agencies or governmental units in connection with the negotiation and approval process, OMB will lend assistance, as required, to resolve such problems in a timely manner.

APPENDIX VI TO PART 200—PUBLIC ASSISTANCE COST ALLOCATION PLANS

A. GENERAL

Federally-financed programs administered by state public assistance agencies are funded predominately by the Department of Health and Human Services (HHS). In support of its stewardship requirements, HHS has published requirements for the development, documentation, submission, negotiation, and approval of public assistance cost allocation plans in Subpart E of 45 CFR Part 95. All administrative costs (direct and indirect) are normally charged to Federal awards by implementing the public assistance cost allocation plan. This Appendix extends these requirements to all Federal agencies whose programs are administered by a state public assistance agency. Major federally-financed programs typically administered by state public assistance agencies include: Temporary Aid to Needy Families (TANF), Medicaid, Food Stamps, Child Support Enforcement, Adoption Assistance and Foster Care, and Social Services Block Grant.

B. DEFINITIONS

1. *State public assistance agency* means a state agency administering or supervising the administration of one or more public assistance programs operated by the state as identified in Subpart E of 45 CFR Part 95. For the purpose of this Appendix, these programs include all programs administered by the state public assistance agency.

2. *State public assistance agency costs* means all costs incurred by, or allocable to, the state public assistance agency, except expenditures for financial assistance, medical contractor payments, food stamps, and payments for services and goods provided directly to program recipients.

C. POLICY

State public assistance agencies will develop, document and implement, and the Federal Government will review, negotiate, and approve, public assistance cost allocation plans in accordance with Subpart E of 45 CFR Part 95. The plan will include all programs administered by the state public assistance agency. Where a letter of approval or disapproval is transmitted to a state public assistance agency in accordance with Subpart E, the letter will apply to all Federal agencies and programs. The remaining

sections of this Appendix (except for the requirement for certification) summarize the provisions of Subpart E of 45 CFR Part 95.

D. SUBMISSION, DOCUMENTATION, AND APPROVAL OF PUBLIC ASSISTANCE COST ALLOCATION PLANS

1. State public assistance agencies are required to promptly submit amendments to the cost allocation plan to HHS for review and approval.

2. Under the coordination process outlined in section E, Review of Implementation of Approved Plans, affected Federal agencies will review all new plans and plan amendments and provide comments, as appropriate, to HHS. The effective date of the plan or plan amendment will be the first day of the calendar quarter following the event that required the amendment, unless another date is specifically approved by HHS. HHS, as the cognizant agency for indirect costs acting on behalf of all affected Federal agencies, will, as necessary, conduct negotiations with the state public assistance agency and will inform the state agency of the action taken on the plan or plan amendment.

E. REVIEW OF IMPLEMENTATION OF APPROVED PLANS

1. Since public assistance cost allocation plans are of a narrative nature, the review during the plan approval process consists of evaluating the appropriateness of the proposed groupings of costs (cost centers) and the related allocation bases. As such, the Federal government needs some assurance that the cost allocation plan has been implemented as approved. This is accomplished by reviews by the funding agencies, single audits, or audits conducted by the cognizant audit agency.

2. Where inappropriate charges affecting more than one funding agency are identified, the cognizant HHS cost negotiation office will be advised and will take the lead in resolving the issue(s) as provided for in Subpart E of 45 CFR Part 95.

3. If a dispute arises in the negotiation of a plan or from a disallowance involving two or more funding agencies, the dispute must be resolved in accordance with the appeals procedures set out in 45 CFR Part 16. Disputes involving only one funding agency will be resolved in accordance with the Federal awarding agency's appeal process.

4. To the extent that problems are encountered among the Federal agencies or governmental units in connection with the negotiation and approval process, the Office of Management and Budget will lend assistance, as required, to resolve such problems in a timely manner.

F. UNALLOWABLE COSTS

Claims developed under approved cost allocation plans will be based on allowable costs as identified in this Part. Where unallowable costs have been claimed and reimbursed, they will be refunded to the program that reimbursed the unallowable cost using one of the following methods: (a) a cash refund, (b) offset to a subsequent claim, or (c) credits to the amounts charged to individual Federal awards. Cash refunds, offsets, and credits may include at the option of the cognizant agency for indirect cost, earned or imputed interest from the date of expenditure and delinquent debt interest, if applicable, chargeable in accordance with applicable cognizant agency for indirect cost claims collection regulations.

APPENDIX VII TO PART 200—STATES AND LOCAL GOVERNMENT AND INDIAN TRIBE INDIRECT COST PROPOSALS

A. GENERAL

1. Indirect costs are those that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. After direct costs have been determined and assigned directly to Federal awards and other activities as appropriate, indirect costs are those remaining to be allocated to benefitted cost objectives. A cost may not be allocated to a Federal award as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been assigned to a Federal award as a direct cost.

2. Indirect costs include (a) the indirect costs originating in each department or agency of the governmental unit carrying out Federal awards and (b) the costs of central governmental services distributed through the central service cost allocation plan (as described in Appendix V to Part 200—State/Local Government and Indian Tribe-Wide Central Service Cost Allocation Plans) and not otherwise treated as direct costs.

3. Indirect costs are normally charged to Federal awards by the use of an indirect cost rate. A separate indirect cost rate(s) is usually necessary for each department or agency of the governmental unit claiming indirect costs under Federal awards. Guidelines and illustrations of indirect cost proposals are provided in a brochure published by the Department of Health and Human Services entitled ''*A Guide for States and Local Government Agencies: Cost Principles and Procedures for Establishing Cost Allocation Plans and Indirect Cost Rates for Grants and Contracts with*

the Federal Government.'' A copy of this brochure may be obtained from the Superintendent of Documents, U.S. Government Printing Office.

4. Because of the diverse characteristics and accounting practices of governmental units, the types of costs which may be classified as indirect costs cannot be specified in all situations. However, typical examples of indirect costs may include certain state/local-wide central service costs, general administration of the non-Federal entity accounting and personnel services performed within the non-Federal entity, depreciation on buildings and equipment, the costs of operating and maintaining facilities.

5. This Appendix does not apply to state public assistance agencies. These agencies should refer instead to Appendix VII to Part 200—States and Local Government and Indian Tribe Indirect Cost Proposals.

B. DEFINITIONS

1. *Base* means the accumulated direct costs (normally either total direct salaries and wages or total direct costs exclusive of any extraordinary or distorting expenditures) used to distribute indirect costs to individual Federal awards. The direct cost base selected should result in each Federal award bearing a fair share of the indirect costs in reasonable relation to the benefits received from the costs.

2. *Base period* for the allocation of indirect costs is the period in which such costs are incurred and accumulated for allocation to activities performed in that period. The base period normally should coincide with the governmental unit's fiscal year, but in any event, must be so selected as to avoid inequities in the allocation of costs.

3. *Cognizant agency for indirect costs* means the Federal agency responsible for reviewing and approving the governmental unit's indirect cost rate(s) on the behalf of the Federal government. The cognizant agency for indirect costs assignment is described in Appendix VI, section F, Negotiation and Approval of Central Service Plans.

4. *Final rate* means an indirect cost rate applicable to a specified past period which is based on the actual allowable costs of the period. A final audited rate is not subject to adjustment.

5. *Fixed rate* means an indirect cost rate which has the same characteristics as a predetermined rate, except that the difference between the estimated costs and the actual, allowable costs of the period covered by the rate is carried forward as an adjustment to the rate computation of a subsequent period.

6. *Indirect cost pool* is the accumulated costs that jointly benefit two or more programs or other cost objectives.

7. *Indirect cost rate* is a device for determining in a reasonable manner the proportion of indirect costs each program should bear. It is the ratio (expressed as a percentage) of the indirect costs to a direct cost base.

8. *Indirect cost rate proposal* means the documentation prepared by a governmental unit or subdivision thereof to substantiate its request for the establishment of an indirect cost rate.

9. *Predetermined rate* means an indirect cost rate, applicable to a specified current or future period, usually the governmental unit's fiscal year. This rate is based on an estimate of the costs to be incurred during the period. Except under very unusual circumstances, a predetermined rate is not subject to adjustment. (Because of legal constraints, predetermined rates are not permitted for Federal contracts; they may, however, be used for grants or cooperative agreements.) Predetermined rates may not be used by governmental units that have not submitted and negotiated the rate with the cognizant agency for indirect costs. In view of the potential advantages offered by this procedure, negotiation of predetermined rates for indirect costs for a period of two to four years should be the norm in those situations where the cost experience and other pertinent facts available are deemed sufficient to enable the parties involved to reach an informed judgment as to the probable level of indirect costs during the ensuing accounting periods.

10. *Provisional rate* means a temporary indirect cost rate applicable to a specified period which is used for funding, interim reimbursement, and reporting indirect costs on Federal awards pending the establishment of a ''final'' rate for that period.

C. ALLOCATION OF INDIRECT COSTS AND DETERMINATION OF INDIRECT COST RATES

1. General

a. Where a governmental unit's department or agency has only one major function, or where all its major functions benefit from the indirect costs to approximately the same degree, the allocation of indirect costs and the computation of an indirect cost rate may be accomplished through simplified allocation procedures as described in subsection 2.

b. Where a governmental unit's department or agency has several major functions which benefit from its indirect costs in varying degrees, the allocation of indirect costs may require the accumulation of such costs into separate cost groupings which then are allocated individually to benefitted functions by means of a base which best measures the relative degree of benefit. The indirect costs allocated to each function are then distributed to individual Federal awards and other activities included in that function by means of an indirect cost rate(s).

c. Specific methods for allocating indirect costs and computing indirect cost rates along with the conditions under which each

method should be used are described in subsections 2, 3 and 4.

2. Simplified Method

a. Where a non-Federal entity's major functions benefit from its indirect costs to approximately the same degree, the allocation of indirect costs may be accomplished by (1) classifying the non-Federal entity'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 individual Federal awards. The rate should be expressed as the percentage which the total amount of allowable indirect costs bears to the base selected. This method should also be used where a governmental unit's department or agency has only one major function encompassing a number of individual projects or activities, and may be used where the level of Federal awards to that department or agency is relatively small.

b. Both the direct costs and the indirect costs must exclude capital expenditures and unallowable costs. However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable.

c. The distribution base may be (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, subcontracts in excess of $25,000, participant support costs, etc.), (2) direct salaries and wages, or (3) another base which results in an equitable distribution.

3. Multiple Allocation Base Method

a. Where a non-Federal entity's indirect costs benefit its major functions in varying degrees, such costs must be accumulated into separate cost groupings. Each grouping must then be allocated individually to benefitted functions by means of a base which best measures the relative benefits.

b. The cost groupings should be established so as to permit the allocation of each grouping on the basis of benefits provided to the major functions. Each grouping should constitute a pool of expenses that are of like character in terms of the functions they benefit and in terms of the allocation base which best measures the relative benefits provided to each function. The number of separate groupings should be held within practical limits, taking into consideration the materiality of the amounts involved and the degree of precision needed.

c. Actual conditions must be taken into account in selecting the base to be used in allocating the expenses in each grouping to benefitted functions. When an allocation can be made by assignment of a cost grouping directly to the function benefitted, the allocation must be made in that manner. When the expenses in a grouping are more general in nature, the allocation should be made through the use of a selected base which produces results that are equitable to both the Federal government and the governmental unit. In general, any cost element or related factor associated with the governmental unit's activities is potentially adaptable for use as an allocation base provided that: (1) it can readily be expressed in terms of dollars or other quantitative measures (total direct costs, direct salaries and wages, staff hours applied, square feet used, hours of usage, number of documents processed, population served, and the like), and (2) it is common to the benefitted functions during the base period.

d. Except where a special indirect cost rate(s) is required in accordance with paragraph (C)(4) of this Appendix, the separate groupings of indirect costs allocated to each major function must be aggregated and treated as a common pool for that function. The costs in the common pool must then be distributed to individual Federal awards included in that function by use of a single indirect cost rate.

e. The distribution base used in computing the indirect cost rate for each function may be (1) total direct costs (excluding capital expenditures and other distorting items such as pass-through funds, subcontracts in excess of $25,000, participant support costs, etc.), (2) direct salaries and wages, or (3) another base which results in an equitable distribution. An indirect cost rate should be developed for each separate indirect cost pool developed. The rate in each case should be stated as the percentage relationship between the particular indirect cost pool and the distribution base identified with that pool.

4. Special Indirect Cost Rates

a. In some instances, a single indirect cost rate for all activities of a non-Federal entity or for each major function of the agency may not be appropriate. It may not take into account those different factors which may substantially affect the indirect costs applicable to a particular program or group of programs. The factors may include the physical location of the work, the level of administrative support required, the nature of the facilities or other resources employed, the organizational arrangements used, or any combination thereof. When a particular Federal award is carried out in an environment which appears to generate a significantly different level of indirect costs, provisions should be made for a separate indirect cost pool applicable to that Federal award. The separate indirect cost pool should be developed during the course of the regular allocation process, and the separate indirect cost

rate resulting therefrom should be used, provided that: (1) The rate differs significantly from the rate which would have been developed under paragraphs (C)(2) and (C)(3) of this Appendix, and (2) the Federal award to which the rate would apply is material in amount.

b. Where Federal statutes restrict the reimbursement of certain indirect costs, it may be necessary to develop a special rate for the affected Federal award. Where a ''restricted rate'' is required, the same procedure for developing a non-restricted rate will be used except for the additional step of the elimination from the indirect cost pool those costs for which the law prohibits reimbursement.

D. SUBMISSION AND DOCUMENTATION OF PROPOSALS

1. Submission of Indirect Cost Rate Proposals

a. All departments or agencies of the governmental unit desiring to claim indirect costs under Federal awards must prepare an indirect cost rate proposal and related documentation to support those costs. The proposal and related documentation must be retained for audit in accordance with the records retention requirements contained in the Common Rule.

b. A governmental department or agency unit that receives more than $35 million in direct Federal funding must submit its indirect cost rate proposal to its cognizant agency for indirect costs. Other governmental department or agency must develop an indirect cost proposal in accordance with the requirements of this Part and maintain the proposal and related supporting documentation for audit. These governmental departments or agencies are not required to submit their proposals unless they are specifically requested to do so by the cognizant agency for indirect costs. Where a non-Federal entity only receives funds as a subrecipient, the pass-through entity will be responsible for negotiating and/or monitoring the subrecipient's indirect costs.

c. Each Indian tribal government desiring reimbursement of indirect costs must submit its indirect cost proposal to the Department of the Interior (its cognizant agency for indirect costs).

d. Indirect cost proposals must be developed (and, when required, submitted) within six months after the close of the governmental unit's fiscal year, unless an exception is approved by the cognizant agency for indirect costs. If the proposed central service cost allocation plan for the same period has not been approved by that time, the indirect cost proposal may be prepared including an amount for central services that is based on the latest federally-approved central service cost allocation plan. The difference between these central service amounts and the amounts ultimately approved will be compensated for by an adjustment in a subsequent period.

2. Documentation of Proposals

The following must be included with each indirect cost proposal:

a. The rates proposed, including subsidiary work sheets and other relevant data, cross referenced and reconciled to the financial data noted in subsection b. Allocated central service costs will be supported by the summary table included in the approved central service cost allocation plan. This summary table is not required to be submitted with the indirect cost proposal if the central service cost allocation plan for the same fiscal year has been approved by the cognizant agency for indirect costs and is available to the funding agency.

b. A copy of the financial data (financial statements, comprehensive annual financial report, executive budgets, accounting reports, etc.) upon which the rate is based. Adjustments resulting from the use of unaudited data will be recognized, where appropriate, by the Federal cognizant agency for indirect costs in a subsequent proposal.

c. The approximate amount of direct base costs incurred under Federal awards. These costs should be broken out between salaries and wages and other direct costs.

d. A chart showing the organizational structure of the agency during the period for which the proposal applies, along with a functional statement(s) noting the duties and/or responsibilities of all units that comprise the agency. (Once this is submitted, only revisions need be submitted with subsequent proposals.)

3. Required certification.

Each indirect cost rate proposal must be accompanied by a certification in the following form:

CERTIFICATE OF INDIRECT COSTS

This is to certify that I have reviewed the indirect cost rate proposal submitted herewith and to the best of my knowledge and belief:

(1) All costs included in this proposal [identify date] to establish billing or final indirect costs rates for [identify period covered by rate] are allowable in accordance with the requirements of the Federal award(s) to which they apply and the provisions of this Part. Unallowable costs have been adjusted for in allocating costs as indicated in the indirect cost proposal

(2) All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the agreements to which they are allocated in accordance with applicable requirements. Further,

the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently and the Federal government will be notified of any accounting changes that would affect the predetermined rate.

I declare that the foregoing is true and correct.

Governmental Unit: _____
Signature: _____
Name of Official: _____
Title: _____
Date of Execution: _____

E. NEGOTIATION AND APPROVAL OF RATES.

1. Indirect cost rates will be reviewed, negotiated, and approved by the cognizant agency on a timely basis. Once a rate has been agreed upon, it will be accepted and used by all Federal agencies unless prohibited or limited by statute. Where a Federal awarding agency has reason to believe that special operating factors affecting its Federal awards necessitate special indirect cost rates, the funding agency will, prior to the time the rates are negotiated, notify the cognizant agency for indirect costs.

2. The use of predetermined rates, if allowed, is encouraged where the cognizant agency for indirect costs has reasonable assurance based on past experience and reliable projection of the non-Federal entity's costs, that the rate is not likely to exceed a rate based on actual costs. Long-term agreements utilizing predetermined rates extending over two or more years are encouraged, where appropriate.

3. The results of each negotiation must be formalized in a written agreement between the cognizant agency for indirect costs and the governmental unit. This agreement will be subject to re-opening if the agreement is subsequently found to violate a statute, or the information upon which the plan was negotiated is later found to be materially incomplete or inaccurate. The agreed upon rates must be made available to all Federal agencies for their use.

4. Refunds must be made if proposals are later found to have included costs that (a) are unallowable (i) as specified by law or regulation, (ii) as identified in §200.420 Considerations for selected items of cost, of this Part, or (iii) by the terms and conditions of Federal awards, or (b) are unallowable because they are clearly not allocable to Federal awards. These adjustments or refunds will be made regardless of the type of rate negotiated (predetermined, final, fixed, or provisional).

F. OTHER POLICIES

1. Fringe Benefit Rates

If overall fringe benefit rates are not approved for the governmental unit as part of the central service cost allocation plan, these rates will be reviewed, negotiated and approved for individual recipient agencies during the indirect cost negotiation process. In these cases, a proposed fringe benefit rate computation should accompany the indirect cost proposal. If fringe benefit rates are not used at the recipient agency level (i.e., the agency specifically identifies fringe benefit costs to individual employees), the governmental unit should so advise the cognizant agency for indirect costs.

2. Billed Services Provided by the Recipient Agency

In some cases, governmental departments or agencies (components of the governmental unit) provide and bill for services similar to those covered by central service cost allocation plans (e.g., computer centers). Where this occurs, the governmental departments or agencies (components of the governmental unit)should be guided by the requirements in Appendix VI relating to the development of billing rates and documentation requirements, and should advise the cognizant agency for indirect costs of any billed services. Reviews of these types of services (including reviews of costing/billing methodology, profits or losses, etc.) will be made on a case-by-case basis as warranted by the circumstances involved.

3. Indirect Cost Allocations Not Using Rates

In certain situations, governmental departments or agencies (components of the governmental unit), because of the nature of their Federal awards, may be required to develop a cost allocation plan that distributes indirect (and, in some cases, direct) costs to the specific funding sources. In these cases, a narrative cost allocation methodology should be developed, documented, maintained for audit, or submitted, as appropriate, to the cognizant agency for indirect costs for review, negotiation, and approval.

4. Appeals

If a dispute arises in a negotiation of an indirect cost rate (or other rate) between the cognizant agency for indirect costs and the governmental unit, the dispute must be resolved in accordance with the appeals procedures of the cognizant agency for indirect costs.

5. Collection of Unallowable Costs and Erroneous Payments

Costs specifically identified as unallowable and charged to Federal awards either directly or indirectly will be refunded (including interest chargeable in accordance with applicable Federal cognizant agency for indirect costs regulations).

6. OMB Assistance

To the extent that problems are encountered among the Federal agencies or governmental units in connection with the negotiation and approval process, OMB will lend assistance, as required, to resolve such problems in a timely manner.

APPENDIX VIII TO PART 200—NONPROFIT ORGANIZATIONS EXEMPTED FROM SUBPART E—COST PRINCIPLES OF PART 200

1. Advance Technology Institute (ATI), Charleston, South Carolina
2. Aerospace Corporation, El Segundo, California
3. American Institutes of Research (AIR), Washington, DC
4. Argonne National Laboratory, Chicago, Illinois
5. Atomic Casualty Commission, Washington, DC
6. Battelle Memorial Institute, Headquartered in Columbus, Ohio
7. Brookhaven National Laboratory, Upton, New York
8. Charles Stark Draper Laboratory, Incorporated, Cambridge, Massachusetts
9. CNA Corporation (CNAC), Alexandria, Virginia
10. Environmental Institute of Michigan, Ann Arbor, Michigan
11. Georgia Institute of Technology/Georgia Tech Applied Research Corporation/Georgia Tech Research Institute, Atlanta, Georgia
12. Hanford Environmental Health Foundation, Richland, Washington
13. IIT Research Institute, Chicago, Illinois
14. Institute of Gas Technology, Chicago, Illinois
15. Institute for Defense Analysis, Alexandria, Virginia
16. LMI, McLean, Virginia
17. Mitre Corporation, Bedford, Massachusetts
18. Noblis, Inc., Falls Church, Virginia
19. National Radiological Astronomy Observatory, Green Bank, West Virginia
20. National Renewable Energy Laboratory, Golden, Colorado
21. Oak Ridge Associated Universities, Oak Ridge, Tennessee
22. Rand Corporation, Santa Monica, California
23. Research Triangle Institute, Research Triangle Park, North Carolina
24. Riverside Research Institute, New York, New York
25. South Carolina Research Authority (SCRA), Charleston, South Carolina
26. Southern Research Institute, Birmingham, Alabama
27. Southwest Research Institute, San Antonio, Texas
28. SRI International, Menlo Park, California
29. Syracuse Research Corporation, Syracuse, New York
30. Universities Research Association, Incorporated (National Acceleration Lab), Argonne, Illinois
31. Urban Institute, Washington DC
32. Non-profit insurance companies, such as Blue Cross and Blue Shield Organizations
33. Other non-profit organizations as negotiated with Federal awarding agencies

APPENDIX IX TO PART 200—HOSPITAL COST PRINCIPLES

Based on initial feedback, OMB proposes to establish a review process to consider existing hospital cost determine how best to update and align them with this Part. Until such time as revised guidance is proposed and implemented for hospitals, the existing principles located at 45 CFR Part 74 Appendix E, entitled ''Principles for Determining Cost Applicable to Research and Development Under Grants and Contracts with Hospitals,'' remain in effect.

APPENDIX X TO PART 200—DATA COLLECTION FORM (FORM SF–SAC)

The Data Collection Form SF–SAC is available on the FAC Web site.

APPENDIX XI TO PART 200—COMPLIANCE SUPPLEMENT

The compliance supplement is available on the OMB Web site: (e.g. for 2013 here *http://www.whitehouse.gov/omb/circulars/)*

SECTION 9

Claiming Instructions

EXHIBIT 1

JOHN CHIANG
California State Controller
Division of Accounting and Reporting

April 28, 2014

TO: CITY FISCAL OFFICERS
COUNTY AUDITORS

RE: Interagency Child Abuse and Neglect (ICAN) Investigation Reports
Claiming Instructions Number 2014-03R – Revised Forms

Forms for the Interagency Child Abuse and Neglect (ICAN) Investigation Reports program for fiscal years 1999-00 through 2012-13 have been revised and are now available online at the State Controller's Office's (SCO) website: http://www.sco.ca.gov/ard_mancost.html.

Due to the revision, here are two options to file the reimbursement claims:

1. If reimbursement claims are not yet submitted, please use the revised forms.
2. If reimbursement claims were already submitted using the old forms, claimants may resubmit using the revised forms. If claimants choose not to resubmit, the SCO will make the necessary corrections on the submitted reimbursement claims.

Costs incurred for compliance with this mandate are reimbursable for fiscal years **1999-00** through **2012-13** and must be filed with the SCO by **July 15, 2014.** Claims filed after July 15, 2014 are subject to a 10% late penalty without limitation. **Claims filed more than one year after the filing date will not be accepted.**

Please forward this notice to the person in your Business Office responsible for filing SB-90 claims. Questions regarding this program may be e-mailed to LRSDAR@sco.ca.gov or you may call the Local Reimbursements Section at (916) 324-5729.

Sincerely,

(Original Signed By)

JAY LAL, Manager
Local Reimbursements Section

MAILING ADDRESS P.O. Box 942850, Sacramento, CA 94250
STREET ADDRESS 3301 C Street, Suite 700, Sacramento, CA 95816

OFFICE OF THE STATE CONTROLLER

STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2014-03R

INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS

LOCAL AGENCIES

MARCH 17, 2014

REVISED APRIL 28, 2014

In accordance with Government Code (GC) sections 17560 and 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of costs incurred for state-mandated cost programs. This document contains claiming instructions and forms that eligible claimants must use for filing claims for the Interagency Child Abuse and Neglect (ICAN) Investigation Reports program. The Parameters and Guidelines (P's & G's) are included as an integral part of the claiming instructions.

On December 19, 2007, the Commission on State Mandates (Commission) adopted a statement of decision finding that the test claim statute imposes a partially reimbursable state-mandated program upon local agencies within the meaning of Article XIII B, section 6 of the California Constitution and GC section 17514.

Exception

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

Eligible Claimants

Any city or county, as defined in GC sections 17511 and 17515, that incurs increased costs as a result of this mandate is eligible to claim for reimbursement.

Reimbursement Claim Deadline

Initial reimbursement claims must be filed within 120 days from the issuance date of the claiming instructions. Costs incurred for compliance with this mandate are reimbursable for the period **1999-00** through **2012-13** and must be filed with the SCO by **July 15, 2014**. **Claims filed more than one year after the filing date will not be accepted.**

Penalty

- **Initial Claims**

  When filed within one year of the initial filing deadline, claims are assessed a late penalty of 10% of the total amount of the initial claim without limitation pursuant to GC section 17561, subdivision (d)(3).

- **Annual Reimbursement Claim**

  When filed within one year of the annual filing deadline, claims are assessed a late penalty of 10% of the claim amount; $10,000 maximum penalty, pursuant to GC section 17568.

Minimum Claim Cost

GC section 17564, subdivision (a), provides that no claim may be filed pursuant to Sections 17551 and 17561, unless such a claim exceeds one thousand dollars (**$1,000**).

Reimbursement of Claims

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. These costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is 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, these documents cannot be substituted for source documents.

Audit of Costs

All claims submitted to the SCO are subject to review to determine if costs are related to the mandate, are reasonable and not excessive, and if the claim was prepared in accordance with the SCO's claiming instructions and the P's & G's adopted by the CSM. If any adjustments are made to a claim, the claimant will be notified of the amount adjusted, and the reason for the adjustment.

On-site audits will be conducted by the SCO as deemed necessary. Pursuant to GC section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a claimant is subject to audit by the SCO no later than three years after the date the actual reimbursement claim was filed or last amended, whichever is later. However, if no funds were appropriated or no payment was made to a claimant for the program for the fiscal year for which the claim was filed, the time for the SCO to initiate an audit will commence to run from the date of initial payment of the claim.

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

Record Retention

All documentation to support actual costs claimed must be retained for a period of three years after the date the claim was filed or last amended, whichever is later. If no funds were appropriated or no payment was made at the time the claim was filed, the time for the Controller to initiate an audit will be from the date of initial payment of the claim. Therefore, all documentation to support actual costs claimed must be retained for the same period, and must be made available to the SCO on request.

Claim Submission

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

Use the following mailing addresses:

If delivered by
U.S. Postal Service:

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

If delivered by
other delivery services:

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

If you have any questions, you may e-mail **LRSDAR@sco.ca.gov** or call the Local Reimbursements Section at (916) 324-5729.

Adopted: December 6, 2013

PARAMETERS AND GUIDELINES

Penal Code Sections 11165.9, 11166, 11166.2, 11166.9[1], 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapters 1289 and 1496; Statutes 1987, Chapters 82, 531, and 1459; Statutes 1988, Chapters 269, 1497, and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapters 650, 1330, 1363, and 1603; Statutes 1992, Chapters 163, 459, and 1338; Statutes 1993, Chapters 219 and 510; Statutes 1996, Chapters 1080 and 1081; Statutes 1997, Chapters 842, 843, and 844; Statutes 1999, Chapters 475 and 1012; and Statutes 2000, Chapter 916

California Code of Regulations, Title 11, Section 903 (Register 98, Number 29)

"Child Abuse Investigation Report" Form SS 8583 (Rev. 3/91)

Interagency Child Abuse and Neglect Investigation Reports
00-TC-22

Period of reimbursement begins July 1, 1999,
or later for specified activities added by subsequent statutes.

I. SUMMARY OF THE MANDATE

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

The act, as amended, provides for reporting of suspected child abuse or neglect by certain individuals, identified by their profession as having frequent contact with children. The act provides rules and procedures for local agencies, including law enforcement, receiving such reports. The act provides for cross-reporting among law enforcement and other child protective agencies, and to licensing agencies and district attorneys' offices. The act requires reporting to the DOJ when a report of suspected child abuse is "not unfounded." The act requires an active investigation before a report can be forwarded to the DOJ. As of January 1, 2012, the act no longer requires law enforcement agencies to report to the DOJ, and now requires reporting only of "substantiated" reports by other agencies. The act imposes additional cross-reporting and recordkeeping duties in the event of a child's death from abuse or neglect. The act requires agencies and the DOJ to keep records of investigations for a minimum of 10 years, and to notify

[1] Renumbered at Penal Code section 11174.34 (Stats. 2004, ch. 842 (SB 1313)).

suspected child abusers that they have been listed in the Child Abuse Central Index. The act imposes certain due process protections owed to persons listed in the index, and provides certain other situations in which a person would be notified of his or her listing in the index.

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

II. ELIGIBLE CLAIMANTS

Any city, county, and city and county that incurs increased costs as a result of this mandate is eligible to claim reimbursement.

III. PERIOD OF REIMBURSEMENT

Government Code section 17557(e) states that a test claim shall be submitted on or before June 30 following a given fiscal year to establish eligibility for that fiscal year. The County of Los Angeles filed the test claim on June 29, 2001, establishing eligibility for reimbursement for the 1999-2000 fiscal year. Therefore, costs incurred on or after July 1, 1999 are reimbursable under this test claim, for statutes in effect before July 1, 1999, or later periods as specified for statutes effective after July 1, 1999.

However, Penal Code section 11169 was amended in Statutes 2011, chapter 468 (AB 717), effective January 1, 2012, to repeal the mandate for law enforcement agencies to report to DOJ, and to require that all other affected departments in the local agencies report to DOJ only "substantiated" reports of suspected child abuse, and not "inconclusive" reports. Thus, law enforcement agencies are eligible for reimbursement for the costs of completing investigations of suspected child abuse in order to determine whether a report of suspected child abuse is unfounded, inconclusive, or substantiated, for the purpose of forwarding those reports to DOJ from July 1, 1999 until December 31, 2011, when the mandate was repealed. In addition, law enforcement agencies are eligible for reimbursement for the costs of notifying suspected abusers that they have been listed in the Child Abuse Central Index at the time that a report is submitted to DOJ from July 1, 1999 until December 31, 2011, when the mandate to forward reports to DOJ was repealed.

For all other affected departments in the local agencies, the reimbursement period for forwarding reports that are "inconclusive" to DOJ is from July 1, 1999 until December 31, 2011, due to a subsequent change in Penal Code section 11169 by Statutes 2011, chapter 468 (AB 717). On and after January 1, 2012, only forwarding reports to DOJ that are "substantiated" is reimbursable.

Reimbursement for state-mandated costs may be claimed as follows:

1. Actual costs for one fiscal year shall be included in each claim.
2. Pursuant to Government Code section 17561(d)(1)(A), all claims for reimbursement of initial fiscal year costs shall be submitted to the State Controller within 120 days of the issuance date for the claiming instructions.
3. Pursuant to Government Code section 17560(a), a local agency may, by February 15 following the fiscal year in which costs were incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year.
4. If revised claiming instructions are issued by the Controller pursuant to Government Code section 17558(c), 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. (Government Code section 17560(b).)
5. If the total costs for a given fiscal year do not exceed $1,000, no reimbursement shall be allowed except as otherwise allowed by Government Code section 17564(a).
6. There shall be no reimbursement for any period in which the Legislature has suspended the operation of a mandate pursuant to state law.

IV. REIMBURSABLE ACTIVITIES

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed.

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

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

Claimants may use time studies to support salary and benefit costs when an activity is task-repetitive. Activities that require varying levels of effort are not appropriate for time studies. Claimants wishing to use time studies to support salary and benefit costs are required to comply with the State Controller's Time-Study Guidelines before a time study is conducted. 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 below. Increased cost is limited to the cost of an activity that the claimant is required to incur as a result of the mandate.

For each eligible claimant that incurs increased costs, the following activities are reimbursable:

A. <u>One-Time Activities</u>

1. Policies and Procedures

City and county police or sheriff's departments, county welfare departments, and county probation departments where designated by the county to receive mandated reports, may claim reimbursement for the increased costs to:

a. Update Departmental policies and procedures necessary to comply with the reimbursable activities identified in IV B. (One-time costs only)

b. Develop ICAN due process procedures reasonably necessary to comply with federal due process procedural protections under the 14th Amendment which need to be afforded suspects reported to the DOJ's Child Abuse Central Index [CACI]. (One-time costs only)

2. Training

City and county police or sheriff's departments, county welfare departments, and county probation departments where designated by the county to receive mandated reports, may claim reimbursement for the increased costs to:

> Develop and implement training for ICAN staff to implement State Department of Justice (DOJ) ICAN requirements. Reimbursable specialized ICAN training costs include those incurred to compensate instructors for their time in participating in training sessions and to provide necessary facilities, training materials and audio visual presentations. (One time per employee whose job responsibilities involve ICAN mandated activities)

B. <u>On-going Activities</u>

1. Distributing the Suspected Child Abuse Report Form

City and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall:

a. Distribute the child abuse reporting form adopted by DOJ (currently known as the "Suspected Child Abuse Report" Form SS 8572) to mandated reporters.[2]

2. Reporting Between Local Departments

a. <u>Accepting and Referring Initial Child Abuse Reports when a Department Lacks Jurisdiction:</u>

City and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall:

Transfer a call electronically or immediately refer the case by telephone, fax, or electronic transmission, to an agency with proper jurisdiction, whenever the

[2] Penal Code section 11168, as added by Statutes 1980, chapter 1071 and amended by Statutes 2000, chapter 916.

department lacks subject matter or geographical jurisdiction over an incoming report of suspected child abuse or neglect.[3]

b. Cross-Reporting of Suspected Child Abuse or Neglect from County Welfare and Probation Departments to the Law Enforcement Agency with Jurisdiction and the District Attorney's Office:

1) County probation departments shall:

i. Report by telephone immediately, or as soon as practically possible, to the law enforcement agency having jurisdiction over the case, to the agency given the responsibility for investigation of cases under Section 300 of the Welfare and Institutions Code, and to the district attorney's office every known or suspected instance of child abuse, as defined in Penal Code section 11165.6, except acts or omissions coming within subdivision (b) of section 11165.2, or reports made pursuant to section 11165.13 based on risk to a child which relates solely to the inability of the parent to provide the child with regular care due to the parent's substance abuse, which shall be reported only to the county welfare department.

ii. Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under Penal Code section 11166.

As of January 1, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours.[4]

2) County welfare departments shall:

i. Report by telephone immediately, or as soon as practically possible, to the agency given the responsibility for investigation of cases under Section 300 of the Welfare and Institutions Code, and to the district attorney's office every known or suspected instance of child abuse, as defined in Penal Code section 11165.6, except acts or omissions coming within subdivision (b) of section 11165.2, or reports made pursuant to section 11165.13 based on risk to a child which relates solely to the inability of the parent to provide the child with regular care due to the parent's substance abuse, which shall be reported only to the county welfare department.

Reimbursement is not required for making an initial report of child abuse and neglect from a county welfare department to the law enforcement

[3] Penal Code sections 11165.9 (Stats. 2000, ch. 916, § 8 (AB 1241)).

[4] Penal Code section 11166 (h) (As added by Stats. 1980, ch. 1071; amended by Stats. 1981, ch. 435; Stats. 1982, ch. 905; Stats. 1984, ch. 1423; Stats. 1986, ch. 1289; Stats. 1987, ch. 1459; Stats. 1988, chs. 269 and 1580; Stats. 1990, ch. 1603; Stats. 1992, ch. 459; Stats. 1993, ch. 510; Stats. 1996, chs. 1080 and 1081; and Stats. 2000, ch. 916 (AB 1241)). Renumbered at subdivision (i) by Statutes 2004, chapter 842 (SB 1313), and renumbered again at subdivision (j) by Statutes 2005, chapter 42 (AB 299).

agency having jurisdiction over the case, which was required under prior law to be made "without delay."

ii. Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency, including the law enforcement agency having jurisdiction over the case, to which it is required to make a telephone report under Penal Code section 11166.

As of January 1, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours.[5]

c. Cross-Reporting of Suspected Child Abuse or Neglect from the Law Enforcement Agency to the County Welfare and Institutions Code Section 300 Agency, County Welfare, and the District Attorney's Office:

City and county police or sheriff's departments shall:

1) Report by telephone immediately, or as soon as practically possible, to the agency given responsibility for investigation of cases under Welfare and Institutions Code section 300 and to the district attorney's office every known or suspected instance of child abuse reported to it, except acts or omissions coming within Penal Code section 11165.2(b), which shall be reported only to the county welfare department.[6]

2) Report to the county welfare department every known or suspected instance of child abuse reported to it which is alleged to have occurred as a result of the action of a person responsible for the child's welfare, or as the result of the failure of a person responsible for the child's welfare to adequately protect the minor from abuse when the person responsible for the child's welfare knew or reasonably should have known that the minor was in danger of abuse.

3) Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under Penal Code section 11166.

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[5] Penal Code section 11166(h) (As added by Stats. 1980, ch. 1071; amended by Stats. 1981, ch. 435; Stats. 1982, ch. 905; Stats. 1984, ch. 1423; Stats. 1986, ch. 1289; Stats. 1987, ch. 1459; Stats. 1988, chs. 269 and 1580; Stats. 1990, ch. 1603; Stats. 1992, ch. 459; Stats. 1993, ch. 510; Stats. 1996, chs. 1080 and 1081; and Stats. 2000, ch. 916 (AB 1241)). Renumbered at subdivision (i) by Statutes 2004, chapter 842 (SB 1313), and renumbered again at subdivision (j) by Statutes 2005, chapter 42 (AB 299).

[6] Penal Code section 11166(i) (As added by Stats. 1980, ch. 1071; amended by Stats. 1981, ch. 435; Stats. 1982, ch. 905; Stats. 1984, ch. 1423; Stats. 1986, ch. 1289; Stats. 1987, ch. 1459; Stats. 1988, chs. 269 and 1580; Stats. 1990, ch. 1603; Stats. 1992, ch. 459; Stats. 1993, ch. 510; Stats. 1996, chs. 1080 and 1081; and Stats. 2000, ch. 916 (AB 1241)). Renumbered at subdivision (j) by Statutes 2004, chapter 842 (SB 1313), and renumbered again at subdivision (k) by Statutes 2005, chapter 42 (AB 299).

As of January 1, 2006, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours.[7]

d. Receipt of Cross-Reports by District Attorney's Office:

District attorneys' offices shall:

Receive reports of every known or suspected instance of child abuse reported to law enforcement, county probation or county welfare departments, except acts or omissions of general neglect coming within Penal Code section 11165.2(b).[8]

e. Reporting to Licensing Agencies:

City and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall:

1) Report by telephone immediately or as soon as practically possible to the appropriate licensing agency every known or suspected instance of child abuse or neglect when the instance of abuse or neglect occurs while the child is being cared for in a child day care facility, involves a child day care licensed staff person, or occurs while the child is under the supervision of a community care facility or involves a community care facility licensee or staff person.

2) Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under Penal Code section 11166.2. The agency shall send the licensing agency a copy of its investigation report and any other pertinent materials.

As of July 31, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours.[9]

f. Additional Cross-Reporting in Cases of Child Death:

1) City and county police or sheriff's departments shall:

Cross-report all cases of child death suspected to be related to child abuse or neglect to the county child welfare agency.[10]

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[7] *Ibid*.

[8] Penal Code section 11166 (As added by Stats. 1980, ch. 1071; amended by Stats. 1981, ch. 435; Stats. 1982, ch. 905; Stats. 1984, ch. 1423; Stats. 1986, ch. 1289; Stats. 1987, ch. 1459; Stats. 1988, chs. 269 and 1580; Stats. 1990, ch. 1603; Stats. 1992, ch. 459; Stats. 1993, ch. 510; Stats. 1996, chs. 1080 and 1081; and Stats. 2000, ch. 916 (AB 1241)).

[9] Penal Code section 11166.2 (Added by Stats. 1985, ch. 1598 § 4; amended by Stats. 1987, ch. 531 § 5; Stats. 1988, ch. 269 § 3; Stats. 1990, ch. 650 § 1 (AB 2423); Stats. 2000, ch. 916 § 18 (AB 1241)).

[10] Penal Code section 11166.9 (Stats. 2000, ch. 916, § 23 (AB 1241)); Renumbered at Penal Code section 11174.34 (Stats. 2004, ch. 842 § 13 (SB 1313)).

2) County welfare departments shall:

i. Cross-report all cases of child death suspected to be related to child abuse or neglect to law enforcement.[11]

ii. Create a record in the Child Welfare Services/Case Management System (CWS/CMS) on all cases of child death suspected to be related to child abuse or neglect.[12]

iii. Enter information into the CWS/CMS upon notification that the death was subsequently determined not to be related to child abuse or neglect.[13]

3. Reporting to the State Department of Justice

a. **From July 1, 1999 to December 31, 2011**, city and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall:[14]

1) Complete an investigation for purposes of preparing the report

Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice.[15] Except as provided in paragraph below, this activity includes review of the initial Suspected Child Abuse Report (Form 8572), conducting initial interviews with parents, victims, suspects, or witnesses, where applicable, and making a report of the findings of those interviews, which may be reviewed by a supervisor.

[11] Penal Code section 11166.9 (Stats. 2000, ch. 916, § 23 (AB 1241)); Renumbered at Penal Code section 11174.34 (Stats. 2004, ch. 842 § 13 (SB 1313)).

[12] Penal Code section 11166.9 (Stats. 2000, ch. 916, § 23 (AB 1241)); Renumbered at Penal Code section 11174.34 (Stats. 2004, ch. 842 § 13 (SB 1313); Stats. 2010, ch. 618, § 10 (AB 2791)).

[13] Penal Code section 11166.9 (Stats. 2000, ch. 916, § 23 (AB 1241)); Renumbered at Penal Code section 11174.34 (Stats. 2004, ch. 842 § 13 (SB 1313)).

[14] Pursuant to amendments to Penal Code section 11169(b) enacted by Statutes 2011, chapter 468 (AB 717), the mandate to report to DOJ *for law enforcement agencies only* ends on January 1, 2012. In addition, the duty for all other affected agencies is modified to exclude an "inconclusive" report.

[15] Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.

Reimbursement is not required in the following circumstances:

i. Investigative activities conducted by a mandated reporter to complete the Suspected Child Abuse Report (Form SS 8572) pursuant to Penal Code section 11166(a).

ii. In the event that the mandated reporter is employed by the same child protective agency required to investigate and submit the "Child Abuse Investigation Report" Form SS 8583 or subsequent designated form to the Department of Justice, pursuant to Penal Code section 11169(a), reimbursement is not required if the investigation required to complete the Form SS 8572 is also sufficient to make the determination required under section 11169(a), and sufficient to complete the essential information items required on the Form SS 8583, pursuant to Code of Regulations, title 11, section 903 (Register 98, No. 29).

iii. Investigative activities undertaken subsequent to the determination whether a report of suspected child abuse is substantiated, inconclusive, or unfounded, as defined in Penal Code section 11165.12, for purposes of preparing the Form SS 8583, including the collection of physical evidence, the referral to a child abuse investigator, and the conduct of follow-up interviews.

2) Forward reports to the Department of Justice

Prepare and submit to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse or severe neglect which is determined to be substantiated or inconclusive, as defined in Penal Code section 11165.12. Unfounded reports, as defined in Penal Code section 11165.12, shall not be filed with the Department of Justice. If a report has previously been filed which subsequently proves to be unfounded, the Department of Justice shall be notified in writing of that fact. The reports required by this section shall be in a form approved by the Department of Justice (currently form 8583) and may be sent by fax or electronic transmission.[16]

This activity includes costs of preparing and submitting an amended report to DOJ, when the submitting agency changes a prior finding of substantiated or inconclusive to a finding of unfounded or from inconclusive or unfounded to substantiated.

Reimbursement is not required for the costs of the investigation required to make the determination to file an amended report.

b. **Beginning January 1, 2012**, county welfare departments, or county probation departments where designated by the county to receive mandated reports shall:

[16] Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.

1) Complete an investigation

Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice.[17] Except as provided in paragraph below, this activity includes review of the initial Suspected Child Abuse Report (Form 8572), conducting initial interviews with parents, victims, suspects, or witnesses, where applicable, and making a report of the findings of those interviews, which may be reviewed by a supervisor.

Reimbursement is not required in the following circumstances:

i. Investigative activities conducted by a mandated reporter to complete the Suspected Child Abuse Report (Form SS 8572) pursuant to Penal Code section 11166(a).

ii. In the event that the mandated reporter is employed by the same child protective agency required to investigate and submit the "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice, pursuant to Penal Code section 11169(a), reimbursement is not required if the investigation required to complete the Form SS 8572 is also sufficient to make the determination required under section 11169(a), and sufficient to complete the essential information items required on the Form SS 8583, pursuant to Code of Regulations, title 11, section 903 (Register 98, No. 29).

iii. Investigative activities undertaken subsequent to the determination whether a report of suspected child abuse is substantiated, inconclusive, or unfounded, as defined in Penal Code section 11165.12, for purposes of preparing the Form SS 8583.

2) Forward reports to the Department of Justice

Prepare and submit to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse or severe neglect which is determined to be substantiated, as defined in Penal Code section 11165.12. Unfounded or inconclusive reports, as defined in Penal Code section 11165.12, shall not be filed with the Department of Justice. If a report has previously been filed which subsequently proves to be unfounded, the Department of Justice shall be notified in writing of that fact. The reports required by this section shall be in a

[17] Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916, § 27 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.

form approved by the Department of Justice and may be sent by fax or electronic transmission.[18]

This activity includes costs of preparing and submitting an amended report to DOJ, when the submitting agency changes a prior finding of substantiated to a finding of inconclusive or unfounded, or from inconclusive or unfounded to substantiated, or when other information is necessary to maintain accuracy of the CACI.

Reimbursement is not required for the costs of the investigation required to make the determination to file an amended report.

4. Notifications Following Reports to the Child Abuse Central Index

a. City and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall:

1) Notify in writing the known or suspected child abuser that he or she has been reported to the Child Abuse Central Index, in any form approved by the Department of Justice, at the time the "Child Abuse Investigation Report" is filed with the Department of Justice.[19]

This activity includes, where applicable, completion of the Notice of Child Abuse Central Index Listing form (SOC 832), or subsequent designated form.

For law enforcement agencies only, this activity is eligible for reimbursement from July 1, 1999 until December 31, 2011, pursuant to Penal Code section 11169(b), as amended by Statutes 2011, chapter 468 (AB 717), which ends the mandate to report to DOJ for law enforcement agencies.

2) Make relevant information available, when received from the Department of Justice, to the child custodian, guardian ad litem appointed under section 326, or counsel appointed under section 317 or 318 of the Welfare and Institutions Code, or the appropriate licensing agency, if he or she is treating or investigating a case of known or suspected child abuse or severe neglect.[20]

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[18] Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916, § 27 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.

[19] Penal Code section 11169(c) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916 (AB 1241)).

[20] Penal Code section 11170 (Added by Stats. 1980, ch. 1071 § 4; amended by Stats. 1981, ch. 435, § 5; Stats. 1982, ch. 162, § 3; Stats. 1984, ch. 1613, § 3; Stats. 1985, ch. 1598, § 8.5; Stats. 1986, ch. 1496, § 3; Stats. 1987, ch. 82, § 4; Stats. 1989, ch. 153, § 2; Stats. 1990, ch. 1330 § 2 (SB 2788); Stats. 1990, ch. 1363, § 15.7 (AB 3532); Stats. 1992, ch. 163, § 113 (AB 2641); Stats. 1992, ch. 1338, § 2 (SB 1184); Stats. 1993, ch. 219, § 221.1 (AB 1500); Stats. 1996, ch. 1081, § 5 (AB 3354); Stats. 1997, ch. 842, § 6 (SB 644); Stats. 1997, ch. 843, § 5 (AB 753); Stats. 1997, ch. 844, § 2.5 (AB 1065); Stats. 1999, ch. 475, § 8 (SB 654); Stats. 2000, ch. 916, 28 (AB 1241)).

3) Inform the mandated reporter of the results of the investigation and of any action the agency is taking with regard to the child or family, upon completion of the child abuse investigation or after there has been a final disposition in the matter.[21]

4) Notify, in writing, the person listed in the Child Abuse Central Index that he or she is in the index, upon receipt of relevant information concerning child abuse or neglect investigation reports contained in the index from the Department of Justice when investigating a home for the placement of dependent children. The notification shall include the name of the reporting agency and the date of the report.[22]

b. City and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, county welfare departments, county licensing agencies, and district attorney offices shall:

Obtain the original investigative report from the agency that submitted the information to the CACI pursuant to Penal Code section 11169(a), and objectively review the report, when information regarding an individual suspected of child abuse or neglect, or an instance of suspected child abuse or neglect, is received from the CACI while performing existing duties pertaining to criminal investigation or prosecution, or licensing, or placement of a child.[23]

Reimbursement for this activity does not include investigative activities conducted by the agency, either prior to or subsequent to receipt of the information that necessitates obtaining and reviewing the investigative report.

c. City and county police or sheriff's departments, county probation departments, and county welfare departments shall:

Notify, in writing, the person listed in the Child Abuse Central Index that he or she is in the index, upon receipt of relevant information concerning child abuse or neglect reports contained in the index from the Department of Justice regarding placement with a responsible relative pursuant to Welfare and Institutions Code sections 281.5, 305, and 361.3. The notification shall include the location of the original investigative report and the submitting agency. The notification shall be

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[21] Penal Code section 11170(b) (Added by Stats. 1980, ch. 1071 § 4; amended by Stats. 1981, ch. 435, § 5; Stats. 1982, ch. 162, § 3; Stats. 1984, ch. 1613, § 3; Stats. 1985, ch. 1598, § 8.5; Stats. 1986, ch. 1496, § 3; Stats. 1987, ch. 82, § 4; Stats. 1989, ch. 153, § 2; Stats. 1990, ch. 1330 § 2 (SB 2788); Stats. 1990, ch. 1363, § 15.7 (AB 3532); Stats. 1992, ch. 163, § 113 (AB 2641); Stats. 1992, ch. 1338, § 2 (SB 1184); Stats. 1993, ch. 219, § 221.1 (AB 1500); Stats. 1996, ch. 1081, § 5 (AB 3354); Stats. 1997, ch. 842, § 6 (SB 644); Stats. 1997, ch. 843, § 5 (AB 753); Stats. 1997, ch. 844, § 2.5 (AB 1065); Stats. 1999, ch. 475, § 8 (SB 654); Stats. 2000, ch. 916, 28 (AB 1241)).

[22] *Ibid*.

[23] Penal Code section 11170(b)(6) (Stats. 2000, ch. 916 (AB 1241)); now subdivision (b)(10), as amended by Statutes 2012, chapter 848 (AB 1707).

submitted to the person listed at the same time that all other parties are notified of the information, and no later than the actual judicial proceeding that determines placement.[24]

5. Record Retention

a. City and county police or sheriff's departments, and county probation departments if designated by the county to receive mandated reports shall:

Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of eight years (a higher level of service above the two-year record retention requirement pursuant to Gov. Code §§ 26202 (cities) and 34090 (counties).) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years.[25]

This activity includes retaining copies of the Suspected Child Abuse Report form SS 8572, received from a mandated reporter, and the Child Abuse Summary Report form SS 8583, with the original investigative report.

Reimbursement is not required for the first two years of record retention required under prior law, but only for the eight years following.

b. County welfare departments shall:

Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of seven years (a higher level of service above the three-year record retention requirement pursuant to Welf. & Inst. Code, § 10851.) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years.[26]

This activity includes retaining copies of the Suspected Child Abuse Report form SS 8572, received from a mandated reporter, and the Child Abuse Summary Report form SS 8583, with the original investigative report.

Reimbursement is not required for the first three years of record retention required under prior law, but only for the seven years following.

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[24] Penal Code section 11170(c) (Added by Stats. 1980, ch. 1071 § 4; amended by Stats. 1981, ch. 435, § 5; Stats. 1982, ch. 162, § 3; Stats. 1984, ch. 1613, § 3; Stats. 1985, ch. 1598, § 8.5; Stats. 1986, ch. 1496, § 3; Stats. 1987, ch. 82, § 4; Stats. 1989, ch. 153, § 2; Stats. 1990, ch. 1330 § 2 (SB 2788); Stats. 1990, ch. 1363, § 15.7 (AB 3532); Stats. 1992, ch. 163, § 113 (AB 2641); Stats. 1992, ch. 1338, § 2 (SB 1184); Stats. 1993, ch. 219, § 221.1 (AB 1500); Stats. 1996, ch. 1081, § 5 (AB 3354); Stats. 1997, ch. 842, § 6 (SB 644); Stats. 1997, ch. 843, § 5 (AB 753); Stats. 1997, ch. 844, § 2.5 (AB 1065); Stats. 1999, ch. 475, § 8 (SB 654); Stats. 2000, ch. 916, 28 (AB 1241)).

[25] (Penal Code section 11169(h) (Stats. 1997, ch. 842 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2001, ch. 133(AB 102); Stats. 2004, ch. 842 (SB 1313); Stats. 2011, ch. 468 (AB 717)).

[26] (Penal Code section 11169(h) (Stats. 1997, ch. 842 (SB 644); Stats. 2000, ch. 916 (AB 1241)).

6. Due Process Procedures Offered to Person Listed in CACI

City and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall:

Provide due process reasonably necessary to comply with federal due process procedural protections under the 14th Amendment that must be afforded to individuals reported to the DOJ's Child Abuse Central Index. This activity includes a hearing before the agency that submitted the individual's name to CACI. This activity includes any due process procedures available to persons listed in the CACI prior to the enactment of Statutes 2011, chapter 468.

Reimbursement is not required for a hearing meeting the requirements of due process if a court of competent jurisdiction has determined that child abuse has occurred, or while the allegation is pending before a court.[27]

V. CLAIM PREPARATION AND SUBMISSION

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

A. Direct Cost Reporting

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

1. Salaries and Benefits

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

2. Materials and Supplies

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

3. Contracted Services

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

[27] (Penal Code section 11169(h) (Stats. 1997, ch. 842 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2011, ch. 468 (AB 717)); *Humphries v. County of Los Angeles* (9th Cir. 2009) 554 F.3d 1170; *San Diego Unified School District v. Commission on State Mandates* (2004) 33 Cal.4th 859.

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

4. Fixed Assets

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

5. Travel

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

B. Indirect Cost Rates

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

Compensation for indirect costs is eligible for reimbursement utilizing the procedure provided in 2 CFR Part 225 (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, Appendix A and B (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, Appendix A and B (OMB Circular A-87 Attachments A and B). However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable. The distribution base may be: (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.); (2) direct salaries and wages; or (3) another base which results in an equitable distribution.

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

1. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by: (1) classifying a department's total costs for the base period as either direct or indirect; and (2) dividing the total

allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount of allowable indirect costs bears to the base selected; or

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

VI. RECORD RETENTION

Pursuant to Government Code section 17558.5(a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter[28] is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed not later than two years after the date that the audit is commenced. All documents used to support the reimbursable activities, as described in Section IV., must be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

VII. OFFSETTING REVENUES AND REIMBURSEMENTS

Any offsetting revenue 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 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 CLAIMING INSTRUCTIONS

Pursuant to Government Code section 17558(b), the Controller shall issue claiming instructions for each mandate that requires state reimbursement not later than 90 days after receiving the adopted parameters and guidelines from the Commission, to assist local agencies and school districts in claiming costs to be reimbursed. The claiming instructions shall be derived from the test claim decision and the parameters and guidelines adopted by the Commission.

Pursuant to Government Code section 17561(d)(1), issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the Commission.

IX. REMEDIES BEFORE THE COMMISSION

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

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(d), and California Code of Regulations, title 2, section 1183.2.

X. LEGAL AND FACTUAL BASIS FOR THE PARAMETERS AND GUIDELINES

The statements of decision adopted for the test claim and parameters and guidelines 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. The administrative record is on file with the Commission.

INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS CLAIM FOR PAYMENT

For State Controller Use Only
(19) Program Number 00358
(20) Date Filed
(21) LRS Input

PROGRAM 358

(01) Claimant Identification Number

(02) Claimant Name

County of Location

Street Address or P.O. Box Suite

City State Zip Code

		Type of Claim
	(03)	(09) Reimbursement ☐
	(04)	(10) Combined ☐
	(05)	(11) Amended ☐
Fiscal Year of Cost	(06)	(12)
Total Claimed Amount	(07)	(13)
Less: **10% Late Penalty** (refer to attached Instructions)		(14)
Less: **Prior Claim Payment Received**		(15)
Net Claimed Amount		(16)
Due from State	(08)	(17)
Due to State		(18)

Reimbursement Claim Data

(22) FORM 1, (04) A. 1. (g)	
(23) FORM 1, (04) A. 2. (g)	
(24) FORM 1, (04) B. 1. (g)	
(25) FORM 1, (04.1) (g)	
(26) FORM 1, (04) B. 2. f. 1) (g)	
(27) FORM 1, (04.2) (g)	
(28) FORM 1, (04) B. 3. a. (g)	
(29) FORM 1, (04) B. 3. b. (g)	
(30) FORM 1, (04) B. 4. (g)	
(31) FORM 1, (04) B. 5. (g)	
(32) FORM 1, (04) B. 6. (g)	
(33) FORM 1, (06)	
(34) FORM 1, (07)	
(35) FORM 1, (09)	
(36) FORM 1, (10)	

(37) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code Sections 17560 and 17561, I certify that I am the officer authorized by the local agency to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Article 4, Chapter 1 of Division 4 of Title 1 Government Code.

I further certify that there was no application other than from the claimant, nor any grants or payments received for reimbursement of costs claimed herein and claimed costs are for a new program or increased level of services of an existing program. All offsetting revenues and reimbursements set forth in the parameters and guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.

The amount for this reimbursement is hereby claimed from the State for payment of actual costs set forth on the attached statements.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Officer

Date Signed _____

Telephone Number _____

E-Mail Address _____

Type or Print Name and Title of Authorized Signatory

(38) Name of Agency Contact Person for Claim

Telephone Number _____

E-mail Address _____

Name of Consulting Firm/Claim Preparer

Telephone Number _____

E-mail Address _____

PROGRAM 358	INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS CLAIM FOR PAYMENT INSTRUCTIONS	FORM FAM-27

(01) Enter the claimant identification number assigned by the State Controller's Office.

(02) Enter claimant official name, county of location, street or postal office box address, city, State, and zip code.

(03) to (08) Leave blank.

(09) If filing a reimbursement claim, enter an "X" in the box on line (09) Reimbursement.

(10) Not applicable

(11) If filing an amended reimbursement claim, enter an "X" in the box on line (11) Amended.

(12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate Form FAM-27 for each fiscal year.

(13) Enter the amount of the reimbursement claim as shown on Form 1 line (11). The total claimed amount must exceed $1,000; minimum claim must be $1,001.

(14) Initial claims must be filed as specified in the claiming instructions. Annual reimbursement claims must be filed by **February 15,** or otherwise specified in the claiming instructions, following the fiscal year in which costs were incurred. Claims filed after the specified date must be reduced by a late penalty. Enter zero if the claim was filed on time. Otherwise, enter the penalty amount as a result of the calculation formula as follows:

- Late Initial Claims: Form FAM-27 line (13) multiplied by 10%, without limitation; or
- Late Annual Reimbursement Claims: Form FAM-27, line (13) multiplied by 10%, late penalty not to exceed $10,000.

(15) Enter the amount of payment, if any, received for the claim. If no payment was received, enter zero.

(16) Enter the net claimed amount by subtracting the sum of lines (14) and (15) from line (13).

(17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17), Due from State.

(18) If line (16), Net Claimed Amount, is negative, enter that amount on line (18), Due to State.

(19) to (21) Leave blank.

(22) to (36) Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim, e.g., Form 1, (04) A.1.(g), means the information is located on Form 1, line (04) A.1., column (g). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 35.19% should be shown as 35. **Completion of this data block will expedite the process**.

(37) Read the statement of Certification of Claim. The claim must be dated, signed by the agency's authorized officer, and must type or print name, title, date signed, telephone number, and e-mail address. **Claims cannot be paid unless accompanied by an original signed certification. (Please sign the Form FAM-27 in blue ink and attach the copy to the top of the claim package.)**

(38) Enter the name, telephone number, and e-mail address of the agency contact person for the claim. If the claim was prepared by a consultant, type or print the name of the consulting firm, the claim preparer, telephone number, and e-mail address.

SUBMIT A SIGNED ORIGINAL FORM FAM-27 AND ONE COPY WITH ALL OTHER FORMS TO:

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

OFFICE OF THE STATE CONTROLLER
ATTN: Local Reimbursements Section
Division of Accounting and Reporting
P.O. Box 942850
Sacramento, CA 94250

Address, if delivered by other delivery service:

OFFICE OF THE STATE CONTROLLER
ATTN: Local Reimbursements Section
Division of Accounting and Reporting
3301 C Street, Suite 700
Sacramento, CA 95816

PROGRAM 358	INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS CLAIM SUMMARY	FORM 1

(01) Claimant | (02) Fiscal Year 20___/20___

(03) Department

Direct Costs	Object Accounts						
(04) Reimbursable Activities	(a) Salaries	(b) Benefits	(c) Materials and Supplies	(d) Contract Services	(e) Fixed Assets	(f) Travel	(g) Total
A. One-Time Activities							
1. Update departmental policies & procedures and develop ICAN due process procedures to comply with federal procedural protections under the 14th Amendment.							
2. Develop training to implement Department of Justice (DOJ) ICAN requirements.							
B. Ongoing Activities							
1. Distribute the Suspected Child Abuse Report Form (SS8572) to mandated reporters.							
2. Reporting Between Local Departments							
a. Accept and refer initial child abuse reports when a department lacks jurisdiction.							
b. Cross-reporting from County Welfare and Probation Departments to Law Enforcement Agency and District Attorney's Office (DA).							
c. Cross-reporting from Law Enforcement Agency to the County Welfare and Institutions Code Section 300 Agency, County Welfare and the DA's office.							
d. Receipt of cross-reports by DA's office.							
e. Report by phone and send a written report to licensing agencies.							
(04.1) Subtotal B. 2. (a. through e.)							
f. Additional cross-reporting in cases of child death.							
1) City and county police or sheriff's department cross-report all cases of child death to county child welfare agency.							
2) County welfare department							
i. Cross-report all cases of child death to law enforcement.							
ii. Create a record in the Child Welfare Services/Case Management System (CWS/CMS).							
iii. Enter information in CWS/CMS if child death is not related to child abuse or neglect.							
(04.2) Subtotal B. 2. f. 2) (i. through iii.)							

PROGRAM 358	INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS CLAIM SUMMARY	FORM 1

(01) Claimant	(02) Fiscal Year 20___/20___
(03) Department	

Direct Costs	Object Accounts						
(04) Reimbursable Activities *(Continued)*	(a) Salaries	(b) Benefits	(c) Materials and Supplies	(d) Contract Services	(e) Fixed Assets	(f) Travel	(g) Total
B. Ongoing Activities *(Continued)*							
3. Reporting to DOJ – *see Claim Summary Instructions, Item (4), for eligible claimants and period of reimbursements*							
a. Complete an investigation for purposes of preparing a report.							
b. Prepare, submit, and/or amend report of every investigated case which is determined to be substantiated.							
4. Notify suspected child abuser that he or she has been reported to the Child Abuse Central Index (CACI) – *see Claim Summary Instructions, Item (4) 3.a. for period of reimbursements of law enforcement agencies*							
5. After required retention period, record retention is reimbursable for eight years for City and County Police or Sheriff's Dept. and County Probation Dept. and seven years for County Welfare Dept.							
6. Provide due process procedures to persons reported to the DOJ CACI.							
(05) Total Direct Cost – *see Claim Summary Instructions, Item (05), for additional instructions*							

Indirect Costs		
(06) Indirect Cost Rate	[From ICRP or 10%]	%
(07) Total Indirect Costs	[Refer to Claim Summary Instructions]	
(08) Total Direct and Indirect Costs	[Line (05)(g) + line (07)]	

Cost Reduction		
(09) Less: Offsetting Revenues		
(10) Less: Other Reimbursements		
(11) Total Claimed Amount	[Line (08) - {line (09) + line (10)}]	

PROGRAM 358	INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS CLAIM SUMMARY INSTRUCTIONS	FORM 1

(01) Enter the name of the claimant.

(02) Enter the fiscal year of costs.

(03) If more than one department has incurred costs for this mandate, give the name of each department. A separate Form 1 should be completed for each department.

(04) For each reimbursable activity, enter the totals from Form 2, line (05), columns (d) through (i), to Form 1, block (04), columns (a) through (f), in the appropriate row. Total each row.

Eligible Claimants and Period of Reimbursements:

3.a. From July 1, 1999 to December 31, 2011 – City & County Police or Sheriff's Department, County Probation & Welfare Departments submit Child Abuse Investigation Report Form (SS8572) to DOJ.

3.b. Beginning January 1, 2012 – County Welfare & Probation Departments submit Form SS8583 to DOJ.

Note: For activities (04) B. 3. a & b and (04) B. 6, please see the Parameter's and Guidelines for non-reimbursable activities.

(04.1) Enter the sum of lines B. 2. a. through B. 2. e. columns (a) through (g).

(04.2) Enter the sum of lines B. 2. f. 2) i. through B. 2. f. 2) iii. columns (a) through (g).

(05) Total columns (a) through (g), do **NOT** include line (04.1), columns (a) through (g) and line (04.2), columns (a) through (g).

(06) Indirect costs may be computed as 10% of direct labor costs, excluding fringe benefits, without preparing an Indirect Cost Rate Proposal (ICRP). If an indirect cost rate of greater than 10% is used, include the ICRP with the claim.

(07) Local agencies have the option of using the flat rate of 10% of direct labor costs or using a department's ICRP in accordance with the Office of Management and Budget OMB Circular A-87 (Title 2 CFR Part 225). If the flat rate is used for indirect costs, multiply Total Salaries, line (05)(a), by 10%. If an ICRP is submitted, multiply applicable costs used in the distribution base for the computation of the indirect cost rate, by the Indirect Cost Rate, line (06). If more than one department is reporting costs, each must have its own ICRP for the program.

(08) Enter the sum of Total Direct Costs, line (05) (g), and Total Indirect Costs, line (07).

(09) If applicable, enter any revenue received by the claimant for this mandate from any state or federal source.

(10) If applicable, enter the amount of other reimbursements received from any source including, but not limited to, service fees collected, federal funds, and other state funds, which reimbursed any portion of the mandated cost program. Submit a schedule detailing the reimbursement sources and amounts.

(11) From Total Direct and Indirect Costs, line (08), subtract the sum of Offsetting Revenues, line (09), and Other Reimbursements, line (10). Enter the remainder on this line and carry the amount forward to Form FAM-27, line (13) for the Reimbursement Claim.

PROGRAM 358	INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS ACTIVITY COST DETAIL	FORM 2

(01) Claimant

(02) Fiscal Year 20___/20___

(03) Reimbursable Activities: Check only one box per form to identify the activity being claimed.

A. One-time Activities

☐ 1. Update departmental policies & procedures and develop ICAN due process procedures to comply with federal procedural protections under the 14th Amendment.

☐ 2. Develop training to implement Department of Justice (DOJ) ICAN requirements.

B. Ongoing Activities

☐ 1. Distribute the Suspected Child Abuse Report Form (SS8572) to mandated reporters.

2. Reporting Between Local Departments

☐ a. Accept and refer initial child abuse reports when a department lacks jurisdiction.

☐ b. Cross-reporting from County Welfare and Probation Departments to Law Enforcement Agency and District Attorney's Office (DA).

☐ c. Cross-reporting from Law Enforcement Agency to the County Welfare and Institutions Code Section 300 Agency, County Welfare and the DA's office.

☐ d. Receipt of cross-reports by the DA's Office.

☐ e. Report by phone and send a written report to licensing agencies.

f. Additional cross-reporting in cases of child death.

☐ 1) City and county police or sheriff's department cross-report all cases of child death to county child welfare agency.

f. Additional cross-reporting in cases of child death.

2) County welfare department:

☐ i. Cross-report all cases of child death to law enforcement.

☐ ii. Create a record in the Child Welfare Services/Case Management System (CWS/CMS).

☐ iii. Enter information in CWS/CMS if child death not related to child abuse or neglect.

3. Reporting to DOJ

☐ a. Complete an investigation for purposes of preparing a report.

☐ b. Prepare, submit, and/or amend report of every investigated case which is determined to be substantiated.

☐ 4. Notify suspected child abuser that he or she has been reported to the Child Abuse Central Index (CACI).

☐ 5. After required retention period, record retention is reimbursable for eight years for City and County Police or Sheriff's Dept. and County Probation Dept. and seven years for County Welfare Dept.

☐ 6. Provide due process procedures to persons reported to the DOJ CACI.

(04) Description of Expenses	Object Accounts							
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f) Materials and Supplies	(g) Contract Services	(h) Fixed Assets	(i) Travel

PROGRAM 358	INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS ACTIVITY COST DETAIL	FORM 2

(01) Claimant

(02) Fiscal Year 20___/20___

(04) Description of Expenses *(Continued)*	Object Accounts							
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f) Materials and Supplies	(g) Contract Services	(h) Fixed Assets	(i) Travel
(05) Total ☐ Subtotal ☐ Page:___ of___								

PROGRAM 358	INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS ACTIVITY COST DETAIL INSTRUCTIONS	FORM 2

(01) Enter the name of the claimant.

(02) Enter the fiscal year for which costs were incurred.

(03) Check the box which indicates the activity being claimed. Check only one box per form. A separate Form 2 must be prepared for each applicable activity.

(04) The following table identifies the type of information required to support reimbursable costs. To detail costs for the activity box checked in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, and travel expenses. **The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed.** For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the date the claim was filed or last amended, whichever is later. If no funds were appropriated or no payment was made at the time the claim was filed, the time for the Controller to initiate an audit shall be from the date of initial payment of the claim. Such documents must be made available to the SCO on request.

Object/ Sub object Accounts	Columns									Submit supporting documents with the claim
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
Salaries	Employee Name/Title	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked						
Benefits	Activities Performed	Benefit Rate			Benefits = Benefit Rate x Salaries					
Materials and Supplies	Description of Supplies Used	Unit Cost	Quantity Used			Cost = Unit Cost x Quantity Used				
Contract Services	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service				Cost = Hourly Rate x Hours Worked			Copy of Contract and Invoices
Fixed Assets	Description of Equipment Purchased	Unit Cost	Usage					Cost = Unit Cost x Usage		
Travel	Name of Employee Purpose of Travel	Hourly Rate	Travel Time						Cost = Hourly Rate x Travel Time + Travel Expenses	

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

SECTION 10

Final State Audit Report

EXHIBIT 2

CITY OF SOUTH LAKE TAHOE

Audit Report

INTERAGENCY CHILD ABUSE AND NEGLECT INVESTIGATION REPORTS PROGRAM

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

July 1, 1999, through June 30, 2012

BETTY T. YEE
California State Controller

May 2018

BETTY T. YEE
California State Controller

May 21, 2018

The Honorable Wendy David, Mayor
City of South Lake Tahoe
1901 Airport Road, Suite 206
South Lake Tahoe, CA 96150

Dear Ms. David:

The State Controller's Office (SCO) audited the costs claimed by the City of South Lake Tahoe for the legislatively mandated Interagency Child Abuse and Neglect Investigation Reports Program for the period of July 1, 1999, through June 30, 2012.

The city claimed $1,505,262 for the mandated program. Our audit found that $239,395 is allowable and $1,265,867 is unallowable. The costs are unallowable because the city overstated the number of Suspected Child Abuse Reports (SCARs) cross-reported, overstated the number of SCARs investigated, misstated productive hourly rates, and overstated indirect cost rates. The State made no payments to the city. The State will pay $239,395, contingent upon available appropriations. Following the issuance of this report, the SCO's Local Government Programs and Services Division will notify the city of the adjustments via a system-generated letter for each fiscal year in the audit period.

This final audit report contains an adjustment to costs claimed by the city. If you disagree with the audit findings, you may file an Incorrect Reduction Claim (IRC) with the Commission on the State Mandates (Commission). Pursuant to Section 1185, subdivision (c), of the Commission's regulations (*California Code of Regulations*, Title 3), an IRC challenging this adjustment must be filed with the Commission no later than three years following the date of this report, regardless of whether this report is subsequently supplemented, superseded, or otherwise amended. You may obtain IRC information on the Commission's website at www.csm.ca.gov/forms/IRCForm.pdf.

If you have any questions, please contact Lisa Kurokawa, Chief, Compliance Audits Bureau, by telephone at (916) 327-3138.

Sincerely,

Original signed by

JEFFREY V. BROWNFIELD, CPA
Chief, Division of Audits

JVB/rg

cc: Debbie McIntyre, CPA, Director of Finance
City of South Lake Tahoe
Lieutenant Shannon Laney
South Lake Tahoe Police Department
Chris Hill, Principal Program Budget Analyst
Local Government Unit
California Department of Finance
Steven Pavlov, Finance Budget Analyst
Local Government Unit
California Department of Finance
Anita Dagan, Manager
Local Government Programs and Services Division
California State Controller's Office

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Attachment—City's Response to Draft Audit Report

Audit Report

Summary

The State Controller's Office (SCO) audited the costs claimed by the City of South Lake Tahoe for the legislatively mandated Interagency Child Abuse and Neglect (ICAN) Investigation Reports Program for the period of July 1, 1999, through June 30, 2012.

The city claimed $1,505,262 for the mandated program. Our audit found that $239,395 is allowable and $1,265,867 is unallowable. The costs are unallowable because the city overstated the number of Suspected Child Abuse Reports (SCARs) cross-reported, overstated the number of SCARs investigated, misstated productive hourly rates (PHRs), and overstated indirect cost rates. The State made no payments to the city. The State will pay $239,395, contingent upon available appropriations. Following the issuance of this report, the SCO's Local Government Programs and Services Division (LGPSD) will notify the city of the adjustment via a system-generated letter for each fiscal year in the audit period.

Background

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

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

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

The ICAN Investigation Reports Program addresses statutory amendments to California's mandatory child abuse reporting laws. A child abuse reporting law was first added to the Penal Code in 1963, and initially required medical professionals to report suspected child abuse to local law enforcement or child welfare authorities. The law was regularly expanded to include more professions required to report suspected child abuse (now termed "mandated reporters"); and in 1980, California reenacted and amended the law, entitling it the "Child Abuse and Neglect Reporting Act." As part of this program, the Department of Justice (DOJ) maintains a Child Abuse Centralized Index (CACI), which has tracked reports of child abuse statewide since 1965. A number of changes to the law have occurred, including a reenactment in 1980 and substantive amendments in 1997 and 2000.

The Act, as amended, provides for reporting of suspected child abuse or neglect by certain individuals, identified by their profession as having frequent contact with children. The Act provides rules and procedures for local agencies, including law enforcement, that receive such reports. The Act provides for cross-reporting among law enforcement and other child protective agencies, and to licensing agencies and District Attorney's (DA) offices. The Act requires reporting to the DOJ when a report of suspected child abuse is "not unfounded." The Act requires an active investigation before a report can be forwarded to the DOJ. As of January 1, 2012, the Act no longer requires law enforcement agencies to report to the DOJ, and now requires reporting only of "substantiated" reports by other agencies. The Act imposes additional cross-reporting and recordkeeping duties in the event of a child's death from abuse or neglect. The Act requires agencies and the DOJ to keep records of investigations for a minimum of 10 years, and to notify suspected child abusers that they have been listed in the CACI. The Act imposes certain due process protections owed to persons listed in the index, and provides certain other situations in which a person would be notified of his or her listing in the index.

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

- Distributing the SCAR form;
- Reporting between local departments;
- Reporting to the DOJ;
- Providing notifications following reports to the CACI;
- Retaining records; and
- Complying with due process procedures offered to persons listed in the CACI.

The program's parameters and guidelines establish the state mandate and define the reimbursement criteria. The Commission adopted the parameters and guidelines on December 6, 2013. In compliance with GC section 17558, the SCO issues claiming instructions to assist local agencies in claiming mandated program reimbursable costs.

Objective, Scope, and Methodology

The objective of our audit was to determine whether costs claimed represent increased costs resulting from the ICAN Investigation Reports Program. Specifically, we conducted this audit to determine whether costs claimed were supported by appropriate source documents, were not funded by another source, and were not unreasonable and/or excessive.

The audit period was from July 1, 1999, through June 30, 2012.

To achieve our audit objective, we:

- Reviewed the annual mandated cost claims filed by the city for the audit period to identify the material cost components of each claim and to determine whether there were any errors or any unusual or unexpected variances from year to year. We also reviewed the activities claimed to determine whether they adhered to the SCO's claiming instructions and the program's parameters and guidelines;
- Completed an internal control questionnaire by interviewing key city staff, and performed a walk-through of the claim preparation process to determine what information was obtained, who obtained it, and how it was used;
- Interviewed the city's staff to determine which employee classifications were involved in performing the reimbursable activities;
- Assessed whether average time increments claimed for each activity related to all three reimbursable components claimed were reasonable per the requirements of the program (see Findings 1 and 2);
- Traced all PHR calculations for fiscal year (FY) 2004-05 through FY 2011-12 to the city's salary schedules. We recomputed the rates and made adjustments to all PHRs claimed for FY 2004-05 through FY 2011-12. For FY 1999-2000 through FY 2003-04, supporting salary information was not recoverable. Therefore, we applied a price deflator (the Consumer Price Index [CPI]) to compute allowable PHRs for FY 1999-2000 through FY 2003-04 (see Findings 1 and 2);
- Reviewed and analyzed the city's listing of SCAR case counts for FY 2000-01 through FY 2011-12 to identify possible exclusions and verify that claimed counts were supported by appropriate reports in the city's data tracking system. To provide reasonable assurance that the city's counts were accurate, we re-counted the number of cases provided by the city's data tracking reports for FY 2008-09 through FY 2010-11. We concluded that the city's counts for these three years were accurate. Therefore, we accepted the listing of SCAR case counts provided and used this listing when performing our analysis of the three cost components. The city did not provide a listing of SCAR case counts for FY 1999-2000. We accepted the count for this fiscal year as claimed;

- Reviewed and analyzed the city's claimed number of SCARs cross-reported for FY 2010-11. We did not analyze the number of SCARs cross-reported for FY 1999-2000 through FY 2009-10 and FY 2011-12 because the costs claimed for the cross-reporting component were not material. For FY 2010-11, we re-computed and adjusted the claimed number of SCARs cross-reported based on the average percent of Law Enforcement Agency (LEA)-generated SCARs for the audit period per our SCAR case sampling (see Finding 1);
- Reviewed and analyzed the city's listing of SCARs investigated for FY 1999-2000 through FY 2011-12. To confirm the validity of the number of SCARs investigated, we performed random non-statistical case sampling for the three most recent fiscal years of the audit period (FY 2008-09, FY 2009-10, and FY 2010-11). The three years sampled were representative of all fiscal years, as the investigation process had not changed throughout the audit period. We sampled and reviewed 148 cases (32 out of 163 in FY 2008-09, 66 out of 654 in FY 2009-10, and 50 out of 456 in FY 2010-11). Our review of these 148 cases yielded an identical common deviation with identical nature and cause of the error. Our sampling results indicated that only 10% of the SCAR cases in the city's listing had actually been investigated. Consistent with the American Institute of Certified Public Accountants (AICPA) Audit Sampling Guide, we projected the error to the population of all SCAR cases claimed as investigated for the audit period (see Finding 2); and
- Verified whether indirect costs claimed were for common or joint purposes, and whether indirect cost rates were properly supported and applied for each fiscal year of the audit period (see Finding 3).

The legal authority to conduct this audit is provided by GC sections 12410, 17558.5, and 17561. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

We limited our review of the city's internal controls to gaining an understanding of the transaction flow and claim preparation process as necessary to develop appropriate auditing procedures. Our audit scope did not assess the efficiency or effectiveness of program operations. We did not audit the city's financial statements.

Conclusion

Our audit found instances of noncompliance with the requirements outlined in the Objective, Scope, and Methodology section. These instances are quantified in the accompanying Schedule (Summary of Program Costs) and described in the Findings and Recommendations section of this report.

For the audit period, the City of South Lake Tahoe claimed $1,505,262 for costs of the ICAN Investigation Reports Program. Our audit found that $239,395 is allowable and $1,265,867 is unallowable. The State made no payments to the city. The State will pay $239,395, contingent upon available appropriations. Following the issuance of this report, the SCO's LGPSD will notify the city of the adjustments via a system-generated letter for each fiscal year in the audit period.

Follow-up on Prior Audit Findings

We have not conducted a prior audit of the city's legislatively mandated ICAN Investigation Reports Program.

Views of Responsible Officials

We issued a draft audit report on February 28, 2018. Debbie McIntyre, Director of Finance, responded by letter dated March 7, 2018 (Attachment), disagreeing with Findings 2 and 3 and providing no comment on Finding 1. This final audit report includes the city's response.

Restricted Use

This report is solely for the information and use of the City of South Lake Tahoe, the California Department of Finance, and the SCO; it is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

Original signed by

JEFFREY V. BROWNFIELD, CPA
Chief, Division of Audits

May 21, 2018

Schedule—
Summary of Program Costs
July 1, 1999, through June 30, 2012

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustment	Reference[1]
July 1, 1999, through June 30, 2000				
Direct costs – salaries and benefits:				
Prepare policies and procedures	$ 146	$ 146	$ -	
Train staff	192	192	-	
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	559	559	-	
Reporting to DOJ				
Complete an investigation	29,629	5,595	(24,034)	Finding 2
Prepare and submit reports to DOJ	333	333	-	
Total direct costs	30,859	6,825	(24,034)	
Indirect costs	10,967	1,317	(9,650)	Finding 3
Total program costs[2]	$ 41,826	8,142	$ (33,684)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 8,142		
July 1, 2000, through June 30, 2001				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 642	$ 642	$ -	
Reporting to DOJ				
Complete an investigation	34,031	6,319	(27,712)	Finding 2
Prepare and submit reports to DOJ	382	382	-	
Total direct costs	35,055	7,343	(27,712)	
Indirect costs	15,401	1,991	(13,410)	Finding 3
Total program costs[2]	$ 50,456	9,334	$ (41,122)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 9,334		
July 1, 2001, through June 30, 2002				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 668	$ 668	$ -	
Reporting to DOJ				
Complete an investigation	35,406	6,735	(28,671)	Finding 2
Prepare and submit reports to DOJ	432	432	-	
Total direct costs	36,506	7,835	(28,671)	
Indirect costs	18,241	2,900	(15,341)	Finding 3
Total program costs[2]	$ 54,747	10,735	$ (44,012)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 10,735		

Schedule (continued)

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustment	Reference[1]
July 1, 2002, through June 30, 2003				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 843	$ 843	$ -	
Reporting to DOJ				
Complete an investigation	50,920	7,824	(43,096)	Finding 2
Prepare and submit reports to DOJ	670	670	-	
Total direct costs	52,433	9,337	(43,096)	
Indirect costs	29,653	3,969	(25,684)	Finding 3
Total program costs[2]	$ 82,086	13,306	$ (68,780)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 13,306		
July 1, 2003, through June 30, 2004				
Direct costs – salaries and benefits:				
Cross-reporting to county welfare and DA's Office	$ 901	$ 901	$ -	
Reporting to DOJ				
Complete an investigation	55,447	6,808	(48,639)	Finding 2
Prepare and submit reports to DOJ	572	572	-	
Total direct costs	56,920	8,281	(48,639)	
Indirect costs	32,331	3,368	(28,963)	Finding 3
Total program costs[2]	$ 89,251	11,649	$ (77,602)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 11,649		
July 1, 2004, through June 30, 2005				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 983	$ 983	$ -	
Reporting to DOJ				
Complete an investigation	59,885	9,349	(50,536)	Finding 2
Prepare and submit reports to DOJ	613	613	-	
Total direct costs	61,481	10,945	(50,536)	
Indirect costs	36,433	4,678	(31,755)	Finding 3
Total program costs[2]	$ 97,914	15,623	$ (82,291)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 15,623		

Schedule (continued)

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustment	Reference[1]
July 1, 2005, through June 30, 2006				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 1,063	$ 1,063	$ -	
Reporting to DOJ				
Complete an investigation	63,218	10,468	(52,750)	Finding 2
Prepare and submit reports to DOJ	829	829	-	
Total direct costs	65,110	12,360	(52,750)	
Indirect costs	41,922	5,204	(36,718)	Finding 3
Total program costs[2]	$ 107,032	17,564	$ (89,468)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 17,564		
July 1, 2006, through June 30, 2007				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 1,202	$ 1,202	$ -	
Reporting to DOJ				
Complete an investigation	70,608	11,269	(59,339)	Finding 2
Prepare and submit reports to DOJ	869	869	-	
Total direct costs	72,679	13,340	(59,339)	
Indirect costs	48,886	5,250	(43,636)	Finding 3
Total program costs[2]	$ 121,565	18,590	$ (102,975)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 18,590		
July 1, 2007, through June 30, 2008				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 1,237	$ 1,237	$ -	
Reporting to DOJ				
Complete an investigation	68,669	11,255	(57,414)	Finding 2
Prepare and submit reports to DOJ	852	852	-	
Total direct costs	70,758	13,344	(57,414)	
Indirect costs	48,966	5,599	(43,367)	Finding 3
Total program costs[2]	$ 119,724	18,943	$ (100,781)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 18,943		

Schedule (continued)

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustment	Reference[1]
July 1, 2008, through June 30, 2009				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 1,641	$ 1,641	$ -	
Reporting to DOJ				
Complete an investigation	94,122	6,877	(87,245)	Finding 2
Prepare and submit reports to DOJ	834	834	-	
Total direct costs	96,597	9,352	(87,245)	
Indirect costs	68,206	3,563	(64,643)	Finding 3
Total program costs[2]	$ 164,803	12,915	$ (151,888)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 12,915		
July 1, 2009, through June 30, 2010				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 2,172	$ 2,172	$ -	
Reporting to DOJ				
Complete an investigation	128,540	29,841	(98,699)	Finding 2
Prepare and submit reports to DOJ	982	982	-	
Total direct costs	131,694	32,995	(98,699)	
Indirect costs	110,850	16,186	(94,664)	Finding 3
Total program costs[2]	$ 242,544	49,181	$ (193,363)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 49,181		
July 1, 2010, through June 30, 2011				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 9,164	$ 1,975	$ (7,189)	Finding 1
Reporting to DOJ				
Complete an investigation	131,069	22,689	(108,380)	Finding 2
Prepare and submit reports to DOJ	994	994	-	
Total direct costs	141,227	25,658	(115,569)	
Indirect costs	91,644	9,025	(82,619)	Finding 3
Total program costs[2]	$ 232,871	34,683	$ (198,188)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 34,683		

Schedule (continued)

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustment	Reference[1]
July 1, 2011, through June 30, 2012				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 2,080	$ 2,080	$ -	
Reporting to DOJ				
Complete an investigation	61,975	11,026	(50,949)	Finding 2
Prepare and submit reports to DOJ	540	540	-	
Total direct costs	64,595	13,646	(50,949)	
Indirect costs	35,848	5,084	(30,764)	Finding 3
Total program costs[2]	$ 100,443	18,730	$ (81,713)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 18,730		
Summary: July 1, 1999, through June 30, 2012				
Direct costs – salaries and benefits:				
Prepare policies and procedures	$ 146	$ 146	-	
Train staff	192	192	-	
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	23,155	15,966	(7,189)	Finding 1
Reporting to DOJ				
Complete an investigation	883,519	146,055	(737,464)	Finding 2
Prepare and submit reports to DOJ	8,902	8,902	-	
Total direct costs	915,914	171,261	(744,653)	
Indirect costs	589,348	68,134	(521,214)	Finding 3
Total program costs	$ 1,505,262	239,395	$ (1,265,867)	
Less amount paid by the State		-		
Allowable costs claimed in excess of amount paid		$ 239,395		

[1] See the Findings and Recommendations section.

[2] The city's claims for FY 1999-2000 through FY 2011-12 are initial reimbursement claims and were filed on time on July 15, 2014. The city then submitted an amended claim for FY 1999-2000 through FY 2011-12 on July 15, 2015. As the amended claims were filed after the filing deadline specified within the SCO's claiming instructions, they were subject to the late penalty as specified in GC section 17561, subdivision (d)(3), equal to 10% of the total amount of the initial claim without limitation. However, the allowable audited costs for each year of the audit period (FY 1999-2000 through FY 2011-12) are less than the amount originally claimed for each of these years. Therefore, a late penalty is no longer applicable to the city's claims.

[3] Payment amount current as of April 18, 2018.

Findings and Recommendations

FINDING 1— Unallowable salaries and benefits – Cross-Reporting from Law Enforcement to the County Welfare and District Attorney's Office cost component

The city claimed $23,155 in salaries and benefits for the Cross-Reporting to County Welfare and DA's Office cost component during the audit period. We found that $15,966 is allowable and $7,189 is unallowable.

The costs for this component include cross-reporting by the LEA to the county welfare department and DA's Office every known or suspected instance of child abuse. The city computed claimed costs based on estimated average time increments. For the audit period, the city estimated that it took a Sergeant and a Records Technician 10 minutes (0.16 hours) each to cross-report each SCAR to the County Welfare and the DA's Office. The city multiplied the estimated time increment to cross-report each SCAR by an estimated number of LEA-generated SCARs to arrive at the claimed hours. The city used the average classification PHRs for the Sergeant and Records Technician classifications, and department-wide benefit rates to calculate claimed salaries and benefits. Costs claimed are unallowable because the city misinterpreted the program's parameters and guidelines; as a result, the city overstated the number of SCARs that it cross-reported in FY 2010-11.

The following table summarizes the claimed, allowable, and unallowable salaries and benefits costs for the cross-reporting activity for the audit period:

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
1999-2000	$ 559	$ 559	$ -
2000-01	642	642	-
2001-02	668	668	-
2002-03	843	843	-
2003-04	901	901	-
2004-05	983	983	-
2005-06	1,063	1,063	-
2006-07	1,202	1,202	-
2007-08	1,237	1,237	-
2008-09	1,641	1,641	-
2009-10	2,172	2,172	-
2010-11	9,164	1,975	(7,189)
2011-12	2,080	2,080	-
Total	$ 23,155	$ 15,966	$ (7,189)

Number of SCARs Cross-Reported

Claimed

For each fiscal year of the audit period, the city estimated the number of SCARs cross-reported by multiplying the total number of SCARs for the year by 24%. The city obtained the total number of SCARs for each year from its listing of all SCARs contained in the city's data tracking system. The city computed the 24% projection from reviewing FY 2013-14 statistical data, in which 42 of 177 total SCARs were LEA-generated.

However, the city inadvertently neglected to apply its projection of 24% to the total number of SCARs in FY 2010-11. The city therefore overstated the number of SCARs that it cross-reported in FY 2010-11.

Allowable

For every fiscal year except for FY 2010-11, the costs claimed for this component were immaterial. Therefore, we did not perform an analysis; we accepted the costs as claimed. For FY 2010-11, we adjusted the claimed number of SCARs cross-reported by multiplying the total number of SCARS for the year by 18.24%. The 18.24% is the average ratio of LEA-generated SCARs for the audit period per our SCAR case sampling. The methodology and results of our case sampling are described in detail in our discussion of the Complete an Investigation for Purposes of Preparing the SS 8583 Report cost component (see Finding 2).

Summary

The following table summarizes the number of claimed, allowable, and adjusted number of SCARs cross-reported for the audit period:

Fiscal Year	Number of SCARs Cross-Reported Claimed	Number of SCARs Cross-Reported Allowable	Difference
1999-2000	55	55	-
2000-01	58	58	-
2001-02	55	55	-
2002-03	66	66	-
2003-04	69	69	-
2004-05	69	69	-
2005-06	67	67	-
2006-07	76	76	-
2007-08	72	72	-
2008-09	91	91	-
2009-10	111	111	-
2010-11	460	83	(377)
2011-12	102	102	-
	1,351	974	(377)

Time Increments

The city claimed 10 minutes (0.16 hours) per SCAR for the Sergeant and Records Technician classifications to cross-report each LEA-generated SCAR during the audit period. The city did not provide any source documentation based on actual data to support the estimated time increment. We interviewed the city's staff about this reimbursable activity. We accepted the time increment claimed for both classifications.

The following table summarizes the claimed, allowable, and adjusted hours for the cross-reporting activity based on the adjustments made to the number of SCARs cross-reported:

Fiscal Year	Hours Claimed	Hours Allowable	Difference
1999-2000	18.32	18.32	-
2000-01	19.28	19.28	-
2001-02	18.32	18.32	-
2002-03	22.16	22.16	-
2003-04	22.88	22.88	-
2004-05	22.88	22.88	-
2005-06	22.32	22.32	-
2006-07	25.20	25.20	-
2007-08	24.83	24.83	-
2008-09	30.17	30.17	-
2009-10	36.87	36.87	-
2010-11	153.33	27.66	(125.67)
2011-12	34.16	34.16	-
	450.72	325.05	(125.67)

Productive Hourly Rates

For every fiscal year except for FY 2010-11, the costs claimed for this component were immaterial. Therefore, except for FY 2010-11, we did not perform an analysis of the PHRs claimed for this cost component. For FY 2010-11 we applied our recalculated PHRs, which were higher than the claimed rates. As explained in Finding 2, we recalculated the claimed PHRs by multiplying each classification's monthly salary amount (at the highest step of its range) by 12 months, and then dividing the product by 1,800 productive hours.

Summary of Audit Adjustment

We calculated the allowable hours by multiplying the allowable number of SCARs cross-reported by the allowable time increment per SCAR. We then applied the allowable PHRs and department-wide benefit rates to the allowable hours. We found that the city overstated costs totaling $7,189 for the audit period.

Criteria

The parameters and guidelines (section IV – Reimbursable Activities) require claimed costs to be supported by source documents. The parameters and guidelines state, in part:

> 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.

The parameters and guidelines (section IV – B.2.c) allow ongoing activities related to costs for reporting between local departments, as follows:

> Cross-Reporting of Suspected Child Abuse or Neglect from the Law Enforcement Agency to the County Welfare and Institutions Code Section 300 Agency, County Welfare, and the District Attorney's Office:
>
> City and county police or sheriff's departments shall:
>
> 1) Report by telephone immediately, or as soon as practically possible, to the agency given responsibility for investigation of cases under Welfare and Institutions Code section 300 and to the district attorney's office every known or suspected instance of child abuse reported to it, except acts or omissions coming within Penal Code section 11165.2(b), which shall be reported only to the county welfare department (Penal Code section 11166(i) (As added by Stats. 1980, ch. 1071; amended by Stats. 1981, ch. 435; Stats. 1982, ch. 905; Stats. 1984, ch. 1423; Stats. 1986, ch. 1289; Stats. 1987, ch. 1459; Stats. 1988, chs. 269 and 1580; Stats. 1990, ch. 1603; Stats. 1992, ch. 459; Stats. 1993, ch. 510; Stats. 1996, chs. 1080 and 1081; and Stats. 2000, ch. 916 (AB 1241)). Renumbered at subdivision (j) by Statutes 2004, chapter 842 (SB 1313), and renumbered again at subdivision (k) by Statutes 2005, chapter 42 (AB 299)).
> 2) Report to the county welfare department every known or suspected instance of child abuse reported to it which is alleged to have occurred as a result of the action of a person responsible for the child's welfare, or as the result of the failure of a person responsible for the child's welfare to adequately protect the minor from abuse when the person responsible for the child's welfare knew or reasonably should have known that the minor was in danger of abuse.
> 3) Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under Penal Code section 11166. As of January 1, 2006, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours (Ibid).

The parameters and guidelines (section V – Claim Preparation and Submission – Direct Cost Reporting – Salaries and Benefits) state that, for salaries and benefits, claimants are required to:

> 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 reimbursable activities performed and the hours devoted to each reimbursable activity performed.

Recommendation

The ICAN Investigation Reports program was suspended from FY 2015-16 through FY 2017-18. If the program becomes active again, we recommend that the city follow the mandated program claiming instructions and the parameters and guidelines to ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

City's Response

The city did not comment on this finding.

SCO Comment

Our finding and recommendation remain unchanged.

FINDING 2— Unallowable salaries and benefits – Reporting to the State Department of Justice: Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component

The city claimed $883,519 in salaries and benefits for the Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component during the audit period. We found that $146,055 is allowable and $737,464 is unallowable.

The costs for this component include completing a preliminary investigation for the purposes of preparing the SS 8583 report form. Reimbursable activities consist of reviewing the initial SCAR form SS 8572, conducting initial interviews with involved parties, and making a written report of those interviews which may be reviewed by a supervisor. The city computed claimed costs based on estimated average time increments. For each fiscal year of the audit period, the city estimated that it took, on average, four hours and 18 minutes (4.3 hours) to perform the initial investigation activities for each SCAR. The city multiplied the estimated average time increments for different employee classifications by the total number of SCARs to calculate the claimed hours. The city then used the PHRs for each classification, and department-wide benefit rates to calculate the claimed salaries and benefits for this component. Costs claimed are unallowable because the city misinterpreted the program's parameters and guidelines; as a result, the city overstated the number of SCARs investigated, estimated time increments, and misstated PHRs.

The following table summarizes the claimed, allowable, and unallowable salaries and benefits costs related to Completing an Investigation cost component for the audit period:

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
1999-2000	$ 29,629	$ 5,595	$ (24,034)
2000-01	34,031	6,319	(27,712)
2001-02	35,406	6,735	(28,671)
2002-03	50,920	7,824	(43,096)
2003-04	55,447	6,808	(48,639)
2004-05	59,885	9,349	(50,536)
2005-06	63,218	10,468	(52,750)
2006-07	70,608	11,269	(59,339)
2007-08	68,669	11,255	(57,414)
2008-09	94,122	6,877	(87,245)
2009-10	128,540	29,841	(98,699)
2010-11	131,069	22,689	(108,380)
2011-12	61,975	11,026	(50,949)
Total	$ 883,519	$ 146,055	$ (737,464)

Number of SCARs Investigated

Claimed

The city claimed a total of 3,952 SCARs investigated for the audit period. During fieldwork, the city provided revised SCAR statistics for each fiscal year of the audit period except for FY 1999-2000. The SCAR statistics provided total numbers of SCARs for the following categories per fiscal year:

- Substantiated or Inconclusive Reports
- Unfounded Reports
- Total Reports

Per the city's revised statistics, the number of SCARs investigated totaled 3,802 for the audit period. The city claimed the number of SCARs appearing under the "Total Reports" category as the number of SCARs investigated. The city did not exclude SCARs initiated by the South Lake Tahoe Police Department (Police Department) as the mandated reporter, nor did the city exclude the SCARs that had not been investigated.

Allowable

To provide reasonable assurance that the city's SCAR statistics provided during the audit were accurate, we reviewed the detailed listing of SCARs using the city's Crime Analysis Results reports for FY 2008-09, FY 2009-10, and FY 2010-11. These reports listed the SCARs by case numbers, penal code numbers, and other identifying information. We verified the accuracy of the city's SCAR statistics by reconciling the counts to the detailed listing of SCARs from the Crime Analysis Results reports. We concluded that the city's counts for these three years were accurate. Therefore, we accepted the summary of SCAR statistics provided during fieldwork and used the statistics summary for our analysis of allowable costs for this component.

This component provides reimbursement for costs associated with completing an initial investigation of SCARs for the purposes of preparing and submitting the SS 8583 report form to the DOJ. Reimbursable activities are limited to reviewing the SCAR, conducting initial interviews, and writing a report about the interviews, which may be reviewed by a supervisor. Additionally, time spent performing an initial investigation of a SCAR is only reimbursable for those SCARs which were *not* initiated by the Police Department (or other agency-generated SCARs).

We requested a sampled selection of cases to review. Upon reviewing the case files sampled, we discovered that, contrary to what the city had claimed, the Police Department investigated very few of the other agency-generated SCARs that had been cross-reported to them, as no additional follow-up was deemed necessary.

SCAR Case Sampling

We performed a random non-statistical case sampling for three years of the audit period (FY 2008-09, FY 2009-10, and FY 2010-11). The three years sampled were representative of the total population, as the investigation process had not changed throughout the audit period. We sampled and thoroughly reviewed the contents of 148 cases (32 out of 163 in FY 2008-09; 66 out of 654 in FY 2009-10; and 50 out of 457 in FY 2010-11). In reviewing the case files, we made note of those SCARs generated by another mandated reporter (other agency-generated) and those generated by the Police Department (LEA-generated). A vast majority of other agency-generated SCARs were referred from Child Protective Services (CPS), and very few came from other mandated reporters. For other agency-generated SCARs, we searched for documentation supporting that the Police Department had conducted an initial investigation. Our review of the 148 sampled cases revealed that very few other agency-generated SCARs were investigated by the Police Department or no investigation was documented in these cases.

The files showed that CPS regularly and systematically cross-reported SCARs to the Police Department. The Police Department received these CPS referrals and made notes of the referrals in their files, but typically did not perform an investigation on these cases before closing the files. For the vast majority of SCARs referred from CPS, the Police Department identified CPS as the investigating agency and closed the cases if no further investigation was deemed necessary.

For the few cases in which the Police Department did in fact perform an investigation, the SCAR files contained clear evidence and support that an investigation had been performed. For these SCARs, the files contained very detailed written narratives of the investigation(s) performed and of the interviews conducted. These narratives identified the officers involved, the type of investigative work performed, the type of crimes committed, any follow-up investigations needed, who had been interviewed, and dates and times of the interviews, etc.

SCAR Case Sampling Results – Number of Initial Investigations

The results of our SCAR file sampling were consistent from year to year and from case to case. For the three years sampled, the weighted average number of SCARs generated by other agencies was 81.76%. Of these other agency-generated SCARs, the weighted average for which the Police Department completed and documented an initial investigation was 10%.

For those SCARs that we identified as having an error (no investigation was performed), the error identified was identical from case to case. Those SCARs, which the Police Department did not investigate, were referred by CPS and investigations were completed by CPS. The error observed demonstrated an identical nature and cause, and identical correlation to the remaining population of SCARs. Consistent with the AICPA Audit Sampling Guide, we projected the sampling results to the population of SCARs in the audit period.

We applied the results of our sampling to the audit period to calculate an allowable number of SCARs investigated. We first took the total number of SCARs for a particular fiscal year as listed on the city's summary statistics report provided during fieldwork, and multiplied this number by 81.76% to exclude LEA-generated SCARs and account for other agency-generated SCARs that are reimbursable in this cost component. We then multiplied the result by 10% to account for SCARs that the Police Department actually investigated as our sampling had indicated.

The following table summarizes the claimed, allowable, and adjusted number of SCARs investigated for the audit period:

Fiscal Year	Claimed Number of SCARs Investigated (a)	Number of SCARs Investigated per Revised Statistics Provided by City (b)	Number of Other Agency-Generated SCARs (c)=(b)*81.76%	Allowable Number of SCARs Investigated (d)=(c)*10%	Difference (e)=(d) - (a)
1999-2000	229	229	187	19	(210)
2000-01	241	250	204	20	(221)
2001-02	229	242	198	20	(209)
2002-03	277	261	213	21	(256)
2003-04	286	210	172	17	(269)
2004-05	286	273	223	22	(264)
2005-06	279	267	218	22	(257)
2006-07	315	289	236	24	(291)
2007-08	298	294	240	24	(274)
2008-09	377	163	133	13	(364)
2009-10	461	654	535	54	(407)
2010-11	460	456	373	37	(423)
2011-12	214	214	175	18	(196)
Total	3,952	3,802	3,107	311	(3,641)

Partial Initial Investigations

Upon sharing the results of our SCAR file sampling with the city, Police Department staff members explained that, for some cases in which a full initial investigation was not performed, some preliminary investigative activities might have taken place and not been documented in the SCAR case files. These preliminary activities might have helped to corroborate the information reported by CPS, make a determination if the cases were unfounded, and then close the cases.

Per the program's parameters and guidelines, reimbursement for the Complete an Investigation cost component is limited to the following three activities:

1. Review the initial SCAR;
2. Conduct initial interviews with parents, victims, witnesses, or suspects if applicable; and
3. Make a report of the findings of those interviews, which may be reviewed by a supervisor.

Reimbursement for these activities is allowable only to the extent that the city obtains information required to prepare and submit the SS 8583 report form to the DOJ.

We agreed with the city that the review of the initial SCAR is a necessary and reimbursable activity. Not all cases reported by CPS had an initial SCAR documented on file, but the majority did. Therefore, we concluded that it was reasonable to expect a review of the initial SCAR as part of the necessary process to determining whether the case was unfounded. Additionally, the time it took a supervisor to approve closing a case, and the time a records technician spent documenting the case in the system, might be reimbursable as part of an initial investigation.

Therefore, we concluded that allowing the time spent on the initial review of a SCAR (activity 1 from the list on previous page) for every SCAR would be a reasonable approach. Additionally, allowing the time spent closing the SCAR cases out and then documenting the cases in the system would also be reasonable only for those SCARs not fully investigated. However, as documented in the actual case files, activities 2 and 3 from the list on the previous page are allowable for the population of SCARs (10%) that had documentation on file relating to full investigations performed and interviews conducted by the Police Department.

We calculated the number of SCARs allowable for the partial initial investigation by subtracting the allowable number of SCARs fully investigated from the total number of other agency-generated SCARs in each fiscal year.

The following table summarizes the allowable number of SCARs with a partial initial investigation for the audit period:

Fiscal Year	Number of Other Agency-Generated SCARs (a)	Allowable Number of SCARs Fully Investigated (b)	Allowable Number of SCARs Partially Investigated (c)=(a) - (b)
1999-2000	187	19	168
2000-01	204	20	184
2001-02	198	20	178
2002-03	213	21	192
2003-04	172	17	155
2004-05	223	22	201
2005-06	218	22	196
2006-07	236	24	212
2007-08	240	24	216
2008-09	133	13	120
2009-10	535	54	481
2010-11	373	37	336
2011-12	175	18	157
Total	3,107	311	2,796

Time Increments

Claimed

For each fiscal year of the audit period, the city claimed an average time increment of four hours and 18 minutes (4.3 hours) to perform an initial

investigation for each SCAR. The time increments claimed for each classification are as follows:

- Officer/Detective – Four hours and three minutes
- Sergeant – 10 minutes
- Records Technician – Five minutes

The time increment claimed for the Officer/Detective classification included 3.55 hours for completing the initial investigation, plus an additional half hour for writing and editing the report of the investigation. The 10-minute time increment claimed for the Sergeant classification was for reviewing and approving the report. The five-minute time increment claimed for the Records Technician classification was for processing the report.

Allowable

Based on interviews with city staff, the Records Technician classification was not directly involved with the investigations. Rather, this classification entered report information into the system. Because the time increment claimed for this classification is not material, we accepted the increment as claimed. We also concluded that the time increments claimed for the Sergeant classification and Officer/Detective classification were allowable as well. These time increments are applicable to those SCARs for which a full preliminary investigation was completed as shown by our SCAR cases sampling, totaling 311 SCAR investigations for the audit period.

Additional Time Increment for Partial Initial Investigations

As indicated above, we accepted the city's proposal to allow additional time increments for performing partial initial investigation activities for those SCARs referred from CPS, in which the Police Department closed cases without completing and documenting a full initial investigation. For these SCARs, Police Department staff members explained that some preliminary investigative activities might have taken place to corroborate the information reported by CPS (which completed the investigations) and make a determination of whether the cases were unfounded. For these partial initial investigations, the city proposed an additional 18-minute (0.30 hours) time increment for the Officer/Detective classification to read and review each SCAR, five-minute (0.09 hours) time increment for the Sergeant classification to approve closing the case, and five-minute (0.09 hours) time increment for the Records Technician classification to document and file the closed case. We discussed the proposed time increments with the city's staff and found this proposal to be reasonable. These time increments are applicable to those SCARs, referred from CPS, in which the Police Department closed the cases without completing and documenting a full initial investigation, totaling 2,796 SCARs for the audit period.

The following table summarizes the claimed and allowable hours per employee classification for the audit period, based on the adjustment to the number of SCAR investigations and the allowable time increments per SCAR:

Classification	Hours Claimed	Hours Allowable	Difference
Full Initial Investigation (311 SCARs)			
Officer/Detective	16,003.39	1,259.55	(14,743.84)
Sergeant	658.60	51.83	(606.77)
Records Techncian	329.25	25.91	(303.34)
Partial Initial Investigation (2,796 SCARs)			
Officer/Detective	-	838.80	838.80
Sergeant	-	223.68	223.68
Records Technician	-	223.68	223.68
Total	16,991.24	2,623.45	(14,367.79)

The following table summarizes the total claimed, allowable, and adjusted hours per fiscal year based on the adjustment to the number of SCAR investigations and the allowable time increments per SCAR:

Fiscal Year	Hours Claimed	Hours Allowable	Difference
1999-2000	984.49	158.98	(825.51)
2000-01	1,036.30	170.64	(865.66)
2001-02	984.70	167.88	(816.82)
2002-03	1,191.10	178.62	(1,012.48)
2003-04	1,229.80	144.40	(1,085.40)
2004-05	1,229.80	187.06	(1,042.74)
2005-06	1,199.70	184.76	(1,014.94)
2006-07	1,354.50	200.72	(1,153.78)
2007-08	1,281.40	202.56	(1,078.84)
2008-09	1,621.53	111.10	(1,510.43)
2009-10	1,981.87	453.46	(1,528.41)
2010-11	1,978.00	313.65	(1,664.35)
2011-12	918.05	149.62	(768.43)
Total	16,991.24	2,623.45	(14,367.79)

Productive Hourly Rates

The city claimed PHRs based on salary ranges for employee classifications rather than the actual salary amounts paid to each employee performing the reimbursable activities during the audit period. Our analysis of claimed PHRs showed that the city understated the rates for each fiscal year of the audit period.

Claimed

For eight fiscal years of the audit period (FY 2004-05 through FY 2011-12), the city computed claimed PHRs by using hourly rates that were reported on the city's Salary Table by Bargaining Unit report. The report specified the amounts for six salary ranges (steps) per each classification. Within each range, the report identified an hourly rate and a monthly salary amount. The city computed claimed PHRs based on

1,800 annual productive hours. To compute claimed PHRs for four of these eight fiscal years (FY 2005-06, FY 2006-07, FY 2010-11 and FY 2011-12), the city used the salary amounts listed at Range Four for each employee classification claimed. For the remaining four fiscal years (FY 2004-05, FY 2007-08, FY 2008-09, and FY 2009-10), the city used various inconsistent salary ranges to compute claimed PHRs. For the first five fiscal years of the audit period (FY 1999-2000 through FY 2003-04), the city did not provide salary tables. Therefore, we were unable to determine how the city computed claimed rates for FY 1999-2000 through FY 2003-04.

Allowable

During the course of the audit, we recalculated PHRs for each classification claimed for the eight fiscal years in which salary tables were available (FY 2004-05 through FY 2011-12). The city proposed that PHRs should be recomputed at the highest salary range (Range Six) because staff working on reimbursable activities were paid at the top of their respective salary ranges. Additionally, the city explained that it had erroneously claimed the Senior Records Technician classification rather than the Records Supervisor classification for each fiscal year. We worked with the city's Finance Department and determined that a Records Supervisor performed reimbursable activities for FY 1999-2000 through FY 2003-04 and FY 2008-09 through FY 2011-12, and a Senior Records Technician performed reimbursable activities for FY 2004-05 through FY 2007-08. Therefore, we made adjustments to these classifications accordingly in our recalculations of claimed PHRs.

For FY 2004-05 through FY 2011-12, we recomputed the claimed PHRs for each classification at salary Range Six using 1,800 annual productive hours. For FY 1999-2000 through FY 2003-04, the city did not provide salary tables. Therefore, we used the CPI, obtained from the California Department of Finance, to calculate allowable PHRs for FY 1999-2000 through FY 2003-04, using the FY 2004-05 recalculated PHRs as a base. Our analysis showed that the PHRs claimed were understated for each fiscal year of the audit period.

The following table summarizes the claimed, allowable, and adjusted PHRs for all classifications performing reimbursable activities for the audit period:

Fiscal Year	Classification	Claimed Productive Hourly Rates	Allowable Productive Hourly Rates	Difference
1999-2000	Records Supervisor	$ 18.46	$ 20.75	$ 2.29
	Officer/Detective	22.50	26.54	4.04
	Sergeant	27.41	30.80	3.39
2000-01	Records Supervisor	19.97	21.65	1.68
	Officer/Detective	24.33	27.69	3.36
	Sergeant	29.65	32.13	2.48
2001-02	Records Supervisor	20.78	22.29	1.51
	Officer/Detective	25.32	28.51	3.19
	Sergeant	30.85	33.09	2.24
2002-03	Records Supervisor	17.31	22.87	5.56
	Officer/Detective	28.47	29.26	0.79
	Sergeant	33.36	33.95	0.59
2003-04	Records Supervisor	17.83	23.29	5.46
	Officer/Detective	28.47	29.80	1.33
	Sergeant	31.77	34.58	2.81
2004-05	Records Technician (Senior)	17.83	20.63	2.80
	Officer/Detective	29.61	30.79	1.18
	Sergeant	34.36	35.73	1.37
2005-06	Records Technician (Senior)	20.09	22.14	2.05
	Officer/Detective	31.09	33.95	2.86
	Sergeant	36.08	39.40	3.32
2006-07	Records Technician (Senior)	20.81	22.93	2.12
	Officer/Detective	31.09	33.95	2.86
	Sergeant	36.08	39.40	3.32
2007-08	Records Technician (Senior)	22.28	23.73	1.45
	Officer/Detective	32.34	33.95	1.61
	Sergeant	37.90	39.40	1.50
2008-09	Records Supervisor	24.79	32.65	7.86
	Officer/Detective	34.65	36.74	2.09
	Sergeant	40.21	42.63	2.42
2009-10	Records Supervisor	25.79	35.04	9.25
	Officer/Detective	39.35	39.73	0.38
	Sergeant	45.66	45.66	-
2010-11	Records Supervisor	25.79	35.65	9.86
	Officer/Detective	40.14	43.83	3.69
	Sergeant	46.57	50.86	4.29
2011-12	Records Supervisor	25.79	35.65	9.86
	Officer/Detective	40.14	43.83	3.69
	Sergeant	46.57	50.86	4.29

Benefit Rates

The city claimed department-wide benefit rates that were derived from the Police Department's Indirect Cost Rate Proposals (ICRPs) for each fiscal year of the audit period. We found the claimed benefit rates to be reasonable and properly computed. We applied the department-wide benefit rates to the allowable salaries to arrive at allowable benefit costs for the audit period.

Summary of Audit Adjustment

We calculated the allowable hours by multiplying the allowable number of SCARs investigated (311 full initial investigations and 2,796 partial initial investigations), by the allowable time increments per activity per SCAR. We then applied the allowable PHRs and department-wide benefit rates to the allowable hours to compute allowable salaries and benefits costs. We found that the city overstated salaries and benefits costs totaling $737,464 for the audit period.

The following table summarizes salary and benefit audit adjustments by fiscal year as described in the finding above:

Fiscal Year	SCARs/Hours Related Adjustment	PHR Adjustment	Benefit Costs Adjustment	Total Audit Adjustment
1999-2000	$ (18,664)	$ 607	$ (5,977)	$ (24,034)
2000-01	(21,163)	530	(7,079)	(27,712)
2001-02	(20,781)	490	(8,380)	(28,671)
2002-03	(28,893)	219	(14,422)	(43,096)
2003-04	(30,902)	273	(18,010)	(48,639)
2004-05	(30,938)	254	(19,852)	(50,536)
2005-06	(31,627)	524	(21,647)	(52,750)
2006-07	(36,919)	1,535	(23,955)	(59,339)
2007-08	(34,991)	320	(22,743)	(57,414)
2008-09	(52,417)	298	(35,126)	(87,245)
2009-10	(60,390)	536	(38,845)	(98,699)
2010-11	(66,968)	1,362	(42,774)	(108,380)
2011-12	(30,919)	647	(20,677)	(50,949)
Total	$ (465,572)	$ 7,595	$ (279,487)	$ (737,464)

Criteria

The parameters and guidelines (section IV – Reimbursable Activities) require claimed costs to be supported by source documents. The parameters and guidelines state, in part:

> 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.

The parameters and guidelines (section IV – B.3.a.1.) allow ongoing activities related to costs for reporting to the California DOJ. For the following reimbursable activities:

> From July 1, 1999 to December 31, 2011, city and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall: (Pursuant to amendments to Penal Code section 11169(b) enacted by Statutes 2011, chapter 468 (AB 717), the mandate to report to DOJ *for law enforcement agencies only* ends on January 1, 2012. In addition, the duty for all other affected agencies is modified to exclude an "inconclusive" report.)
>
> 1) Complete an investigation for purposes of preparing the report
>
> Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice. (Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.) Except as provided in paragraph below, this activity includes review of the initial Suspected Child Abuse Report (Form 8572), conducting initial interviews with parents, victims, suspects, or witnesses, where applicable, and making a report of the findings of those interviews, which may be reviewed by a supervisor.
>
> ***Reimbursement is not required in the following circumstances:***
>
> i. Investigative activities conducted by a mandated reporter to complete the Suspected Child Abuse Report (Form SS 8572) pursuant to Penal Code section 11166(a).
>
> ii. In the event that the mandated reporter is employed by the same child protective agency required to investigate and submit the "Child Abuse Investigation Report" Form SS 8583 or subsequent designated form to the Department of Justice, pursuant to Penal Code section 11169(a), reimbursement is not required if the investigation required to complete the Form SS 8572 is also sufficient to make the determination required under section 11169(a), and sufficient to complete the essential information items required on the Form SS 8583, pursuant to Code of Regulations, title 11, section 903 (Register 98, No. 29).
>
> iii. Investigative activities undertaken subsequent to the determination whether a report of suspected child abuse is substantiated, inconclusive, or unfounded, as defined in Penal Code section 11165.12, for purposes of preparing the Form SS 8583, including the collection of physical evidence, the referral to a child abuse investigator, and the conduct of follow-up interviews.

The parameters and guidelines (section V – Claim Preparation and Submission – Direct Cost Reporting – Salaries and Benefits) state that, for salaries and benefits, claimants are required to:

> 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 reimbursable activities performed and the hours devoted to each reimbursable activity performed.

Recommendation

The ICAN Investigation Reports Program was suspended from FY 2015-16 through FY 2017-18. If the program becomes active again, we recommend that the city follow the mandated program claiming instructions and the parameters and guidelines to ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

City's Response

FINDING 2: Complete an investigation for purposes of preparing the SS8583 report

Issue 1:
Excessively narrow interpretation of eligible investigations. (DISALLOWANCE OF ALL LAW ENFORCEMENT AGENCY (LEA) GENERATED CASES

The SCO audit determined that City statistics for Suspected Child Abuse Reports (SCARs) was accurate.

Of the total SCARs however, only 81.76% was found to be eligible (SCARs generated by other local agencies) and 18.24% was determined to be ineligible (Law Enforcement Agency (LEA) generated cases).

The City disagrees with the State Controller's Office's (SCO) interpretation that **all** LEA generated cases were ineligible for reimbursement.

Claiming instructions for Investigative Activities state: "Reimbursement is not required in the following circumstances:

> "ii. In the event that the mandated reporter is employed by the same child protective agency require to investigate and submit the "Child Abuse Investigation Report" Form SS 8583 or subsequent designated form to the Department of Justice, pursuant to Penal Code Section 11169(a), *reimbursement is not required* ***if the investigation required to complete the Form SS 8572 is also sufficient to complete the essential information items required on the Form SS 8583…"***

We believe that the cases listed below demonstrated that the investigation level exceeded the base requirements that would have been needed to simply fill out a Mandated Reporter form (SS 8572). In other words, the investigation required to fill out the SS 8572 was NOT sufficient to complete the items required on the form SS 8583 – mainly to determine if the case was unfounded, substantiated or inconclusive.

The reports and call histories show that there were often multiple officers on the scene and multiple parties being interviewed to determine whether the case was unfounded, substantiated or inconclusive. This level of effort would not have been required to simply fill in a mandated reporter form (SS8572) which could have easily been completed by one officer in 10-15 minutes. Therefore, the following cases should be found allowable and the resulting percentage of eligible cases increased accordingly:

FY 2008-09	FY 2009-10	FY 2010-11
Case #1003-1190	0907-2506	1009-1848
Case #0801-1766	09092714	1106-2117
Case #1811-0181		1010-0549
Case #0904-0493		1104-1560

Issue 2:

Excessively narrow interpretation of eligible activities denies local agencies reimbursement of reasonably necessary, actual activities involved in the preliminary investigative process to "Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive…"

SCO states in their Draft Audit "the Police Department investigated very few (10%) of the other agency-generated SCARs that has been cross-reported to them, as no additional follow-up was deemed necessary." "The files showed that CPS regularly and systematically cross-reported SCARs to the Police Department. The Police Department received these CPS referrals and made notes of the referrals in their files, but typically did not perform any investigation on these cases before closing the files. For the vast majority of SCARs referred from CPS, the Police Department identified CPS as the investigating agency and closed the cases if no further investigation was deemed necessary."

The City disagrees with the statement that "the Police Department did not perform any investigation on those cases before closing the files." The SCO conclusion that 90% of the City's child abuse cases did not qualify for any reimbursement of preliminary investigative activities is incorrect.

The SCO interpretation of what constitutes eligible "investigative activity" is excessively narrow, limiting activities to only: "Conduct(ing) initial interviews with parents, victims, witnesses, or suspects." As a result, the City is denied all preliminary investigative time for 90% of SCARs cases forwarded to it by other agencies. SCO allowed reimbursement of only 28 minutes per case: 18 minutes for the Officer/Detective to read and review the initial SCAR form; 5 minutes for the Sergeant to review the closed case report; and 5 minutes for Records staff to document and file the case.

While in person interviews are not always performed, there is a substantial amount of investigative time the Detective spends in the Office to determine whether in-person interviews will be required. For example, the City documented the following investigative activities prior to making the determination that in-person interviews were not required and closing the case:

6 minutes to check to see if a report was already written – determine if case is a duplicate (Detective) NOT ALLOWED BY SCO

6 minutes to check if a report was already written (Records) NOT ALLOWED BY SCO

26-36 minutes to call the Department of Social Services, reporting agency, or involved individuals (at least one adult who has information regarding allegations) to obtain more details of the case to determine if in person interviews are necessary (Detective) NOT ALLOWED BY SCO

The City contends that these preliminary investigative activities are necessary for investigators to make the determination whether to close the case (determine the allegations are unfounded) or to continue the investigation by proceeding with in person/on-site interviews.

The claiming instructions are general guidelines meant to provide direction, not an exclusive and exhaustive list of eligible tasks that take place during the preliminary investigative process to determine if the child abuse or neglect case is founded or unfounded. To assume so is unreasonable and violates the intent of State Mandate Statutes which ensure the reimbursement of actual costs incurred to comply with the State mandated program.

The Commission on State Mandates Statement of Decision supports this interpretation. On page 34 of the December 2013 Statement of Decision, the California Department of Social Services (CDSS) argues (and Commission agrees) that only an investigation similar to one that is conducted BY CDSS should be allowed.

CDSS testimony states that, **"prior to the actual interviews, the social worker must make a multitude of considerations to first decide whether an in-person investigation is necessary."** That is exactly the same process South Lake Tahoe PD goes through in reviewing each case and which is outlined above.

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

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

> The Commission concludes on page 37: "Therefore, **because in-person interviews and writing a report of the findings <u>are the last step</u>** taken by law enforcement before determining whether to proceed with a criminal investigation or close the investigation, and the last step that county welfare departments take before determining whether to forward the report to the DOJ and possibly refer the matter to law enforcement, **<u>that degree of investigative effort must be the last step that is necessary to comply with the mandate.</u>"**
>
> Therefore, based on the Statement of Decision discussion we believe that the activities listed above and performed by law enforcement agencies **before** this "last step" in the investigative process are eligible for reimbursement. These preliminary investigative activities are necessary for the Police Department to determine if the suspected child abuse case (SCAR) was founded, unfounded or inconclusive and therefore should be reimbursable.
>
> We request restoration of an additional 72 minutes of Detective time and 6 minutes of Records staff time as detailed above and as is supported by our documentation (2015 times study and other documentation) for the investigative steps conducted prior to determining whether in-person interviews are necessary or whether it is appropriate to close the case.
>
> This would result in an allowable time of 1.5 hours per case for the Detective for the cases that did not require in person interviews and that were closed after desk review versus the 18 minutes of time currently allowed by the SCO simply to read and log the case.

<u>SCO Comment</u>

Our finding and recommendation remain unchanged.

The city addressed its comments on Finding 2 under two subheadings as follows:

- Issue 1: Excessively narrow interpretation of eligible investigations. (Disallowance of all law enforcement agency [LEA] generated cases)
- Issue 2: Excessively narrow interpretation of eligible activities denies local agencies reimbursement of reasonable necessary, actual activities involved in the preliminary investigative process to "Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive…."

We will address the city's response in the same order that it was presented.

Issue 1

The city has not provided additional documentation to support an increase in allowable costs. The city is requesting an increase in the number of allowable cases. In its response, the city argues that SCO incorrectly excluded some SCARs that were generated by the police department (LEA-generated cases) from consideration for reimbursement for conducting an initial investigation. The city states that SCO is employing an "excessively narrow" interpretation of the parameters and guidelines

for this component. The city states the following regarding section IV.B.3.a (1)(ii) of the parameters and guidelines:

> Claiming Instructions for Investigative Activities state: "Reimbursement is not required in the following circumstances: In the event that the mandated reporter is employed by the same child protective agency require to investigate and submit the 'Child Abuse Investigation Report' Form SS 8583 or subsequent designated form to the Department of Justice, pursuant to Penal Code Section 11169(a), reimbursement is not required if the investigation required to complete the Form SS 8572 is also sufficient to complete the essential information items required on the Form SS 8583…"

The city then lists 10 LEA-generated cases from the three fiscal years that were sampled during the audit (four cases from FY 2008-09, two cases from FY 2009-10, and four cases from FY 2010-11) that it states should have been included as eligible cases in the sampling analysis. The city states that these cases should have been included in the population of allowable cases because the level of investigation required to complete the initial SCAR form SS 8572 may not have been sufficient to complete the essential items required in the Child Abuse Investigation Report (form SS 8583) that is forwarded to the DOJ. The city argues that the files for these cases show that there were often multiple officers on the scene and multiple parties interviewed to determine whether the cases were unfounded, substantiated, or inconclusive. The city states that this "level of effort" shows that the officers were not able to obtain enough information from completing an initial SCAR form to also complete the SS 8583 form. We disagree.

The city is taking this section of the parameters and guidelines out of context. To fully understand this portion of the parameters and guidelines, one must refer to the Commission's Statement of Decision. Pages 40 through 42 of the Statement of Decision discuss in detail what is and is not reimbursable when a mandated reporter (police department, county welfare, probation department) is also the investigating agency. Per PC section 11166(a), a mandated reporter is already compelled by the nature of his/her duty to report instances of suspected child abuse via the SS 8572 form. There is no higher level of service mandated, and therefore, the duty to investigate under PC section 11166(a) is not reimbursable. Furthermore, the level of investigation performed by the mandated reporter to gather the necessary information for completing the SS 8572 form is frequently sufficient to complete form SS 8583. Page 41 of the Statement of Decision states the following:

> The precise scope of this investigative duty is not specified, but all mandated reporters are expected to employ the Form SS 8572 to report suspected child abuse… This duty is triggered whenever the mandated reporter, in his or her professional capacity or within the scope of his or her employment, has knowledge of or observes a child whom the mandated reporter knows or reasonably suspects has been the victim of child abuse or neglect. Given the scope of employment within a law enforcement agency, county probation department, or county welfare agency generally includes investigation and observation for crime prevention, law enforcement and child protection purposes, information may be obtained by an employee which triggers the requirements of 11166(a), and ultimately leads to an investigation and report to DOJ

> under section 11169(a). Ultimately, some of the same information to satisfy the reporting requirements of section 11169 and the DOJ regulations may be obtained in the course of completing a mandated reporter's (non-reimbursable) duties under section 11166(a)

The city concludes that a correlation exists between the amount of investigative work performed on an LEA-generated case and the amount of information needed to complete form SS 8583. We disagree. Page 42 of the Statement of Decision demonstrates that this conclusion is not accurate:

> the test claim statement of decision approved only Code of Regulations, title 11, section 903 as amended by Register 98, No. 29, which adopted the Form SS 8583, and required that only "certain information items…must be completed." Those information items, as discussed above, impose a very low standard of investigation for reporting to DOJ regarding instances of known or suspected child abuse.

The Statement of Decision emphasizes that a mandated reporter who is an employee of a child protective agency already has a greater responsibility to investigate when he/she has suspicions of child abuse. The Statement of Decision states, "[t]herefore, the regulations and statutes approved in the test claim statement of decision impose very little beyond what would otherwise be expected of a mandated reporter." The threshold of what makes the SS 8583 report retainable is relatively low. Investigative work performed to identify suspects or gather proof for criminal charges is not necessary to complete the form SS 8583.

Therefore, contrary to the city's argument, there is no correlation between the severity of a case and the scope of information needed to determine whether a case of suspected child abuse is unfounded, inconclusive, or substantiated for purposes of completing form SS 8583. The Commission, when crafting the Statement of Decision, was aware of the potential of over-claiming when a mandated reporter is also the investigating agency. Page 40 of the Statement of Decision states, " the parameters and guidelines must be crafted to avoid over-claiming when the mandated reporter in a particular case is also an employee of the child protective agency that will complete the investigation under section 11169."

The city's claim that the 10 cases cited should be included as eligible in the sampling analysis is unsupported. For these 10 cases, only one completed SCAR (form SS 8572) was documented in the file, and none of the cases had completed SS 8583 forms documented in the files. For this particular component, the reimbursable activity is to complete an investigation "*for purposes of"* [emphasis added] preparing an SS 8583 report form. The documentation in the case files does not support that the city prepared the required SS 8583 forms. Most of the cases were forwarded to CPS or the DA for follow-up, without a SCAR (form SS 8572) or SS 8583 report form being completed and forwarded to the DOJ. The two cases cited in FY 2009-10 "were closed by arrest": the case files show that officers arrived on the scene and arrested the suspects. The extensive investigative work cited by the city was not performed.

Issue 2

The city has not provided additional documentation to support an increase in allowable costs. The city is requesting an increase in the allowable time increment for those cases in which a full initial investigation was not completed. As with Issue 1, the city states that SCO is employing an "excessively narrow" interpretation of the parameters and guidelines with regards to eligible activities.

In its response, the city states, "[t]he SCO conclusion that 90% of the City's child abuse cases did not qualify for any reimbursement of preliminary investigative activities is incorrect." This statement is inaccurate. Per our sampling results, we found that 90% of the cases (a total of 2,796) cross-reported to the police department were not "*fully"* [emphasis added] investigated. That is, the case documentation did not show that the department had: 1) reviewed the SCAR; 2) conducted initial interviews with witnesses, victims, parents, etc.; and 3) made a written report of the interviews, which may have been reviewed by a supervisor. However, during the audit, Police Department staff explained that for these cross-reported cases, although full initial investigations were not conducted, some preliminary investigative activities may have taken place to corroborate the information reported by CPS. Therefore, as detailed in the audit report, we worked with the department to determine an allowable time increment for the Officer/Detective, Sergeant, and Records Technician classifications for performing "*partial"* [emphasis added] initial investigation activities for these 2,796 cases.

In its response, the city also states:

> The SCO interpretation of what constitutes eligible "investigative activity" is excessively narrow, limiting activities to only: "Conduct(ing) initial interviews with parents, victims, witnesses, or suspects." As a result, the City is denied all preliminary investigative time for 90% of SCARs cases forwarded to it by other agencies.

We disagree. Finding 2 outlines in detail the distinct differences between the eligible activities for *full* initial investigations and the eligible activities for *partial* initial investigations. Per the parameters and guidelines, and as outlined in the audit report, allowable reimbursable activities for performing a full initial investigation are as follows:

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

As outlined in the audit report, allowable reimbursable activities for performing a partial initial investigation were determined during the audit, as follows:

1) Read and review the SCAR;
2) Approve closing the case; and
3) Document and file the closed case.

SCO did not "deny all preliminary investigative time" for the 2,796 cases that were found to not have been fully investigated. Rather, we worked with the department and, based on our discussions with the city's Detective, we found the three above-referenced activities to be reimbursable. The city is correct that we allowed reimbursement of 28 minutes per case, as this is what the Detective proposed, and we concluded was reasonable based on his explanation. During the audit, the city also proposed four additional activities that it asserts should be included as reimbursable activities for partial initial investigations. We determined that the four additional activities are not within the scope of the parameters and guidelines.

The city is requesting that SCO allow it to claim additional time for additional activities, beyond the 28 minutes already allowed for the partial initial investigations. The city is requesting the following:

1) Six minutes for a Detective to verify whether a report was already written;
2) Six minutes for a Records Technician to verify whether a report was already written;
3) 36 minutes for a Detective to review the case history; and
4) 26-36 minutes for a Detective to telephone other agencies and involved individuals to obtain more details.

In its response, the city requests "restoration" of an additional 72 minutes for the Detective classification and six minutes for the Records Technician classification (a total of 78 minutes) for performing these four activities.

For those cases where a full initial investigation was conducted, we accepted the city's claimed time increments, without adjustment. In addition, we worked with the city during the audit to allow additional time increments for the three partial initial investigation activities listed on the previous page, although there was no documentation in the case files to support that the activities had been performed. Because the additional time increments for partial initial investigations were approved during the audit, there is nothing to "restore."

During the audit, the city proposed that it also be allowed to claim additional time for the four activities listed above. At that time, we discussed the matter, at length, with city officials and informed them that these activities are not reimbursable per the parameters and guidelines. We agree that Detectives and other staff perform many activities necessary to complete child abuse investigations. However, not all activities within the investigation process (whether for partial or full initial investigations) are reimbursable, even when they appear reasonably necessary. For example, items 1 and 2 above can be described as overlapping internal procedures. Although the department may view these activities as necessary, they do not qualify as preliminary investigative activities and are not mandated. As explained, Section IV.B.3.1 of the program's parameters and guidelines allow reimbursement of the actual costs incurred to 1) review the initial SCARs, 2) conduct initial interviews with involved parties, and 3) make a report of the findings of those interviews.

In its response, the city cites a "time study" that it conducted in 2015. The city argues that this time study supports that it performed the four proposed activities listed on the previous page and validates its request to "restore" an additional 78 minutes for partial initial investigations. The time study is irrelevant. The purpose of a time study is to approximate the average time it takes to perform a specific activity. We are not questioning the time that it may have taken department staff to perform the four activities; rather, we are establishing that the activities are not reimbursable. Even if the activities were reimbursable, performing a time study outside of the audit period would not support that the activities actually took place during the audit period. Only contemporaneous documentation, such as notes in the case files, would support this.

In summary, we believe that the four activities listed above, equating to an additional 78 minutes, are beyond the scope of the reimbursable activities and, therefore, are unallowable for reimbursement.

FINDING 3—Unallowable indirect costs

The city claimed indirect costs totaling $589,348 during the audit period. We found that $68,134 is allowable and $521,214 is unallowable. The costs are unallowable because the city overstated its indirect cost rates for the audit period and applied its indirect cost rates to overstated salaries.

The city claimed indirect cost rates by calculating an ICRP for each fiscal year of the audit period. In its ICRPs, the city combined expenditure amounts from the following five key accounts within the Police Department: Administration, Operations, Certified Training, Joint Dispatch Center, and Support. The city allocated the totals for salaries, benefits, and services and supplies between direct and indirect cost categories. The city then added the city-wide overhead costs to the indirect cost pool. The city computed its rates by dividing total indirect costs by direct salaries and overtime. The city claimed indirect cost rates ranging from 47.3% to 138.8% for the audit period.

The following table summarizes the claimed, allowable, and unallowable indirect costs for the audit period:

Fiscal Year	Claimed Indirect Costs	Allowable Indirect Costs	Audit Adjustment
1999-2000	$ 10,967	$ 1,317	$ (9,650)
2000-01	15,401	1,991	(13,410)
2001-02	18,241	2,900	(15,341)
2002-03	29,653	3,969	(25,684)
2003-04	32,331	3,368	(28,963)
2004-05	36,433	4,678	(31,755)
2005-06	41,922	5,204	(36,718)
2006-07	48,886	5,250	(43,636)
2007-08	48,966	5,599	(43,367)
2008-09	68,206	3,563	(64,643)
2009-10	110,850	16,186	(94,664)
2010-11	91,644	9,025	(82,619)
2011-12	35,848	5,084	(30,764)
Total	$ 589,348	$ 68,134	$ (521,214)

Overtime included in the base

For the audit period, the city calculated indirect cost rates using direct salaries and overtime as the base. The city then applied the indirect cost rate to claimed salaries for the audit period. The city incorrectly included overtime in its computation of indirect costs. The city should have calculated indirect cost rates using only direct salaries as the base, since the rate cannot be applied to overtime. Therefore, for each fiscal year of the audit period, we excluded overtime from the base when performing our recalculations.

Salaries claimed as indirect costs

The city classified a multitude of classifications as indirect positions and allocated the related salary and benefit costs to the indirect cost pool when computing claimed indirect cost rates. In our analysis, we noted that the indirect salaries and related benefits claimed as indirect costs might have included positions that were not indirect. The city provided a worksheet listing the classifications that it considered to be indirect.

The following table lists the 21 classifications that the city claimed as being 100% indirect in its ICRPs at some point during the audit period. Two exceptions are noted, for the Captain and Police Chief. Some of the classifications were claimed every fiscal year, while others were claimed in only some fiscal years.

Classifications Claimed as Indirect	
Admin Assistant	Information Systems Technician
Admin Secretary	Lieutenant
Assistant Management Analyst	Police Chief [2]
Captain [1]	Police Maintenance Worker
Commander	Police Operation Worker
Communications Coordinator	Police Records Technician
Communications Supervisor	Public Safety Dispatcher
Community Services Officer	Records Supervisor
Dispatch Supervisor	Sergeant
Evidence Technician	Support Services Technician
Information Systems Manager	

[1] Claimed at 90% for FY 2006-07 through FY 2008-09.

[2] Claimed at 50% indirect for FY 2011-12, FY 2006-07, FY 2005-06, and FY 2004-05. Claimed at 100% for all other fiscal years.

We identified eight of the 21 positions as likely not 100% indirect, based on the nature of the positions and typical duties performed. The remaining classifications are support roles or are mostly administrative in nature, and we therefore accepted the city's assessment. The positions in question were the following:

- Community Services Officer
- Dispatch Supervisor
- Evidence Technician
- Lieutenant

- Police Records Technician
- Public Safety Dispatcher
- Records Supervisor
- Sergeant

For these positions, we requested duty statements from the city's Finance Department. We explained to the city that the duty statements would help determine to what extent each classification's duties were related to the Police Department's direct functions, and to what extent they were related to administrative or support roles. For those classifications that were not readily identifiable as being 100% direct or 100% indirect, the duty statements served as a tool in determining an allocation between the two based on the list of typical duties performed.

As a general rule, any classification involved in providing specific, identifiable, and direct services should be considered as direct labor costs. On the contrary, indirect labor costs are those which are not readily identifiable or assignable to one unit and typically would benefit more than one department.

Recalculation of Fractional Percentages for Indirect Cost Pool

We analyzed the representative duties listed on the duty statements for each of the eight classifications that we identified as not 100% indirect. For each classification, we calculated how many of the representative duties listed were indirect and how many were direct. For example, for the Community Services Officer classification, we determined that out of the 17 total representative duties listed, one was indirect, equating to 5%. The one duty we determined to be indirect was described as "performs a variety of record keeping, filing, indexing and other general clerical work." Examples of direct duties were "direct the removal of parked vehicles that pose a hazard" and "takes statements, prepares criminal and traffic reports, and makes court appearances as required."

We calculated the fractional percentages of indirect labor for each of the eight classifications in question. The final determination of the allocation of direct and indirect labor ratio is as follows:

- Community Services Officer – 5% indirect
- Dispatch Supervisor – 60% indirect
- Evidence Technician – 0% indirect
- Lieutenant – 75% indirect
- Police Records Technician – 45% indirect
- Public Safety Dispatcher – 0% indirect
- Records Supervisor – 70% indirect
- Sergeant – 65% indirect

Additionally, we accepted the city's proposal that for the years in which the city included the Captain and the Police Chief classifications in its ICRP computations, they be considered as 100% indirect labor costs. The city originally had claimed the Police Chief classification at 50% in some years and 100% in other years, and the Captain classification at 90%.

Recalculated Rates

For each fiscal year of the audit period, we recalculated the indirect cost rates by implementing the changes described previously in this Finding. We removed overtime costs from the base. We also adjusted the salaries and related benefits costs allocated into the indirect cost pool based on our analysis of the city's duty statements for the classifications included in the indirect cost pool.

The following table summarizes the claimed, allowable, and adjusted indirect cost rates for the audit period:

Fiscal Year	Claimed Indirect Cost Rates (a)	Allowable Indirect Cost Rates (b)	Rate Difference (c) = (b) - (a)
1999-2000	47.30%	25.70%	-21.60%
2000-01	59.00%	36.40%	-22.60%
2001-02	70.60%	52.30%	-18.30%
2002-03	85.00%	63.90%	-21.10%
2003-04	90.20%	64.60%	-25.60%
2004-05	97.60%	70.40%	-27.20%
2005-06	109.20%	71.40%	-37.80%
2006-07	112.80%	66.00%	-46.80%
2007-08	114.60%	69.50%	-45.10%
2008-09	118.20%	63.80%	-54.40%
2009-10	138.80%	80.90%	-57.90%
2010-11	107.20%	58.10%	-49.10%
2011-12	93.40%	62.70%	-30.70%

Summary of Audit Adjustment

For each fiscal year of the audit period, we recalculated allowable indirect costs by applying the audited indirect cost rates to the allowable salaries. We found that the city overstated indirect costs totaling $521,214 for the audit period ($42,662 related to overstated indirect cost rates and $478,552 related to overstated salaries identified in Findings 1 and 2).

The following table summarizes the indirect costs adjustments per fiscal year as described previously in this Finding:

Fiscal Year	Indirect Cost Rate Difference Adjustment	Unallowable Salaries Cost Adjustment	Total Audit Adjustment
1999-2000	$ (1,108)	$ (8,542)	$ (9,650)
2000-01	(1,236)	(12,174)	(13,410)
2001-02	(1,015)	(14,326)	(15,341)
2002-03	(1,311)	(24,373)	(25,684)
2003-04	(1,335)	(27,628)	(28,963)
2004-05	(1,807)	(29,948)	(31,755)
2005-06	(2,755)	(33,963)	(36,718)
2006-07	(3,723)	(39,913)	(43,636)
2007-08	(3,634)	(39,733)	(43,367)
2008-09	(3,038)	(61,605)	(64,643)
2009-10	(11,585)	(83,079)	(94,664)
2010-11	(7,626)	(74,993)	(82,619)
2011-12	(2,489)	(28,275)	(30,764)
Total	$ (42,662)	$ (478,552)	$ (521,214)

Criteria

The parameters and guidelines (section V.B. – Claim Preparation and Submission – Indirect Cost Rates) state:

> Indirect costs are costs that are incurred for a common or joint purpose…
>
> Compensation for indirect costs is eligible for reimbursement utilizing the procedure provided in 2 CFR Part 225 (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, Appendix A and B (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, Appendix A and B (OMB Circular A-87 Attachments A and B). However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable. The distribution base may be: (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.); (2) direct salaries and wages; or (3) another base which results in an equitable distribution.
>
> In calculating an ICRP, the claimant shall have the choice of one of the following methodologies:
>
> 1. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by: (1) classifying a department's total costs for the base period as either direct or indirect; and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to

distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount of allowable indirect costs bears to the base selected; or

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

Recommendation

The ICAN Investigation Reports Program was suspended from FY 2015-16 through FY 2017-18. If the program becomes active again, we recommend that the city follow the mandated program claiming instructions and the parameters and guidelines to ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

City's Response

FINDING 3: Unallowable indirect costs

The City believes that the SCO determination to completely disallow Dispatchers and Evidence Technicians from the Indirect cost rate proposal calculation (ICRP) is incorrect and improperly reduces the City's claims.

Employees in these classifications do not work directly on this program, however they do provide necessary indirect support and assistance to the staff who does.

DIRECT COSTS:
According to 2 CFR Part 200, Direct Costs are "those costs that can be identified specifically with a particular final cost objective, such as a Federal Award or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy."

According to the OMB A-97:

"E. **Direct Costs**

1. General. Direct Costs are those that can be identified specifically with a particular final cost objective."
2. Application. Typical direct costs chargeable to Federal Awards are:

a. Compensation of employees for the time devoted and identified specifically to the performance of those awards.

b. Cost of materials acquired, consumed, or expended specifically for the purpose of those awards.

c. Equipment and other approved capital expenditures.

d. Travel expenses incurred specifically to carry out the award.

e. Minor items. Any direct costs of a minor amount may be treated as an indirect cost for reasons of practicality where such accounting treatment for that item of cost is consistently applied to all cost objectives."

The cost objective in this claim for the Child Abuse program or project is the costs of the Child Abuse Investigative program: primarily to determine if the case was founded, unfounded or inconclusive.

The SCO determined the direct costs were performed by the Officer/Detective, the Sergeant and Records staff. We agree.

INDIRECT COSTS:

According to the OMB A-97/2 CFR Part 200:

F. Indirect Costs

General. Indirect costs are those: (a) incurred for a common or joint purpose benefiting more than one cost objective; and (b) not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved."

A "final cost objective" is defined by 2 CFR Part 200 (page 210) "g. Cost Objective means a function, organizational subdivision, contract, Federal award, or other work unit for which cost data are desired and for which provision is made to accumulate and measure the cost of processes, projects, jobs, and capitalized projects."

The Indirect Costs, are according to the instructions, "costs incurred for a common or joint purpose, benefiting more than one cost objective and not readily assignable to the cost objectives without effort disproportionate to the results achieved."

DISPATCH/COMMUNICATIONS and PROPERTY/EVIDENCE staff do not directly perform the cost objective of this program, which is primarily to conduct Child Abuse Investigations. However, they do support/benefit the Child Abuse COST OBJECTIVE and DIRECT COSTS by providing reception and clerical assistance/evidence storage and processing necessary for this program. Their activities do not benefit only one cost objective – but a multitude of programs including Drunk Driving, Domestic Violence, Homicides, Sexual Assaults, Missing Persons, etc.

2 CFR Part 200 (on page 136) Sect. 200.413 (c) The salaries of administrative and clerical staff should be treated as indirect costs."

PUBLIC SAFETY DISPATCHERS: Dispatch staff is a support/clerical division – functioning primarily as receptionists for all the sworn staff of the department and they benefit more than one "cost objective". They answer all types of calls for service.

Dispatchers (Communication Division) provides necessary support to the Officers who are the direct labor of the cost objective/mandate (Child Abuse Investigations). The Officer would not be able to obtain the call for service or initiate the case without the efforts of the dispatch staff as noted by Lieutenant Laney in our October 10, 2017 meeting. They assign and track the case number and monitor the officers in the field in their commission of their direct duties and investigations, including Child Abuse Investigations.

During Child Abuse Investigations, the officer is in constant contact with the dispatch staff – receiving the information and request for service from dispatch, notifying dispatch of their location, arrival time, departure time from the call and notifying them of the status of the investigation or if any additional assistance is needed. The Dispatchers – or Communications Division – is the liaison between the public and the sworn officer, as well as the sworn officer and command/support staff. They are not the ones providing the direct service – the sworn officers are.

Public Safety Dispatcher – The Dispatcher is necessary support for all Police Officers working on all types of programs and cases. They do not support any specific program or activity, but provide benefit to all cost objectives. All their duties (See attached Job Description Activities 1-11), ranging from answering, logging, relaying information from all incoming calls (911) and non- emergency calls from the public pertain to a variety of the department's programs and cost objectives. These include Child Abuse calls for assistance and providing support to Detectives and Officers working on Child Abuse cases.

While it would be possible theoretically to determine the percentage of calls processed that were generated by Child Abuse cases and to develop a percentage developed to allocate their costs, the level of effort to embark on such a project would be "disproportionate to the results achieved." Therefore, it should be allowed as an indirect cost shared among all direct PD programs.

EVIDENCE TECHNICIANS: The Evidence department is also similarly a support division. The Evidence Technicians store, maintain, and process evidence for all types of cases and programs, including the Child Abuse program. Their mission is to provide support to all the sworn staff of the department and their work benefits more than one "cost objective."

The Evidence staff benefits the Child Abuse Investigation program COST OBJECTIVE as well as other law enforcement programs such as Missing Persons, Theft, DUI, murder, rape, drugs and other types of cases/programs. They provide evidence storage, processing and inventorying for ALL types of programs and cases.

While it would be theoretically possible to determine what percentage of evidence is generated by Child Abuse Cases, this methodology would be cumbersome and is "not readily assignable to the cost objectives specifically benefitted without effort disproportionate to the results achieved." Therefore, these positions, like the Public Safety Dispatcher staff, should be allowed as an indirect cost shared among all PD programs and activities.

SCO Comment

Our finding and recommendation remain unchanged.

The city has not provided additional documentation to support increasing its indirect cost rates. In its response, the city asserts that SCO incorrectly and improperly reduced the city's claims by excluding the salaries and related benefits of the Public Safety Dispatcher and Evidence Technician classifications from the indirect cost pool in its ICRP. We disagree.

As outlined in the audit report, the city claimed a total of 21 classifications as 100% indirect in its ICRPs during the audit period (two exceptions were noted). Of these 21, we accepted the city's assessment for 13, and questioned eight as not being 100% indirect due to the nature of the positions. Throughout the audit, we worked with the city to determine a reasonable allocation of direct and indirect labor for these eight classifications. We analyzed the representative duties listed in the city's duty statements, held multiple discussions with city officials, and considered their input to determine a reasonable allocation. Of the eight classifications, we determined that six performed a combination of both direct and indirect duties to different extents.

The duties that we identified as indirect were either administrative or clerical in nature. The duties that we identified as direct were readily assignable to a specific function and benefited the direct functions of the police department. The city is not contesting our assessment of these six classifications. Rather, the city is contesting the two classifications that we determined do not perform any indirect duties and are therefore 0% indirect: Public Safety Dispatcher and Evidence Technician. The respective duty statements do not identify any duties that are administrative or clerical in nature. The city is contesting our assessment of these two classifications.

The city's disagreement with our assessment stems from its argument that indirect cost rates are to be calculated based on a specific activity or program, rather than a department-wide basis. In its response, the city refers to OMB Circular A-87/2 Code of Federal Regulations Part 200:

> A "final cost objective" is defined by 2 CFR Part 200 (page 210) "g. Cost Objective means a function, organizational subdivision, contract, Federal award, or other work unit for which cost data are desired and for which provision is made to accumulate and measure the cost of processes, projects, jobs, and capitalized projects."

The city then states:

> The Indirect Costs, are according to the instructions, "costs incurred for a common or joint purpose, benefitting more than one cost objective and not readily assignable to the cost objectives without effort disproportionate to the results achieved."

The city interchangeably identifies the cost objective as the "child abuse program" and "child abuse investigations." The city argues that the Public Safety Dispatcher and the Evidence Technician classifications benefit more than one cost objective (child abuse investigation, missing persons, theft, DUI, etc.). For this reason, the city concludes that these positions are indirect. We disagree.

The indirect cost rate is typically computed as an arithmetical calculation that allocates expenses between direct and indirect. The pool of expenses (numerator) identified as indirect is then divided by an allocation base (denominator), which in most cases is direct labor. Generally speaking, direct costs are those which can be identified specifically with particular unit or function ("cost objective") and accounted for separately. Indirect costs, on the other hand, are those costs incurred in support of general

business functions and which are not attributable to a specific project or unit. Both the city's claimed rates (as shown in its ICRPs) and our audited rates were based on Police Department expenditures as a whole. Therefore, the cost objective is the entire Police Department and not the ICAN program. As such, direct labor includes the overall functions of the Police Department assignable to specific units and functions; and the calculated indirect cost rates are considered to be department-wide rates.

We worked extensively with both Police Department and city staff to perform our analysis. We based our assessment of direct and indirect salaries and related benefits both on our discussions with staff as well as on actual duty statements. We believe that the classifications of Public Safety Dispatcher and Evidence Technician perform duties that are direct in nature and specifically identified with a particular unit or function. Therefore, we believe that we properly classified these positions as direct in our computations of the ICRPs for the audit period.

Attachment—
City's Response to
Draft Audit Report

City of South Lake Tahoe

March 7, 2018

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

RE: RESPONSE TO DRAFT AUDIT OF CITY OF SOUTH LAKE TAHOE
INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS
PROGRAM CLAIMS (FY 99-00 through FY 2011-12)

Dear Mr. Spano,

Attached are the City of South Lake Tahoe's responses to the Draft Audit issued by your office. Though we disagree with a few of the findings, we found the overall audit process professionally and promptly conducted.

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

FINDING 2: Complete an investigation for purposes of preparing the SS8583 report

Issue 1:
Excessively narrow interpretation of eligible investigations. (DISALLOWANCE OF ALL LAW ENFORCEMENT AGENCY (LEA) GENERATED CASES

The SCO audit determined that City statistics for Suspected Child Abuse Reports (SCARs) was accurate.

Of the total SCARs however, only 81.76% was found to be eligible (SCARs generated by other local agencies) and 18.24% was determined to be ineligible (Law Enforcement Agency (LEA) generated cases).

The City disagrees with the State Controller's Office's (SCO) interpretation that **all** LEA generated cases were ineligible for reimbursement.

Claiming Instructions for Investigative Activities state: "Reimbursement is not required in the following circumstances:

> "ii. In the event that the mandated reporter is employed by the same child protective agency require to investigate and submit the "Child Abuse Investigation Report" Form SS 8583 or subsequent designated form to the Department of Justice, pursuant to Penal Code Section 11169(a), *reimbursement is not required* ***if the investigation required to***

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complete the Form SS 8572 <u>is also sufficient</u> to complete the essential information items required on the Form SS 8583..."

We believe that the cases listed below demonstrated that the investigation level exceeded the base requirements that would have been needed to simply fill out a Mandated Reporter form (SS 8572). In other words, the investigation required to fill in the SS 8572 was NOT sufficient to complete the items required on the form SS 8583 – mainly to determine if the case was unfounded, substantiated or inconclusive.

The reports and call histories show that there were often multiple officers on the scene and multiple parties being interviewed to determine whether the case was unfounded, substantiated or inconclusive. This level of effort would not have been required to simply fill in a mandated reporter form (SS8572) which could have easily been completed by one officer in 10-15 minutes. Therefore, the following cases should be found allowable and the resulting percentage of eligible cases increased accordingly:

FY 2008-09	FY 2009-10	FY 2010-11
Case #1003-1190	0907-2506	1009-1848
Case #0801-1766	0909-2714	1106-2117
Case #1811-0181		1010-0549
Case #0904-0493		1104-1560

<u>Issue 2:</u>
Excessively narrow interpretation of eligible activities denies local agencies reimbursement of reasonably necessary, actual activities involved in the preliminary investigative process to "Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive..."

SCO states in their Draft Audit "the Police Department investigated very few (10%) of the other agency-generated SCARs that had been cross-reported to them, as no additional follow-up was deemed necessary." "The files showed that CPS regularly and systematically cross-reported SCARs to the Police Department. The Police Department received these CPS referrals and made notes of the referrals in their files, but typically <u>did not perform any investigation on these cases before closing the files</u>. For the vast majority of SCARs referred from CPS, the Police Department identified CPS as the investigating agency and closed the cases if no further investigation was deemed necessary."

The City disagrees with the statement that "the Police Department did not perform any investigation on these cases before closing the files." The SCO conclusion that 90% of the City's child abuse cases did not qualify for any reimbursement of preliminary investigative activities is incorrect.

The SCO interpretation of what constitutes eligible "investigative activity" is excessively narrow, limiting activities to only: "Conduct(ing) initial interviews with parents, victims, witnesses, or suspects." As a result, the City is denied all preliminary investigative time for 90% of SCARs cases forwarded to it by other agencies. SCO allowed reimbursement of only 28 minutes per case: 18 minutes for the Officer/Detective to read and review the initial SCAR form; 5 minutes for the Sergeant to review the closed case report; and 5 minutes for Records staff to document and file the case.

While in person interviews are not always performed, there is a substantial amount of investigative time the Detective spends in the office to determine whether in-person interviews will be required. For example, the City documented the following investigative activities prior to making the determination that in-person interviews were not required and closing the case:

> ***6 minutes to check to see if a report was already written -- determine if case is a duplicate (Detective) NOT ALLOWED BY SCO***
>
> ***6 minutes to check if a report was already written (Records) NOT ALLOWED BY SCO***
>
> ***36 minutes to check prior history (Detective) NOT ALLOWED BY SCO***
>
> ***26-36 minutes to call the Department of Social Services, reporting agency, or involved individuals (at least one adult who has information regarding allegations) to obtain more details of the case to determine if in person interviews are necessary (Detective) NOT ALLOWED BY SCO***

The City contends that these preliminary investigative activities are necessary for investigators to make the determination whether to close the case (determine the allegations are unfounded) or to continue the investigation by proceeding with in person/on-site interviews.

The claiming instructions are general guidelines meant to provide direction, not an exclusive and exhaustive list of eligible tasks that take place during the preliminary investigative process to determine if the child abuse or neglect case is founded or unfounded. To assume so is unreasonable and violates the intent of State Mandate Statutes which ensure the reimbursement of actual costs incurred to comply with the State mandated program.

The Commission on State Mandates Statement of Decision supports this interpretation. On page 34 of the December 2013 Statement of Decision, the California Department of Social Services (CDSS) argues (and Commission agrees) that only an investigation similar to one that is conducted by CDSS should be allowed.

CDSS testimony states that, "**prior to the actual interviews, the social worker must make a multitude of considerations to first decide whether an in-person investigation is necessary**". That is exactly the same process South Lake Tahoe PD goes through in reviewing each case and which is outlined above.

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

"These rules require direct contact with all alleged child victims, and at least one adult who has information regarding the allegations. If after that stage the social worker does not find the referral to be unfounded, the social worker must conduct an in person investigation with all the children present at the time of the initial in person investigation, all parents who have access to the child alleged to be at risk of abuse, noncustodial parents if he/she has regular or frequent in

person contact with the child, and make necessary collateral contacts with persons having knowledge of the condition of the child. Based on these investigative activities, the social worker is required under CDSS regulations at MPP 31-501 to determine whether the results of the investigation require referral to the Department of Justice under CANRA."

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

Therefore, based on the Statement of Decision discussion, we believe that the activities listed above and performed by law enforcement agencies **before** this "last step" in the investigative process are eligible for reimbursement. These preliminary investigative activities are necessary for the Police Department to determine if the suspected child abuse case (SCAR) was founded, unfounded or inconclusive and therefore should be reimbursable.

We request restoration of an additional 72 minutes of Detective time and 6 minutes of Records staff time as detailed above and as is supported by our documentation (2015 times study and other documentation) for the investigative steps conducted prior to determining whether in-person interviews are necessary or whether it is appropriate to close the case.

This would result in an allowable time of 1.5 hours per case for the Detective for the cases that did not require in person interviews and that were closed after desk review versus the 18 minutes of time currently allowed by the SCO to simply read and log the case.

<u>FINDING 3: Unallowable indirect costs</u>

The City believes that the SCO determination to completely disallow Dispatchers and Evidence Technicians from the Indirect cost rate proposal calculation (ICRP) is incorrect and improperly reduces the City's claims.

Employees in these classifications do not work directly on this program, however they do provide necessary indirect support and assistance to the staff who does.

<u>DIRECT COSTS:</u>
According to 2 CFR Part 200, Direct Costs are "those costs that can be identified specifically with a particular final cost objective, such as a Federal Award or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy."

According to the OMB A-87:

"E. **Direct Costs**

1. General. Direct Costs are those that can be identified specifically with a particular final cost objective."

2. Application. Typical direct costs chargeable to Federal awards are:

a, Compensation of employees for the time devoted and identified specifically to the performance of those awards.

b. Cost of materials acquired, consumed, or expended specifically for the purpose of those awards.

c. Equipment and other approved capital expenditures.

d. Travel expenses incurred specifically to carry out the award.

e. Minor items. Any direct costs of a minor amount may be treated as an indirect cost for reasons of practicality where such accounting treatment for that item of cost is consistently applied to all cost objectives."

The Cost Objective in this claim for the Child Abuse program or project is the costs of the Child Abuse Investigative program: primarily to determine if the case was founded, unfounded or inconclusive.

The SCO determined the direct costs were performed by the Officer/Detective, the Sergeant and Records staff. We agree.

INDIRECT COSTS:

According to the OMB A-87/2 CFR Part 200:

F. Indirect Costs

General. Indirect costs are those: (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."

A "final cost objective" is defined by 2 CFR Part 200 (page 210) "g. Cost Objective means a function, organizational subdivision, contract, Federal award, or other work unit **for which cost data are desired and for which provision is made to accumulate and measure the cost of processes, projects, jobs, and capitalized projects**."

The Indirect Costs, are according to the instructions, "costs incurred for a common or joint purpose, benefiting more than one cost objective and not readily assignable to the cost objectives without effort disproportionate to the results achieved."

DISPATCH/COMMUNICATIONS and PROPERTY/EVIDENCE staff do not directly perform the cost objective of this program, which is primarily to conduct Child Abuse Investigations. However, they do support/benefit the Child Abuse COST OBJECTIVE and DIRECT COSTS by providing reception and clerical assistance/evidence storage and processing necessary for this program. Their activities do not benefit only one cost objective – but a multitude of programs including Drunk Driving, Domestic Violence, Homicides, Sexual Assaults, Missing Persons, etc.

2 CFR Part 200 (on page 136) Sect. 200.413 (c) The salaries of administrative and **clerical** staff should normally be treated as indirect costs."

PUBLIC SAFETY DISPATCHERS: Dispatch staff is a support/clerical division – functioning primarily as receptionists for all the sworn staff of the department and they benefit more than one "cost objective". They answer for all types of calls for service.

Dispatchers (Communication Division) provides necessary support to the Officers who are the direct labor of the cost objective /mandate (Child Abuse Investigations). The Officer would not be able to obtain the call for service or initiate the case without the efforts of the dispatch staff as noted by Lieutenant Laney in our October 10, 2017 meeting. They assign and track the case number and monitor the officers in the field in their commission of their direct duties and investigations, including Child Abuse Investigations.

During Child Abuse Investigations, the officer is in constant contact with the dispatch staff – receiving the information and request for service from dispatch, notifying dispatch of their location, arrival time, departure time from the call and notifying them of the status of the investigation or if any additional assistance is needed. The Dispatchers – or Communications Division – is the liaison between the public and the sworn officer, as well the sworn officer and command/support staff. They are not the ones providing the direct service – the sworn officers are.

Public Safety Dispatcher - The Dispatcher is necessary support for all Police Officers working on all types of programs and cases. They do not support any one specific program or activity, but provide benefit to all cost objectives. All their duties (See attached Job Description Activities 1-11), ranging from answering, logging, relaying information from all incoming calls (911) and non-emergency calls from the public pertain to a variety of the department's programs and cost objectives. These include Child Abuse calls for assistance and providing support to Detectives and Officers working on Child Abuse cases.

While it would be possible theoretically to determine the percentage of calls processed that were generated by Child Abuse cases and to develop a percentage developed to allocate their costs, the level of effort to embark on such a project would be "disproportionate to the results achieved." Therefore, it should be allowed as an indirect cost shared among all direct PD programs.

EVIDENCE TECHNICIANS: The Evidence department is also similarly a support division. The Evidence Technicians store, maintain, and process evidence for all types of cases and programs, including the Child Abuse program. Their mission is to provide support to all the sworn staff of the department and their work benefits more than one "cost objective".

The Evidence staff benefits the Child Abuse Investigation program COST OBJECTIVE as well as other law enforcement programs such as Missing Persons, Theft, DUI, murder, rape, drugs and other types of cases/programs. They provide evidence storage, processing and inventorying for ALL types of programs and cases.

While it would be theoretically possible to determine what percentage of evidence is generated by Child Abuse Cases, this methodology would be cumbersome and is "not readily assignable to the cost objectives specifically benefitted without effort disproportionate to the results achieved." Therefore, these positions, like the Public Safety Dispatcher staff, should be allowed as an indirect cost shared among all PD programs and activities.

Thank you for taking our comments into consideration. Please let us know if there is any additional documentation or support you require to approve these requests.

Please feel free to contact me at (530) 542-7402 or our consultant Annette Chinn at (916) 939-7901 with any questions.

Sincerely,

Debbie McIntyre

Debbie McIntyre
Finance Director

State Controller's Office
Division of Audits
Post Office Box 942850
Sacramento, CA 94250-5874

http://www.sco.ca.gov

SECTION 11

Reimbursement Claims

EXHIBIT 3

State Mandate Reimbursement Claims Receipt

City of South Lake Tahoe

July 15, 2015

Mandate/Program			Amount Claimed	
Interagency Child Abuse and Neglect Investigation Reports (ICAN)				
Actual	1999-00	Amended	$	40,714
Actual	2000-01	Amended	$	48,969
Actual	2001-02	Amended	$	53,332
Actual	2002-03	Amended	$	78,791
Actual	2003-04	Amended	$	85,502
Actual	2004-05	Amended	$	93,808
Actual	2005-06	Amended	$	102,708
Actual	2006-07	Amended	$	115,844
Actual	2007-08	Amended	$	114,464
Actual	2008-09	Amended	$	153,027
Actual	2009-10	Amended	$	229,314
Actual	2010-11	Amended	$	219,841
Actual	2011-12	Amended	$	96,901
Actual	2012-13	Amended	$	3,935
Actual	2013-14	Amended	$	1,673
		Total Claimed	$	1,438,823

The following claims were submitted to and received by the State Controller's Office by Cost Recovery Systems on behalf of the City of South Lake Tahoe

Signed by: [signature]

Date: 7-23-2015

Claim for Payment
INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS

For State Controller Use Only

(19) Program Number: 00358
(20) Date Filed ___/___/___
(21) LRS Input ___/___/___

Program 358

(01) Claimant Identification Number	9809886
(02) Claimant Name	City of South Lake Tahoe
Mailing Address	1901 Airport Road
Street Address or P.O. Box	Suite 210
City	South Lake Tahoe
State CA	**Zip Code** 96150-7004

Type of Claim	**Estimated Claim**	**Reimbursement Claim**
	(03) Estimated ☐	(09) Reimbursement ☐
	(04) Combined ☐	(10) Combined ☐
	(05) Amended ☐	(11) Amended ☒

Fiscal Year of Cost	(06)	(12) 1999-00	
Total Claimed	(07)	(13) $41,826	
Less: 10% Late Penalty, but not to exceed $1,000 (if applicable)		(14) $1,112	
Less: Estimated Claim Payment Received		(15)	
Net Claimed Amount		(16) $40,714	
Due from State	(08)	(17) $40,714	
Due to State	(09)	(18)	

(22) FORM 1, (04) A.1.g	146
(23) FORM 1. (04) A.2.g	192
(24) FORM 1, (04) B.1.g	
(25) FORM 1,(04.1) g	559
(26) FORM 1,(04) B.2.f.1) g	
(27) FORM 1, (04.2) g	
(28) FORM 1, (04) B.3.a. g	29630
(29) FORM 1, (04) B.3.b. g	333
(30) FORM 1, (04) B.4. g	
(31) FORM 1, (04) B.5. g	
(32) FORM 1, (04) B.6. g	
(33) FORM 1, (06)	47
(34) FORM 1, (07)	10967
(35) FORM 1, (09)	
(36) FORM 1, (10)	

(38) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code Sections 17560 & 17561, I certify that I am the person authorized by the local agency to file claims with the State of California for mandated cost claims with the State of California for this program and I and certify under penalty of perjury that I have not violated any of the provisions of Article 4, Chapter 1 of Division 4 of Title 1 Government Code.

I further certify that there was no application for nor any grant or payment received, other that from the claimant, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all ocosts claimed are supported by source documentation currently maintained by the claimant.

The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of pergury of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Representative — **Date**

MaryAnne Brand — Date Signed 7/6/15

MaryAnne Brand — Telephone Numbe (510) 542-6062

Financial Services Supervisor — Email Address mbrand@cityofslt.us

Name of Contact Person for Claim	**Telephone Number**	**E-Mail Address**
Annette S. Chinn (CRS)	***(916) 939-7901***	***AChinnCRS@aol.com***

INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS CLAIM SUMMARY

FORM 1

(01) Claimant	(02) Type of Claim	Fiscal Year
City of South Lake Tahoe	Reimbursement ☐	1999-00

Claim Statistics

(03) Department - POLICE	Number of Cases =	229

Direct Costs

(04) Reimbursable Components	(a) Salaries	(b) Benefits	(c & d) Services and Supplies	(e) Fixed Assets	(f) Travel and Training	(g) Total
A. ONE-TIME ACTIVITIES						
1. Policies and Procedures	$110	$36				$146
2. Training to implement ICAN	$144	$48				$192
B. ON-GOING ACTIVITIES						
1. Distribute Child Abuse Report (SS8572)						
2. Reporting between local departments						
2.a. Accept & refer reports when lacking jurisdiction						
2.b. Cross reporting from County to law enforcement						
2.c. Cross reporting from law enf. to county and DA	$420	$139				$559
2.d. Receipt of cross-reports by DA's office						
2.e. Report by phone & send to licensing agencies						
(04.1) Subtotal B.2 (a through e)	$420	$139				$559
2.f. Addnl cross reporting in case of child death						
1) Law enforcement cross report to Co. Welfare						
2) County Welfare department						
i. Cross rpt child death case to law enforcement						
ii. Created record in County CWS/CMS system						
ii. Enter info in CWS/CMS if death not abuse/nglct						
(04.2) Subtotal B.2 f. 2) (i through iii)						
3. Reporting to DOJ (see item 4 claiming instructions)						
a. Complete an investigation to prepare a report	$22,261	$7,368				$29,630
b. Prepare/submit/amend rpt for substantiated cases	$250	$83				$333
4. Notify suspected abuser they are in CACI						
5. Records retention post required period						
6. Provide due process procedures to those in CACI						
(05) TOTAL DIRECT COSTS	$23,185	$7,674				$30,859

Indirect Costs

(06) Indirect Cost Rate (applied to salaries)	(from ICRP) (Applied to Salaries)	47.3%
(07) Total Indirect Costs	Line (06) x line (05)(a) or line(06) x [line (05)(a) + line(05)(b)]	$10,967
(08) Total Direct and Indirect Costs	Line (05)(d) + line (07)	$41,826

Cost Reductions

(09) Less: Offsetting Savings, if applicable	
(10) Less: Other Reimbursements, if applicable	
(11) TOTAL CLAIMED AMOUNT Line (08)- (line(09) + Line(10)]	**$41,826**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 1999-00

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- [X] Update Policies and Procedures & develop ICAN due process procedures
- [ ] Develop training to implement ICAN requirements

B. On-Going Costs

- [ ] 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - [ ] a. Accept & refer abuse report when a dept. lacks jurisdiction
  - [ ] b. Cross-rept from Co. Welfare to law enforcement
  - [ ] c. Cross-report from Law Enforcement to Co Welfare &DA
  - [ ] d. Receipt of cross report by DA
  - [ ] e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - [ ] 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
    - 2. County welfare department
      - [ ] i. Cross report death cases to law enforcement
      - [ ] ii. Create a record in the CWS.CMS system
      - [ ] iii, Enter info in CWS/CMS if death not abuse
    - 3. Reporting to DOJ
      - [ ] a. Complete investigation to prepare a report
      - [ ] b. Prepare/submit report for substantiated cases
    - [ ] 4. Notify abuser they are reported to CACI
    - [ ] 5. Mandated 8 yr record retention
    - [ ] 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Sergeant	$27.41	33.1%	2.75	$75	$25				$100
Commander (2)	$34.41	33.1%	1.00	$34	$11				$46
Researched, wrote, edited and approved new department policies and procedures on newly mandated Child Abuse requiements.									
(05) Total			**3.75**	**$110**	**$36**				**$146**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 1999-00

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- [ ] Update Policies and Procedures & develop ICAN due process procedures
- [X] Develop training to implement ICAN requirements

B. On-Going Costs

- [ ] 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)

2. Reporting Between Local Departments

- [ ] a. Accept & refer abuse report when a dept. lacks jurisdiction
- [ ] b. Cross-rept from Co. Welfare to law enforcement
- [ ] c. Cross-report from Law Enforcement to Co Welfare &DA
- [ ] d. Receipt of cross report by DA
- [ ] e. Report by phone & send written report to licensing agency

f. Additional cross reporting in cases of child death

- [ ] 1) Police/Sheriff cross report all cases of child death to Co. Welfare

f. Additional cross-reporting in cases of death

2. County welfare department

- [ ] i. Cross report death cases to law enforcement
- [ ] ii. Create a record in the CWS.CMS system
- [ ] iii, Enter info in CWS/CMS if death not abuse

3. Reporting to DOJ

- [ ] a. Complete investigation to prepare a report
- [ ] b. Prepare/submit report for substantiated cases
- [ ] 4. Notify abuser they are reported to CACI
- [ ] 5. Mandated 8 yr record retention
- [ ] 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Sergeant (6)	$27.41	33.1%	0.60	$16	$5				$22
Officer (34)	$22.50	33.1%	5.67	$128	$42				$170
Received training on mandated activities. Read new deparrtment policies									
(05) Total			**6.27**	**$144**	**$48**				**$192**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 1999-00

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- ☐ Update Policies and Procedures & develop ICAN due process procedures
- ☐ Develop training to implement ICAN requirements

B. On-Going Costs

- ☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - ☐ a. Accept & refer abuse report when a dept. lacks jurisdiction
  - ☐ b. Cross-rept from Co. Welfare to law enforcement
  - ☒ c. Cross-report from Law Enforcement to Co Welfare &DA
  - ☐ d. Receipt of cross report by DA
  - ☐ e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - ☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
    - 2. County welfare department
      - ☐ i. Cross report death cases to law enforcement
      - ☐ ii. Create a record in the CWS.CMS system
      - ☐ iii, Enter info in CWS/CMS if death not abuse
    - 3. Reporting to DOJ
      - ☐ a. Complete investigation to prepare a report
      - ☐ b. Prepare/submit report for substantiated cases
    - ☐ 4. Notify abuser they are reported to CACI
    - ☐ 5. Mandated 8 yr record retention
    - ☐ 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$18.46	33.1%	9.16	$169	$56				$225
Sergeant	$27.41	33.1%	9.16	$251	$83				$334
Report to the appropriate County Department and/or the District Attorney's Office as mandated.									
(05) Total			18.32	$420	$139				$559

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 1999-00

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- ☐ Update Policies and Procedures & develop ICAN due process procedures
- ☐ Develop training to implement ICAN requirements

B. On-Going Costs

- ☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - ☐ a. Accept & refer abuse report when a dept. lacks jurisdiction
  - ☐ b. Cross-rept from Co. Welfare to law enforcement
  - ☐ c. Cross-report from Law Enforcement to Co Welfare &DA
  - ☐ d. Receipt of cross report by DA
  - ☐ e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - ☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
    - 2. County welfare department
      - ☐ i. Cross report death cases to law enforcement
      - ☐ ii. Create a record in the CWS.CMS system
      - ☐ iii, Enter info in CWS/CMS if death not abuse
    - 3. Reporting to DOJ
      - ☒ a. Complete investigation to prepare a report
      - ☐ b. Prepare/submit report for substantiated cases
    - ☐ 4. Notify abuser they are reported to CACI
    - ☐ 5. Mandated 8 yr record retention
    - ☐ 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Sergeant	$27.41	33.1%	38.16	$1,046	$346				$1,392
Officer/Detective	$22.50	33.1%	927.25	$20,863	$6,906				$27,769
Records Techician	$18.46	33.1%	19.08	$352	$117				$469
Complete investigation to determine whether report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive (per PC 11165.12) for purposes of preparing & submitting Fomr SS 8583 and prepare report forms.									
(05) Total			**984.49**	**$22,261**	**$7,368**				**$29,630**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 1999-00

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- ☐ Update Policies and Procedures & develop ICAN due process procedures
- ☐ Develop training to implement ICAN requirements

B. On-Going Costs

- ☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - ☐ a. Accept & refer abuse report when a dept. lacks jurisdiction
  - ☐ b. Cross-rept from Co. Welfare to law enforcement
  - ☐ c. Cross-report from Law Enforcement to Co Welfare &DA
  - ☐ d. Receipt of cross report by DA
  - ☐ e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - ☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
- 2. County welfare department
  - ☐ i. Cross report death cases to law enforcement
  - ☐ ii. Create a record in the CWS.CMS system
  - ☐ iii, Enter info in CWS/CMS if death not abuse
- 3. Reporting to DOJ
  - ☐ a. Complete investigation to prepare a report
  - ☒ b. Prepare/submit report for substantiated cases
- ☐ 4. Notify abuser they are reported to CACI
- ☐ 5. Mandated 8 yr record retention
- ☐ 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c.) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$18.46	33.1%	7.13	$132	$44				$175
Officer/Detective	$22.50	33.1%	2.38	$53	$18				$71
Sergeant	$27.41	33.1%	2.38	$65	$22				$87
Prepare, review, approve, and forward reports of substantiated child abuse cases.									
(05) Total			**11.88**	**$250**	**$83**				**$333**

INDIRECT COST RATE PROPOSAL
City of South Lake Tahoe
Police
Fiscal Year
1999-00

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$1,924,885		$490,748	$1,434,137
Overtime		$131,500			$131,500
Benefits	33.1%	$637,737		$162,590	$475,147
Total		$2,694,122		$653,338	$2,040,784
Services & Supplies					
Canine Reimbursement		$828			$828
Shop (Labor & Parts)		$98,371	$84,318	$14,053	
Travel (Meals, HOTL, Perdiem)		$44		$44	
Training/Seminars Registr, Supp		$4,943		$4,943	
Memberships - Dues - Subscriptio		$108	$108		
Recruiting Expenses		$2,177		$2,177	
General Supplies Within FY		$3,842		$3,842	
Tools & Parts less $3,000/unit		$2,149	$1,719	$430	$0
Clothing - Uniforms (Replacement		$20,118		$20,118	
Furniture & Fixtures		$5,783	$5,397	$386	$0
Gasoline		$41,898		$41,898	
Awards					
Total		$180,261	$91,543	$87,890	$828
Capital Expenditures					
Total					
Total Expenditures		**$2,874,383**	**$91,543**	**$741,228**	**$2,041,612**
Cost Plan Costs					
Allocated City Wide Costs					
Total					
Total Alloc. Indirect Costs		**$2,874,383**	**$91,543**	**$741,228**	**$2,041,612**

ICRP RATE = **47.3%**
(Rate is Based on Salaries)

$741,228 = Total Allowable Indirect Costs
$1,565,637 Total Direct Salaries

City of South Lake Tahoe
Police
Fiscal Year
1999-00

100% Admin. or Support Staff

Name/Position	Annual Salary
Commander (2)	$123,872
Sergeant (Admin)	$49,353
Communications Supervisor	$37,611
Support Services Tech	$37,611
Records Supervisor	$33,236
Public Safety Dispatcher (4)	$125,330
Evidence Tech (1)	$38,551
Snr Community Serv. Officer/CSO (1.5)	$45,182

TOTAL INDIRECT SALARIES **$490,748**

53% of entire budget is related to operations. Split staff accordingly

Admin	Operations	Canine Unit	Bicycle Unit	Hostage Negotations	Boat Safety Patrol	Investigations	Certified Training	Joint Dispatch Center	Support
$48,799	$1,854,076							$358,063	$1,202,455
	$248,319				$44,517			$39,065	$79,085
$24,849	$1,015,687				$5,709			$141,617	$554,448
$73,648	$3,118,082				$50,226			$538,745	$1,835,988
$62,354									
$560	$112,281								$18,341
$1,494								$1,573	$2,838
$3,978	$2,949				$414			$1,290	$3,899
$693	$400							$268	$730
$712	$3,438								
$28,846	$3,739								
$3,336	$8,560				$556				
	$15,615								
	$2,328				$1,741				
	$50,844								$4,413
$326,742	$200,448				$21,688		$45,055	$3,131	$52,526
$400,390	**$3,318,530**				**$71,914**		**$45,055**	**$541,876**	**$1,888,514**

Claim for Payment
INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS

For State Controller Use Only

(19) Program Number: 00358
(20) Date Filed ____/____/____
(21) LRS Input ____/____/____

Program **358**

(01) Claimant Identification Number	9809886
(02) Claimant Name	City of South Lake Tahoe
Mailing Address	1901 Airport Road
Street Address or P.O. Box	Suite 210
City	South Lake Tahoe
State CA	Zip Code 96150-7004

Type of Claim	Estimated Claim	Reimbursement Claim
	(03) Estimated ☐	(09) Reimbursement ☐
	(04) Combined ☐	(10) Combined ☐
	(05) Amended ☐	(11) Amended ☒
Fiscal Year of Cost	(06)	(12) 2000-01
Total Claimed	(07)	(13) $50,456
Less: 10% Late Penalty, but not to exceed $1,000 (if applicable)		(14) $1,487
Less: Estimated Claim Payment Received		(15)
Net Claimed Amount		(16) $48,969
Due from State	(08)	(17) $48,969
Due to State	(09)	(18)

(22) FORM 1, (04) A.1.g	
(23) FORM 1. (04) A.2.g	
(24) FORM 1, (04) B.1.g	
(25) FORM 1,(04.1) g	642
(26) FORM 1,(04) B.2.f.1) g	
(27) FORM 1, (04.2) g	
(28) FORM 1, (04) B.3.a. g	34031
(29) FORM 1, (04) B.3.b. g	382
(30) FORM 1, (04) B.4. g	
(31) FORM 1, (04) B.5. g	
(32) FORM 1, (04) B.6. g	
(33) FORM 1, (06)	59
(34) FORM 1, (07)	15400
(35) FORM 1, (09)	
(36) FORM 1, (10)	

(38) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code Sections 17560 & 17561, I certify that I am the person authorized by the local agency to file claims with the State of California for mandated cost claims with the State of California for this program and I and certify under penalty of perjury that I have not violated any of the provisions of Article 4, Chapter 1 of Division 4 of Title 1 Government Code.

I further certify that there was no application for nor any grant or payment received, other that from the claimant, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all ocosts claimed are supported by source documentation currently maintained by the claimant.

The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of pergury of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Representative **Date**

MaryAnne Brand — Date Signed 7/6/15

MaryAnne Brand — Telephone Numbe (510) 542-6062

Financial Services Supervisor — Email Address mbrand@cityofslt.us

Name of Contact Person for Claim	Telephone Number	E-Mail Address
Annette S. Chinn (CRS)	*(916) 939-7901*	*AChinnCRS@aol.com*

INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS CLAIM SUMMARY

FORM 1

(01) Claimant	(02) Type of Claim	Fiscal Year
City of South Lake Tahoe	Reimbursement ☐	2000-01

Claim Statistics

(03) Department - POLICE	Number of Cases =	241

Direct Costs	Object Accounts					
(04) Reimbursable Components	(a) Salaries	(b) Benefits	(c & d) Services and Supplies	(e) Fixed Assets	(f) Travel and Training	(g) Total
A. ONE-TIME ACTIVITIES						
1. Policies and Procedures						
2. Training to implement ICAN						
B. ON-GOING ACTIVITIES						
1. Distribute Child Abuse Report (SS8572)						
2. Reporting between local departments						
2.a. Accept & refer reports when lacking jurisdiction						
2.b. Cross reporting from County to law enforcement						
2.c. Cross reporting from law enf. to county and DA	$478	$164				$642
2.d. Receipt of cross-reports by DA's office						
2.e. Report by phone & send to licensing agencies						
(04.1) Subtotal B.2 (a through e)	$478	$164				$642
2.f. Addnl cross reporting in case of child death						
1) Law enforcement cross report to Co. Welfare						
2) County Welfare department						
i. Cross rpt child death case to law enforcement						
ii. Created record in County CWS/CMS system						
ii. Enter info in CWS/CMS if death not abuse/nglct						
(04.2) Subtotal B.2 f. 2) (i through iii)						
3. Reporting to DOJ (see item 4 claiming instructions)						
a. Complete an investigation to prepare a report	$25,339	$8,691				$34,031
b. Prepare/submit/amend rpt for substantiated cases	$285	$98				$382
4. Notify suspected abuser they are in CACI						
5. Records retention post required period						
6. Provide due process procedures to those in CACI						
(05) TOTAL DIRECT COSTS	$26,102	$8,953				$35,055

Indirect Costs

(06) Indirect Cost Rate (applied to salaries)	(from ICRP) (Applied to Salaries)	59.0%
(07) Total Indirect Costs	Line (06) x line (05)(a) or line(06) x [line (05)(a) + line(05)(b)]	$15,400
(08) Total Direct and Indirect Costs	Line (05)(d) + line (07)	$50,456

Cost Reductions

(09) Less: Offsetting Savings, if applicable	
(10) Less: Other Reimbursements, if applicable	
(11) TOTAL CLAIMED AMOUNT Line (08)- (line(09) + Line(10)]	**$50,456**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe (02) Fiscal Year Costs Were Incurred: 2000-01

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- [ ] Update Policies and Procedures & develop ICAN due process procedures
- [ ] Develop training to implement ICAN requirements

B. On-Going Costs

- [ ] 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - [ ] a. Accept & refer abuse report when a dept. lacks jurisdiction
  - [ ] b. Cross-rept from Co. Welfare to law enforcement
  - [x] c. Cross-report from Law Enforcement to Co Welfare &DA
  - [ ] d. Receipt of cross report by DA
  - [ ] e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - [ ] 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
    - 2. County welfare department
      - [ ] i. Cross report death cases to law enforcement
      - [ ] ii. Create a record in the CWS.CMS system
      - [ ] iii, Enter info in CWS/CMS if death not abuse
    - 3. Reporting to DOJ
      - [ ] a. Complete investigation to prepare a report
      - [ ] b. Prepare/submit report for substantiated cases
    - [ ] 4. Notify abuser they are reported to CACI
    - [ ] 5. Mandated 8 yr record retention
    - [ ] 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$19.97	34.3%	9.64	$193	$66				$259
Sergeant Report to the appropriate County Department and/or the District Attorney's Office as mandated.	$29.65	34.3%	9.64	$286	$98				$384
(05) Total			19.28	$478	$164				$642

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe (02) Fiscal Year Costs Were Incurred: 2000-01

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

☐ Update Policies and Procedures & develop ICAN due process procedures

☐ Develop training to implement ICAN requirements

B. On-Going Costs

☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)

2. Reporting Between Local Departments

☐ a. Accept & refer abuse report when a dept. lacks jurisdiction

☐ b. Cross-rept from Co. Welfare to law enforcement

☐ c. Cross-report from Law Enforcement to Co Welfare &DA

☐ d. Receipt of cross report by DA

☐ e. Report by phone & send written report to licensing agency

f. Additional cross reporting in cases of child death

☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare

f. Additional cross-reporting in cases of death

2. County welfare department

☐ i. Cross report death cases to law enforcement

☐ ii. Create a record in the CWS.CMS system

☐ iii. Enter info in CWS/CMS if death not abuse

3. Reporting to DOJ

☒ a. Complete investigation to prepare a report

☐ b. Prepare/submit report for substantiated cases

☐ 4. Notify abuser they are reported to CACI

☐ 5. Mandated 8 yr record retention

☐ 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Technician	$19.97	34.3%	20.08	$401	$138				$539
Officer/Detective	$24.33	34.3%	976.05	$23,747	$8,145				$31,893
Sergeant	$29.65	34.3%	40.17	$1,191	$408				$1,599
Complete investigation to determine whether report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive (per PC 11165.12) for purposes of preparing & submitting Fomr SS 8583 and prepare report forms.									
(05) Total			1,036.30	$25,339	$8,691				$34,031

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe (02) Fiscal Year Costs Were Incurred: 2000-01

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- ☐ Update Policies and Procedures & develop ICAN due process procedures
- ☐ Develop training to implement ICAN requirements

B. On-Going Costs

- ☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - ☐ a. Accept & refer abuse report when a dept. lacks jurisdiction
  - ☐ b. Cross-rept from Co. Welfare to law enforcement
  - ☐ c. Cross-report from Law Enforcement to Co Welfare &DA
  - ☐ d. Receipt of cross report by DA
  - ☐ e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - ☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
    - 2. County welfare department
      - ☐ i. Cross report death cases to law enforcement
      - ☐ ii. Create a record in the CWS.CMS system
      - ☐ iii, Enter info in CWS/CMS if death not abuse
    - 3. Reporting to DOJ
      - ☐ a. Complete investigation to prepare a report
      - ☒ b. Prepare/submit report for substantiated cases
    - ☐ 4. Notify abuser they are reported to CACI
    - ☐ 5. Mandated 8 yr record retention
    - ☐ 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$19.97	34.3%	7.50	$150	$51				$201
Officer/Detective	$24.33	34.3%	2.50	$61	$21				$82
Sergeant	$29.65	34.3%	2.50	$74	$25				$100
Prepare, review, approve, and forward reports of substantiated child abuse cases.									
(05) Total			12.50	$285	$98				$382

INDIRECT COST RATE PROPOSAL

City of South Lake Tahoe

Police

Fiscal Year
2000-01

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$1,943,392		$505,460	$1,437,932
Overtime		$135,234			$135,234
Benefits	34.3%	$665,979		$173,215	$492,764
Commun	**40680**	$2,744,605		$678,675	$2,065,930
Services & Supplies					
Official Admin Serivces		$115		$115	
Shop (Labor & Parts)		$58,863	$50,454	$8,409	
Travel (Meals, HOTL, Perdiem)		$981		$981	
Training/Seminars Registr, Supp		$5,519		$5,519	
Memberships - Dues - Subscriptio		$255	$255		
Recruiting Expenses		$4,185		$4,185	
General Supplies Within FY		$3,411		$3,411	
Tools & Parts less $3,000/unit		$10,427	$8,342	$2,085	$0
Clothing - Uniforms (Replacement		$12,428		$12,428	
Furniture & Fixtures		$570	$532	$38	
Gasoline		$50,637		$50,637	
Awards		$217			$217
Total		$147,608	$59,583	$87,808	$217
Capital Expenditures					
Total					
Total Expenditures		**$2,892,213**	**$59,583**	**$766,483**	**$2,066,147**
Cost Plan Costs					
Allocated City Wide Costs		$162,424		$162,424	
Total		$162,424		$162,424	
Total Alloc. Indirect Costs		**$3,054,637**	**$59,583**	**$928,907**	**$2,066,147**

ICRP RATE = **59.0%**
(Rate is Based on Salaries)

$928,907 = Total Allowable Indirect Costs
$1,573,166 Total Direct Salaries

City of South Lake Tahoe

Police

Fiscal Year
2000-01

100% Admin. or Support Staff

Name/Position	Annual Salary
Commander (2)	$126,350
Sergeant (Admin)	$53,376
Communications Supervisor	$40,680
Support Services Tech	$38,364
Records Supervisor	$35,952
Public Safety Dispatcher (4)	$125,330
Evidence Tech	$39,322
Community Services Officer (1.5)	$46,086

TOTAL INDIRECT SALARIES **$505,460**

Admin	Operations	Canine Unit	Bicycle Unit	Hostage Negotations	Boat Safety Patrol	Investigations	Certified Training	Joint Dispatch Center	Support
$48,799	$1,854,076							$358,063	$1,202,455
	$248,319				$44,517			$39,065	$79,085
$24,849	$1,015,687				$5,709			$141,617	$554,448
$73,648	$3,118,082				$50,226			$538,745	$1,835,988
$62,354									
$560	$112,281								$18,341
$1,494								$1,573	$2,838
$3,978	$2,949				$414			$1,290	$3,899
$693	$400							$268	$730
$712	$3,438								
$28,846	$3,739								
$3,336	$8,560				$556				
	$15,615								
	$2,328				$1,741				
	$50,844								$4,413
$326,742	$200,448				$21,688		$45,055	$3,131	$52,526
$400,390	**$3,318,530**				**$71,914**		**$45,055**	**$541,876**	**$1,888,514**

Claim for Payment
INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS

For State Controller Use Only

(19) Program Number: 00358
(20) Date Filed ___/___/___
(21) LRS Input ___/___/___

Program 358

(01) Claimant Identification Number	9809886
(02) Claimant Name	City of South Lake Tahoe
Mailing Address	1901 Airport Road
Street Address or P.O. Box	Suite 210
City	South Lake Tahoe
State CA	Zip Code 96150-7004

Type of Claim	Estimated Claim	Reimbursement Claim
	(03) Estimated ☐	(09) Reimbursement ☐
	(04) Combined ☐	(10) Combined ☐
	(05) Amended ☐	(11) Amended ☒

Fiscal Year of Cost	(06)	(12) 2001-02	
Total Claimed	(07)	(13) $54,747	
Less: 10% Late Penalty, but not to exceed $1,000 (if applicable)		(14) $1,415	
Less: Estimated Claim Payment Received		(15)	
Net Claimed Amount		(16) $53,332	
Due from State	(08)	(17) $53,332	
Due to State	(09)	(18)	

(22) FORM 1, (04) A.1.g	
(23) FORM 1. (04) A.2.g	
(24) FORM 1, (04) B.1.g	
(25) FORM 1,(04.1) g	668
(26) FORM 1,(04) B.2.f.1) g	
(27) FORM 1, (04.2) g	
(28) FORM 1, (04) B.3.a. g	35406
(29) FORM 1, (04) B.3.b. g	433
(30) FORM 1, (04) B.4. g	
(31) FORM 1, (04) B.5. g	
(32) FORM 1, (04) B.6. g	
(33) FORM 1, (06)	71
(34) FORM 1, (07)	18240
(35) FORM 1, (09)	
(36) FORM 1, (10)	

(38) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code Sections 17560 & 17561, I certify that I am the person authorized by the local agency to file claims with the State of California for mandated cost claims with the State of California for this program and I and certify under penalty of perjury that I have not violated any of the provisions of Article 4, Chapter 1 of Division 4 of Title 1 Government Code.

I further certify that there was no application for nor any grant or payment received, other that from the claimant, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all ocosts claimed are supported by source documentation currently maintained by the claimant.

The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of pergury of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Representative **Date**

MaryAnne Brand — Date Signed 7/6/15

MaryAnne Brand — Telephone Numbe (510) 542-6062

Financial Services Supervisor — Email Address mbrand@cityofslt.us

Name of Contact Person for Claim	Telephone Number	E-Mail Address
Annette S. Chinn (CRS)	*(916) 939-7901*	*AChinnCRS@aol.com*

INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS CLAIM SUMMARY

FORM 1

(01) Claimant	(02) Type of Claim	Fiscal Year
City of South Lake Tahoe	Reimbursement ☐	2001-02

Claim Statistics

(03) Department - POLICE	Number of Cases =	229

Direct Costs

(04) Reimbursable Components	(a) Salaries	(b) Benefits	(c & d) Services and Supplies	(e) Fixed Assets	(f) Travel and Training	(g) Total
A. ONE-TIME ACTIVITIES						
1. Policies and Procedures						
2. Training to implement ICAN						
B. ON-GOING ACTIVITIES						
1. Distribute Child Abuse Report (SS8572)						
2. Reporting between local departments						
2.a. Accept & refer reports when lacking jurisdiction						
2.b. Cross reporting from County to law enforcement						
2.c. Cross reporting from law enf. to county and DA	$473	$195				$668
2.d. Receipt of cross-reports by DA's office						
2.e. Report by phone & send to licensing agencies						
(04.1) Subtotal B.2 (a through e)	$473	$195				$668
2.f. Addnl cross reporting in case of child death						
1) Law enforcement cross report to Co. Welfare						
2) County Welfare department						
i. Cross rpt child death case to law enforcement						
ii. Created record in County CWS/CMS system						
ii. Enter info in CWS/CMS if death not abuse/nglct						
(04.2) Subtotal B.2 f. 2) (i through iii)						
3. Reporting to DOJ (see item 4 claiming instructions)						
a. Complete an investigation to prepare a report	$25,057	$10,349				$35,406
b. Prepare/submit/amend rpt for substantiated cases	$306	$126				$433
4. Notify suspected abuser they are in CACI						
5. Records retention post required period						
6. Provide due process procedures to those in CACI						
(05) TOTAL DIRECT COSTS	$25,836	$10,670				$36,506

Indirect Costs

(06) Indirect Cost Rate (applied to salaries)	(from ICRP) (Applied to Salaries)	70.6%
(07) Total Indirect Costs	Line (06) x line (05)(a) or line(06) x [line (05)(a) + line(05)(b)]	$18,240
(08) Total Direct and Indirect Costs	Line (05)(d) + line (07)	$54,747

Cost Reductions

(09) Less: Offsetting Savings, if applicable		
(10) Less: Other Reimbursements, if applicable		
(11) TOTAL CLAIMED AMOUNT	Line (08)- (line(09) + Line(10)]	**$54,747**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2001-02

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- ☐ Update Policies and Procedures & develop ICAN due process procedures
- ☐ Develop training to implement ICAN requirements

B. On-Going Costs

- ☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - ☐ a. Accept & refer abuse report when a dept. lacks jurisdiction
  - ☐ b. Cross-rept from Co. Welfare to law enforcement
  - ☒ c. Cross-report from Law Enforcement to Co Welfare &DA
  - ☐ d. Receipt of cross report by DA
  - ☐ e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - ☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
    - 2. County welfare department
      - ☐ i. Cross report death cases to law enforcement
      - ☐ ii. Create a record in the CWS.CMS system
      - ☐ iii. Enter info in CWS/CMS if death not abuse
    - 3. Reporting to DOJ
      - ☐ a. Complete investigation to prepare a report
      - ☐ b. Prepare/submit report for substantiated cases
    - ☐ 4. Notify abuser they are reported to CACI
    - ☐ 5. Mandated 8 yr record retention
    - ☐ 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$20.78	41.3%	9.16	$190	$79				$269
Sergeant Report to the appropriate County Department and/or the District Attorney's Office as mandated.	$30.85	41.3%	9.16	$283	$117				$399
(05) Total			**18.32**	**$473**	**$195**				**$668**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe (02) Fiscal Year Costs Were Incurred: 2001-02

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- ☐ Update Policies and Procedures & develop ICAN due process procedures
- ☐ Develop training to implement ICAN requirements

B. On-Going Costs

- ☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - ☐ a. Accept & refer abuse report when a dept. lacks jurisdiction
  - ☐ b. Cross-rept from Co. Welfare to law enforcement
  - ☐ c. Cross-report from Law Enforcement to Co Welfare &DA
  - ☐ d. Receipt of cross report by DA
  - ☐ e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - ☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
    - 2. County welfare department
      - ☐ i. Cross report death cases to law enforcement
      - ☐ ii. Create a record in the CWS.CMS system
      - ☐ iii, Enter info in CWS/CMS if death not abuse
    - 3. Reporting to DOJ
      - ☒ a. Complete investigation to prepare a report
      - ☐ b. Prepare/submit report for substantiated cases
    - ☐ 4. Notify abuser they are reported to CACI
    - ☐ 5. Mandated 8 yr record retention
    - ☐ 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$20.78	41.3%	19.08	$397	$164				$560
Officer/Detective	$25.32	41.3%	927.45	$23,483	$9,698				$33,182
Sergeant	$30.85	41.3%	38.17	$1,177	$486				$1,664
Complete investigation to determine whether report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive (per PC 11165.12) for purposes of preparing & submitting Fomr SS 8583 and prepare report forms.									
(05) Total			984.70	$25,057	$10,349				$35,406

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2001-02

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- ☐ Update Policies and Procedures & develop ICAN due process procedures
- ☐ Develop training to implement ICAN requirements

B. On-Going Costs

- ☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - ☐ a. Accept & refer abuse report when a dept. lacks jurisdiction
  - ☐ b. Cross-rept from Co. Welfare to law enforcement
  - ☐ c. Cross-report from Law Enforcement to Co Welfare &DA
  - ☐ d. Receipt of cross report by DA
  - ☐ e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - ☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
    - 2. County welfare department
      - ☐ i. Cross report death cases to law enforcement
      - ☐ ii. Create a record in the CWS.CMS system
      - ☐ iii. Enter info in CWS/CMS if death not abuse
    - 3. Reporting to DOJ
      - ☐ a. Complete investigation to prepare a report
      - ☒ b. Prepare/submit report for substantiated cases
    - ☐ 4. Notify abuser they are reported to CACI
    - ☐ 5. Mandated 8 yr record retention
    - ☐ 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$20.78	41.3%	7.75	$161	$67				$228
Officer/Detective	$25.32	41.3%	2.58	$65	$27				$92
Sergeant	$30.85	41.3%	2.58	$80	$33				$113
Prepare, review, approve, and forward reports of substantiated child abuse cases.									
(05) Total			**12.92**	**$306**	**$126**				**$433**

INDIRECT COST RATE PROPOSAL

City of South Lake Tahoe

Police

Fiscal Year
2001-02

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$1,812,919		$607,505	$1,205,414
Overtime		$347,499			$347,499
Benefits	41.3%	$749,158		$251,041	$498,117
Total		$2,909,576		$858,546	$2,051,030
Services & Supplies					
Official Administrative Services					
Medicare - Regular Employees		$20,583			$20,583
Shop (Labor & Parts)		$65,297	$55,969	$9,328	$0
Canine Reimbursement		$1,652			$1,652
Travel (Meals, HOTL, Perdiem)		$1,339		$1,339	
Training/Seminars Registr, Supp		$2,242		$2,242	
Memberships - Dues - Subscriptio		$279	$279		
Testing - Medical					
Recruiting Expenses		$4,190		$4,190	
General Supplies Within FY		$3,507		$3,507	
Tools & Parts less $3,000/unit		$10,450	$8,360	$2,090	
Clothing - Uniforms (Replacement		$14,755		$14,755	
Furniture & Fixtures		$2,509	$2,342	$167	$0
Gasoline		$38,124		$38,124	
Total		$164,927	$66,950	$75,742	$22,235
Capital Expenditures					
Total					
Total Expenditures		**$3,074,503**	**$66,950**	**$934,288**	**$2,073,265**
Cost Plan Costs					
Allocated costs		$162,424		$162,424	
Total		$162,424		$162,424	
Total Alloc. Indirect Costs		**$3,236,927**	**$66,950**	**$1,096,712**	**$2,073,265**

ICRP RATE = **70.6%**
(Rate is Based on Salaries)

$1,096,712 = Total Allowable Indirect Costs
$1,552,913 Total Direct Salaries

City of South Lake Tahoe
Police
Fiscal Year
2001-02

Name/Position	100% Admin. or Support Staff Annual Salary
Commander (2)	$128,877
Sergeant (Admin)	$55,524
Communications Supervisor	$42,324
Support Services Tech	$39,131
Records Supervisor	$37,404
Public Safety Dispatcher (4)	$127,837
Evidence Tech	$40,108
Community Services Officer (1.5)	$47,007
Chief	$89,292

Admin	Operations	Canine Unit	Bicycle Unit	Hostage Negotations	Boat Safety Patrol	Investigations	Certified Training	Joint Dispatch Center	Support
$48,799	$1,854,076							$358,063	$1,202,455
	$248,319				$44,517			$39,065	$79,085
$24,849	$1,015,687				$5,709			$141,617	$554,448
$73,648	$3,118,082				$50,226			$538,745	$1,835,988
$62,354									
$75	$280								$15,472
$560	$112,281								$18,341
$38,178									
$1,494								$1,573	$2,838
$3,978	$2,949				$414			$1,290	$3,899
$693	$400							$268	$730
$6,713	$14								
$712	$3,438								
$28,846	$3,739								
$3,336	$8,560				$556				
	$15,615								
	$2,328				$1,741				
	$50,844								$4,413
$326,742	$200,448				$21,688		$45,055	$3,131	$52,526
$400,390	**$3,318,530**				**$71,914**		**$45,055**	**$541,876**	**$1,888,514**

Claim for Payment
INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS

For State Controller Use Only

(19) Program Number: 00358 — Program 358

(20) Date Filed ___/___/___

(21) LRS Input ___/___/___

(01) Claimant Identification Number	9809886
(02) Claimant Name	City of South Lake Tahoe
Mailing Address	1901 Airport Road
Street Address or P.O. Box	Suite 210
City	South Lake Tahoe
State CA	Zip Code 96150-7004

Type of Claim	Estimated Claim	Reimbursement Claim
	(03) Estimated ☐	(09) Reimbursement ☐
	(04) Combined ☐	(10) Combined ☐
	(05) Amended ☐	(11) Amended ☒

Fiscal Year of Cost	(06)	(12) 2002-03
Total Claimed	(07)	(13) $82,086
Less: 10% Late Penalty, but not to exceed $1,000 (if applicable)		(14) $3,295
Less: Estimated Claim Payment Received		(15)
Net Claimed Amount		(16) $78,791
Due from State	(08)	(17) $78,791
Due to State	(09)	(18)

(22) FORM 1, (04) A.1.g	
(23) FORM 1, (04) A.2.g	
(24) FORM 1, (04) B.1.g	
(25) FORM 1,(04.1) g	844
(26) FORM 1,(04) B.2.f.1) g	
(27) FORM 1, (04.2) g	
(28) FORM 1, (04) B.3.a. g	50920
(29) FORM 1, (04) B.3.b. g	670
(30) FORM 1, (04) B.4. g	
(31) FORM 1, (04) B.5. g	
(32) FORM 1, (04) B.6. g	
(33) FORM 1, (06)	85
(34) FORM 1, (07)	29653
(35) FORM 1, (09)	
(36) FORM 1, (10)	

(38) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code Sections 17560 & 17561, I certify that I am the person authorized by the local agency to file claims with the State of California for mandated cost claims with the State of California for this program and I and certify under penalty of perjury that I have not violated any of the provisions of Article 4, Chapter 1 of Division 4 of Title 1 Government Code.

I further certify that there was no application for nor any grant or payment received, other that from the claimant, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all ocosts claimed are supported by source documentation currently maintained by the claimant.

The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of pergury of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Representative — **Date**

MaryAnne Brand — Date Signed 7/6/15

MaryAnne Brand — Telephone Numbe (510) 542-6062

Financial Services Supervisor — Email Address mbrand@cityofslt.us

Name of Contact Person for Claim	Telephone Number	E-Mail Address
Annette S. Chinn (CRS)	*(916) 939-7901*	*AChinnCRS@aol.com*

INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS CLAIM SUMMARY

FORM 1

(01) Claimant	(02) Type of Claim	Fiscal Year
City of South Lake Tahoe	Reimbursement ☐	2002-03

Claim Statistics

(03) Department - POLICE	Number of Cases =	277

Direct Costs	Object Accounts					
(04) Reimbursable Components	(a) Salaries	(b) Benefits	(c & d) Services and Supplies	(e) Fixed Assets	(f) Travel and Training	(g) Total
A. ONE-TIME ACTIVITIES						
1. Policies and Procedures						
2. Training to implement ICAN						
B. ON-GOING ACTIVITIES						
1. Distribute Child Abuse Report (SS8572)						
2. Reporting between local departments						
2.a. Accept & refer reports when lacking jurisdiction						
2.b. Cross reporting from County to law enforcement						
2.c. Cross reporting from law enf. to county and DA	$561	$282				$844
2.d. Receipt of cross-reports by DA's office						
2.e. Report by phone & send to licensing agencies						
(04.1) Subtotal B.2 (a through e)	$561	$282				$844
2.f. Addnl cross reporting in case of child death						
1) Law enforcement cross report to Co. Welfare						
2) County Welfare department						
i. Cross rpt child death case to law enforcement						
ii. Created record in County CWS/CMS system						
ii. Enter info in CWS/CMS if death not abuse/nglct						
(04.2) Subtotal B.2 f. 2) (i through iii)						
3. Reporting to DOJ (see item 4 claiming instructions)						
a. Complete an investigation to prepare a report	$33,879	$17,041				$50,920
b. Prepare/submit/amend rpt for substantiated cases	$446	$224				$670
4. Notify suspected abuser they are in CACI						
5. Records retention post required period						
6. Provide due process procedures to those in CACI						
(05) TOTAL DIRECT COSTS	$34,886	$17,548				$52,433

Indirect Costs

(06) Indirect Cost Rate (applied to salaries)	(from ICRP) (Applied to Salaries)	85.0%
(07) Total Indirect Costs	Line (06) x line (05)(a) or line(06) x [line (05)(a) + line(05)(b)]	$29,653
(08) Total Direct and Indirect Costs	Line (05)(d) + line (07)	$82,086

Cost Reductions

(09) Less: Offsetting Savings, if applicable		
(10) Less: Other Reimbursements, if applicable		
(11) TOTAL CLAIMED AMOUNT	Line (08)- (line(09) + Line(10)]	**$82,086**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe (02) Fiscal Year Costs Were Incurred: 2002-03

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- ☐ Update Policies and Procedures & develop ICAN due process procedures
- ☐ Develop training to implement ICAN requirements

B. On-Going Costs

- ☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - ☐ a. Accept & refer abuse report when a dept. lacks jurisdiction
  - ☐ b. Cross-rept from Co. Welfare to law enforcement
  - ☒ c. Cross-report from Law Enforcement to Co Welfare &DA
  - ☐ d. Receipt of cross report by DA
  - ☐ e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - ☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
- 2. County welfare department
  - ☐ i. Cross report death cases to law enforcement
  - ☐ ii. Create a record in the CWS.CMS system
  - ☐ iii, Enter info in CWS/CMS if death not abuse
- 3. Reporting to DOJ
  - ☐ a. Complete investigation to prepare a report
  - ☐ b. Prepare/submit report for substantiated cases
- ☐ 4. Notify abuser they are reported to CACI
- ☐ 5. Mandated 8 yr record retention
- ☐ 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$17.31	50.3%	11.08	$192	$96				$288
Sergeant Report to the appropriate County Department and/or the District Attorney's Office as mandated.	$33.36	50.3%	11.08	$370	$186				$556
(05) Total			22.16	$561	$282				$844

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe (02) Fiscal Year Costs Were Incurred: 2002-03

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- ☐ Update Policies and Procedures & develop ICAN due process procedures
- ☐ Develop training to implement ICAN requirements

B. On-Going Costs

- ☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - ☐ a. Accept & refer abuse report when a dept. lacks jurisdiction
  - ☐ b. Cross-rept from Co. Welfare to law enforcement
  - ☐ c. Cross-report from Law Enforcement to Co Welfare &DA
  - ☐ d. Receipt of cross report by DA
  - ☐ e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - ☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
    - 2. County welfare department
      - ☐ i. Cross report death cases to law enforcement
      - ☐ ii. Create a record in the CWS.CMS system
      - ☐ iii, Enter info in CWS/CMS if death not abuse
    - 3. Reporting to DOJ
      - ☒ a. Complete investigation to prepare a report
      - ☐ b. Prepare/submit report for substantiated cases
    - ☐ 4. Notify abuser they are reported to CACI
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(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$17.31	50.3%	23.08	$400	$201				$601
Officer/Detective	$28.47	50.3%	1,121.85	$31,939	$16,065				$48,004
Sergeant	$33.36	50.3%	46.17	$1,540	$775				$2,315
Complete investigation to determine whether report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive (per PC 11165.12) for purposes of preparing & submitting Fomr SS 8583 and prepare report forms.									
(05) Total			1,191.10	$33,879	$17,041				$50,920

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe (02) Fiscal Year Costs Were Incurred: 2002-03

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

☐ Update Policies and Procedures & develop ICAN due process procedures

☐ Develop training to implement ICAN requirements

B. On-Going Costs

☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)

2. Reporting Between Local Departments

☐ a. Accept & refer abuse report when a dept. lacks jurisdiction

☐ b. Cross-rept from Co. Welfare to law enforcement

☐ c. Cross-report from Law Enforcement to Co Welfare &DA

☐ d. Receipt of cross report by DA

☐ e. Report by phone & send written report to licensing agency

f. Additional cross reporting in cases of child death

☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare

f. Additional cross-reporting in cases of death

2. County welfare department

☐ i. Cross report death cases to law enforcement

☐ ii. Create a record in the CWS.CMS system

☐ iii, Enter info in CWS/CMS if death not abuse

3. Reporting to DOJ

☐ a. Complete investigation to prepare a report

☒ b. Prepare/submit report for substantiated cases

☐ 4. Notify abuser they are reported to CACI

☐ 5. Mandated 8 yr record retention

☐ 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$17.31	50.3%	11.75	$203	$102				$306
Officer/Detective	$28.47	50.3%	3.92	$112	$56				$168
Sergeant	$33.36	50.3%	3.92	$131	$66				$196
Prepare, review, approve, and forward reports of substantiated child abuse cases.									
(05) Total			19.58	$446	$224				$670

INDIRECT COST RATE PROPOSAL
City of South Lake Tahoe
Police
Fiscal Year
2002-03

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$3,463,393		$856,992	$2,606,401
Overtime		$410,986			$410,986
Benefits	50.3%	$1,742,310		$431,122	$1,311,188
Total		$5,616,689		$1,288,114	$4,328,575
Services & Supplies					
Official Administrative Services		$62,354		$62,354	
Professional Services		$15,827			$15,827
Shop (Labor & Parts)		$131,182	$112,442	$18,740	$0
Water/Sewer - Utility		$2,986		$2,986	
Garbage - Utility		$5,501		$5,501	
Repair & Maint. Outside		$19,743		$19,743	
Laundry		$924		$924	
Risk Mgmt - City property Damage		$1,332			$1,332
Communications		$38,178		$38,178	
Printing and Binding		$3,638		$3,638	
Parking Citation Exp		$5,513			$5,513
Jail Booking Fees		$109,616			$109,616
Travel (Meals, HOTL, Perdiem)		$5,905		$5,905	
Training/Seminars Registr, Supp		$12,530		$12,530	
Memberships - Dues - Subscriptio		$2,091	$2,091		
Testing - Medical		$6,727		$6,727	
Recruiting Expenses		$4,150		$4,150	
General Supplies Within FY		$32,585		$32,585	
Postage		$3,627		$3,627	
Natural Gas		$8,478		$8,478	
Electiricity		$30,801		$30,801	
Tools & Parts less $3,000/unit		$12,452	$9,962	$2,490	$0
Clothing - Uniforms (Replacement		$15,615		$15,615	
Furniture & Fixtures		$4,069	$3,798	$271	$0
Machinery & Equipment ($3,000)		$11,380	$9,104	$2,276	
Police Officers Standard Training		$45,055		$45,055	
Gasoline		$55,257		$55,257	
Technical Services		$138		$138	
Police Travel Investigations		$1,936			$1,936
Total		$649,590	$137,396	$377,970	$134,224
Capital Expenditures					
Total					
Total Expenditures		**$6,266,279**	**$137,396**	**$1,666,084**	**$4,462,799**
Cost Plan Costs					
City wide overhead		$899,093		$899,093	
Total		$899,093		$899,093	
Total Alloc. Indirect Costs		**$7,165,372**	**$137,396**	**$2,565,177**	**$4,462,799**

ICRP RATE = **85.0%**
(Rate is Based on Salaries)

$2,565,177 = Total Allowable Indirect Costs
$3,017,387 Total Direct Salaries

City of South Lake Tahoe

Police

Fiscal Year
2002-03

100% Admin. or Support Staff

Name/Position	Annual Salary
Police Chief	$89,292
Commander (2)	$139,368
Communications Supervisor	$43,164
Assist Management Analyst	$46,680
Records Supervisor	$38,148
Public Safety Dispatcher (7)	$239,652
Senior Police Records Tech	$31,152
Police Operation Worker	$33,336
Evidence Tech	$42,120
Senior CSO (3)	$94,032
Sergeant	$60,048

TOTAL INDIRECT SALARIES **$856,992**

Admin	Operations	Canine Unit	Bicycle Unit	Hostage Negotations	Boat Safety Patrol	Investigations	Certified Training	Joint Dispatch Center	Support
$48,799	$1,854,076							$358,063	$1,202,455
	$248,319				$44,517			$39,065	$79,085
$24,849	$1,015,687				$5,709			$141,617	$554,448
$73,648	$3,118,082				$50,226			$538,745	$1,835,988
$62,354									
$75	$280								$15,472
$560	$112,281								$18,341
$2,986									
$5,501									
$7,387					$12,356				
$924									
$1,332									
$38,178									
$3,638									
$5,513									
$109,616									
$1,494								$1,573	$2,838
$3,978	$2,949				$414			$1,290	$3,899
$693	$400							$268	$730
$6,713	$14								
$712	$3,438								
$28,846	$3,739								
$3,627									
$8,478									
$30,801									
$3,336	$8,560				$556				
	$15,615								
	$2,328				$1,741				
					$6,621				$4,759
							$45,055		
	$50,844								$4,413
									$138
									$1,936
$326,742	$200,448				$21,688		$45,055	$3,131	$52,526
$400,390	**$3,318,530**				**$71,914**		**$45,055**	**$541,876**	**$1,888,514**

Claim for Payment
INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS

For State Controller Use Only

(19) Program Number: 00358
(20) Date Filed ___/___/___
(21) LRS Input ___/___/___

Program **358**

(01) Claimant Identification Number	9809886
(02) Claimant Name	City of South Lake Tahoe
Mailing Address	1901 Airport Road
Street Address or P.O. Box	Suite 210
City	South Lake Tahoe
State CA	Zip Code 96150-7004

Type of Claim	Estimated Claim	Reimbursement Claim
	(03) Estimated ☐	(09) Reimbursement ☐
	(04) Combined ☐	(10) Combined ☐
	(05) Amended ☐	(11) Amended ☒
Fiscal Year of Cost	(06)	(12) 2003-04
Total Claimed	(07)	(13) $89,251
Less: 10% Late Penalty, but not to exceed $1,000 (if applicable)		(14) $3,749
Less: Estimated Claim Payment Received		(15)
Net Claimed Amount		(16) $85,502
Due from State	(08)	(17) $85,502
Due to State	(09)	(18)

(22) FORM 1, (04) A.1.g	
(23) FORM 1, (04) A.2.g	
(24) FORM 1, (04) B.1.g	
(25) FORM 1,(04.1) g	901
(26) FORM 1,(04) B.2.f.1) g	
(27) FORM 1, (04.2) g	
(28) FORM 1, (04) B.3.a. g	55447
(29) FORM 1, (04) B.3.b. g	572
(30) FORM 1, (04) B.4. g	
(31) FORM 1, (04) B.5. g	
(32) FORM 1, (04) B.6. g	
(33) FORM 1, (06)	90
(34) FORM 1, (07)	32331
(35) FORM 1, (09)	
(36) FORM 1, (10)	

(38) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code Sections 17560 & 17561, I certify that I am the person authorized by the local agency to file claims with the State of California for mandated cost claims with the State of California for this program and I and certify under penalty of perjury that I have not violated any of the provisions of Article 4, Chapter 1 of Division 4 of Title 1 Government Code.

I further certify that there was no application for nor any grant or payment received, other that from the claimant, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all ocosts claimed are supported by source documentation currently maintained by the claimant.

The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of pergury of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Representative **Date**

MaryAnne Brand — Date Signed 7/6/15

MaryAnne Brand — Telephone Numbe (510) 542-6062

Financial Services Supervisor — Email Address mbrand@cityofslt.us

Name of Contact Person for Claim	Telephone Number	E-Mail Address
Annette S. Chinn (CRS)	***(916) 939-7901***	***AChinnCRS@aol.com***

INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS CLAIM SUMMARY

FORM 1

(01) Claimant	(02) Type of Claim	Fiscal Year
City of South Lake Tahoe	Reimbursement ☐	2003-04

Claim Statistics

(03) Department - POLICE	Number of Cases =	286

Direct Costs	Object Accounts					
(04) Reimbursable Components	(a) Salaries	(b) Benefits	(c & d) Services and Supplies	(e) Fixed Assets	(f) Travel and Training	(g) Total
A. ONE-TIME ACTIVITIES						
1. Policies and Procedures						
2. Training to implement ICAN						
B. ON-GOING ACTIVITIES						
1. Distribute Child Abuse Report (SS8572)						
2. Reporting between local departments						
2.a. Accept & refer reports when lacking jurisdiction						
2.b. Cross reporting from County to law enforcement						
2.c. Cross reporting from law enf. to county and DA	$567	$334				$901
2.d. Receipt of cross-reports by DA's office						
2.e. Report by phone & send to licensing agencies						
(04.1) Subtotal B.2 (a through e)	$567	$334				$901
2.f. Addnl cross reporting in case of child death						
1) Law enforcement cross report to Co. Welfare						
2) County Welfare department						
i. Cross rpt child death case to law enforcement						
ii. Created record in County CWS/CMS system						
ii. Enter info in CWS/CMS if death not abuse/nglct						
(04.2) Subtotal B.2 f. 2) (i through iii)						
3. Reporting to DOJ (see item 4 claiming instructions)						
a. Complete an investigation to prepare a report	$34,916	$20,531				$55,447
b. Prepare/submit/amend rpt for substantiated cases	$360	$212				$572
4. Notify suspected abuser they are in CACI						
5. Records retention post required period						
6. Provide due process procedures to those in CACI						
(05) TOTAL DIRECT COSTS	$35,844	$21,076				$56,920

Indirect Costs

(06) Indirect Cost Rate (applied to salaries)	(from ICRP) (Applied to Salaries)	90.2%
(07) Total Indirect Costs	Line (06) x line (05)(a) or line(06) x [line (05)(a) + line(05)(b)]	$32,331
(08) Total Direct and Indirect Costs	Line (05)(d) + line (07)	$89,251

Cost Reductions

(09) Less: Offsetting Savings, if applicable	
(10) Less: Other Reimbursements, if applicable	
(11) TOTAL CLAIMED AMOUNT Line (08)- (line(09) + Line(10)]	**$89,251**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe (02) Fiscal Year Costs Were Incurred: 2003-04

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- [ ] Update Policies and Procedures & develop ICAN due process procedures
- [ ] Develop training to implement ICAN requirements

B. On-Going Costs

- [ ] 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - [ ] a. Accept & refer abuse report when a dept. lacks jurisdiction
  - [ ] b. Cross-rept from Co. Welfare to law enforcement
  - [X] c. Cross-report from Law Enforcement to Co Welfare &DA
  - [ ] d. Receipt of cross report by DA
  - [ ] e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - [ ] 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
- 2. County welfare department
  - [ ] i. Cross report death cases to law enforcement
  - [ ] ii. Create a record in the CWS.CMS system
  - [ ] iii, Enter info in CWS/CMS if death not abuse
- 3. Reporting to DOJ
  - [ ] a. Complete investigation to prepare a report
  - [ ] b. Prepare/submit report for substantiated cases
- [ ] 4. Notify abuser they are reported to CACI
- [ ] 5. Mandated 8 yr record retention
- [ ] 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$17.83	58.8%	11.44	$204	$120				$324
Sergeant Report to the appropriate County Department and/or the District Attorney's Office as mandated.	$31.77	58.8%	11.44	$363	$214				$577
(05) Total			22.88	$567	$334				$901

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe (02) Fiscal Year Costs Were Incurred: 2003-04

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- [ ] Update Policies and Procedures & develop ICAN due process procedures
- [ ] Develop training to implement ICAN requirements

B. On-Going Costs

- [ ] 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - [ ] a. Accept & refer abuse report when a dept. lacks jurisdiction
  - [ ] b. Cross-rept from Co. Welfare to law enforcement
  - [ ] c. Cross-report from Law Enforcement to Co Welfare &DA
  - [ ] d. Receipt of cross report by DA
  - [ ] e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - [ ] 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
  - 2. County welfare department
    - [ ] i. Cross report death cases to law enforcement
    - [ ] ii. Create a record in the CWS.CMS system
    - [ ] iii, Enter info in CWS/CMS if death not abuse
  - 3. Reporting to DOJ
    - [X] a. Complete investigation to prepare a report
    - [ ] b. Prepare/submit report for substantiated cases
- [ ] 4. Notify abuser they are reported to CACI
- [ ] 5. Mandated 8 yr record retention
- [ ] 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$17.83	58.8%	23.83	$425	$250				$675
Officer/Detective	$28.47	58.8%	1,158.30	$32,977	$19,390				$52,367
Sergeant	$31.77	58.8%	47.67	$1,514	$890				$2,405
Complete investigation to determine whether report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive (per PC 11165.12) for purposes of preparing & submitting Fomr SS 8583 and prepare report forms.									
(05) Total			1,229.80	$34,916	$20,531				$55,447

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2003-04

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- ☐ Update Policies and Procedures & develop ICAN due process procedures
- ☐ Develop training to implement ICAN requirements

B. On-Going Costs

- ☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - ☐ a. Accept & refer abuse report when a dept. lacks jurisdiction
  - ☐ b. Cross-rept from Co. Welfare to law enforcement
  - ☐ c. Cross-report from Law Enforcement to Co Welfare &DA
  - ☐ d. Receipt of cross report by DA
  - ☐ e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - ☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
    - 2. County welfare department
      - ☐ i. Cross report death cases to law enforcement
      - ☐ ii. Create a record in the CWS.CMS system
      - ☐ iii. Enter info in CWS/CMS if death not abuse
    - 3. Reporting to DOJ
      - ☐ a. Complete investigation to prepare a report
      - ☒ b. Prepare/submit report for substantiated cases
    - ☐ 4. Notify abuser they are reported to CACI
    - ☐ 5. Mandated 8 yr record retention
    - ☐ 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$17.83	58.8%	9.50	$169	$100				$269
Officer/Detective	$28.47	58.8%	3.17	$90	$53				$143
Sergeant	$31.77	58.8%	3.17	$101	$59				$160
Prepare, review, approve, and forward reports of substantiated child abuse cases.									
(05) Total			**15.83**	**$360**	**$212**				**$572**

City of South Lake Tahoe

Police

Fiscal Year
2003-04

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$3,349,631		$888,900	$2,460,731
Overtime		$266,711			$266,711
Benefits	58.8%	$1,969,516		$522,655	$1,446,861
Total		$5,585,858		$1,411,555	$4,174,303
Services & Supplies					
Official Administrative Services		$38,134		$38,134	
Professional Services		$13,027			$13,027
Shop (Labor & Parts)		$106,726	$91,479	$15,247	$0
Water/Sewer - Utility		$2,986		$2,986	
Garbage - Utility		$5,797		$5,797	
Repair & Maint. Outside		$7,422		$7,422	
Laundry		$1,345		$1,345	
Risk Mgmt - City property Damage		$2,669			$2,669
Communications		$44,071		$44,071	
Printing and Binding		$8,719		$8,719	
Parking Citation Exp		$1,149			$1,149
Jail Booking Fees		$132,924			$132,924
Travel (Meals, HOTL, Perdiem)		$7,947		$7,947	
Training/Seminars Registr, Supp		$8,847		$8,847	
Memberships - Dues - Subscriptio		$1,326	$1,326		
Testing - Medical		$2,271		$2,271	
Recruiting Expenses		$4,161		$4,161	
General Supplies Within FY		$34,946		$34,946	
Postage		$3,894		$3,894	
Natural Gas		$10,386		$10,386	
Electiricity		$30,062		$30,062	
Tools & Parts less $3,000/unit					
Clothing - Uniforms (Replacement		$10,389		$10,389	
Furniture & Fixtures		$2,791	$2,605	$186	$0
Machinery & Equipment ($3,000)		$13,330	$10,664	$2,666	
Police Officers Standard Training		$64,201		$64,201	
Gasoline		$65,260		$65,260	
Technical Services					
Police Travel Investigations					
Canine Reiimb		$2,556			$2,556
Total		$627,336	$106,074	$368,937	$152,325
Capital Expenditures					
Total					
Total Expenditures		**$6,213,194**	**$106,074**	**$1,780,492**	**$4,326,628**
Cost Plan Costs					
City Wide Overhead 15.74% of total direct expenditures		$681,011		$681,011	
Total		$681,011		$681,011	
Total Alloc. Indirect Costs		**$6,894,205**	**$106,074**	**$2,461,503**	**$4,326,628**

ICRP RATE = **90.2%**
(Rate is Based on Salaries)

$2,461,503 = Total Allowable Indirect Costs
$2,727,442 Total Direct Salaries

City of South Lake Tahoe

Police

Fiscal Year
2003-04

100% Admin. or Support Staff

Name/Position	Annual Salary
Police Chief	$91,968
Commander (2)	$146,328
Communications Supervisor	$45,324
Assist Management Analyst	$48,084
Records Supervisor	$40,056
Public Safety Dispatcher (7)	$251,580
Senior Police Records Tech	$32,088
Police Operation Worker	$33,336
Evidence Tech	$44,232
Senior CSO (3)	$98,712
Sergeant (Admin)	$57,192

TOTAL INDIRECT SALARIES **$888,900**

Admin	Operations	Canine Unit	Bicycle Unit	Hostage Negotations	Boat Safety Patrol	Investigations	Certified Training	Joint Dispatch Center	Support
$362,490	$1,863,067							$322,515	$801,559
$5,092	$159,616							$44,750	$57,253
$214,751	$1,104,515							$146,830	$503,420
$582,333	$3,127,198							$514,095	$1,362,232
$38,134									
									$13,027
	$87,206								$19,520
$2,986									
$5,797									
$7,422									
$1,345									
$2,669									
$44,071									
$8,719									
$1,149									
$132,924									
$3,086								$1,000	$3,861
$2,541	$2,781							$997	$2,528
$528	$465							$38	$295
$2,271									
$15	$4,146								
$32,012	$2,934								
$3,894									
$10,386									
$30,062									
	$10,389								
	$2,791								
	$8,248								$5,082
							$64,201		
	$59,343								$5,917
	$2,556								
$330,011	$180,859						$64,201	$2,035	$50,230
$912,344	**$3,308,057**						**$64,201**	**$516,130**	**$1,412,462**

City of South Lake Tahoe
CITY WIDE OVERHEAD CALCULATION:
Based on Actual FY 2003-04 Data

Department	Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
City Council	$124,459	$124,459		
City Clerk	$167,846	$167,846		
City Attorney	$391,431		$391,431	
Risk Management	$234,626		$234,626	
City Manager	$285,053		$285,053	
Human Resources	$207,444		$207,444	
Accounting	$557,986		$557,986	
Treasurer	$20,322		$20,322	
Purchasing	$147,701		$147,701	
Revenue Collection	$63,853			$63,853
Vacation Ordinance	$53,066			$53,066
Information Systems	$278,354		$278,354	
Non-Departmental	$275,747		$275,747	
Community Marketing	$640,518			$640,518
Rents & Leases	$227,388		$227,388	
Police	$6,213,290			$6,213,290
Fire	$3,857,050			$3,857,050
Public Works & Engineering	$1,260,964			$1,260,964
Facility Maintenance	$256,355		$256,355	
Planning	$336,796			$336,796
Golf Course	$229,680			$229,680
Park Areas & Campgrounds	$261,797			$261,797
Beaches & Parks	$2,217,284			$2,217,284
Totals:	**$18,309,010**	**$292,305**	**$2,882,407**	**$15,134,298**

Total Allowable Indirect / Total City Expenditures = $2,882,407 / $18,309,010 = 15.74% city wide overhead rate based on dollars of total expenditure

Claim for Payment
INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS

For State Controller Use Only	
(19) Program Number: 00358	Program 358
(20) Date Filed ___/___/___	
(21) LRS Input ___/___/___	

(01) Claimant Identification Number	9809886
(02) Claimant Name	City of South Lake Tahoe
Mailing Address	1901 Airport Road
Street Address or P.O. Box	Suite 210
City	South Lake Tahoe
State CA	Zip Code 96150-7004

(22) FORM 1, (04) A.1.g	
(23) FORM 1. (04) A.2.g	
(24) FORM 1, (04) B.1.g	
(25) FORM 1,(04.1) g	983
(26) FORM 1,(04) B.2.f.1) g	
(27) FORM 1, (04.2) g	
(28) FORM 1, (04) B.3.a. g	59885
(29) FORM 1, (04) B.3.b. g	613
(30) FORM 1, (04) B.4. g	
(31) FORM 1, (04) B.5. g	
(32) FORM 1, (04) B.6. g	
(33) FORM 1, (06)	98
(34) FORM 1, (07)	36433
(35) FORM 1, (09)	
(36) FORM 1, (10)	

Type of Claim	Estimated Claim	Reimbursement Claim
	(03) Estimated ☐	(09) Reimbursement ☐
	(04) Combined ☐	(10) Combined ☐
	(05) Amended ☐	(11) Amended ☒

Fiscal Year of Cost	(06)	(12) 2004-05
Total Claimed	(07)	(13) $97,914
Less: 10% Late Penalty, but not to exceed $1,000 (if applicable)		(14) $4,106
Less: Estimated Claim Payment Received		(15)
Net Claimed Amount		(16) $93,808
Due from State	(08)	(17) $93,808
Due to State	(09)	(18)

(38) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code Sections 17560 & 17561, I certify that I am the person authorized by the local agency to file claims with the State of California for mandated cost claims with the State of California for this program and I and certify under penalty of perjury that I have not violated any of the provisions of Article 4, Chapter 1 of Division 4 of Title 1 Government Code.

I further certify that there was no application for nor any grant or payment received, other that from the claimant, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all ocosts claimed are supported by source documentation currently maintained by the claimant.

The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of pergury of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Representative **Date**

MaryAnne Brand — Date Signed 7/6/15

MaryAnne Brand — Telephone Numbe (510) 542-6062

Financial Services Supervisor — Email Address mbrand@cityofslt.us

Name of Contact Person for Claim	Telephone Number	E-Mail Address
Annette S. Chinn (CRS)	*(916) 939-7901*	*AChinnCRS@aol.com*

INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS CLAIM SUMMARY

FORM 1

(01) Claimant	(02) Type of Claim	Fiscal Year
City of South Lake Tahoe	Reimbursement ☐	2004-05

Claim Statistics

(03) Department - POLICE	Number of Cases =	286

Direct Costs	Object Accounts					
(04) Reimbursable Components	(a) Salaries	(b) Benefits	(c & d) Services and Supplies	(e) Fixed Assets	(f) Travel and Training	(g) Total
A. ONE-TIME ACTIVITIES						
1. Policies and Procedures						
2. Training to implement ICAN						
B. ON-GOING ACTIVITIES						
1. Distribute Child Abuse Report (SS8572)						
2. Reporting between local departments						
2.a. Accept & refer reports when lacking jurisdiction						
2.b. Cross reporting from County to law enforcement						
2.c. Cross reporting from law enf. to county and DA	$597	$386				$983
2.d. Receipt of cross-reports by DA's office						
2.e. Report by phone & send to licensing agencies						
(04.1) Subtotal B.2 (a through e)	$597	$386				$983
2.f. Addnl cross reporting in case of child death						
1) Law enforcement cross report to Co. Welfare						
2) County Welfare department						
i. Cross rpt child death case to law enforcement						
ii. Created record in County CWS/CMS system						
ii. Enter info in CWS/CMS if death not abuse/nglct						
(04.2) Subtotal B.2 f. 2) (i through iii)						
3. Reporting to DOJ (see item 4 claiming instructions)						
a. Complete an investigation to prepare a report	$36,360	$23,525				$59,885
b. Prepare/submit/amend rpt for substantiated cases	$372	$241				$613
4. Notify suspected abuser they are in CACI						
5. Records retention post required period						
6. Provide due process procedures to those in CACI						
(05) TOTAL DIRECT COSTS	$37,329	$24,152				$61,481

Indirect Costs

(06) Indirect Cost Rate (applied to salaries)	(from ICRP) (Applied to Salaries)	97.6%
(07) Total Indirect Costs	Line (06) x line (05)(a) or line(06) x [line (05)(a) + line(05)(b)]	$36,433
(08) Total Direct and Indirect Costs	Line (05)(d) + line (07)	$97,914

Cost Reductions

(09) Less: Offsetting Savings, if applicable	
(10) Less: Other Reimbursements, if applicable	
(11) TOTAL CLAIMED AMOUNT Line (08)- (line(09) + Line(10)]	**$97,914**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe (02) Fiscal Year Costs Were Incurred: 2004-05

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- [ ] Update Policies and Procedures & develop ICAN due process procedures
- [ ] Develop training to implement ICAN requirements

B. On-Going Costs

- [ ] 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - [ ] a. Accept & refer abuse report when a dept. lacks jurisdiction
  - [ ] b. Cross-rept from Co. Welfare to law enforcement
  - [x] c. Cross-report from Law Enforcement to Co Welfare &DA
  - [ ] d. Receipt of cross report by DA
  - [ ] e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - [ ] 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
    - 2. County welfare department
      - [ ] i. Cross report death cases to law enforcement
      - [ ] ii. Create a record in the CWS.CMS system
      - [ ] iii, Enter info in CWS/CMS if death not abuse
    - 3. Reporting to DOJ
      - [ ] a. Complete investigation to prepare a report
      - [ ] b. Prepare/submit report for substantiated cases
    - [ ] 4. Notify abuser they are reported to CACI
    - [ ] 5. Mandated 8 yr record retention
    - [ ] 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$17.83	64.7%	11.44	$204	$132				$336
Sergeant Report to the appropriate County Department and/or the District Attorney's Office as mandated.	$34.36	64.7%	11.44	$393	$254				$647
(05) Total			22.88	$597	$386				$983

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2004-05

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- ☐ Update Policies and Procedures & develop ICAN due process procedures
- ☐ Develop training to implement ICAN requirements

B. On-Going Costs

- ☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - ☐ a. Accept & refer abuse report when a dept. lacks jurisdiction
  - ☐ b. Cross-rept from Co. Welfare to law enforcement
  - ☐ c. Cross-report from Law Enforcement to Co Welfare &DA
  - ☐ d. Receipt of cross report by DA
  - ☐ e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - ☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
    - 2. County welfare department
      - ☐ i. Cross report death cases to law enforcement
      - ☐ ii. Create a record in the CWS.CMS system
      - ☐ iii, Enter info in CWS/CMS if death not abuse
    - 3. Reporting to DOJ
      - ☐ a. Complete investigation to prepare a report
      - ☒ b. Prepare/submit report for substantiated cases
    - ☐ 4. Notify abuser they are reported to CACI
    - ☐ 5. Mandated 8 yr record retention
    - ☐ 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$17.83	64.7%	9.50	$169	$110				$279
Officer/Detective	$29.61	64.7%	3.17	$94	$61				$154
Sergeant	$34.36	64.7%	3.17	$109	$70				$179
Prepare, review, approve, and forward reports of substantiated child abuse cases.									
(05) Total			**15.83**	**$372**	**$241**				**$613**

INDIRECT COST RATE PROPOSAL
City of South Lake Tahoe
Police
Fiscal Year
2004-05

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$3,332,505		$880,224	$2,452,281
Overtime		$219,704			$219,704
Benefits	64.7%	$2,155,558		$569,354	$1,586,204
Total		$5,707,767		$1,449,578	$4,258,189
Services & Supplies					
Official Administrative Services		$35,996		$35,996	
Professional Services		$17,268			$17,268
Shop (Labor & Parts)		$117,392		$117,392	
Water/Sewer - Utility		$3,018		$3,018	
Garbage - Utility		$6,107		$6,107	
Repair & Maint. Outside		$1,070		$1,070	
Laundry		$3,733		$3,733	
Risk Mgmt - City property Damage		$4,053			$4,053
Communications		$40,676		$40,676	
Printing and Binding		$2,934		$2,934	
Parking Citation Exp		$2,865			$2,865
Jail Booking Fees		$106,156			$106,156
Travel (Meals, HOTL, Perdiem)		$6,130		$6,130	
Training/Seminars Registr. Supp		$9,000		$9,000	
Memberships - Dues - Subscriptio		$2,148	$2,148		
Testing - Medical		$8,752		$8,752	
Recruiting Expenses		$4,270		$4,270	
General Supplies Within FY		$33,626		$33,626	
Postage		$3,363		$3,363	
Natural Gas		$11,195		$11,195	
Electiricity		$34,093		$34,093	
Tools & Parts less $3,000/unit		$9,942	$7,954	$1,988	$0
Clothing - Uniforms (Replacement		$17,193		$17,193	
Furniture & Fixtures		$3,597	$3,357	$240	$0
Machinery & Equipment ($3,000)		$6,191	$4,953	$1,238	$0
Police Officers Standard Training		$52,095		$52,095	
Gasoline		$72,345		$72,345	
Technical Services		$160		$160	
Police Travel Investigations		$584			$584
Canine Relimb					
Insurance other than benefits		$46		$46	
Total		$615,998	$18,412	$466,660	$130,926
Capital Expenditures					
Total					
Total Expenditures		**$6,323,765**	**$18,412**	**$1,916,238**	**$4,389,115**
Cost Plan Costs					
City Wide Overhead 15.74% of total direct expenditures		$690,847		$690,847	
Total		$690,847		$690,847	
Total Alloc. Indirect Costs		**$7,014,612**	**$18,412**	**$2,607,085**	**$4,389,115**

ICRP RATE = **97.6%**
(Rate is Based on Salaries)

$2,607,085 = Total Allowable Indirect Costs
$2,671,985 Total Direct Salaries

City of South Lake Tahoe

Police

Fiscal Year
2004-05

Name/Position	100% Admin. or Support Staff Annual Salary
Police Chief (50%)	$45,984
Commander (2)	$146,328
Communications Supervisor	$46,680
Assist Management Analyst	$50,484
Records Supervisor	$41,256
Public Safety Dispatcher (7)	$259,140
Senior Police Records Tech	$32,088
Police Operation Worker	$34,332
Evidence Tech	$45,552
Senior CSO (3)	$116,532
Sergeant (Admin)	$61,848

Admin	Operations	Certified Training	Joint Dispatch Center	Support
$147,954	$1,888,158		$379,289	$917,104
	$113,672		$38,448	$67,584
$101,679	$1,280,960		$194,367	$578,552
$249,633	$3,282,790		$612,104	$1,563,240
$30,934			$5,062	
				$17,268
	$98,606			$18,786
$3,018				
$6,107				
			$1,070	
$3,660	$73			
$4,053				
$40,676				
$2,934				
$2,765				$100
$106,156				
$3,055			$1,167	$1,908
$2,629	$2,410	$278	$697	$2,986
$699	$456		$343	$650
$8,252	$500			
$255	$4,015			
$29,573	$4,053			
$3,363				
$11,195				
$34,093				
	$9,942			
	$17,193			
	$2,163		$1,434	
				$6,191
		$52,095		
	$64,441			$7,904
$150				$10
				$584
$17				$29
$293,584	$203,852	$52,373	$9,773	$56,416
$543,217	**$3,486,642**	**$52,373**	**$621,877**	**$1,619,656**

City of South Lake Tahoe
CITY WIDE OVERHEAD CALCULATION:
Based on Actual FY 2003-04 Data

Department	Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
City Council	$124,459	$124,459		
City Clerk	$167,846	$167,846		
City Attorney	$391,431		$391,431	
Risk Management	$234,626		$234,626	
City Manager	$285,053		$285,053	
Human Resources	$207,444		$207,444	
Accounting	$557,986		$557,986	
Treasurer	$20,322		$20,322	
Purchasing	$147,701		$147,701	
Revenue Collection	$63,853			$63,853
Vacation Ordinance	$53,066			$53,066
Information Systems	$278,354		$278,354	
Non-Departmental	$275,747		$275,747	
Community Marketing	$640,518			$640,518
Rents & Leases	$227,388		$227,388	
Police	$6,213,290			$6,213,290
Fire	$3,857,050			$3,857,050
Public Works & Engineering	$1,260,964			$1,260,964
Facility Maintenance	$256,355		$256,355	
Planning	$336,796			$336,796
Golf Course	$229,680			$229,680
Park Areas & Campgrounds	$261,797			$261,797
Beaches & Parks	$2,217,284			$2,217,284
Totals:	**$18,309,010**	**$292,305**	**$2,882,407**	**$15,134,298**

Total Allowable Indirect / Total City Expenditures = $2,882,407 / $18,309,010 = 15.74% city wide overhead rate based on dollars of total expenditure

Claim for Payment
INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS

For State Controller Use Only

(19) Program Number: 00358
(20) Date Filed ___/___/___
(21) LRS Input ___/___/___

Program **358**

(01) Claimant Identification Number	9809886
(02) Claimant Name	City of South Lake Tahoe
Mailing Address	1901 Airport Road
Street Address or P.O. Box	Suite 210
City	South Lake Tahoe
State CA	Zip Code 96150-7004

Type of Claim	Estimated Claim	Reimbursement Claim
	(03) Estimated ☐	(09) Reimbursement ☐
	(04) Combined ☐	(10) Combined ☐
	(05) Amended ☐	(11) Amended ☒
Fiscal Year of Cost	(06)	(12) 2005-06
Total Claimed	(07)	(13) $107,032
Less: 10% Late Penalty, but not to exceed $1,000 (if applicable)		(14) $4,324
Less: Estimated Claim Payment Received		(15)
Net Claimed Amount		(16) $102,708
Due from State	(08)	(17) $102,708
Due to State	(09)	(18)

(22) FORM 1, (04) A.1.g	
(23) FORM 1. (04) A.2.g	
(24) FORM 1, (04) B.1.g	
(25) FORM 1,(04.1) g	1063
(26) FORM 1,(04) B.2.f.1) g	
(27) FORM 1, (04.2) g	
(28) FORM 1, (04) B.3.a. g	63218
(29) FORM 1, (04) B.3.b. g	829
(30) FORM 1, (04) B.4. g	
(31) FORM 1, (04) B.5. g	
(32) FORM 1, (04) B.6. g	
(33) FORM 1, (06)	109
(34) FORM 1, (07)	41922
(35) FORM 1, (09)	
(36) FORM 1, (10)	

(38) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code Sections 17560 & 17561, I certify that I am the person authorized by the local agency to file claims with the State of California for mandated cost claims with the State of California for this program and I and certify under penalty of perjury that I have not violated any of the provisions of Article 4, Chapter 1 of Division 4 of Title 1 Government Code.

I further certify that there was no application for nor any grant or payment received, other that from the claimant, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all ocosts claimed are supported by source documentation currently maintained by the claimant.

The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of pergury of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Representative — **Date**

MaryAnne Brand — Date Signed 7/6/15

MaryAnne Brand — Telephone Numbe (510) 542-6062

Financial Services Supervisor — Email Address mbrand@cityofslt.us

Name of Contact Person for Claim	Telephone Number	E-Mail Address
Annette S. Chinn (CRS)	*(916) 939-7901*	*AChinnCRS@aol.com*

INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS CLAIM SUMMARY

FORM 1

(01) Claimant	(02) Type of Claim	Fiscal Year
City of South Lake Tahoe	Reimbursement ☐	2005-06

Claim Statistics

(03) Department - POLICE	Number of Cases =	279

Direct Costs	Object Accounts					
(04) Reimbursable Components	(a) Salaries	(b) Benefits	(c & d) Services and Supplies	(e) Fixed Assets	(f) Travel and Training	(g) Total
A. ONE-TIME ACTIVITIES						
1. Policies and Procedures						
2. Training to implement ICAN						
B. ON-GOING ACTIVITIES						
1. Distribute Child Abuse Report (SS8572)						
2. Reporting between local departments						
2.a. Accept & refer reports when lacking jurisdiction						
2.b. Cross reporting from County to law enforcement						
2.c. Cross reporting from law enf. to county and DA	$627	$436				$1,063
2.d. Receipt of cross-reports by DA's office						
2.e. Report by phone & send to licensing agencies						
(04.1) Subtotal B.2 (a through e)	$627	$436				$1,063
2.f. Addnl cross reporting in case of child death						
1) Law enforcement cross report to Co. Welfare						
2) County Welfare department						
i. Cross rpt child death case to law enforcement						
ii. Created record in County CWS/CMS system						
ii. Enter info in CWS/CMS if death not abuse/nglct						
(04.2) Subtotal B.2 f. 2) (i through iii)						
3. Reporting to DOJ (see item 4 claiming instructions)						
a. Complete an investigation to prepare a report	$37,275	$25,943				$63,218
b. Prepare/submit/amend rpt for substantiated cases	$489	$340				$829
4. Notify suspected abuser they are in CACI						
5. Records retention post required period						
6. Provide due process procedures to those in CACI						
(05) TOTAL DIRECT COSTS	$38,390	$26,720				$65,110

Indirect Costs

(06) Indirect Cost Rate (applied to salaries)	(from ICRP) (Applied to Salaries)	109.2%
(07) Total Indirect Costs	Line (06) x line (05)(a) or line(06) x [line (05)(a) + line(05)(b)]	$41,922
(08) Total Direct and Indirect Costs	Line (05)(d) + line (07)	$107,032

Cost Reductions

(09) Less: Offsetting Savings, if applicable	
(10) Less: Other Reimbursements, if applicable	
(11) TOTAL CLAIMED AMOUNT Line (08)- (line(09) + Line(10)]	**$107,032**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe (02) Fiscal Year Costs Were Incurred: 2005-06

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- [ ] Update Policies and Procedures & develop ICAN due process procedures
- [ ] Develop training to implement ICAN requirements

B. On-Going Costs

- [ ] 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - [ ] a. Accept & refer abuse report when a dept. lacks jurisdiction
  - [ ] b. Cross-rept from Co. Welfare to law enforcement
  - [x] c. Cross-report from Law Enforcement to Co Welfare &DA
  - [ ] d. Receipt of cross report by DA
  - [ ] e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - [ ] 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
    - 2. County welfare department
      - [ ] i. Cross report death cases to law enforcement
      - [ ] ii. Create a record in the CWS.CMS system
      - [ ] iii, Enter info in CWS/CMS if death not abuse
    - 3. Reporting to DOJ
      - [ ] a. Complete investigation to prepare a report
      - [ ] b. Prepare/submit report for substantiated cases
    - [ ] 4. Notify abuser they are reported to CACI
    - [ ] 5. Mandated 8 yr record retention
    - [ ] 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$20.09	69.6%	11.16	$224	$156				$380
Sergeant Report to the appropriate County Department and/or the District Attorney's Office as mandated.	$36.08	69.6%	11.16	$403	$280				$683
(05) Total			**22.32**	**$627**	**$436**				**$1,063**

INDIRECT COST RATE PROPOSAL
City of South Lake Tahoe
Police
Fiscal Year
2005-06

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$3,624,514		$1,094,124	$2,530,390
Overtime		$225,784			$225,784
Benefits	69.6%	$2,521,773		$761,242	$1,760,531
Total		$6,372,071		$1,855,366	$4,516,705
Services & Supplies					
Official Administrative Services		$30,611		$30,611	
Professional Services		$35,091			$35,091
Shop (Labor & Parts)		$89,529		$89,529	
Water/Sewer - Utility		$3,231		$3,231	
Garbage - Utility		$6,778		$6,778	
Repair & Maint. Outside		$19,031		$19,031	
Laundry					
Risk Mgmt - City property Damage		-$40			-$40
Communications		$24,238		$24,238	
Printing and Binding		$4,199		$4,199	
Parking Citation Exp		$2,916			$2,916
Jail Booking Fees		$51,398			$51,398
Travel (Meals, HOTL, Perdiem)		$9,966		$9,966	
Training/Seminars Registr, Supp		$15,168		$15,168	
Memberships - Dues - Subscriptio		$2,084	$2,084		
Testing - Medical		$3,490		$3,490	
Recruiting Expenses		$3,953		$3,953	
General Supplies Within FY		$36,771		$36,771	
Postage		$3,244		$3,244	
Natural Gas		$13,724		$13,724	
Electiricity		$35,886		$35,886	
Tools & Parts less $3,000/unit		$8,840	$7,072	$1,768	
Clothing - Uniforms (Replacement		$15,334		$15,334	
Furniture & Fixtures		$9,996	$9,330	$666	$0
Machinery & Equipment ($3,000)		$3,075	$2,870	$205	
Police Officers Standard Training		$59,775		$59,775	
Gasoline		$77,385		$77,385	
Technical Services					
Police Travel Investigations		$344			$344
Canine Reiimb					
Insurance other than benefits					
Rental of Equip & Vehicles		$981		$981	
Total		$566,998	$21,356	$455,933	$89,709
Capital Expenditures					
Total					
Total Expenditures		**$6,939,069**	**$21,356**	**$2,311,299**	**$4,606,414**
Cost Plan Costs					
City Wide Overhead 15.17% of total direct expenditures		$698,793		$698,793	
Total		$698,793		$698,793	
Total Alloc. Indirect Costs		**$7,637,862**	**$21,356**	**$3,010,092**	**$4,606,414**

ICRP RATE = **109.2%**
(Rate is Based on Salaries)

$3,010,092 = Total Allowable Indirect Costs
$2,756,174 Total Direct Salaries

City of South Lake Tahoe

Police

Fiscal Year
2005-06

Name/Position	100% Admin. or Support Staff Annual Salary
Police Chief (50%)	$52,980
Lieutenant (2)	$149,376
Communications Coordinator (2)	$88,920
Assist Management Analyst	$52,392
Records Supervisor	$41,256
Public Safety Dispatcher (7)	$272,160
Senior Police Records Tech	$36,156
Police Operation Worker	$37,236
Evidence Tech (2)	$95,664
Senior CSO (4)	$163,152
Sergeant (Admin)	$64,944
Admin Secretary	$39,888

TOTAL INDIRECT SALARIES **$1,094,124**

Admin	Operations	Certified Training	Joint Dispatch Center	Support
$184,379	$2,075,422		$408,591	$956,122
$282	$130,274		$59,679	$35,549
$100,441	$1,552,755		$214,875	$653,702
$285,102	$3,758,451		$683,145	$1,645,373
$30,611				
			$4,109	$30,982
	$71,546			$17,983
$3,231				
$6,778				
$5,164			$13,867	
-$40				
$614	-$2		$23,626	
$4,199				
$2,916				
$51,398				
$3,478	$174		$2,605	$3,709
$4,198	$6,408		$1,850	$2,712
$552	$470		$417	$645
$3,490				
	$3,953			
$32,967	$3,804			
$3,244				
$13,724				
$35,886				
	$8,840			
	$15,334			
	$2,360		$5,647	$1,989
				$3,075
-$11		$59,786		
	$67,872			$9,513
				$344
$981				
$203,380	$180,759	$59,786	$52,121	$70,952
$488,482	**$3,939,210**	**$59,786**	**$735,266**	**$1,716,325**

City of South Lake Tahoe
CITY WIDE OVERHEAD CALCULATION:
Based on Actual FY 2005-06 Data

Department	Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
City Council	$150,107	$150,107		
City Clerk	$231,052	$231,052		
City Attorney	$372,135		$372,135	
Risk Management	$234,535		$234,535	
City Manager	$290,985		$290,985	
Human Resources	$372,950		$372,950	
Accounting	$697,307		$697,307	
Treasurer	$23,604			$23,604
Purchasing	$168,190		$168,190	
Revenue Collection	$266,464			$266,464
Vacation Ordinance	$83,774			$83,774
Information Systems	$404,747		$404,747	
Non-Departmental	$594,151		$594,151	
Emergency Prep	$916			$916
Community Marketing	$299,268			$299,268
Rents & Leases	$85,432			$85,432
Police	$6,939,065			$6,939,065
Fire	$4,355,871			$4,355,871
Public Works & Engineering	$1,371,207			$1,371,207
Facility Maintenance	$304,271			$304,271
Planning	$312,349			$312,349
Golf Course	$262,174			$262,174
Park Areas & Campgrounds	$295,108			$295,108
Beaches & Parks & Rec	$2,547,743			$2,547,743
Totals:	**$20,663,405**	**$381,159**	**$3,135,000**	**$17,147,246**

$$\frac{\text{Total Allowable Indirect}}{\text{Total City Expenditures}} = \frac{\$3,135,000}{\$20,663,405} = 15.17\%$$ city wide overhead rate based on dollars of total expenditure

Claim for Payment
INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS

For State Controller Use Only	
(19) Program Number: 00358	Program
(20) Date Filed ___/___/___	358
(21) LRS Input ___/___/___	

(01) Claimant Identification Number	9809886
(02) Claimant Name	City of South Lake Tahoe
Mailing Address	1901 Airport Road
Street Address or P.O. Box	Suite 210
City	South Lake Tahoe
State CA	Zip Code 96150-7004

Type of Claim	Estimated Claim	Reimbursement Claim
	(03) Estimated ☐	(09) Reimbursement ☐
	(04) Combined ☐	(10) Combined ☐
	(05) Amended ☐	(11) Amended ☒

Fiscal Year of Cost	(06)	(12) 2006-07
Total Claimed	(07)	(13) $121,565
Less: 10% Late Penalty, but not to exceed $1,000 (if applicable)		(14) $5,721
Less: Estimated Claim Payment Received		(15)
Net Claimed Amount		(16) $115,844
Due from State	(08)	(17) $115,844
Due to State	(09)	(18)

(22) FORM 1, (04) A.1.g	
(23) FORM 1. (04) A.2.g	
(24) FORM 1, (04) B.1.g	
(25) FORM 1,(04.1) g	1202
(26) FORM 1,(04) B.2.f.1) g	
(27) FORM 1, (04.2) g	
(28) FORM 1, (04) B.3.a. g	70608
(29) FORM 1, (04) B.3.b. g	869
(30) FORM 1, (04) B.4. g	
(31) FORM 1, (04) B.5. g	
(32) FORM 1, (04) B.6. g	
(33) FORM 1, (06)	113
(34) FORM 1, (07)	48886
(35) FORM 1, (09)	
(36) FORM 1, (10)	

(38) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code Sections 17560 & 17561, I certify that I am the person authorized by the local agency to file claims with the State of California for mandated cost claims with the State of California for this program and I and certify under penalty of perjury that I have not violated any of the provisions of Article 4, Chapter 1 of Division 4 of Title 1 Government Code.

I further certify that there was no application for nor any grant or payment received, other that from the claimant, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all ocosts claimed are supported by source documentation currently maintained by the claimant.

The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of pergury of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Representative — **Date**

MaryAnne Brand — Date Signed 7/6/15

MaryAnne Brand — Telephone Numbe (510) 542-6062

Financial Services Supervisor — Email Address mbrand@cityofslt.us

Name of Contact Person for Claim	Telephone Number	E-Mail Address
Annette S. Chinn (CRS)	*(916) 939-7901*	*AChinnCRS@aol.com*

INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS CLAIM SUMMARY

FORM 1

(01) Claimant: City of South Lake Tahoe

(02) Type of Claim: Reimbursement ☐

Fiscal Year: 2006-07

Claim Statistics

(03) Department - POLICE

Number of Cases = 315

Direct Costs — Object Accounts

(04) Reimbursable Components	(a) Salaries	(b) Benefits	(c & d) Services and Supplies	(e) Fixed Assets	(f) Travel and Training	(g) Total
A. ONE-TIME ACTIVITIES						
1. Policies and Procedures						
2. Training to implement ICAN						
B. ON-GOING ACTIVITIES						
1. Distribute Child Abuse Report (SS8572)						
2. Reporting between local departments						
2.a. Accept & refer reports when lacking jurisdiction						
2.b. Cross reporting from County to law enforcement						
2.c. Cross reporting from law enf. to county and DA	$717	$485				$1,202
2.d. Receipt of cross-reports by DA's office						
2.e. Report by phone & send to licensing agencies						
(04.1) Subtotal B.2 (a through e)	$717	$485				$1,202
2.f. Addnl cross reporting in case of child death						
1) Law enforcement cross report to Co. Welfare						
2) County Welfare department						
i. Cross rpt child death case to law enforcement						
ii. Created record in County CWS/CMS system						
ii. Enter info in CWS/CMS if death not abuse/nglct						
(04.2) Subtotal B.2 f. 2) (i through iii)						
3. Reporting to DOJ (see item 4 claiming instructions)						
a. Complete an investigation to prepare a report	$42,104	$28,504				$70,608
b. Prepare/submit/amend rpt for substantiated cases	$518	$351				$869
4. Notify suspected abuser they are in CACI						
5. Records retention post required period						
6. Provide due process procedures to those in CACI						
(05) TOTAL DIRECT COSTS	$43,339	$29,340				$72,679

Indirect Costs

(06) Indirect Cost Rate (applied to salaries)	(from ICRP) (Applied to Salaries)	112.8%
(07) Total Indirect Costs	Line (06) x line (05)(a) or line(06) x [line (05)(a) + line(05)(b)]	$48,886
(08) Total Direct and Indirect Costs	Line (05)(d) + line (07)	$121,565

Cost Reductions

(09) Less: Offsetting Savings, if applicable	
(10) Less: Other Reimbursements, if applicable	
(11) TOTAL CLAIMED AMOUNT Line (08)- (line(09) + Line(10)]	**$121,565**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe (02) Fiscal Year Costs Were Incurred: 2006-07

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- [ ] Update Policies and Procedures & develop ICAN due process procedures
- [ ] Develop training to implement ICAN requirements

B. On-Going Costs

- [ ] 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - [ ] a. Accept & refer abuse report when a dept. lacks jurisdiction
  - [ ] b. Cross-rept from Co. Welfare to law enforcement
  - [x] c. Cross-report from Law Enforcement to Co Welfare &DA
  - [ ] d. Receipt of cross report by DA
  - [ ] e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - [ ] 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
    - 2. County welfare department
      - [ ] i. Cross report death cases to law enforcement
      - [ ] ii. Create a record in the CWS.CMS system
      - [ ] iii, Enter info in CWS/CMS if death not abuse
    - 3. Reporting to DOJ
      - [ ] a. Complete investigation to prepare a report
      - [ ] b. Prepare/submit report for substantiated cases
    - [ ] 4. Notify abuser they are reported to CACI
    - [ ] 5. Mandated 8 yr record retention
    - [ ] 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$20.81	67.7%	12.60	$262	$178				$440
Sergeant Report to the appropriate County Department and/or the District Attorney's Office as mandated.	$36.08	67.7%	12.60	$455	$308				$762
(05) Total			25.20	$717	$485				$1,202

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe (02) Fiscal Year Costs Were Incurred: 2006-07

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- [ ] Update Policies and Procedures & develop ICAN due process procedures
- [ ] Develop training to implement ICAN requirements

B. On-Going Costs

- [ ] 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - [ ] a. Accept & refer abuse report when a dept. lacks jurisdiction
  - [ ] b. Cross-rept from Co. Welfare to law enforcement
  - [ ] c. Cross-report from Law Enforcement to Co Welfare &DA
  - [ ] d. Receipt of cross report by DA
  - [ ] e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - [ ] 1) Police/Sheriff cross report all cases of child death to Co. Welfare
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      - [ ] i. Cross report death cases to law enforcement
      - [ ] ii. Create a record in the CWS.CMS system
      - [ ] iii, Enter info in CWS/CMS if death not abuse
    - 3. Reporting to DOJ
      - [X] a. Complete investigation to prepare a report
      - [ ] b. Prepare/submit report for substantiated cases
    - [ ] 4. Notify abuser they are reported to CACI
    - [ ] 5. Mandated 8 yr record retention
    - [ ] 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$20.81	67.7%	26.25	$546	$370				$916
Officer/Detective	$31.09	67.7%	1,275.75	$39,663	$26,852				$66,515
Sergeant	$36.08	67.7%	52.50	$1,894	$1,282				$3,177
Complete investigation to determine whether report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive (per PC 11165.12) for purposes of preparing & submitting Fomr SS 8583 and prepare report forms.									
(05) Total			1,354.50	$42,104	$28,504				$70,608

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe (02) Fiscal Year Costs Were Incurred: 2006-07

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

☐ Update Policies and Procedures & develop ICAN due process procedures

☐ Develop training to implement ICAN requirements

B. On-Going Costs

☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)

2. Reporting Between Local Departments

☐ a. Accept & refer abuse report when a dept. lacks jurisdiction

☐ b. Cross-rept from Co. Welfare to law enforcement

☐ c. Cross-report from Law Enforcement to Co Welfare &DA

☐ d. Receipt of cross report by DA

☐ e. Report by phone & send written report to licensing agency

f. Additional cross reporting in cases of child death

☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare

f. Additional cross-reporting in cases of death

2. County welfare department

☐ i. Cross report death cases to law enforcement

☐ ii. Create a record in the CWS.CMS system

☐ iii. Enter info in CWS/CMS if death not abuse

3. Reporting to DOJ

☐ a. Complete investigation to prepare a report

☒ b. Prepare/submit report for substantiated cases

☐ 4. Notify abuser they are reported to CACI

☐ 5. Mandated 8 yr record retention

☐ 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$20.81	67.7%	12.00	$250	$169				$419
Officer/Detective	$31.09	67.7%	4.00	$124	$84				$209
Sergeant	$36.08	67.7%	4.00	$144	$98				$242
Prepare, review, approve, and forward reports of substantiated child abuse cases.									
(05) Total			20.00	$518	$351				$869

INDIRECT COST RATE PROPOSAL
City of South Lake Tahoe
Police
Fiscal Year
2006-07

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$3,586,634		$1,226,206	$2,360,428
Overtime		$246,361			$246,361
Benefits	67.7%	$2,428,831		$830,374	$1,598,457
Total		$6,261,825		$2,056,580	$4,205,245
Services & Supplies					
OFFICIAL/ADMINISTRATIVE SVI		$32,724		$32,724	
PROFESSIONAL SERVICES		$48,466			$48,466
SHOP (LABOR & PARTS)		$157,856		$157,856	
WATER/SEWER-UTILITIES		$3,344		$3,344	
GARBAGE-UTILITY		$7,519		$7,519	
REPAIR & MAINT OUTSIDE		$16,812		$16,812	
RENTAL OF EQUIP& VEHICLES		$2,988		$2,988	
RISK MGT-CITY PROPERT DAM		$2,049		$2,049	
COMMUNICATIONS		$37,454		$37,454	
POLICE/FIRE WIRELESS		$19,679		$19,679	
PRINTING & BINDING		$6,601		$6,601	
PARKING CITATION EXP		$3,035			$3,035
JAIL BOOKING FEES		$37,803			$37,803
TRAVEL (MEALS,HOTL,PERJJIE		$12,672		$12,672	
TRAINING/SEMINARS REGISTR		$13,440		$13,440	
MEMBERSHIPS-DUES-SUBSCR		$2,805	$2,805		
TESTING - MEDICAL		$7,687		$7,687	
RECRUITING EXPENSES		$4,585		$4,585	
GENERAL SUPPLIES WTTHIN F		$42,619		$42,619	
POSTAGE		$3,820		$3,820	
CLOTHING-UNIFORMS(REPLAC		$12,942		$12,942	
NATURAL GAS		$11,618		$11,618	
ELECTRICITY		$42,899		$42,899	
GASOLINE		$80,808		$80,808	
MACHINERY & EQUIPMENT ($3		$58,889	$54,963	$3,926	$0
TOOLS &PARTS LESS 53,000/UI		$8,422	$7,861	$561	$0
FURNITURE AND FIXTURES		$7,964	$7,433	$531	$0
Total		$687,499	$73,061	$525,134	$89,304
Capital Expenditures					
Total					
Total Expenditures		**$6,949,325**	**$73,061**	**$2,581,714**	**$4,294,549**
Cost Plan Costs					
City Wide Overhead 15.17% of total direct expenditures		$358,077		$358,077	
Total		$358,077		$358,077	
Total Alloc. Indirect Costs		**$7,307,401**	**$73,061**	**$2,939,791**	**$4,294,549**

ICRP RATE = **112.8%**
(Rate is Based on Salaries)

$2,939,791 = Total Allowable Indirect Costs
$2,606,789 Total Direct Salaries

City of South Lake Tahoe

Police

Fiscal Year
2006-07

100% Admin. or Support Staff

Name/Position	Annual Salary
Police Chief (50%)	$52,728
Lieutenant (1.75)	$130,557
Captain (90%)	$83,257
Assist Management Analyst	$53,352
Records Supervisor	$46,536
Public Safety Dispatcher (7)	$253,656
Senior Police Records Tech	$37,452
Evidence Tech (2)	$91,032
Snr Community Services Officer (4)	$163,152
Sergeant (Admin) (2)	$129,888
Admin Secretary	$40,692
Principle Comm. Services Officer	$43,728
Dispatch Supervisor (2)	$100,176

TOTAL INDIRECT SALARIES **$1,226,206**

SALARIES

41015 REGULAR EMPLOYEES	$156,187.60
41015 REGULAR EMPLOYEES	$1,964,930.81
41015 REGULAR EMPLOYEES	$446,133.57
41015 REGULAR EMPLOYEES	$910,683.81
41020 TEMPORARY/PART-TIME EMPLOYEES	$2,562.67
41020 TEMPORARY/PART-TIME EMPLOYEES	$20,555.39
41134 ONE-TIME PAYOUT	$2,000.00
41134 ONE-TIME PAYOUT	$5,200.00
41134 ONE-TIME PAYOUT	$9,600.00
41134 ONE-TIME PAYOUT	$10,800.00
41122 CANINE REIMBURSEMENT	$7,233.92
41118 TUITION REIMBURSEMENT	$11,214.10
41042 RETIREMENT PAYOUTS	$39,532.20
	$3,586,634.07
41040 OVERTIME	$542.09
41040 OVERTIME	$161,013.19
41040 OVERTIME	$37,623.54
41040 OVERTIME	$47,181.94
	$246,360.76
41110 MEDICAL/DENTAL INSURANCE	$15,369.90
41110 MEDICAL/DENTAL INSURANCE	$423,697.41
41110 MEDICAL/DENTAL INSURANCE	$90,272.61
41110 MEDICAL/DENTAL INSURANCE	$211,822.40
41111 VISION INSURANCE	$283.40
41111 VISION INSURANCE	$8,691.80
41111 VISION INSURANCE	$1,899.53
41111 VISION INSURANCE	$4,409.92
41112 LIFE INSURANCE	$306.46
41112 LIFE INSURANCE	$4,560.24
41112 LIFE INSURANCE	$1,409.35
41112 LIFE INSURANCE	$2,155.21
41113 LONG TERM DISABILITY INSURANCE	$764.79
41113 LONG TERM DISABILITY INSURANCE	$1,038.92
41113 LONG TERM DISABILITY INSURANCE	$0.27
41113 LONG TERM DISABILITY INSURANCE	$2,405.28
41114 SURVIVOR'S BENEFIT	$48.45
41114 SURVIVOR'S BENEFIT	$719.89
41114 SURVIVOR'S BENEFIT	$215.92
41114 SURVIVOR'S BENEFIT	$343.27
41116 PERS EMPOYER PORTION	$31,513.41
41116 PERS EMPOYER PORTION	$638,775.10
41116 PERS EMPOYER PORTION	$68,218.47
41116 PERS EMPOYER PORTION	$254,038.97
41117 PERS EMPLOYEE PORTION/CITY PD	$26,034.09
41117 PERS EMPLOYEE PORTION/CITY PD	$170,926.81
41117 PERS EMPLOYEE PORTION/CITY PD	$36,011.55
41117 PERS EMPLOYEE PORTION/CITY PD	$63,704.30
41119 UNEMPLOYMENT INSURANCE	$762.85
41119 UNEMPLOYMENT INSURANCE	$10,635.70
41119 UNEMPLOYMENT INSURANCE	$2,493.85
41119 UNEMPLOYMENT INSURANCE	$4,979.71
41120 WORKER'S COMPENSATION INSURNCE	$11,782.26
41120 WORKER'S COMPENSATION INSURNCE	$189,811.56
41120 WORKER'S COMPENSATION INSURNCE	$18,827.41
41120 WORKER'S COMPENSATION INSURNCE	$78,356.99
41128 MEDICARE-REGULAR EMPLOYEES	$615.88
41128 MEDICARE-REGULAR EMPLOYEES	$32,186.53
41128 MEDICARE-REGULAR EMPLOYEES	$7,547.34
41128 MEDICARE-REGULAR EMPLOYEES	$11,192.77
	$2,428,830.57
	$6,261,825.40
TOTAL POLICE	$6,949,324.56

MAINTENANCE AND OPERATIONS

42010 OFFICIAL/ADMINISTRATIVE SVCS	$32,724.03
42020 PROFESSIONAL SERVICES	$48,466.22
42040 SHOP (LABOR & PARTS)	$157,856.02
43011 WATER/SEWER-UTILITIES	$3,344.01
43012 GARBAGE-UTILITY	$7,518.54
43025 REPAIR & MAINT OUTSIDE	$16,811.51
43042 RENTAL OF EQUEP& VEHICLES	$2,988.11
44018 RISK MGT-CITY PROPERT DAMAGE	$2,049.11
44020 COMMUNICATIONS	$37,453.81
44021 POLICE/FIRE WIRELESS	$19,678.91
44040 PRINTING & BINDING	$6,601.23
44046 PARKING CITATION EXP	$3,034.66
44047 JAIL. BOOKING FEES	$37,803.00
44050 TRAVEL (MEALS,HOTL,PERJJIEM)	$12,672.04
44060 TRAINING/SEMINARS REGISTR.SUPP	$13,439.50
44070 MEMBERSHIPS-DUES-SUBSCRIPTLON	$2,804.78
44082 TESTING - MEDICAL	$7,686.97
44085 RECRUITING EXPENSES	$4,585.05
45010 GENERAL SUPPLIES WTTHIN FY	$42,619.01
45011 POSTAGE	$3,820.33
45016 CLOTHING-UNIFORMS(REPLACEMEN	$12,942.35
45021 NATURAL GAS	$11,618.15
45022 ELECTRICITY	$42,898.81
45024 GASOLINE	$80,808.08
46110 MACHINERY & EQUIPMENT ($3,000)	$58,889.18
46120 TOOLS &PARTS LESS 53,000/UNIT	$8,422.03
46140 FURNITURE AND FIXTURES	$7,963.72
	$687,499.16

City of South Lake Tahoe
CITY WIDE OVERHEAD CALCULATION:
Based on Actual FY 2005-06 Data

Department	Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
City Council	$150,107	$150,107		
City Clerk	$231,052	$231,052		
City Attorney	$372,135		$372,135	
Risk Management	$234,535		$234,535	
City Manager	$290,985		$290,985	
Human Resources	$372,950		$372,950	
Accounting	$697,307		$697,307	
Treasurer	$23,604			$23,604
Purchasing	$168,190		$168,190	
Revenue Collection	$266,464			$266,464
Vacation Ordinance	$83,774			$83,774
Information Systems	$404,747		$404,747	
Non-Departmental	$594,151		$594,151	
Emergency Prep	$916			$916
Community Marketing	$299,268			$299,268
Rents & Leases	$85,432			$85,432
Police	$6,939,065			$6,939,065
Fire	$4,355,871			$4,355,871
Public Works & Engineering	$1,371,207			$1,371,207
Facility Maintenance	$304,271			$304,271
Planning	$312,349			$312,349
Golf Course	$262,174			$262,174
Park Areas & Campgrounds	$295,108			$295,108
Beaches & Parks & Rec	$2,547,743			$2,547,743
Totals:	**$20,663,405**	**$381,159**	**$3,135,000**	**$17,147,246**

$$\frac{\text{Total Allowable Indirect}}{\text{Total City Expenditures}} = \frac{\$3,135,000}{\$20,663,405} = 15.17\%$$ city wide overhead rate based on dollars of total expenditure

Claim for Payment
INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS

For State Controller Use Only

(19) Program Number: 00358 — Program **358**

(20) Date Filed ___/___/___

(21) LRS Input ___/___/___

(01) Claimant Identification Number		9809886		(22) FORM 1, (04) A.1.g	
(02) Claimant Name		City of South Lake Tahoe		(23) FORM 1. (04) A.2.g	
Mailing Address		1901 Airport Road		(24) FORM 1, (04) B.1.g	
Street Address or P.O. Box		Suite 210		(25) FORM 1,(04.1) g	1237
City		South Lake Tahoe		(26) FORM 1,(04) B.2.f.1) g	
State	CA	Zip Code	96150-7004	(27) FORM 1, (04.2) g	

Type of Claim	Estimated Claim		Reimbursement Claim		
	(03) Estimated	☐	(09) Reimbursement	X	(28) FORM 1, (04) B.3.a. g: 68669
					(29) FORM 1, (04) B.3.b. g: 851
	(04) Combined	☐	(10) Combined	☐	(30) FORM 1, (04) B.4. g
					(31) FORM 1, (04) B.5. g
	(05) Amended	☐	(11) Amended	X	(32) FORM 1, (04) B.6. g
					(33) FORM 1, (06): 115
					(34) FORM 1, (07): 48966
					(35) FORM 1, (09)

Fiscal Year of Cost	(06)	(12) 2007-08	(36) FORM 1, (10)	
Total Claimed	(07)	(13) $119,724		
Less: 10% Late Penalty, but not to exceed $1,000 (if applicable)		(14) $5,260		
Less: Estimated Claim Payment Received		(15)		
Net Claimed Amount		(16) $114,464		
Due from State	(08)	(17) $114,464		
Due to State	(09)	(18)		

(38) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code Sections 17560 & 17561, I certify that I am the person authorized by the local agency to file claims with the State of California for mandated cost claims with the State of California for this program and I and certify under penalty of perjury that I have not violated any of the provisions of Article 4, Chapter 1 of Division 4 of Title 1 Government Code.

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The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of pergury of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Representative — **Date**

MaryAnne Brand — Date Signed 7/6/15

MaryAnne Brand — Telephone Numbe (510) 542-6062

Financial Services Supervisor — Email Address mbrand@cityofslt.us

Name of Contact Person for Claim	Telephone Number	E-Mail Address
Annette S. Chinn (CRS)	*(916) 939-7901*	*AChinnCRS@aol.com*

INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS CLAIM SUMMARY

FORM 1

(01) Claimant	(02) Type of Claim	Fiscal Year
City of South Lake Tahoe	Reimbursement [X]	2007-08

Claim Statistics

(03) Department - POLICE	Number of Cases =	298

Direct Costs	Object Accounts					
(04) Reimbursable Components	(a) Salaries	(b) Benefits	(c & d) Services and Supplies	(e) Fixed Assets	(f) Travel and Training	(g) Total
A. ONE-TIME ACTIVITIES						
1. Policies and Procedures						
2. Training to implement ICAN						
B. ON-GOING ACTIVITIES						
1. Distribute Child Abuse Report (SS8572)						
2. Reporting between local departments						
2.a. Accept & refer reports when lacking jurisdiction						
2.b. Cross reporting from County to law enforcement						
2.c. Cross reporting from law enf. to county and DA	$747	$490				$1,237
2.d. Receipt of cross-reports by DA's office						
2.e. Report by phone & send to licensing agencies						
(04.1) Subtotal B.2 (a through e)	$747	$490				$1,237
2.f. Addnl cross reporting in case of child death						
1) Law enforcement cross report to Co. Welfare						
2) County Welfare department						
i. Cross rpt child death case to law enforcement						
ii. Created record in County CWS/CMS system						
ii. Enter info in CWS/CMS if death not abuse/nglct						
(04.2) Subtotal B.2 f. 2) (i through iii)						
3. Reporting to DOJ (see item 4 claiming instructions)						
a. Complete an investigation to prepare a report	$41,467	$27,202				$68,669
b. Prepare/submit/amend rpt for substantiated cases	$514	$337				$851
4. Notify suspected abuser they are in CACI						
5. Records retention post required period						
6. Provide due process procedures to those in CACI						
(05) TOTAL DIRECT COSTS	$42,728	$28,030				$70,758

Indirect Costs

(06) Indirect Cost Rate (applied to salaries)	(from ICRP) (Applied to Salaries)	114.6%
(07) Total Indirect Costs	Line (06) x line (05)(a) or line(06) x [line (05)(a) + line(05)(b)]	$48,966
(08) Total Direct and Indirect Costs	Line (05)(d) + line (07)	$119,724

Cost Reductions

(09) Less: Offsetting Savings, if applicable		
(10) Less: Other Reimbursements, if applicable		
(11) TOTAL CLAIMED AMOUNT	Line (08)- (line(09) + Line(10)]	**$119,724**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2007-08

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- ☐ Update Policies and Procedures & develop ICAN due process procedures
- ☐ Develop training to implement ICAN requirements

B. On-Going Costs

- ☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - ☐ a. Accept & refer abuse report when a dept. lacks jurisdiction
  - ☐ b. Cross-rept from Co. Welfare to law enforcement
  - ☒ c. Cross-report from Law Enforcement to Co Welfare &DA
  - ☐ d. Receipt of cross report by DA
  - ☐ e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - ☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
- 2. County welfare department
  - ☐ i. Cross report death cases to law enforcement
  - ☐ ii. Create a record in the CWS.CMS system
  - ☐ iii, Enter info in CWS/CMS if death not abuse
- 3. Reporting to DOJ
  - ☐ a. Complete investigation to prepare a report
  - ☐ b. Prepare/submit report for substantiated cases
- ☐ 4. Notify abuser they are reported to CACI
- ☐ 5. Mandated 8 yr record retention
- ☐ 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$22.28	65.6%	12.42	$277	$181				$458
Sergeant Report to the appropriate County Department and/or the District Attorney's Office as mandated.	$37.90	65.6%	12.42	$471	$309				$779
(05) Total			**24.83**	**$747**	**$490**				**$1,237**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2007-08

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- ☐ Update Policies and Procedures & develop ICAN due process procedures
- ☐ Develop training to implement ICAN requirements

B. On-Going Costs

- ☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - ☐ a. Accept & refer abuse report when a dept. lacks jurisdiction
  - ☐ b. Cross-rept from Co. Welfare to law enforcement
  - ☐ c. Cross-report from Law Enforcement to Co Welfare &DA
  - ☐ d. Receipt of cross report by DA
  - ☐ e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - ☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare
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      - ☐ iii. Enter info in CWS/CMS if death not abuse
    - 3. Reporting to DOJ
      - ☒ a. Complete investigation to prepare a report
      - ☐ b. Prepare/submit report for substantiated cases
    - ☐ 4. Notify abuser they are reported to CACI
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(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$22.28	65.6%	24.83	$553	$363				$916
Officer/Detective	$32.34	65.6%	1,206.90	$39,031	$25,604				$64,636
Sergeant	$37.90	65.6%	49.67	$1,882	$1,235				$3,117
Complete investigation to determine whether report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive (per PC 11165.12) for purposes of preparing & submitting Fomr SS 8583 and prepare report forms.									
(05) Total			1,281.40	$41,467	$27,202				$68,669

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe (02) Fiscal Year Costs Were Incurred: 2007-08

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- [ ] Update Policies and Procedures & develop ICAN due process procedures
- [ ] Develop training to implement ICAN requirements

B. On-Going Costs

- [ ] 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - [ ] a. Accept & refer abuse report when a dept. lacks jurisdiction
  - [ ] b. Cross-rept from Co. Welfare to law enforcement
  - [ ] c. Cross-report from Law Enforcement to Co Welfare &DA
  - [ ] d. Receipt of cross report by DA
  - [ ] e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - [ ] 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
    - 2. County welfare department
      - [ ] i. Cross report death cases to law enforcement
      - [ ] ii. Create a record in the CWS.CMS system
      - [ ] iii, Enter info in CWS/CMS if death not abuse
    - 3. Reporting to DOJ
      - [ ] a. Complete investigation to prepare a report
      - [X] b. Prepare/submit report for substantiated cases
    - [ ] 4. Notify abuser they are reported to CACI
    - [ ] 5. Mandated 8 yr record retention
    - [ ] 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$22.28	65.6%	11.25	$251	$164				$415
Officer/Detective	$32.34	65.6%	3.75	$121	$80				$201
Sergeant	$37.90	65.6%	3.75	$142	$93				$235
Prepare, review, approve, and forward reports of substantiated child abuse cases.									
(05) Total			18.75	$514	$337				$851

INDIRECT COST RATE PROPOSAL

City of South Lake Tahoe

Police

Fiscal Year
2007-08

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$3,782,899		$1,354,062	$2,428,837
Overtime		$432,693			$432,693
Benefits	65.6%	$2,483,098		$888,807	$1,594,291
Total		$6,698,691		$2,242,869	$4,455,822
Services & Supplies					
OFFICIAL/ADMINISTRATIVE SV		$45,714		$45,714	
PROFESSIONAL SERVICES		$55,027			$55,027
TECHNICAL SERVICES		$5,384		$5,384	
SHOP (LABOR & PARTS)		$115,152		$115,152	
WATER/SEWER-UTILITIES		$3,594		$3,594	
GARBAGE-UTILITY		$7,567		$7,567	
REPAIR & MAINT OUTSIDE		$14,603		$14,603	
RENTAL OF EQUIP & VEHICLES		-$44		-$44	
RISK MGT-SELF INSUR.CLAIMS		$3,110		$3,110	
RISK MGT CITY PROPERT DAM		$4,114		$4,114	
COMMUNICATIONS		$35,292		$35,292	
POLICE/FIRE WIRELESS		$22,201		$22,201	
PRINTING & BINDING		$5,626		$5,626	
PARKING CITATION EXP		$3,368		$3,368	
TRAVEL (MEALS,HOTL,PERDIE		$8,445		$8,445	
TRAINING/SEMINARS REGISTF		$13,490		$13,490	
MEMBERSHIPS-DUES-SUBSCF		$1,357	$1,357		
POST TRAINING		$109,139		$109,139	
TESTING -MEDICAL		$8,220		$8,220	
RECRUITING EXPENSES		$3,040		$3,040	
SAFETY EQUIPMENT -RISK MG		$260		$260	
GENERAL SUPPLIES WITHIN F		$50,910		$50,910	
POSTAGE		$5,581		$5,581	
MEDICAL SUPPLIES		$1,730		$1,730	
CLOTHING-UNIFORMS(REPLA		$30,613		$30,613	
NATURAL GAS		$11,221		$11,221	
ELECTRICITY		$40,292		$40,292	
GASOLINE		$116,128		$116,128	
MACHINERY & EQUIPMENT ($3		$28,637	$26,728	$1,909	$0
TOOLS & PARTS LESS $3,000(		$7,930	$7,401	$529	$0
FURNITURE AND FIXTURES		$5,225	$4,876	$348	$0
Total		$762,924	$40,362	$667,535	$55,027
Capital Expenditures					
Total					
Total Expenditures		**$7,461,616**	**$40,362**	**$2,910,405**	**$4,510,848**
Cost Plan Costs					
City Wide Overhead 15.17% of total direct expenditures		$368,455		$368,455	
Total		$368,455		$368,455	
Total Alloc. Indirect Costs		**$7,830,070**	**$40,362**	**$3,278,859**	**$4,510,848**

ICRP RATE = **114.6%**
(Rate is Based on Salaries)

$3,278,859 = Total Allowable Indirect Costs
$2,861,531 Total Direct Salaries

City of South Lake Tahoe

Police

Fiscal Year
2007-08

Name/Position	100% Admin. or Support Staff Annual Salary
Police Chief	$113,832
Lieutenant (1.75)	$139,650
Captain (90%)	$89,856
Assist Management Analyst	$56,220
Records Supervisor	$46,536
Public Safety Dispatcher (6)	$265,968
Senior Police Records Tech	$40,104
Evidence Tech (2)	$94,512
Snr Community Services Officer (4)	$177,264
Sergeant (Admin) (2)	$136,440
Admin Secretary	$42,948
Principle Comm. Services Officer	$44,316
Dispatch Supervisor (2)	$106,416

TOTAL INDIRECT SALARIES **$1,354,062**

SALARIES			
41015	REGULAR EMPLOYEES	$	165,714.55
41015	REGULAR EMPLOYEES	$	2,196,335.09
41015	REGULAR EMPLOYEES	$	447,200.49
41015	REGULAR EMPLOYEES	$	924,000.44
41020	TEMPORARY/PART-TIME EMPLOYEES	$	8,048.39
41020	TEMPORARYIPART-TIME EMPLOYEES	$	10,231.93
41020	TEMPORARY/PART-TIME EMPLOYEES	$	17,829.86
41020	TEMPORARY/PART-TIME EMPLOYEES	$	2,991.98
41118	TUITION REIMBURSEMENT	$	5,713.27
41122	CANINE REIMBURSEMENT	$	3,008.49
41134	ONE-TIME PAYOUT	$	1,825.00
		$	3,782,899.49
41040	OVERTIME	$	4,114.02
41040	OVERTIME	$	263,002.37
41040	OVERTIME	$	40,106.58
41040	OVERTIME	$	125,470.50
		$	432,693.47
41110	MEDICAL/DENTAL INSURANCE	$	31,201.41
41110	MEDICAL/DENTAL INSURANCE	$	416,511.16
41110	MEDICAL/DENTAL INSURANCE	$	82,926.94
41110	MEDICAL/DENTAL INSURANCE	$	219,740.40
41111	VISION INSURANCE	$	655.61
41111	VISION INSURANCE	$	8,457.09
41111	VISION INSURANCE	$	1,718.80
41111	VISION INSURANCE	$	4,460.49
41112	LIFE INSURANCE	$	325.58
41112	LIFE INSURANCE	$	4,617.95
41112	LIFE INSURANCE	$	1,292.71
41112	LIFE INSURANCE	$	2,439.16
41113	LONG TERM DISABILITY INSURANCE	$	834.97
41113	LONG TERM DISABILITY INSURANCE	$	1,656.65
41113	LONG TERM DISABILITY INSURANCE	$	0.30
41113	LONG TERM DISABILITY INSURANCE	$	2,137.98
41114	SURVIVOR'S BENEFIT	$	51.00
41114	SURVIVOR'S BENEFIT	$	750.34
41114	SURVIVOR'S BENEFIT	$	192.45
41114	SURVIVOR'S BENEFIT	$	372.79
41116	PERS EMPOYER PORTION	$	51,710.68
41116	PERS EMPOYERPORTION	$	655,366.76
41116	PERS EMPOYER PORTION	$	66,124.24
41116	PERS EMPOYERPORTION	$	276,212.17
41117	PERS EMPLOYEE PORTION/CITY PD	$	14,731.49
41117	PERS EMPLOYEE PORTION/CITY PD	$	190,933.01
41117	PERS EMPLOYEE PORTION/CITY PD	$	34,381.36
41117	PERS EMPLOYEE PORTION/CITY PD	$	77,120.45
41119	UNEMPLOYMENT INSURANCE	$	878.71
41119	UNEMPLOYMENT INSURANCE	$	11,747.23
41119	UNEMPLOYMENT INSURANCE	$	2,413.97
41119	UNEMPLOYMENT INSURANCE	$	5,437.98
41120	WORKER'S COMPENSATION INSURNCE	$	11,109.21
41120	WORKER'S COMPENSATION INSURNCE	$	164,408.23
41120	WORKER'S COMPENSATION INSURNCE	$	17,216.85
41120	WORKER'S COMPENSATION INSURNCE	$	65,639.70
41128	MEDICARE-REGULAR EMPLOYEES	$	853.04
41128	MEDICARE-REGULAR EMPLOYEES	$	35,089.37
41128	MEDICARE-REGULAR EMPLOYEES	$	7,386.15
41128	MEDICARE-REGULAR EMPLOYEES	$	13,993.95
			$2,483,098.33
			$6,698,691.29
	TOTAL POLICE		$7,461,615.71

MAINTENANCE AND OPERATIONS			
42010	OFFICIAL/ADMINISTRATIVE SVCS	$	45,714.35
42020	PROFESSIONAL SERVICES	$	55,026.55
42030	TECHNICAL SERVICES	$	5,384.24
42040	SHOP (LABOR & PARTS)	$	115,151.54
43011	WATER/SEWER-UTILITIES	$	3,593.62
43012	GARBAGE-UTILITY	$	7,567.40
43025	REPAIR & MAINT OUTSIDE	$	14,602.63
43042	RENTAL OF EQUIP & VEHICLES	$	(44.11)
44016	RISK MGT-SELF INSUR.CLAIMS	$	3,110.22
44018	RISK MGT CITY PROPERT DAMAGE	$	4,113.67
44020	COMMUNICATIONS	$	35,292.20
44021	POLICE/FIRE WIRELESS	$	22,201.18
44040	PRINTING & BINDING	$	5,626.37
44046	PARKING CITATION EXP	$	3,367.92
44050	TRAVEL (MEALS,HOTL,PERDIEM)	$	8,444.55
44060	TRAINING/SEMINARS REGISTR,SUPP	$	13,490.35
44070	MEMBERSHIPS-DUES-SUBSCRIPTION	$	1,357.27
44080	Police Officers Standard Training		$109,138.85
44082	TESTING -MEDICAL	$	8,219.50
44085	RECRUITING EXPENSES	$	3,039.76
44097	SAFETY EQUIPMENT -RISK MGMT		$259.91
45010	GENERAL SUPPLIES WITHIN FY	$	50,910.43
45011	POSTAGE	$	5,580.85
45014	MEDICAL SUPPLIES	$	1,730.03
45016	CLOTHING-UNIFORMS(REPLACEMEN	$	30,613.10
45021	NATURAL GAS	$	11,221.05
45022	ELECTRICITY	$	40,292.09
45024	GASOLINE	$	116,127.62
46110	MACHINERY & EQUIPMENT ($3,000)	$	28,636.89
46120	TOOLS & PARTS LESS $3,000IUNIT	$	7,929.78
46140	FURNITURE AND FIXTURES		$5,224.61
			$762,924.42

City of South Lake Tahoe
CITY WIDE OVERHEAD CALCULATION:
Based on Actual FY 2005-06 Data

Department	Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
City Council	$150,107	$150,107		
City Clerk	$231,052	$231,052		
City Attorney	$372,135		$372,135	
Risk Management	$234,535		$234,535	
City Manager	$290,985		$290,985	
Human Resources	$372,950		$372,950	
Accounting	$697,307		$697,307	
Treasurer	$23,604			$23,604
Purchasing	$168,190		$168,190	
Revenue Collection	$266,464			$266,464
Vacation Ordinance	$83,774			$83,774
Information Systems	$404,747		$404,747	
Non-Departmental	$594,151		$594,151	
Emergency Prep	$916			$916
Community Marketing	$299,268			$299,268
Rents & Leases	$85,432			$85,432
Police	$6,939,065			$6,939,065
Fire	$4,355,871			$4,355,871
Public Works & Engineering	$1,371,207			$1,371,207
Facility Maintenance	$304,271			$304,271
Planning	$312,349			$312,349
Golf Course	$262,174			$262,174
Park Areas & Campgrounds	$295,108			$295,108
Beaches & Parks & Rec	$2,547,743			$2,547,743
Totals:	**$20,663,405**	**$381,159**	**$3,135,000**	**$17,147,246**

Total Allowable Indirect / Total City Expenditures = $3,135,000 / $20,663,405 = 15.17% city wide overhead rate based on dollars of total expenditure

Claim for Payment
INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS

For State Controller Use Only

(19) Program Number: 00358
(20) Date Filed ___/___/___
(21) LRS Input ___/___/___

Program **358**

(01) Claimant Identification Number	9809886
(02) Claimant Name	City of South Lake Tahoe
Mailing Address	1901 Airport Road
Street Address or P.O. Box	Suite 210
City	South Lake Tahoe
State CA	Zip Code 96150-7004

Type of Claim	Estimated Claim	Reimbursement Claim
	(03) Estimated ☐	(09) Reimbursement ☐
	(04) Combined ☐	(10) Combined ☐
	(05) Amended ☐	(11) Amended ☒

Fiscal Year of Cost	(06)	(12)	2008-09
Total Claimed	(07)	(13)	$164,803
Less: 10% Late Penalty, but not to exceed $1,000 (if applicable)		(14)	$11,776
Less: Estimated Claim Payment Received		(15)	
Net Claimed Amount		(16)	$153,027
Due from State	(08)	(17)	$153,027
Due to State	(09)	(18)	

(22) FORM 1, (04) A.1.g	
(23) FORM 1. (04) A.2.g	
(24) FORM 1, (04) B.1.g	
(25) FORM 1.(04.1) g	1641
(26) FORM 1.(04) B.2.f.1) g	
(27) FORM 1, (04.2) g	
(28) FORM 1, (04) B.3.a. g	94122
(29) FORM 1, (04) B.3.b. g	834
(30) FORM 1, (04) B.4. g	
(31) FORM 1, (04) B.5. g	
(32) FORM 1, (04) B.6. g	
(33) FORM 1, (06)	118
(34) FORM 1, (07)	68206
(35) FORM 1, (09)	
(36) FORM 1, (10)	

(38) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code Sections 17560 & 17561, I certify that I am the person authorized by the local agency to file claims with the State of California for mandated cost claims with the State of California for this program and I and certify under penalty of perjury that I have not violated any of the provisions of Article 4, Chapter 1 of Division 4 of Title 1 Government Code.

I further certify that there was no application for nor any grant or payment received, other that from the claimant, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all ocosts claimed are supported by source documentation currently maintained by the claimant.

The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of pergury of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Representative — **Date**

MaryAnne Brand — Date Signed 7/6/15

MaryAnne Brand — Telephone Numbe (510) 542-6062

Financial Services Supervisor — Email Address mbrand@cityofslt.us

Name of Contact Person for Claim	Telephone Number	E-Mail Address
Annette S. Chinn (CRS)	*(916) 939-7901*	*AChinnCRS@aol.com*

INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS CLAIM SUMMARY

FORM 1

(01) Claimant	(02) Type of Claim	Fiscal Year
City of South Lake Tahoe	Reimbursement ☐	2008-09

Claim Statistics

(03) Department - POLICE	Number of Cases =	377

Direct Costs	Object Accounts					
(04) Reimbursable Components	(a) Salaries	(b) Benefits	(c & d) Services and Supplies	(e) Fixed Assets	(f) Travel and Training	(g) Total
A. ONE-TIME ACTIVITIES						
1. Policies and Procedures						
2. Training to implement ICAN						
B. ON-GOING ACTIVITIES						
1. Distribute Child Abuse Report (SS8572)						
2. Reporting between local departments						
2.a. Accept & refer reports when lacking jurisdiction						
2.b. Cross reporting from County to law enforcement						
2.c. Cross reporting from law enf. to county and DA	$980	$661				$1,641
2.d. Receipt of cross-reports by DA's office						
2.e. Report by phone & send to licensing agencies						
(04.1) Subtotal B.2 (a through e)	$980	$661				$1,641
2.f. Addnl cross reporting in case of child death						
1) Law enforcement cross report to Co. Welfare						
2) County Welfare department						
i. Cross rpt child death case to law enforcement						
ii. Created record in County CWS/CMS system						
ii. Enter info in CWS/CMS if death not abuse/nglct						
(04.2) Subtotal B.2 f. 2) (i through iii)						
3. Reporting to DOJ (see item 4 claiming instructions)						
a. Complete an investigation to prepare a report	$56,226	$37,896				$94,122
b. Prepare/submit/amend rpt for substantiated cases	$498	$336				$834
4. Notify suspected abuser they are in CACI						
5. Records retention post required period						
6. Provide due process procedures to those in CACI						
(05) TOTAL DIRECT COSTS	$57,704	$38,893				$96,597

Indirect Costs

(06) Indirect Cost Rate (applied to salaries)	(from ICRP) (Applied to Salaries)	118.2%
(07) Total Indirect Costs	Line (06) x line (05)(a) or line(06) x [line (05)(a) + line(05)(b)]	$68,206
(08) Total Direct and Indirect Costs	Line (05)(d) + line (07)	$164,803

Cost Reductions

(09) Less: Offsetting Savings, if applicable		
(10) Less: Other Reimbursements, if applicable		
(11) TOTAL CLAIMED AMOUNT	Line (08)- (line(09) + Line(10)]	**$164,803**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2008-09

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- ☐ Update Policies and Procedures & develop ICAN due process procedures
- ☐ Develop training to implement ICAN requirements

B. On-Going Costs

- ☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - ☐ a. Accept & refer abuse report when a dept. lacks jurisdiction
  - ☐ b. Cross-rept from Co. Welfare to law enforcement
  - ☒ c. Cross-report from Law Enforcement to Co Welfare &DA
  - ☐ d. Receipt of cross report by DA
  - ☐ e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - ☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
    - 2. County welfare department
      - ☐ i. Cross report death cases to law enforcement
      - ☐ ii. Create a record in the CWS.CMS system
      - ☐ iii, Enter info in CWS/CMS if death not abuse
    - 3. Reporting to DOJ
      - ☐ a. Complete investigation to prepare a report
      - ☐ b. Prepare/submit report for substantiated cases
    - ☐ 4. Notify abuser they are reported to CACI
    - ☐ 5. Mandated 8 yr record retention
    - ☐ 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$24.79	67.4%	15.08	$374	$252				$626
Sergeant Report to the appropriate County Department and/or the District Attorney's Office as mandated.	$40.21	67.4%	15.08	$607	$409				$1,015
(05) Total			**30.17**	**$980**	**$661**				**$1,641**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2008-09

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- ☐ Update Policies and Procedures & develop ICAN due process procedures
- ☐ Develop training to implement ICAN requirements

B. On-Going Costs

- ☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - ☐ a. Accept & refer abuse report when a dept. lacks jurisdiction
  - ☐ b. Cross-rept from Co. Welfare to law enforcement
  - ☐ c. Cross-report from Law Enforcement to Co Welfare &DA
  - ☐ d. Receipt of cross report by DA
  - ☐ e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
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(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$24.79	67.4%	31.43	$779	$525				$1,304
Officer/Detective	$34.65	67.4%	1,527.26	$52,919	$35,668				$88,587
Sergeant	$40.21	67.4%	62.85	$2,527	$1,703				$4,231
Complete investigation to determine whether report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive (per PC 11165.12) for purposes of preparing & submitting Fomr SS 8583 and prepare report forms.									
(05) Total			**1,621.53**	**$56,226**	**$37,896**				**$94,122**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2008-09

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

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(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$24.79	67.4%	10.01	$248	$167				$416
Officer/Detective	$34.65	67.4%	3.34	$116	$78				$194
Sergeant	$40.21	67.4%	3.34	$134	$90				$225
Prepare, review, approve, and forward reports of substantiated child abuse cases.									
(05) Total			16.69	$498	$336				$834

INDIRECT COST RATE PROPOSAL
City of South Lake Tahoe
Police
Fiscal Year
2008-09

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$4,096,500		$1,469,180	$2,627,319
Overtime		$213,418			$213,418
Benefits	67.4%	$2,761,147		$990,266	$1,770,881
Total		$7,071,064		$2,459,446	$4,611,618
Services & Supplies					
OFFICIAL/ADMINISTRATIVE SV		$14,838		$14,838	
PROFESSIONAL SERVICES		$44,839			$44,839
TECHNICAL SERVICES		$8,570		$8,570	
SHOP (LABOR & PARTS)		$127,641		$127,641	
WATER/SEWER-UTILITIES		$2,769		$2,769	
GARBAGE-UTILITY		$7,404		$7,404	
REPAIR & MAINT OUTSIDE		$4,426		$4,426	
LAUNDRY		$1,639		$1,639	
RENTAL OF EQUIP & VEHICLES		$6,328		$6,328	
COMMUNICATIONS		$38,514		$38,514	
POLICE/FIRE WIRELESS		$9,302		$9,302	
PRINTING & BINDING		$5,049		$5,049	
PARKING CITATION EXP		$2,553		$2,553	
TRAVEL (MEALS,HOTL,PERDIE		$7,463		$7,463	
TRAINING/SEMINARS REGISTF		$4,108		$4,108	
MEMBERSHIPS-DUES-SUBSCF		$3,413	$3,413		
POLICE OFFICERS STANDRD T		$29,006		$29,006	
TESTING -MEDICAL		$11,752		$11,752	
RECRUITING EXPENSES		$1,912		$1,912	
SAFETY EQUIPMENT -RISK MG		$225		$225	
GENERAL SUPPLIES WITHIN F		$34,605		$34,605	
POSTAGE		$4,971		$4,971	
MEDICAL SUPPLIES		$992		$992	
CLOTHING-UNIFORMS(REPLA(		$18,967		$18,967	
NATURAL GAS		$6,515		$6,515	
ELECTRICITY		$30,275		$30,275	
FUEL (GASOLINE)		$69,147		$69,147	
MACHINERY & EQUIPMENT ($3		$24,392	$22,766	$1,626	$0
TOOLS & PARTS LESS $3,000/I		$13,285	$12,399	$886	$0
FURNITURE AND FIXTURES		$3,914	$3,653	$261	$0
OPERATING TRANSFR OUT TC		$861		$861	
Total		$539,675	$42,232	$452,605	$44,839
Capital Expenditures					
Total					
Total Expenditures		$7,610,739	$42,232	$2,912,051	$4,656,457
Cost Plan Costs					
Citywide Overhead = 16.95% of direct salaries		$445,331		$445,331	
Total		$445,331		$445,331	
Total Alloc. Indirect Costs		$8,056,070	$42,232	$3,357,381	$4,656,457

ICRP RATE = **118.2%**
(Rate is Based on Salaries)

$3,357,381 = Total Allowable Indirect Costs
$2,840,737 Total Direct Salaries

City of South Lake Tahoe

Police

Fiscal Year
2008-09

Name/Position	100% Admin. or Support Staff Annual Salary
Admin Secretary	$43,452
Assist Management Analyst	$59,592
Captain (90%)	$97,178
Dispatch Supervisor (2)	$112,824
Evidence Tech (2)	$100,176
Lieutenant (1.75)	$155,358
Police Chief	$124,284
Principle Comm. Services Officer	$51,684
Public Safety Dispatcher (6)	$281,952
Records Supervisor	$55,980
Senior Police Records Tech	$44,628
Sergeant (Admin) (2)	$144,744
Snr Community Services Officer (4)	$197,328

TOTAL INDIRECT SALARIES **$1,469,180**

SALARIES		FY 08-09	
41015	REGULAR EMPLOYEES	$	193,735.24
41015	REGULAR EMPLOYEES	$	2,451,554.10
41015	REGULAR EMPLOYEES	$	449,375.10
41015	REGULAR EMPLOYEES	$	962,515.13
41020	TEMPORARY/PART-TIME EMPLOYEES	$	2,319.82
41020	TEMPORARY/PART-TIME EMPLOYEES	$	26,421.84
41020	TEMPORARY/PART-TIME EMPLOYEES	$	5,361.76
41020	TEMPORARY/PART-TIME EMPLOYEES	$	5,216.61
		$	**4,096,499.60**
41040	OVERTIME	$	625.30
41040	OVERTIME	$	124,572.99
41040	OVERTIME	$	47,938.62
41040	OVERTIME	$	40,280.83
		$	**213,417.74**
41110	MEDICAL/DENTAL INSURANCE	$	33,375.00
41110	MEDICAL/DENTAL INSURANCE	$	481,932.54
41110	MEDICAL/DENTAL INSURANCE	$	105,493.38
41110	MEDICAL/DENTAL INSURANCE	$	210,858.70
41111	VISION INSURANCE	$	675.00
41111	VISION INSURANCE	$	9,903.09
41111	VISION INSURANCE	$	2,184.81
41111	VISION INSURANCE	$	4,298.80
41112	LIFE INSURANCE	$	318.75
41112	LIFE INSURANCE	$	5,312.57
41112	LIFE INSURANCE	$	1,262.45
41112	LIFE INSURANCE	$	2,239.70
41113	LONG TERM DISABILITY INSURANCE	$	975.00
41113	LONG TERM DISABILITY INSURANCE	$	1,654.08
41113	LONG TERM DISABILITY INSURANCE	$	0.52
41113	LONG TERM DISABILITY INSURANCE	$	2,308.46
41114	SURVIVOR'S BENEFIT	$	48.36
41114	SURVIVOR'S BENEFIT	$	811.61
41114	SURVIVOR'S BENEFIT	$	193.63
41114	SURVIVOR'S BENEFIT	$	343.06
41116	PERS EMPOYER PORTION	$	58,878.83
41116	PERS EMPOYER PORTION	$	717,206.02
41116	PERS EMPOYER PORTION	$	74,131.75
41116	PERS EMPOYER PORTION	$	276,160.88
41117	PERS EMPLOYEE PORTION/CITY PD	$	16,265.08
41117	PERS EMPLOYEE PORTION/CITY PD	$	213,818.80
41117	PERS EMPLOYEE PORTION/CITY PD	$	70,932.43
41117	PERS EMPLOYEE PORTION/CITY PD	$	79,740.30
41118	TUITION REIMBURSEMENT	$	8,350.12
41119	UNEMPLOYMENT INSURANCE	$	944.51
41119	UNEMPLOYMENT INSURANCE	$	12,498.72
41119	UNEMPLOYMENT INSURANCE	$	2,397.79
41119	UNEMPLOYMENT INSURANCE	$	4,650.10
41120	WORKER'S COMPENSATION INSURNC	$	12,146.95
41120	WORKER'S COMPENSATION INSURNC	$	177,899.98
41120	WORKER'S COMPENSATION INSURNC	$	17,045.78
41120	WORKER'S COMPENSATION INSURNC	$	60,341.97
41122	CANINE REIMBURSEMENT	$	3,241.47
41128	MEDICARE-REGULAR EMPLOYEES	$	784.32
41128	MEDICARE-REGULAR EMPLOYEES	$	38,192.68
41128	MEDICARE-REGULAR EMPLOYEES	$	7,234.80
41128	MEDICARE-REGULAR EMPLOYEES	$	12,413.24
41137	HRA EXPENSES/FUNDING	$	10,905.04
41137	HRA EXPENSES/FUNDING	$	2,821.35
41137	HRA EXPENSES/FUNDING	$	2,708.89
41139	RMSA EXPENSE	$	10,774.25
41139	RMSA EXPENSE	$	2,815.03
41139	RMSA EXPENSE	$	1,656.24
		$	**2,761,146.83**
		$	**7,071,064.17**
	TOTAL POLICE	**$**	**7,610,739.34**

MAINTENANCE AND OPERATIONS		FY 08-09	
42010	OFFICIAL/ADMINISTRATIVE SVCS	$	14,838.11
42020	PROFESSIONAL SERVICES	$	44,838.86
42030	TECHNICAL SERVICES	$	8,569.57
42040	SHOP (LABOR & PARTS)	$	127,641.37
43011	WATER/SEWER-UTILITIES	$	2,769.21
43012	GARBAGE-UTILITY	$	7,404.00
43025	REPAIR & MAINT OUTSIDE	$	4,425.93
43026	LAUNDRY	$	1,638.63
43042	RENTAL OF EQUIP & VEHICLES	$	6,328.32
44020	COMMUNICATIONS	$	38,514.07
44021	POLICE/FIRE WIRELESS	$	9,302.30
44040	PRINTING & BINDING	$	5,048.97
44046	PARKING CITATION EXP	$	2,552.64
44050	TRAVEL (MEALS,HOTL,PERDIEM)	$	7,463.40
44060	TRAINING/SEMINARS REGISTR,SUPP	$	4,107.79
44070	MEMBERSHIPS-DUES-SUBSCRIPTIONS	$	3,413.40
44080	POLICE OFFICERS STANDRD TRAIN	$	29,006.30
44082	TESTING -MEDICAL	$	11,751.84
44085	RECRUITING EXPENSES	$	1,912.33
44097	SAFETY EQUIPMENT -RISK MGMT	$	224.64
45010	GENERAL SUPPLIES WITHIN FY	$	34,604.57
45011	POSTAGE	$	4,971.15
45014	MEDICAL SUPPLIES	$	992.14
45016	CLOTHING-UNIFORMS(REPLACEMENT)	$	18,966.77
45021	NATURAL GAS	$	6,514.64
45022	ELECTRICITY	$	30,274.91
45024	FUEL (GASOLINE)	$	69,146.97
46110	MACHINERY & EQUIPMENT ($3,000)	$	24,392.37
46120	TOOLS & PARTS LESS $3,000/UNIT	$	13,284.96
46140	FURNITURE AND FIXTURES	$	3,913.70
50001	OPERATING TRANSFR OUT TO GEN F	$	861.31
		$	**539,675.17**

City of South Lake Tahoe
CITY WIDE OVERHEAD CALCULATION:
Based on Actual FY 2008-09 Data

Department	Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
City Council	$160,880	$160,880		
City Clerk	$324,345	$324,345		
City Attorney	$807,337		$807,337	
Risk Management	$350,928		$350,928	
City Manager	$522,053		$522,053	
Human Resources	$483,385		$483,385	
Accounting	$1,010,269		$1,010,269	
Treasurer	$23,539			$23,539
Purchasing	$214,027		$214,027	
Revenue Collection	$325,018			$325,018
Vacation Ordinance				
Information Systems	$528,807		$528,807	
Non-Departmental	$740,464		$740,464	
Homeland Security	$156,374			$156,374
Community Marketing	$112,500			$112,500
GFR Transfers	$4,875,012			$4,875,012
Rent & Leases	$198,616		$198,616	
Sustainable SLT	$46,266			$46,266
Police	$7,610,739			$7,610,739
Fire	$5,252,481			$5,252,481
Public Works & Engineering	$1,807,454			$1,807,454
Facility Maintenance	$219,442		$219,442	
Planning	$510,466			$510,466
Golf Course	$336,935			$336,935
Park Areas & Campgrounds	$417,483			$417,483
Beaches & Parks & Rec	$2,908,983			$2,908,983
Totals:	**$29,943,803**	**$485,225**	**$5,075,328**	**$24,383,250**

Total Allowable Indirect / Total City Expenditures = $5,075,328 / $29,943,803 = 16.95% city wide overhead rate based on dollars of total expenditure

Claim for Payment
INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS

For State Controller Use Only	
(19) Program Number: 00358	Program
(20) Date Filed ___/___/___	358
(21) LRS Input ___/___/___	

(01) Claimant Identification Number	9809886
(02) Claimant Name	City of South Lake Tahoe
Mailing Address	1901 Airport Road
Street Address or P.O. Box	Suite 210
City	South Lake Tahoe
State CA	Zip Code 96150-7004

Type of Claim	Estimated Claim	Reimbursement Claim
	(03) Estimated ☐	(09) Reimbursement ☐
	(04) Combined ☐	(10) Combined ☐
	(05) Amended ☐	(11) Amended ☒

Fiscal Year of Cost	(06)	(12) 2009-10	
Total Claimed	(07)	(13) $242,544	
Less: 10% Late Penalty, but not to exceed $1,000 (if applicable)		(14) $13,230	
Less: Estimated Claim Payment Received		(15)	
Net Claimed Amount		(16) $229,314	
Due from State	(08)	(17) $229,314	
Due to State	(09)	(18)	

(22) FORM 1, (04) A.1.g	
(23) FORM 1. (04) A.2.g	
(24) FORM 1, (04) B.1.g	
(25) FORM 1,(04.1) g	2172
(26) FORM 1,(04) B.2.f.1) g	
(27) FORM 1, (04.2) g	
(28) FORM 1, (04) B.3.a. g	128540
(29) FORM 1, (04) B.3.b. g	982
(30) FORM 1, (04) B.4. g	
(31) FORM 1, (04) B.5. g	
(32) FORM 1, (04) B.6. g	
(33) FORM 1, (06)	139
(34) FORM 1, (07)	110850
(35) FORM 1, (09)	
(36) FORM 1, (10)	

(38) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code Sections 17560 & 17561, I certify that I am the person authorized by the local agency to file claims with the State of California for mandated cost claims with the State of California for this program and I and certify under penalty of perjury that I have not violated any of the provisions of Article 4, Chapter 1 of Division 4 of Title 1 Government Code.

I further certify that there was no application for nor any grant or payment received, other that from the claimant, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all ocosts claimed are supported by source documentation currently maintained by the claimant.

The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of pergury of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Representative **Date**

MaryAnne Brand — Date Signed 7/6/15

MaryAnne Brand — Telephone Numbe (510) 542-6062

Financial Services Supervisor — Email Address mbrand@cityofslt.us

Name of Contact Person for Claim	Telephone Number	E-Mail Address
Annette S. Chinn (CRS)	*(916) 939-7901*	*AChinnCRS@aol.com*

New 3/14 Form FAM-27

INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS CLAIM SUMMARY

FORM 1

(01) Claimant	(02) Type of Claim	Fiscal Year
City of South Lake Tahoe	Reimbursement ☐	2009-10

Claim Statistics

(03) Department - POLICE	Number of Cases =	461

Direct Costs	Object Accounts					
(04) Reimbursable Components	(a) Salaries	(b) Benefits	(c & d) Services and Supplies	(e) Fixed Assets	(f) Travel and Training	(g) Total
A. ONE-TIME ACTIVITIES						
1. Policies and Procedures						
2. Training to implement ICAN						
B. ON-GOING ACTIVITIES						
1. Distribute Child Abuse Report (SS8572)						
2. Reporting between local departments						
2.a. Accept & refer reports when lacking jurisdiction						
2.b. Cross reporting from County to law enforcement						
2.c. Cross reporting from law enf. to county and DA	$1,317	$855				$2,172
2.d. Receipt of cross-reports by DA's office						
2.e. Report by phone & send to licensing agencies						
(04.1) Subtotal B.2 (a through e)	$1,317	$855				$2,172
2.f. Addnl cross reporting in case of child death						
1) Law enforcement cross report to Co. Welfare						
2) County Welfare department						
i. Cross rpt child death case to law enforcement						
ii. Created record in County CWS/CMS system						
ii. Enter info in CWS/CMS if death not abuse/nglct						
(04.2) Subtotal B.2 f. 2) (i through iii)						
3. Reporting to DOJ (see item 4 claiming instructions)						
a. Complete an investigation to prepare a report	$77,950	$50,590				$128,540
b. Prepare/submit/amend rpt for substantiated cases	$595	$386				$982
4. Notify suspected abuser they are in CACI						
5. Records retention post required period						
6. Provide due process procedures to those in CACI						
(05) TOTAL DIRECT COSTS	$79,863	$51,831				$131,694

Indirect Costs

(06) Indirect Cost Rate (applied to salaries)	(from ICRP) (Applied to Salaries)	138.6%
(07) Total Indirect Costs	Line (06) x line (05)(a) or line(06) x [line (05)(a) + line(05)(b)]	$110,850
(08) Total Direct and Indirect Costs	Line (05)(d) + line (07)	$242,544

Cost Reductions

(09) Less: Offsetting Savings, if applicable	
(10) Less: Other Reimbursements, if applicable	
(11) TOTAL CLAIMED AMOUNT Line (08)- (line(09) + Line(10)]	**$242,544**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2009-10

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

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- ☐ Develop training to implement ICAN requirements

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- 2. Reporting Between Local Departments
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  - ☐ b. Cross-rept from Co. Welfare to law enforcement
  - ☒ c. Cross-report from Law Enforcement to Co Welfare &DA
  - ☐ d. Receipt of cross report by DA
  - ☐ e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - ☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
- 2. County welfare department
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  - ☐ ii. Create a record in the CWS.CMS system
  - ☐ iii, Enter info in CWS/CMS if death not abuse
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  - ☐ b. Prepare/submit report for substantiated cases
- ☐ 4. Notify abuser they are reported to CACI
- ☐ 5. Mandated 8 yr record retention
- ☐ 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$25.79	64.9%	18.44	$475	$309				$784
Sergeant Report to the appropriate County Department and/or the District Attorney's Office as mandated.	$45.66	64.9%	18.44	$842	$546				$1,388
(05) Total			**36.87**	**$1,317**	**$855**				**$2,172**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2009-10

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- [ ] Update Policies and Procedures & develop ICAN due process procedures
- [ ] Develop training to implement ICAN requirements

B. On-Going Costs

- [ ] 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
- [ ] a. Accept & refer abuse report when a dept. lacks jurisdiction
- [ ] b. Cross-rept from Co. Welfare to law enforcement
- [ ] c. Cross-report from Law Enforcement to Co Welfare &DA
- [ ] d. Receipt of cross report by DA
- [ ] e. Report by phone & send written report to licensing agency
- f. Additional cross reporting in cases of child death
- [ ] 1) Police/Sheriff cross report all cases of child death to Co. Welfare
- f. Additional cross-reporting in cases of death
- 2. County welfare department
- [ ] i. Cross report death cases to law enforcement
- [ ] ii. Create a record in the CWS.CMS system
- [ ] iii, Enter info in CWS/CMS if death not abuse
- 3. Reporting to DOJ
- [X] a. Complete investigation to prepare a report
- [ ] b. Prepare/submit report for substantiated cases
- [ ] 4. Notify abuser they are reported to CACI
- [ ] 5. Mandated 8 yr record retention
- [ ] 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$25.79	64.9%	38.41	$991	$643				$1,633
Officer/Detective	$39.35	64.9%	1,866.65	$73,452	$47,671				$121,123
Sergeant	$45.66	64.9%	76.82	$3,507	$2,276				$5,784
Complete investigation to determine whether report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive (per PC 11165.12) for purposes of preparing & submitting Fomr SS 8583 and prepare report forms.									
(05) Total			1,981.87	$77,950	$50,590				$128,540

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe (02) Fiscal Year Costs Were Incurred: 2009-10

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- ☐ Develop training to implement ICAN requirements

B. On-Going Costs

- ☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - ☐ a. Accept & refer abuse report when a dept. lacks jurisdiction
  - ☐ b. Cross-rept from Co. Welfare to law enforcement
  - ☐ c. Cross-report from Law Enforcement to Co Welfare &DA
  - ☐ d. Receipt of cross report by DA
  - ☐ e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - ☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
- 2. County welfare department
  - ☐ i. Cross report death cases to law enforcement
  - ☐ ii. Create a record in the CWS.CMS system
  - ☐ iii, Enter info in CWS/CMS if death not abuse
- 3. Reporting to DOJ
  - ☐ a. Complete investigation to prepare a report
  - ☒ b. Prepare/submit report for substantiated cases
- ☐ 4. Notify abuser they are reported to CACI
- ☐ 5. Mandated 8 yr record retention
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(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$25.79	64.9%	11.00	$284	$184				$468
Officer/Detective	$39.35	64.9%	3.67	$144	$94				$238
Sergeant	$45.66	64.9%	3.67	$167	$109				$276
Prepare, review, approve, and forward reports of substantiated child abuse cases.									
(05) Total			18.33	$595	$386				$982

INDIRECT COST RATE PROPOSAL
City of South Lake Tahoe
Police
Fiscal Year
2009-10

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$4,626,266		$1,896,156	$2,730,110
Overtime		$280,698			$280,698
Benefits	64.9%	$3,003,359		$1,230,979	$1,772,380
Total		$7,910,323		$3,127,135	$4,783,188
Services & Supplies					
OFFICIAL/ADMINISTRATIVE SV		$15,250		$15,250	
PROFESSIONAL SERVICES		$47,921			$47,921
TECHNICAL SERVICES		$12,708		$12,708	
SHOP -MOTOR POOL ONLY		$140,479		$140,479	
WATER/SEWER-UTILITIES		$3,899		$3,899	
GARBAGE-UTILITY		$8,241		$8,241	
DISPOSAL		$192		$192	
REPAIR & MAINT OUTSIDE		$15,408		$15,408	
LAUNDRY		$2,109		$2,109	
RENTAL OF EQUIP & VEHICLE		$6,529		$6,529	
RISK MGT-SELF INSUR.CLAIMS		$1,748		$1,748	
RISK MGT -CITY PROPERT DA		$588		$588	
COMMUNICATIONS		$36,667		$36,667	
POLICE/FIRE WIRELESS		$10,096		$10,096	
PRINTING & BINDING		$2,344		$2,344	
PARKING CITATION EXP		$2,587		$2,587	
TRAVEL (MEALS,HOTL,PERDIE		$6,385		$6,385	
TRAINING/SEMINARS REGISTF		-$1,333		-$1,333	
MEMBERSHIPS-DUES-SUBSCI		$1,837	$1,837		
POLICE OFFICERS STANDRD		$61,498		$61,498	
SLEDNET EXPENSE		$44,205		$44,205	
TESTING -MEDICAL		$14,123		$14,123	
RECRUITING EXPENSES		$3,581		$3,581	
SAFETY EQUIPMENT -RISK MC		$128		$128	
GENERAL SUPPLIES WITHIN F		$43,388		$43,388	
POSTAGE		$5,206		$5,206	
MEDICAL SUPPLIES		$157		$157	
CLOTHING-UNIFORMS(REPLAI		$12,772	$10,217	$2,554	$0
NATURAL GAS		$6,745		$6,745	
ELECTRICITY		$36,198		$36,198	
FUEL (GASOLINE)		$101,988		$101,988	
MACHINERY & EQUIPMENT ($:		$20,470	$19,105	$1,365	$0
TOOLS & PARTS LESS $3,000/I		$13,917	$12,989	$928	$0
FURNITURE AND FIXTURES		$8,210	$7,663	$547	$0
OPERATING TRANSFR OUT TC		$2,291		$2,291	
Total		$688,532	$51,811	$588,801	$47,921
Capital Expenditures					
Total					
Total Expenditures		**$8,598,855**	**$51,811**	**$3,715,936**	**$4,831,109**
Cost Plan Costs					
Citywide Overhead = 16.95% of direct salaries		$462,754		$462,754	
Total		$462,754		$462,754	
Total Alloc. Indirect Costs		**$9,061,609**	**$51,811**	**$4,178,690**	**$4,831,109**

ICRP RATE = **138.8%**
(Rate is Based on Salaries)

$4,178,690 = Total Allowable Indirect Costs
$3,010,808 Total Direct Salaries

City of South Lake Tahoe

Police

Fiscal Year
2009-10

Name/Position	100% Admin. or Support Staff Annual Salary
Admin Assistant	$49,704
Captain (90%)	$122,616
Dispatch Supervisor (2)	$123,192
Evidence Tech (2)	$109,392
Lieutenant	$100,800
Police Chief	$135,720
Principle Comm. Services Officer	$56,436
Public Safety Dispatcher (6)	$307,872
Records Supervisor	$58,212
Senior Police Records Tech (2)	$92,832
Sergeant (4)	$328,752
Snr Community Services Officer (4)	$205,200
Info Systems Tech	$59,196
Police Maint Worker	$44,868
Info Systems Manager	$101,364

TOTAL INDIRECT SALARIES **$1,896,156**

10002110	POLICE ADMINISTRATION	ACTUAL FY 09-10	
41015	REGULAR EMPLOYEES	$	4,364,236.40
41020	TEMPORARY/PART-TIME EMPLOYEES	$	78,044.17
41042	RETIREMENT PAYOUTS	$	183,985.59
		$	**4,626,266.16**
41040	OVERTIME	$	280,697.92
		$	**280,697.92**
41108	CAR ALLOWANCE	$	1,246.14
41110	MEDICAL/DENTAL INSURANCE	$	893,858.68
41111	VISION INSURANCE	$	16,819.11
41112	LIFE INSURANCE	$	8,884.65
41113	LONG TERM DISABILITY INSURANCE	$	4,787.01
41114	SURVIVOR'S BENEFIT	$	1,374.42
41115	PART TIME/TEMP DEFERRED COMP	$	1,350.00
41116	PERS EMPLOYER PORTION	$	1,246,437.73
41117	PERS EMPLOYEE PORTION/CITY PD	$	380,847.84
41118	TUITION REIMBURSEMENT	$	7,922.09
41119	UNEMPLOYMENT INSURANCE	$	23,617.16
41120	WORKER'S COMPENSATION INSURNCI	$	305,344.78
41128	CANINE REIMBURSEMENT	$	9,484.14
41128	MEDICARE-REGULAR EMPLOYEES	$	67,772.53
41137	HRA EXPENSES/FUNDING	$	16,035.17
41139	RMSA EXPENSE	$	17,577.51
		$	**3,003,358.96**
		$	**7,910,323.04**
42010	OFFICIAL/ADMINISTRATIVE SVCS	$	15,249.50
42020	PROFESSIONAL SERVICES	$	47,920.64
42030	TECHNICAL SERVICES	$	12,707.74
42040	SHOP -MOTOR POOL ONLY!!!	$	140,479.21
43011	WATER/SEWER-UTILITIES	$	3,899.29
43012	GARBAGE-UTILITY	$	8,241.45
43021	DISPOSAL	$	192.00
43025	REPAIR & MAINT OUTSIDE	$	15,407.82
43026	LAUNDRY	$	2,109.02
43042	RENTAL OF EQUIP & VEHICLES	$	6,528.84
44016	RISK MGT-SELF INSUR.CLAIMS	$	1,748.26
44018	RISK MGT -CITY PROPERT DAMAGE	$	588.23
44020	COMMUNICATIONS	$	36,666.82
44021	POLICE/FIRE WIRELESS	$	10,096.33
44040	PRINTING & BINDING	$	2,344.17
44046	PARKING CITATION EXP	$	2,586.92
44050	TRAVEL (MEALS,HOTL,PERDIEM)	$	6,384.82
44060	TRAINING/SEMINARS REGISTR,SUPP	$	(1,332.60)
44070	MEMBERSHIPS-DUES-SUBSCRIPTIONS	$	1,837.00
44080	POLICE OFFICERS STANDRD TRAIN	$	61,498.44
44081	SLEDNET EXPENSE	$	44,205.28
44082	TESTING -MEDICAL	$	14,122.50
44085	RECRUITING EXPENSES	$	3,581.16
44097	SAFETY EQUIPMENT -RISK MGMT	$	128.27
45010	GENERAL SUPPLIES WITHIN FY	$	43,388.06
45011	POSTAGE	$	5,206.03
45014	MEDICAL SUPPLIES	$	156.55
45016	CLOTHING-UNIFORMS(REPLACEMENT	$	12,771.62
45021	NATURAL GAS	$	6,745.49
45022	ELECTRICITY	$	36,198.07
45024	FUEL (GASOLINE)	$	101,988.37
46110	MACHINERY & EQUIPMENT ($3,000)	$	20,469.58
46120	TOOLS & PARTS LESS $3,000/UNIT	$	13,916.50
46140	FURNITURE AND FIXTURES	$	8,209.98
50001	OPERATING TRANSFR OUT TO GEN F	$	2,291.01
		$	**688,532.37**
	Total Police	**$**	**8,598,855.41**

City of South Lake Tahoe
CITY WIDE OVERHEAD CALCULATION:
Based on Actual FY 2008-09 Data

Department	Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
City Council	$160,880	$160,880		
City Clerk	$324,345	$324,345		
City Attorney	$807,337		$807,337	
Risk Management	$350,928		$350,928	
City Manager	$522,053		$522,053	
Human Resources	$483,385		$483,385	
Accounting	$1,010,269		$1,010,269	
Treasurer	$23,539			$23,539
Purchasing	$214,027		$214,027	
Revenue Collection	$325,018			$325,018
Vacation Ordinance				
Information Systems	$528,807		$528,807	
Non-Departmental	$740,464		$740,464	
Homeland Security	$156,374			$156,374
Community Marketing	$112,500			$112,500
GFR Transfers	$4,875,012			$4,875,012
Rent & Leases	$198,616		$198,616	
Sustainable SLT	$46,266			$46,266
Police	$7,610,739			$7,610,739
Fire	$5,252,481			$5,252,481
Public Works & Engineering	$1,807,454			$1,807,454
Facility Maintenance	$219,442		$219,442	
Planning	$510,466			$510,466
Golf Course	$336,935			$336,935
Park Areas & Campgrounds	$417,483			$417,483
Beaches & Parks & Rec	$2,908,983			$2,908,983
Totals:	**$29,943,803**	**$485,225**	**$5,075,328**	**$24,383,250**

Total Allowable Indirect / Total City Expenditures = $5,075,328 / $29,943,803 = 16.95% city wide overhead rate based on dollars of total expenditure

Claim for Payment
INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS

For State Controller Use Only

(19) Program Number: 00358
(20) Date Filed ___/___/___
(21) LRS Input ___/___/___

Program **358**

(01) Claimant Identification Number	9809886
(02) Claimant Name	City of South Lake Tahoe
Mailing Address	1901 Airport Road
Street Address or P.O. Box	Suite 210
City	South Lake Tahoe
State CA	Zip Code 96150-7004

Type of Claim	Estimated Claim	Reimbursement Claim
	(03) Estimated ☐	(09) Reimbursement ☐
	(04) Combined ☐	(10) Combined ☐
	(05) Amended ☐	(11) Amended ☒
Fiscal Year of Cost	(06)	(12) 2010-11
Total Claimed	(07)	(13) $232,871
Less: 10% Late Penalty, but not to exceed $1,000 (if applicable)		(14) $13,030
Less: Estimated Claim Payment Received		(15)
Net Claimed Amount		(16) $219,841
Due from State	(08)	(17) $219,841
Due to State	(09)	(18)

(22) FORM 1, (04) A.1.g	
(23) FORM 1. (04) A.2.g	
(24) FORM 1, (04) B.1.g	
(25) FORM 1,(04.1) g	9164
(26) FORM 1,(04) B.2.f.1) g	
(27) FORM 1, (04.2) g	
(28) FORM 1, (04) B.3.a. g	131069
(29) FORM 1, (04) B.3.b. g	994
(30) FORM 1, (04) B.4. g	
(31) FORM 1, (04) B.5. g	
(32) FORM 1, (04) B.6. g	
(33) FORM 1, (06)	107
(34) FORM 1, (07)	91644
(35) FORM 1, (09)	
(36) FORM 1, (10)	

(38) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code Sections 17560 & 17561, I certify that I am the person authorized by the local agency to file claims with the State of California for mandated cost claims with the State of California for this program and I and certify under penalty of perjury that I have not violated any of the provisions of Article 4, Chapter 1 of Division 4 of Title 1 Government Code.

I further certify that there was no application for nor any grant or payment received, other that from the claimant, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all ocosts claimed are supported by source documentation currently maintained by the claimant.

The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of pergury of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Representative — **Date**

MaryAnne Brand — Date Signed 7/6/15

MaryAnne Brand — Telephone Numbe (510) 542-6062

Financial Services Supervisor — Email Address mbrand@cityofslt.us

Name of Contact Person for Claim	Telephone Number	E-Mail Address
Annette S. Chinn (CRS)	*(916) 939-7901*	*AChinnCRS@aol.com*

INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS CLAIM SUMMARY

FORM 1

(01) Claimant: City of South Lake Tahoe

(02) Type of Claim: Reimbursement ☐

Fiscal Year: 2010-11

Claim Statistics

(03) Department - POLICE

Number of Cases = 460

Direct Costs	Object Accounts					
(04) Reimbursable Components	(a) Salaries	(b) Benefits	(c & d) Services and Supplies	(e) Fixed Assets	(f) Travel and Training	(g) Total
A. ONE-TIME ACTIVITIES						
1. Policies and Procedures						
2. Training to implement ICAN						
B. ON-GOING ACTIVITIES						
1. Distribute Child Abuse Report (SS8572)						
2. Reporting between local departments						
2.a. Accept & refer reports when lacking jurisdiction						
2.b. Cross reporting from County to law enforcement						
2.c. Cross reporting from law enf. to county and DA	$5,547	$3,617				$9,164
2.d. Receipt of cross-reports by DA's office						
2.e. Report by phone & send to licensing agencies						
(04.1) Subtotal B.2 (a through e)	$5,547	$3,617				$9,164
2.f. Addnl cross reporting in case of child death						
1) Law enforcement cross report to Co. Welfare						
2) County Welfare department						
i. Cross rpt child death case to law enforcement						
ii. Created record in County CWS/CMS system						
ii. Enter info in CWS/CMS if death not abuse/nglct						
(04.2) Subtotal B.2 f. 2) (i through iii)						
3. Reporting to DOJ (see item 4 claiming instructions)						
a. Complete an investigation to prepare a report	$79,340	$51,729				$131,069
b. Prepare/submit/amend rpt for substantiated cases	$602	$392				$994
4. Notify suspected abuser they are in CACI						
5. Records retention post required period						
6. Provide due process procedures to those in CACI						
(05) TOTAL DIRECT COSTS	$85,489	$55,739				$141,227

Indirect Costs

(06) Indirect Cost Rate (applied to salaries)	(from ICRP) (Applied to Salaries)	107.2%
(07) Total Indirect Costs	Line (06) x line (05)(a) or line(06) x [line (05)(a) + line(05)(b)]	$91,644
(08) Total Direct and Indirect Costs	Line (05)(d) + line (07)	$232,871

Cost Reductions

(09) Less: Offsetting Savings, if applicable	
(10) Less: Other Reimbursements, if applicable	
(11) TOTAL CLAIMED AMOUNT Line (08)- (line(09) + Line(10)]	**$232,871**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2010-11

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- ☐ Update Policies and Procedures & develop ICAN due process procedures
- ☐ Develop training to implement ICAN requirements

B. On-Going Costs

- ☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - ☐ a. Accept & refer abuse report when a dept. lacks jurisdiction
  - ☐ b. Cross-rept from Co. Welfare to law enforcement
  - ☒ c. Cross-report from Law Enforcement to Co Welfare &DA
  - ☐ d. Receipt of cross report by DA
  - ☐ e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - ☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
    - 2. County welfare department
      - ☐ i. Cross report death cases to law enforcement
      - ☐ ii. Create a record in the CWS.CMS system
      - ☐ iii, Enter info in CWS/CMS if death not abuse
    - 3. Reporting to DOJ
      - ☐ a. Complete investigation to prepare a report
      - ☐ b. Prepare/submit report for substantiated cases
    - ☐ 4. Notify abuser they are reported to CACI
    - ☐ 5. Mandated 8 yr record retention
    - ☐ 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$25.79	65.2%	76.67	$1,977	$1,289				$3,266
Sergeant Report to the appropriate County Department and/or the District Attorney's Office as mandated.	$46.57	65.2%	76.67	$3,570	$2,328				$5,898
(05) Total			**153.33**	**$5,547**	**$3,617**				**$9,164**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2010-11

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

☐ Update Policies and Procedures & develop ICAN due process procedures

☐ Develop training to implement ICAN requirements

B. On-Going Costs

☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)

2. Reporting Between Local Departments

☐ a. Accept & refer abuse report when a dept. lacks jurisdiction

☐ b. Cross-rept from Co. Welfare to law enforcement

☐ c. Cross-report from Law Enforcement to Co Welfare &DA

☐ d. Receipt of cross report by DA

☐ e. Report by phone & send written report to licensing agency

f. Additional cross reporting in cases of child death

☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare

f. Additional cross-reporting in cases of death

2. County welfare department

☐ i. Cross report death cases to law enforcement

☐ ii. Create a record in the CWS.CMS system

☐ iii, Enter info in CWS/CMS if death not abuse

3. Reporting to DOJ

☒ a. Complete investigation to prepare a report

☐ b. Prepare/submit report for substantiated cases

☐ 4. Notify abuser they are reported to CACI

☐ 5. Mandated 8 yr record retention

☐ 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$25.79	65.2%	38.33	$988	$644				$1,633
Officer/Detective	$40.14	65.2%	1,863.00	$74,781	$48,757				$123,538
Sergeant	$46.57	65.2%	76.67	$3,570	$2,328				$5,898
Complete investigation to determine whether report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive (per PC 11165.12) for purposes of preparing & submitting Fomr SS 8583 and prepare report forms.									
(05) Total			**1,978.00**	**$79,340**	**$51,729**				**$131,069**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2010-11

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- ☐ Update Policies and Procedures & develop ICAN due process procedures
- ☐ Develop training to implement ICAN requirements

B. On-Going Costs

- ☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - ☐ a. Accept & refer abuse report when a dept. lacks jurisdiction
  - ☐ b. Cross-rept from Co. Welfare to law enforcement
  - ☐ c. Cross-report from Law Enforcement to Co Welfare &DA
  - ☐ d. Receipt of cross report by DA
  - ☐ e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - ☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
    - 2. County welfare department
      - ☐ i. Cross report death cases to law enforcement
      - ☐ ii. Create a record in the CWS.CMS system
      - ☐ iii, Enter info in CWS/CMS if death not abuse
    - 3. Reporting to DOJ
      - ☐ a. Complete investigation to prepare a report
      - ☒ b. Prepare/submit report for substantiated cases
    - ☐ 4. Notify abuser they are reported to CACI
    - ☐ 5. Mandated 8 yr record retention
    - ☐ 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$25.79	65.2%	11.00	$284	$185				$469
Officer/Detective	$40.14	65.2%	3.67	$147	$96				$243
Sergeant	$46.57	65.2%	3.67	$171	$111				$282
Prepare, review, approve, and forward reports of substantiated child abuse cases.									
(05) Total			**18.33**	**$602**	**$392**				**$994**

INDIRECT COST RATE PROPOSAL
City of South Lake Tahoe
Police
Fiscal Year
2010-11

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$4,911,326		$1,679,472	$3,231,854
Overtime		$350,676			$350,676
Benefits	65.2%	$3,201,450		$1,094,765	$2,106,685
Total		$8,463,452		$2,774,237	$5,689,215
Services & Supplies					
OFFICIAL/ADMINISTRATIVE SV		$15,018		$15,018	
PROFESSIONAL SERVICES		$26,051			$26,051
TECHNICAL SERVICES		$16,430		$16,430	
SHOP -MOTOR POOL ONLY		$139,743		$139,743	
WATER/SEWER-UTILITIES		$3,757		$3,757	
GARBAGE-UTILITY		$7,895		$7,895	
REPAIR & MAINT OUTSIDE		$5,179		$5,179	
LAUNDRY		$2,371		$2,371	
RENTAL OF EQUIP & VEHICLES		$5,807		$5,807	
RISK MGT-SELF INSUR CLAIMS		$246		$246	
RISK MGT -CITY PROPERT DAI		$4,201		$4,201	
COMMUNICATIONS		$26,927		$26,927	
POLICE/FIRE WIRELESS		$13,439		$13,439	
PRINTING & BINDING		$4,506		$4,506	
PARKING CITATION EXP		$3,163			$3,163
TRAVEL (MEALS,HOTL,PERDIE MILEAGE		$3,871		$3,871	
TRAINING/SEMINARS REGISTR		$4,947		$4,947	
MEMBERSHIPS-DUES-SUBSCF		$1,660	$1,660		
POLICE OFFICERS STANDRD T		$46,137		$46,137	
SLEDNET EXPENSE		$182,524			$182,524
TESTING -MEDICAL		$3,832		$3,832	
RECRUITING EXPENSES		$2,622		$2,622	
SAFETY EQUIPMENT -RISK MG		$515		$515	
GENERAL SUPPLIES WITHIN F		$41,240		$41,240	
POSTAGE		$4,389		$4,389	
MEDICAL SUPPLIES		$122		$122	
CLOTHING-UNIFORMS(REPLAC		$12,014	$9,612	$2,403	
SNOW CHAINS		$120		$120	
NATURAL GAS		$6,340		$6,340	
ELECTRICITY		$37,692		$37,692	
FUEL (GASOLINE)		$109,362		$109,362	
MACHINERY & EQUIPMENT ($3		$17,665	$16,492	$1,174	$0
TOOLS, PARTS AND LEASES <		$22,138	$20,662	$1,476	$0
FIRE EXTINGUISHERS		$424		$424	
FURNITURE AND FIXTURES		$3,554	$3,317	$237	$0
OPERATING TRANSFR OUT TO		$7,069		$7,069	
Total		$782,911	$51,681	$519,491	$211,738
Capital Expenditures					
Total					
Total Expenditures		**$9,246,363**	**$51,681**	**$3,293,728**	**$5,900,953**
Cost Plan Costs					
Citywide Overhead = 16.95% of direct salaries		$547,799		$547,799	
Total		$547,799		$547,799	
Total Alloc. Indirect Costs		**$9,794,162**	**$51,681**	**$3,841,527**	**$5,900,953**

ICRP RATE = 107.2%
(Rate is Based on Salaries)

$3,841,527 = Total Allowable Indirect Costs
$3,582,530 Total Direct Salaries

City of South Lake Tahoe
Police
Fiscal Year
2010-11

Name/Position	100% Admin. or Support Staff Annual Salary
Admin Assistant	$49,704
Dispatch Supervisor (2)	$123,192
Evidence Tech (2)	$109,392
Lieutenant (2)	$205,632
Police Chief	$135,720
Principle Comm. Services Officer	$56,436
Public Safety Dispatcher (6)	$307,872
Records Supervisor	$58,212
Senior Police Records Tech (2)	$92,832
Sergeant (4)	$335,280
Snr Community Services Officer (4)	$205,200

TOTAL INDIRECT SALARIES **$1,679,472**

10002110	POLICE ADMINISTRATION	ACTUAL FY 10-11
41015	REGULAR EMPLOYEES	$ 4,774,758.72
41020	TEMPORARY/PART-TIME EMPLOYEES	$ 72,278.26
41042	RETIREMENT PAYOUTS	$ 60,965.71
41108	CAR ALLOWANCE	$ 3,323.04
		$ 4,911,325.73
41040	OVERTIME	$ 350,676.31
		$ 350,676.31
41110	MEDICAL/DENTAL INSURANCE	$ 1,019,326.73
41111	VISION INSURANCE	$ 16,570.67
41112	LIFE INSURANCE	$ 8,796.55
41113	LONG TERM DISABILITY INSURANCE	$ 5,384.14
41114	SURVIVOR'S BENEFIT	$ 1,694.33
41116	PERS EMPLOYER PORTION	$ 1,438,007.38
41117	PERS EMPLOYEE PORTION/CITY PD	$ 204,798.12
41118	TUITION REIMBURSEMENT	$ 9,119.43
41119	UNEMPLOYMENT INSURANCE	$ 49,237.01
41120	WORKER'S COMPENSATION INSURNC	$ 327,609.03
41122	CANINE REIMBURSEMENT	$ 9,069.51
41128	MEDICARE-REGULAR EMPLOYEES	$ 75,823.50
41137	HRA EXPENSES/FUNDING	$ 15,559.97
41139	RMSA EXPENSE	$ 20,453.55
		$ 3,201,449.92
		$ 8,463,451.96
42010	OFFICIAL/ADMINISTRATIVE SVCS	$ 15,018.14
42020	PROFESSIONAL SERVICES	$ 26,050.58
42030	TECHNICAL SERVICES	$ 16,430.33
42040	SHOP -MOTOR POOL ONLY!!!	$ 139,742.55
43011	WATER/SEWER-UTILITIES	$ 3,757.05
43012	GARBAGE-UTILITY	$ 7,894.98
43025	REPAIR & MAINT OUTSIDE	$ 5,179.44
43026	LAUNDRY	$ 2,371.00
43042	RENTAL OF EQUIP & VEHICLES	$ 5,806.92
44016	RISK MGT-SELF INSUR.CLAIMS	$ 246.07
44018	RISK MGT -CITY PROPERT DAMAGE	$ 4,201.36
44020	COMMUNICATIONS	$ 26,926.85
44021	POLICE/FIRE WIRELESS	$ 13,439.07
44040	PRINTING & BINDING	$ 4,506.07
44046	PARKING CITATION EXP	$ 3,163.18
44050	TRAVEL (MEALS,HOTL,PERDIEM)	$ 3,871.24
44051	MILEAGE	$ -
44060	TRAINING/SEMINARS REGISTR,SUPP	$ 4,947.14
44070	MEMBERSHIPS-DUES-SUBSCRIPTIONS	$ 1,659.95
44080	POLICE OFFICERS STANDRD TRAIN	$ 46,137.11
44081	SLEDNET EXPENSE	$ 182,524.32
44082	TESTING -MEDICAL	$ 3,831.50
44085	RECRUITING EXPENSES	$ 2,622.03
44097	SAFETY EQUIPMENT -RISK MGMT	$ 514.88
45010	GENERAL SUPPLIES WITHIN FY	$ 41,240.30
45011	POSTAGE	$ 4,388.81
45014	MEDICAL SUPPLIES	$ 121.84
45016	CLOTHING-UNIFORMS(REPLACEMENT	$ 12,014.42
45020	SNOW CHAINS	$ 120.00
45021	NATURAL GAS	$ 6,339.67
45022	ELECTRICITY	$ 37,692.24
45024	FUEL (GASOLINE)	$ 109,361.81
46110	MACHINERY & EQUIPMENT ($3,000)	$ 17,605.27
46120	TOOLS, PARTS AND LEASES <$3000	$ 22,137.52
46121	FIRE EXTINGUISHERS	$ 424.08
46140	FURNITURE AND FIXTURES	$ 3,553.52
50001	OPERATING TRANSFR OUT TO GEN F	$ 7,069.40
		$ 782,910.64
	Total Police	$ 9,246,362.60

City of South Lake Tahoe
CITY WIDE OVERHEAD CALCULATION:
Based on Actual FY 2008-09 Data

Department	Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
City Council	$160,880	$160,880		
City Clerk	$324,345	$324,345		
City Attorney	$807,337		$807,337	
Risk Management	$350,928		$350,928	
City Manager	$522,053		$522,053	
Human Resources	$483,385		$483,385	
Accounting	$1,010,269		$1,010,269	
Treasurer	$23,539			$23,539
Purchasing	$214,027		$214,027	
Revenue Collection	$325,018			$325,018
Vacation Ordinance				
Information Systems	$528,807		$528,807	
Non-Departmental	$740,464		$740,464	
Homeland Security	$156,374			$156,374
Community Marketing	$112,500			$112,500
GFR Transfers	$4,875,012			$4,875,012
Rent & Leases	$198,616		$198,616	
Sustainable SLT	$46,266			$46,266
Police	$7,610,739			$7,610,739
Fire	$5,252,481			$5,252,481
Public Works & Engineering	$1,807,454			$1,807,454
Facility Maintenance	$219,442		$219,442	
Planning	$510,466			$510,466
Golf Course	$336,935			$336,935
Park Areas & Campgrounds	$417,483			$417,483
Beaches & Parks & Rec	$2,908,983			$2,908,983
Totals:	**$29,943,803**	**$485,225**	**$5,075,328**	**$24,383,250**

Total Allowable Indirect / Total City Expenditures = $5,075,328 / $29,943,803 = 16.95% city wide overhead rate based on dollars of total expenditure

Claim for Payment
INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS

For State Controller Use Only	
(19) Program Number: 00358	Program
(20) Date Filed ___/___/___	358
(21) LRS Input ___/___/___	

(01) Claimant Identification Number		9809886		(22) FORM 1, (04) A.1.g	
(02) Claimant Name		City of South Lake Tahoe		(23) FORM 1. (04) A.2.g	
Mailing Address		1901 Airport Road		(24) FORM 1, (04) B.1.g	
Street Address or P.O. Box		Suite 210		(25) FORM 1,(04.1) g	2080
City		South Lake Tahoe		(26) FORM 1,(04) B.2.f.1) g	
State	CA	Zip Code	96150-7004	(27) FORM 1, (04.2) g	

Type of Claim	Estimated Claim		Reimbursement Claim		
	(03) Estimated	☐	(09) Reimbursement	☐	(28) FORM 1, (04) B.3.a. g: 61975
	(04) Combined	☐	(10) Combined	☐	(29) FORM 1, (04) B.3.b. g: 541
	(05) Amended	☐	(11) Amended	X	(30) FORM 1, (04) B.4. g
					(31) FORM 1, (04) B.5. g
					(32) FORM 1, (04) B.6. g
					(33) FORM 1, (06): 93
					(34) FORM 1, (07): 35848
					(35) FORM 1, (09)
Fiscal Year of Cost	(06)		(12) 2011-12		(36) FORM 1, (10)
Total Claimed	(07)		(13) $100,443		
Less: 10% Late Penalty, but not to exceed $1,000 (if applicable)			(14) $3,542		
Less: Estimated Claim Payment Received			(15)		
Net Claimed Amount			(16) $96,901		
Due from State	(08)		(17) $96,901		
Due to State	(09)		(18)		

(38) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code Sections 17560 & 17561, I certify that I am the person authorized by the local agency to file claims with the State of California for mandated cost claims with the State of California for this program and I and certify under penalty of perjury that I have not violated any of the provisions of Article 4, Chapter 1 of Division 4 of Title 1 Government Code.

I further certify that there was no application for nor any grant or payment received, other that from the claimant, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all ocosts claimed are supported by source documentation currently maintained by the claimant.

The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of pergury of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Representative **Date**

MaryAnne Brand — Date Signed 7/6/15

MaryAnne Brand — Telephone Numbe (510) 542-6062

Financial Services Supervisor — Email Address mbrand@cityofslt.us

Name of Contact Person for Claim	Telephone Number	E-Mail Address
Annette S. Chinn (CRS)	*(916) 939-7901*	*AChinnCRS@aol.com*

INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS CLAIM SUMMARY

FORM 1

(01) Claimant	(02) Type of Claim	Fiscal Year
City of South Lake Tahoe	Reimbursement ☐	2011-12

Claim Statistics

(03) Department - POLICE	Number of Cases =	427

Direct Costs	Object Accounts					
(04) Reimbursable Components	(a) Salaries	(b) Benefits	(c & d) Services and Supplies	(e) Fixed Assets	(f) Travel and Training	(g) Total
A. ONE-TIME ACTIVITIES						
1. Policies and Procedures						
2. Training to implement ICAN						
B. ON-GOING ACTIVITIES						
1. Distribute Child Abuse Report (SS8572)						
2. Reporting between local departments						
2.a. Accept & refer reports when lacking jurisdiction						
2.b. Cross reporting from County to law enforcement						
2.c. Cross reporting from law enf. to county and DA	$1,236	$844				$2,080
2.d. Receipt of cross-reports by DA's office						
2.e. Report by phone & send to licensing agencies						
(04.1) Subtotal B.2 (a through e)	$1,236	$844				$2,080
2.f. Addnl cross reporting in case of child death						
1) Law enforcement cross report to Co. Welfare						
2) County Welfare department						
i. Cross rpt child death case to law enforcement						
ii. Created record in County CWS/CMS system						
ii. Enter info in CWS/CMS if death not abuse/nglct						
(04.2) Subtotal B.2 f. 2) (i through iii)						
3. Reporting to DOJ (see item 4 claiming instructions)						
a. Complete an investigation to prepare a report	$36,824	$25,151				$61,975
b. Prepare/submit/amend rpt for substantiated cases	$321	$219				$541
4. Notify suspected abuser they are in CACI						
5. Records retention post required period						
6. Provide due process procedures to those in CACI						
(05) TOTAL DIRECT COSTS	$38,381	$26,214				$64,595

Indirect Costs

(06) Indirect Cost Rate (applied to salaries)	(from ICRP) (Applied to Salaries)	93.4%
(07) Total Indirect Costs	Line (06) x line (05)(a) or line(06) x [line (05)(a) + line(05)(b)]	$35,848
(08) Total Direct and Indirect Costs	Line (05)(d) + line (07)	$100,443

Cost Reductions

(09) Less: Offsetting Savings, if applicable		
(10) Less: Other Reimbursements, if applicable		
(11) TOTAL CLAIMED AMOUNT	Line (08)- (line(09) + Line(10)]	**$100,443**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2011-12

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- [ ] Update Policies and Procedures & develop ICAN due process procedures
- [ ] Develop training to implement ICAN requirements

B. On-Going Costs

- [ ] 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)

2. Reporting Between Local Departments

- [ ] a. Accept & refer abuse report when a dept. lacks jurisdiction
- [ ] b. Cross-rept from Co. Welfare to law enforcement
- [x] c. Cross-report from Law Enforcement to Co Welfare &DA
- [ ] d. Receipt of cross report by DA
- [ ] e. Report by phone & send written report to licensing agency

f. Additional cross reporting in cases of child death

- [ ] 1) Police/Sheriff cross report all cases of child death to Co. Welfare

f. Additional cross-reporting in cases of death

2. County welfare department

- [ ] i. Cross report death cases to law enforcement
- [ ] ii. Create a record in the CWS.CMS system
- [ ] iii, Enter info in CWS/CMS if death not abuse

3. Reporting to DOJ

- [ ] a. Complete investigation to prepare a report
- [ ] b. Prepare/submit report for substantiated cases
- [ ] 4. Notify abuser they are reported to CACI
- [ ] 5. Mandated 8 yr record retention
- [ ] 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$25.79	68.3%	17.08	$440	$301				$741
Sergeant Report to the appropriate County Department and/or the District Attorney's Office as mandated.	$46.57	68.3%	17.08	$795	$543				$1,339
(05) Total			34.16	$1,236	$844				$2,080

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

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Records Techician	$25.79	68.3%	17.79	$459	$313				$772
Officer/Detective	$40.14	68.3%	864.68	$34,708	$23,706				$58,414
Sergeant	$46.57	68.3%	35.58	$1,657	$1,132				$2,789
Complete investigation to determine whether report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive (per PC 11165.12) for purposes of preparing & submitting Fomr SS 8583 and prepare report forms.									
(05) Total			918.05	$36,824	$25,151				$61,975

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe (02) Fiscal Year Costs Were Incurred: 2011-12

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

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- [ ] Develop training to implement ICAN requirements

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  - [ ] a. Accept & refer abuse report when a dept. lacks jurisdiction
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  - 3. Reporting to DOJ
    - [ ] a. Complete investigation to prepare a report
    - [X] b. Prepare/submit report for substantiated cases
  - [ ] 4. Notify abuser they are reported to CACI
  - [ ] 5. Mandated 8 yr record retention
  - [ ] 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$25.79	68.3%	5.88	$151	$103				$255
Officer/Detective	$40.14	68.3%	1.96	$79	$54				$132
Sergeant	$46.57	68.3%	1.96	$91	$62				$153
Prepare, review, approve, and forward reports of substantiated child abuse cases.									
(05) Total			9.79	$321	$219				$541

INDIRECT COST RATE PROPOSAL
City of South Lake Tahoe
Police
Fiscal Year
2011-12

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$4,513,498		$1,273,104	$3,240,394
Overtime		$382,246			$382,246
Benefits	68.3%	$3,081,348		$869,143	$2,212,205
Total		$7,977,092		$2,142,247	$5,834,844
Services & Supplies					
OFFICIAL/ADMINISTRATIVE SV		$14,054		$14,054	
PROFESSIONAL SERVICES		$33,169			$33,169
TECHNICAL SERVICES		$12,556		$12,556	
SHOP -MOTOR POOL ONLY!!!		$139,314		$139,314	
WATER/SEWER-UTILITIES		$4,960		$4,960	
GARBAGE-UTILITY		$8,504		$8,504	
DISPOSAL		$1,792		$1,792	
CUSTODIAL		$10,560		$10,560	
REPAIR & MAINT OUTSIDE		$6,005		$6,005	
LAUNDRY		$3,418		$3,418	
RENTAL OF EQUIP & VEHICLES		$5,179		$5,179	
RISK MGT-SELF INSUR.CLAIMS		$3,507		$3,507	
RISK MGT -CITY PROPERT DAI		$1,363		$1,363	
COMMUNICATIONS		$30,817		$30,817	
POLICE/FIRE WIRELESS		$2,804			$2,804
P.D. SPECIAL EVENT COSTS		$2,647			$2,647
CANINE MAINTENANCE COSTS		$6,993			$6,993
PRINTING & BINDING		$3,098		$3,098	
TRAVEL (MEALS,HOTL,PERDIE		$1,284		$1,284	
TRAINING/SEMINARS REGISTR		$1,551		$1,551	
MEMBERSHIPS-DUES-SUBSCR		$790	$790		
POLICE OFFICERS STANDRD T		$66,690		$66,690	
SLEDNET EXPENSE		$163,400		$163,400	
TESTING -MEDICAL		$2,877		$2,877	
SAFETY EQUIPMENT -RISK MG		$156		$156	
GENERAL SUPPLIES WITHIN F		$44,755		$44,755	
POSTAGE		$5,591		$5,591	
MEDICAL SUPPLIES		$135		$135	
AWARDS		$1,552		$1,552	
CLOTHING-UNIFORMS(REPLA(		$2,410		$2,410	
SNOW CHAINS					
NATURAL GAS		$5,090		$5,090	
ELECTRICITY		$33,638		$33,638	
FUEL (GASOLINE)		$109,333		$109,333	
MACHINERY & EQUIPMENT ($5		$10,374	$9,683	$692	$0
TOOLS, PARTS AND LEASES <		$26,065		$26,065	
FIRE EXTINGUISHERS					
SOFTWARE PURCHASES/UPGI		$1,503	$1,203	$301	$0
FURNITURE AND FIXTURES		$2,096	$1,797	$299	$0
OPERATING TRANSFR OUT TC		$5,194		$5,194	
Total		$775,224	$13,472	$716,139	$45,614
Capital Expenditures					
Total					
Total Expenditures		**$8,752,316**	**$13,472**	**$2,858,386**	**$5,880,458**
Cost Plan Costs					
Citywide Overhead = 18.24% of direct salaries		$526,240		$526,240	
Total		$526,240		$526,240	
Total Alloc. Indirect Costs		**$9,278,556**	**$13,472**	**$3,384,626**	**$5,880,458**

ICRP RATE = **93.4%**
(Rate is Based on Salaries)

$3,384,626 = Total Allowable Indirect Costs
$3,622,639 Total Direct Salaries

City of South Lake Tahoe

Police

Fiscal Year
2011-12

Name/Position	100% Admin. or Support Staff Annual Salary
Admin Assistant	$49,704
Dispatch Supervisor (2)	$123,192
Evidence Tech	$60,156
Lieutenant (2)	$205,632
Police Chief (50%)	$67,860
Public Safety Dispatcher (6)	$307,872
Records Supervisor	$58,212
Senior Police Records Tech (2)	$46,416
Sergeant (3)	$251,460
Snr Community Services Officer (2)	$102,600

POLICE (10002110-10002180)			ACTUAL FY 11-12
41015	REGULAR EMPLOYEES	$	4,447,831.37
41020	TEMPORARY/PART-TIME EMPLOYEES	$	65,666.44
		$	**4,513,497.81**
41040	OVERTIME	$	382,245.64
		$	**382,245.64**
41042	RETIREMENT PAYOUTS	$	114,235.00
41110	MEDICAL/DENTAL INSURANCE	$	913,572.58
41111	VISION INSURANCE	$	15,837.32
41112	LIFE INSURANCE	$	8,310.59
41113	LONG TERM DISABILITY INSURANCE	$	4,007.76
41114	SURVIVOR'S BENEFIT	$	1,525.83
41116	PERS EMPLOYER PORTION	$	1,474,335.58
41117	PERS EMPLOYEE PORTION/CITY PD	$	43,905.52
41118	TUITION REIMBURSEMENT	$	20,647.74
41119	UNEMPLOYMENT INSURANCE	$	75,508.00
41120	WORKER'S COMPENSATION INSURNC	$	310,986.83
41128	MEDICARE-REGULAR EMPLOYEES	$	72,914.68
41137	HRA EXPENSES/FUNDING	$	4,661.95
41139	RMSA EXPENSE	$	20,898.83
		$	**3,081,348.21**
		$	7,977,091.66
42010	OFFICIAL/ADMINISTRATIVE SVCS	$	14,053.65
42020	PROFESSIONAL SERVICES	$	33,168.80
42030	TECHNICAL SERVICES	$	12,556.49
42040	SHOP -MOTOR POOL ONLY!!!	$	139,314.34
43011	WATER/SEWER-UTILITIES	$	4,960.38
43012	GARBAGE-UTILITY	$	8,503.62
43021	DISPOSAL	$	1,792.00
43023	CUSTODIAL	$	10,560.00
43025	REPAIR & MAINT OUTSIDE	$	6,005.05
43026	LAUNDRY	$	3,417.59
43042	RENTAL OF EQUIP & VEHICLES	$	5,179.20
44016	RISK MGT-SELF INSUR.CLAIMS	$	3,507.21
44018	RISK MGT -CITY PROPERT DAMAGE	$	1,362.88
44020	COMMUNICATIONS	$	30,817.32
44021	POLICE/FIRE WIRELESS	$	2,804.24
44022	P.D. SPECIAL EVENT COSTS	$	2,647.31
44023	CANINE MAINTENANCE COSTS	$	6,993.25
44040	PRINTING & BINDING	$	3,098.32
44050	TRAVEL (MEALS,HOTL,PERDIEM)	$	1,284.09
44060	TRAINING/SEMINARS REGISTR,SUPP	$	1,551.12
44070	MEMBERSHIPS-DUES-SUBSCRIPTIONS	$	790.00
44080	POLICE OFFICERS STANDRD TRAIN	$	66,689.64
44081	SLEDNET EXPENSE	$	163,400.42
44082	TESTING -MEDICAL	$	2,876.76
44097	SAFETY EQUIPMENT -RISK MGMT	$	155.64
45010	GENERAL SUPPLIES WITHIN FY	$	44,754.88
45011	POSTAGE	$	5,590.88
45014	MEDICAL SUPPLIES	$	134.65
45015	AWARDS	$	1,551.61
45016	CLOTHING-UNIFORMS(REPLACEMEN	$	2,409.82
45020	SNOW CHAINS	$	-
45021	NATURAL GAS	$	5,090.24
45022	ELECTRICITY	$	33,637.65
45024	FUEL (GASOLINE)	$	109,333.04
46110	MACHINERY & EQUIPMENT ($5,000)	$	10,374.40
46120	TOOLS, PARTS AND LEASES <$5000	$	26,065.17
46121	FIRE EXTINGUISHERS	$	-
46122	SOFTWARE PURCHASES/UPGRADES	$	1,503.15
46140	FURNITURE AND FIXTURES	$	2,095.97
50001	OPERATING TRANSFR OUT TO GEN F	$	5,193.51
		$	**775,224.29**
	Total Police	$	**8,752,315.95**

City of South Lake Tahoe
CITY WIDE OVERHEAD CALCULATION:
Based on Actual FY 2012-13 Data

Department	Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
City Council	$187,355	$187,355		
City Clerk	$375,107	$119,932	$255,175	
City Attorney	$966,382		$966,382	
Risk Management	$331,982		$331,982	
City Manager	$411,621		$411,621	
Human Resources	$326,577		$326,577	
Accounting	$741,972		$741,972	
Treasurer	$28,782			$28,782
Purchasing	$60,514		$60,514	
Revenue Collection	$357,521			$357,521
Vacation Ordinance				
Information Systems	$483,909		$483,909	
Non-Departmental	$794,460		$794,460	
Emergency Perp	$5,231			$5,231
Community Marketing	$141,579			$141,579
GFR Transfers	$7,323,107			$7,323,107
Rent & Leases	$277,140		$277,140	
Sustainable SLT	$38,840			$38,840
Police	$8,103,766			$8,103,766
Fire	$4,586,369			$4,586,369
Public Works & Engineering	$2,407,933			$2,407,933
Facility Maintenance	$400,265		$400,265	
Planning	$448,713			$448,713
Golf Course	$215,894			$215,894
Park Areas & Campgrounds	$501,743			$501,743
Beaches & Parks & Rec	$1,582,745			$1,582,745
Totals:	**$31,099,507**	**$307,287**	**$5,049,997**	**$25,742,223**

Total Allowable Indirect / Total City Expenditures = $5,049,997 / $31,099,507 = 16.24% city wide overhead rate based on dollars of total expenditure

SECTION 12

Certifications

12. CLAIM CERTIFICATION

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

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

Olga Tikhomirova	Acting Finance Director
Print or Type Name of Authorized Local Agency or School District Official	Print or Type Title
O. Tikhomirova	3/15/2021
Signature of Authorized Local Agency or School District Official	Date

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

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 June 24, 2021, I served the:

- **Notice of Complete Incorrect Reduction Claim, Schedule for Comments, and Notice of Tentative Hearing Date issued June 24, 2021**
- **Incorrect Reduction Claim (IRC) filed by the City of South Lake Tahoe on May 13, 2021**

  Interagency Child Abuse and Neglect Investigation Reports (ICAN), 20-0022-I-02
  Penal Code Sections 11165.9, 11166, 11166.2, 11166.9[1], 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapters 1289 and 1496; Statutes 1987, Chapters 82, 531, and 1459; Statutes 1988, Chapters 269, 1497, and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapters 650, 1330, 1363, 1603; Statutes 1992, Chapters 163, 459, and 1338; Statutes 1993, Chapters 219 and 510; Statutes 1996, Chapters 1080 and 1081; Statutes 1997, Chapters 842, 843, and 844; Statutes 1999, Chapters 475 and 1012; and Statutes 2000, Chapter 916; California Code of Regulations, Title 11, Section 903 (Register 98, Number 29); "Child Abuse Investigation Report" Form SS 8583 (Rev. 3/91)
  Fiscal Years: 1999-2000, 2000-2001, 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2005-2006, 2006-2007, 2007-2008, 2008-2009, 2009-2010, 2010-2011, and 2011-2012
  City of South Lake Tahoe, 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 June 24, 2021 at Sacramento, California.

Jill L. Magee
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814
(916) 323-3562

[1] Renumbered as Penal Code section 11174.34 (Stats. 2004, ch. 842 (SB 1313)).

COMMISSION ON STATE MANDATES

Mailing List

Last Updated: 5/27/21

Claim Number: 20-0022-I-02

Matter: Interagency Child Abuse and Neglect Reports (ICAN)

Claimant: City of South Lake Tahoe

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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Claimant Contact
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Phone: (530) 542-7431
otikhomirova@cityofslt.us

RECEIVED
February 16, 2022
Commission on State Mandates

LATE FILING

Exhibit B

BETTY T. YEE
California State Controller

February 16, 2022

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

Re: Incorrect Reduction Claim
Interagency Child Abuse and Neglect (ICAN), 20-0022-I-02
Penal Code Sections 11165.9, 11166, 11166.2, 11166.91, 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapters 1289 and 1496; Statutes 1987, Chapters 82, 531, and 1459; Statutes 1988, Chapters 269, 1497, and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapters 650, 1330, 1363, 1603; Statutes 1992, Chapters 163, 459, and 1338; Statutes 1993, Chapters 219 and 510; Statutes 1996, Chapters 1080 and 1081; Statutes 1997, Chapters 842, 843, and 844; Statutes 1999, Chapters 475 and 1012; and Statutes 2000, Chapter 916; California Code of Regulations, Title 11, Section 903 (Register 98, Number 29); "Child Abuse Investigation Report" Form SS 8583 (Rev. 3/91)
Fiscal Years: 1999-2000, 2000-01, 2001-02, 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, and 2011-12
City of South Lake Tahoe, Claimant

Dear Ms. Halsey:

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

If you have any questions, please contact me by telephone at (916) 327-3138.

Sincerely,

Lisa Kurokawa

LISA KUROKAWA, Chief
Compliance Audits Bureau
Division of Audits

LK/ac

20894

P.O. Box 942850, Sacramento, CA 94250 ♦ (916) 445-2636
3301 C Street, Suite 700, Sacramento, CA 95816 ♦ (916) 324-8907
901 Corporate Center Drive, Suite 200, Monterey Park, CA 91754 ♦ (323) 981-6802

RESPONSE BY THE STATE CONTROLLER'S OFFICE TO THE INCORRECT REDUCTION CLAIM (IRC) BY THE CITY OF SOUTH LAKE TAHOE

Interagency Child Abuse and Neglect Investigation Reports Program

Table of Contents

Description **Page**

State Controller's Office Response to City Comments

Declaration ..... Tab 1

State Controller's Office Analysis and Response ..... Tab 2

Commission on State Mandates' Statement of Decision and Parameters and Guidelines, Interagency Child Abuse and Neglect Investigation Reports Program, December 6, 2013 ..... Tab 3

Revised Suspected Child Abuse Report (SCAR) Summary Statistics Report provided by claimant. .. Tab 4

FY 2010-11 – Case # 1010 – 0549 (CONFIDENTIAL) provided by claimant ..... Tab 5

City of South Lake Tahoe – Duty Statements provided by claimant ..... Tab 6

Title 2, Code of Federal Regulations, Part 225 (Office of Management Budget Circular A-87) ..... Tab 7

Note: References to Exhibits relate to the city's Incorrect Reduction Claim filed on May 13, 2021, as follows:

- Section 7 – Written Detailed Narrative – PDF pages 3-15
- Section 8 – Documentary Evidence and Declarations – PDF pages 17-19
- Exhibit A – Original Information provided to SCO Auditor – PDF pages 22-38
- Exhibit B – Additional Analysis of Time Component Based on 2015 Time Study – PDF pages 41-59
- Exhibit C – Auditor Work Paper Analysis Documents – PDF pages 61-70
- Exhibit D – A Guide to Reporting Child Abuse to the California Department of Justice – PDF pages 72-95
- Exhibit E – Case File Documentation – PDF pages 97-154
- Exhibit F – Commission on State Mandates' Statement of Decision and Parameters and Guidelines, Interagency Child Abuse and Neglect Investigation Reports Program, December 6, 2013 – PDF pages 156-250
- Exhibit G – City of South Lake Tahoe – Duty Statements/Class Specification Bulletin – PDF pages 252-256
- Exhibit H – Internet Documents for Clerical – PDF pages 258-261
- Exhibit I – SCO's Mandated Cost Claiming Instructions (July 1, 2015) – PDF pages 263-282
- Exhibit J – Title 2, Code of Federal Regulations (Office of Management and Budget Circular – PDF pages 284-428
- Section 9 - Exhibit 1 – SCO's Mandated Cost Claiming Instructions (April 28, 2014) – PDF pages 431-459
- Section 10 - Exhibit 2 –SCO's Final Audit Report (May 21, 2018) – PDF pages 462-517
- Section 11 - Exhibit 3 –City of South Lake Tahoe Reimbursement Claims for the Audit Period – PDF pages 520-640

Tab 1

OFFICE OF THE STATE CONTROLLER
3301 C Street, Suite 725
Sacramento, CA 95816
Telephone No.: (916) 327-3138

BEFORE THE

COMMISSION ON STATE MANDATES

STATE OF CALIFORNIA

INCORRECT REDUCTION CLAIM (IRC) ON: *Interagency Child Abuse and Neglect Investigation Reports Program* Penal Code Sections 11165.9, 11166, 11166.2, 11166.91, 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapters 1289 and 1496; Statutes 1987, Chapters 2, 531, and 1459; Statutes 1988, Chapters 269, 1497, and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapters 650, 1330, 1363, 1603; Statutes 1992, Chapters 163, 459, and 1338; Statutes 1993, Chapters 219 and 510; Statutes 1996, Chapters 1080 and 1081; Statutes 1997, Chapters 842, 843, and 844; Statutes 1999, Chapters 475 and 1012; and Statutes 2000, Chapter 916; California Code of Regulations, Title 11, Section 903 (Register 98, Number 29); Child Abuse Investigation Report Form SS 8583 (Rev. 3/91) CITY OF SOUTH LAKE TAHOE, Claimant	No.: IRC 20-0022-I-02 AFFIDAVIT OF BUREAU CHIEF

I, Lisa Kurokawa, make the following declarations:

1) I am an employee of the State Controller's Office (SCO) and am over the age of 18 years.

2) I am currently employed as a bureau chief, and have been so since February 15, 2018. Before that, I was employed as an audit manager for seven years.

3) I reviewed the work performed by the SCO auditor.

4) Any attached copies of records are true copies of records, as provided by the City of South Lake Tahoe, or retained at our place of business.

5) The records include claims for reimbursement, along with any attached supporting documentation, explanatory letters, or other documents relating to the above-entitled Incorrect Reduction Claim.

6) A review of the claims filed for fiscal year (FY) 1999-2000, FY 2000-01, FY 2001-02, FY 2002-03, FY 2003-04, FY 2004-05, FY 2005-06, FY 2006-07, FY 2007-08, FY 2008-09, FY 2009-10, FY 2010-11, and FY 2011-12 started on October 14, 2016 (entrance start letter date), and ended on May 21, 2018 (issuance of the final audit report).

I do declare that the above declarations are made under penalty of perjury and are true and correct to the best of my knowledge, and that such knowledge is based on personal observation, information, or belief.

Date: February 16, 2022

OFFICE OF THE STATE CONTROLLER

By:

Lisa Kurokawa, Chief
Compliance Audits Bureau
Division of Audits
State Controller's Office

Tab 2

STATE CONTROLLER'S OFFICE ANALYSIS AND RESPONSE TO THE INCORRECT REDUCTION CLAIM BY CITY OF SOUTH LAKE TAHOE

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

Interagency Child Abuse and Neglect Investigation Reports Program
Penal Code Sections 11165.9, 11166, 11166.2, 11166.91, 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapters 1289 and 1496; Statutes 1987, Chapters 82, 531, and 1459; Statutes 1988, Chapters 269, 1497, and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapters 650, 1330, 1363, 1603; Statutes 1992, Chapters 163, 459, and 1338; Statutes 1993, Chapters 219 and 510; Statutes 1996, Chapters 1080 and 1081; Statutes 1997, Chapters 842, 843, and 844; Statutes 1999, Chapters 475 and 1012; and Statutes 2000, Chapter 916; California Code of Regulations, Title 11, Section 903 (Register 98, Number 29); "Child Abuse Investigation Report" Form SS 8583 (Rev. 3/91)

SUMMARY

The following is the State Controller's Office's (SCO) response to the Incorrect Reduction Claim (IRC) that the City of South Lake Tahoe (City) submitted on May 13, 2021. The SCO performed an audit of the City's claims for costs of the legislatively mandated Interagency Child Abuse and Neglect Investigation Reports Program for the period of July 1, 1999, through June 30, 2012. The SCO issued its audit report on May 21, 2018 **(Section 10 – Exhibit 2 – pages 462-517).**

The City submitted reimbursement claims totaling $1,505,262—$41,826 for fiscal year (FY) 1999-2000, $50,456 for FY 2000-01, $54,747 for FY 2001-02, $82,086 for FY 2002-03, $89,251 for FY 2003-04, $97,914 for FY 2004-05, $107,032 for FY 2005-06, $121,565 for FY 2006-07, $119,724 for FY 2007-08, $164,803 for FY 2008-09, $242,544 for FY 2009-10, $232,871 for FY 2010-11, and $100,443 for FY 2011-12 (**Section 11 – Exhibit 3 – pages 520-640**). Subsequently, the SCO performed an audit of these claims and determined that $239,395 is allowable and $1,265,867 is unallowable because the City overstated the number of Suspected Child Abuse Reports (SCARs) cross-reported, overstated the number of SCARs investigated, misstated productive hourly rates, and overstated indirect cost rates.

The following table summarizes the audit results:

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment
July 1, 1999, through June 30, 2000			
Direct costs – salaries and benefits:			
Prepare policies and procedures	$ 146	$ 146	$ -
Train staff	192	192	-
Reporting between local departments			
Cross-reporting to county welfare and DA's Office	559	559	-
Reporting to DOJ			
Complete an investigation	29,629	5,595	(24,034)
Prepare and submit reports to DOJ	333	333	-
Total direct costs	30,859	6,825	(24,034)
Indirect costs	10,967	1,317	(9,650)
Total program costs[1]	$ 41,826	8,142	$ (33,684)
Less amount paid by the State[2]		-	
Allowable costs claimed in excess of amount paid		$ 8,142	
July 1, 2000, through June 30, 2001			
Direct costs – salaries and benefits:			
Reporting between local departments			
Cross-reporting to county welfare and DA's Office	$ 642	$ 642	$ -
Reporting to DOJ			
Complete an investigation	34,031	6,319	(27,712)
Prepare and submit reports to DOJ	382	382	-
Total direct costs	35,055	7,343	(27,712)
Indirect costs	15,401	1,991	(13,410)
Total program costs[1]	$ 50,456	9,334	$ (41,122)
Less amount paid by the State[2]		-	
Allowable costs claimed in excess of amount paid		$ 9,334	
July 1, 2001, through June 30, 2002			
Direct costs – salaries and benefits:			
Reporting between local departments			
Cross-reporting to county welfare and DA's Office	$ 668	$ 668	$ -
Reporting to DOJ			
Complete an investigation	35,406	6,735	(28,671)
Prepare and submit reports to DOJ	432	432	-
Total direct costs	36,506	7,835	(28,671)
Indirect costs	18,241	2,900	(15,341)
Total program costs[1]	$ 54,747	10,735	$ (44,012)
Less amount paid by the State[2]		-	
Allowable costs claimed in excess of amount paid		$ 10,735	

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment
July 1, 2002, through June 30, 2003			
Direct costs – salaries and benefits:			
Reporting between local departments			
Cross-reporting to county welfare and DA's Office	$ 843	$ 843	$ -
Reporting to DOJ			
Complete an investigation	50,920	7,824	(43,096)
Prepare and submit reports to DOJ	670	670	-
Total direct costs	52,433	9,337	(43,096)
Indirect costs	29,653	3,969	(25,684)
Total program costs[1]	$ 82,086	13,306	$ (68,780)
Less amount paid by the State[2]		-	
Allowable costs claimed in excess of amount paid		$ 13,306	
July 1, 2003, through June 30, 2004			
Direct costs – salaries and benefits:			
Reporting between local departments			
Cross-reporting to county welfare and DA's Office	$ 901	$ 901	$ -
Reporting to DOJ			
Complete an investigation	55,447	6,808	(48,639)
Prepare and submit reports to DOJ	572	572	-
Total direct costs	56,920	8,281	(48,639)
Indirect costs	32,331	3,368	(28,963)
Total program costs[1]	$ 89,251	11,649	$ (77,602)
Less amount paid by the State[2]		-	
Allowable costs claimed in excess of amount paid		$ 11,649	
July 1, 2004, through June 30, 2005			
Direct costs – salaries and benefits:			
Reporting between local departments			
Cross-reporting to county welfare and DA's Office	$ 983	$ 983	$ -
Reporting to DOJ			
Complete an investigation	59,885	9,349	(50,536)
Prepare and submit reports to DOJ	613	613	-
Total direct costs	61,481	10,945	(50,536)
Indirect costs	36,433	4,678	(31,755)
Total program costs[1]	$ 97,914	15,623	$ (82,291)
Less amount paid by the State[2]		-	
Allowable costs claimed in excess of amount paid		$ 15,623	

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment
July 1, 2005, through June 30, 2006			
Direct costs – salaries and benefits:			
Reporting between local departments			
Cross-reporting to county welfare and DA's Office	$ 1,063	$ 1,063	$ -
Reporting to DOJ			
Complete an investigation	63,218	10,468	(52,750)
Prepare and submit reports to DOJ	829	829	-
Total direct costs	65,110	12,360	(52,750)
Indirect costs	41,922	5,204	(36,718)
Total program costs[1]	$ 107,032	17,564	$ (89,468)
Less amount paid by the State[2]		-	
Allowable costs claimed in excess of amount paid		$ 17,564	
July 1, 2006, through June 30, 2007			
Direct costs – salaries and benefits:			
Reporting between local departments			
Cross-reporting to county welfare and DA's Office	$ 1,202	$ 1,202	$ -
Reporting to DOJ			
Complete an investigation	70,608	11,269	(59,339)
Prepare and submit reports to DOJ	869	869	-
Total direct costs	72,679	13,340	(59,339)
Indirect costs	48,886	5,250	(43,636)
Total program costs[1]	$ 121,565	18,590	$ (102,975)
Less amount paid by the State[2]		-	
Allowable costs claimed in excess of amount paid		$ 18,590	
July 1, 2007, through June 30, 2008			
Direct costs – salaries and benefits:			
Reporting between local departments			
Cross-reporting to county welfare and DA's Office	$ 1,237	$ 1,237	$ -
Reporting to DOJ			
Complete an investigation	68,669	11,255	(57,414)
Prepare and submit reports to DOJ	852	852	-
Total direct costs	70,758	13,344	(57,414)
Indirect costs	48,966	5,599	(43,367)
Total program costs[1]	$ 119,724	18,943	$ (100,781)
Less amount paid by the State[2]		-	
Allowable costs claimed in excess of amount paid		$ 18,943	

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment
July 1, 2008, through June 30, 2009			
Direct costs – salaries and benefits:			
Reporting between local departments			
Cross-reporting to county welfare and DA's Office	$ 1,641	$ 1,641	$ -
Reporting to DOJ			
Complete an investigation	94,122	6,877	(87,245)
Prepare and submit reports to DOJ	834	834	-
Total direct costs	96,597	9,352	(87,245)
Indirect costs	68,206	3,563	(64,643)
Total program costs[1]	$ 164,803	12,915	$ (151,888)
Less amount paid by the State[2]		-	
Allowable costs claimed in excess of amount paid		$ 12,915	
July 1, 2009, through June 30, 2010			
Direct costs – salaries and benefits:			
Reporting between local departments			
Cross-reporting to county welfare and DA's Office	$ 2,172	$ 2,172	$ -
Reporting to DOJ			
Complete an investigation	128,540	29,841	(98,699)
Prepare and submit reports to DOJ	982	982	-
Total direct costs	131,694	32,995	(98,699)
Indirect costs	110,850	16,186	(94,664)
Total program costs[1]	$ 242,544	49,181	$ (193,363)
Less amount paid by the State[2]		-	
Allowable costs claimed in excess of amount paid		$ 49,181	
July 1, 2010, through June 30, 2011			
Direct costs – salaries and benefits:			
Reporting between local departments			
Cross-reporting to county welfare and DA's Office	$ 9,164	$ 1,975	$ (7,189)
Reporting to DOJ			
Complete an investigation	131,069	22,689	(108,380)
Prepare and submit reports to DOJ	994	994	-
Total direct costs	141,227	25,658	(115,569)
Indirect costs	91,644	9,025	(82,619)
Total program costs[1]	$ 232,871	34,683	$ (198,188)
Less amount paid by the State[2]		-	
Allowable costs claimed in excess of amount paid		$ 34,683	

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment
July 1, 2011, through June 30, 2012			
Direct costs – salaries and benefits:			
Reporting between local departments			
Cross-reporting to county welfare and DA's Office	$ 2,080	$ 2,080	$ -
Reporting to DOJ			
Complete an investigation	61,975	11,026	(50,949)
Prepare and submit reports to DOJ	540	540	-
Total direct costs	64,595	13,646	(50,949)
Indirect costs	35,848	5,084	(30,764)
Total program costs[1]	$ 100,443	18,730	$ (81,713)
Less amount paid by the State[2]		-	
Allowable costs claimed in excess of amount paid		$ 18,730	
Summary: July 1, 1999, through June 30, 2012			
Direct costs – salaries and benefits:			
Prepare policies and procedures	$ 146	$ 146	$ -
Train staff	192	192	-
Reporting between local departments			
Cross-reporting to county welfare and DA's Office	23,155	15,966	(7,189)
Reporting to DOJ			
Complete an investigation	883,519	146,055	(737,464)
Prepare and submit reports to DOJ	8,902	8,902	-
Total direct costs	915,914	171,261	(744,653)
Indirect costs	589,348	68,134	(521,214)
Total program costs[1]	$ 1,505,262	239,395	$ (1,265,867)
Less amount paid by the State[2]		-	
Allowable costs claimed in excess of amount paid		$ 239,395	

1 The city's claims for FY 1999-2000 through FY 2011-12 are initial reimbursement claims and were filed on time on July 15, 2014. The city then submitted an amended claim for FY 1999-2000 through FY 2011-12 on July 15, 2015. As the amended claims were filed after the filing deadline specified within the SCO's claiming instructions, they were subject to the late penalty as specified in GC section 17561, subdivision (d)(3), equal to 10% of the total amount of the initial claim without limitation. However, the allowable audited costs for each year of the audit period (FY 1999-2000 through FY 2011-12) are less than the amount originally claimed for each of these years. Therefore, a late penalty is no longer applicable to the city's claims.

2 Payment amount is current as of September 20, 2021.

I. INTERAGENCY CHILD ABUSE AND NEGLECT INVESTIGATION REPORTS PROGRAM CRITERIA

Adopted Parameters and Guidelines–December 6, 2013

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

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

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

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

The Act, as amended, provides for reporting of suspected child abuse or neglect by certain individuals, identified by their profession as having frequent contact with children. The Act provides rules and procedures for local agencies, including law enforcement, that receive such reports. The Act provides for cross-reporting among law enforcement and other child protective agencies, and to licensing agencies and District Attorney's (DA) offices. The Act requires reporting to the DOJ when a report of suspected child abuse is "not unfounded." The Act requires an active investigation before a report can be forwarded to the DOJ. As of January 1, 2012, the Act no longer requires law enforcement agencies to report to the DOJ, and now requires reporting only of "substantiated" reports by other agencies. The Act imposes additional cross-reporting

and record-keeping duties in the event of a child's death from abuse or neglect. The Act requires agencies and the DOJ to keep records of investigations for a minimum of 10 years, and to notify suspected child abusers that they have been listed in the CACI. The Act imposes certain due process protections owed to persons listed in the CACI, and provides certain other situations in which a person would be notified of his or her listing in the CACI.

On December 19, 2007, the Commission on State Mandates (Commission) adopted a Statement of Decision **(Exhibit F, pages 156-250)** finding that the test claim statutes impose a partially reimbursable state-mandated program upon local agencies within the meaning of Article XIII B, section 6 of the California Constitution and Government Code (GC) section 17514. The Commission approved the test claim for the reimbursable activities described in the program's parameters and guidelines, section IV, performed by city and county police or sheriff's departments, county welfare departments, county probation departments designated by the county to receive mandated reports, DA's offices, and county licensing agencies. The Commission outlined reimbursable activities relating to the following categories:

- Distributing the SCAR form;
- Reporting between local departments;
- Reporting to the DOJ;
- Providing notifications following reports to the CACI;
- Retaining records; and
- Complying with due process procedures offered to persons listed in the CACI.

The program's parameters and guidelines **(Exhibit F, pages 156-250)** establish the State mandate and define the reimbursement criteria. The Commission adopted the parameters and guidelines on December 6, 2013. In compliance with GC section 17558, the SCO issues claiming instructions to assist local agencies in claiming mandated program reimbursable costs.

SCO Claiming Instructions

The SCO annually issues mandated cost claiming instructions, which contain filing instructions for mandated cost programs. The April 28, 2014 claiming instructions **(Section 9 – Exhibit 1, pages 431-459)** are believed to be, for the purposes and scope of the audit period, substantially similar to the version extant at the time the City filed its FY 1999-2000, FY 2000-01, FY 2001-02, FY 2002-03, FY 2003-04, FY 2004-05, FY 2005-06, FY 2006-07, FY 2007-08, FY 2008-09, FY 2009-10, FY 2010-11, and FY 2011-12 mandated cost claims.

II. MISINTERPREATION OF ELIGIBLE ACTIVITES

(Finding 2 – Unallowable salaries and benefits – Reporting to the State Department of Justice: Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component)

The SCO determined that the City overstated costs by $737,464 for the Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component for the audit period **(Section 10 – Exhibit 2, page 480)**. The costs were unallowable because the City overstated the number of Suspected Child Abuse Reports (SCARs) investigated, estimated time increments, and misstated the productive hourly rates (PHRs) for the Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component. The City does not dispute the misstated PHRs relating to this cost component.

Issue 1: Audit Finding 2 – SCO determination of Ineligibility of ALL Law Enforcement Agency generated cases

In an IRC filed on May 13, 2021, the City disagreed with the SCO's determination that the SCARs initiated and investigated by the City of South Lake Tahoe Police Department (Law Enforcement Agency [LEA]) as the mandated reporter were ineligible for reimbursement for the Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component **(Section 7 – page 3)**.

SCO's Analysis:

The SCO determined that investigative costs claimed by the City for SCARs initiated and investigated by the LEA as the mandated reporter were ineligible for reimbursement. The City believes the SCO's determination is an excessively narrow interpretation of the program's parameters and guidelines.

Section IV – B.3.a(1)(ii) of the parameters and guidelines states, in part:

> ***Reimbursement is not required in the following circumstances:***
>
> > In the event that the mandated reporter is employed by the same child protective agency required to investigate and submit the "Child Abuse Investigation Report" Form SS 8583 or subsequent designated form to the Department of Justice, pursuant to Penal Code section 11169(a), reimbursement is not required if the investigation required to complete the Form SS 8572 is also sufficient to make the determination required under section 11169(a), and sufficient to complete the essential information items required on the Form SS 8583, pursuant to Code of Regulations, title 11, section 903 (Register 98, No. 29).

The City believes that the level of investigation required to complete the SCAR Form SS 8572 was not sufficient to make a determination on whether the case was unfounded, substantiated, or inconclusive, or to complete the necessary information in the SS 8583 Report Form. The City requested that the SCO reassess and allow 10 LEA-generated SCAR cases, which would increase the percentage of eligible SCAR cases investigated. Also, the City believes that it should be reimbursed for LEA-generated SCAR cases that identify interviews that involve more than one party.

Following are the 10 LEA-generated SCAR cases the City believes should be reassessed and included in the percentage of eligible SCAR cases investigated **(Section 10 – Exhibit 2 – page 492)**:

FY 2008-09	FY 2009-10	FY 2010-11
0810-0181	0907-2506	1009-1848
0810-1766*	0909-2714	1010-0549
0904-0493		1104-1560
1003-1190		1106-2117

* Case number 0801-1766

During audit fieldwork, we reviewed the case file documentation that was provided for the 10 LEA-generated SCAR cases. Based on our review, we found the following **(Exhibit C – pages 62-70)**:

FY 2008-09 (Exhibit C – pages 62 and 63)

- Case Number 0810-0181: LEA-generated SCAR case. No SCAR on file. Father accused of hitting his daughter. The LEA spoke with victim, mother, and suspect. Allegations of child abuse was unfounded.

- Case Number 0810-1766 (Case Number 0801-1766 was transposed in the auditee's response identified in the final audit report and should be as noted): LEA-generated SCAR case. No SCAR on file. Father accused of beating his son. The LEA spoke with victim, suspect, and witness. Allegations of child abuse were unfounded.

- Case Number 0904-0493: LEA-generated SCAR case. No SCAR on file. Father accused of child abuse. The LEA spoke to the victim, suspect, victim's mother, and victim's sister. Supplemental report written at the request of the DA's Office. Allegations of child abuse were not confirmed.

- Case Number 1003-1190: LEA-generated SCAR case. No SCAR on file. Grandfather touched granddaughter's private parts. The LEA spoke with a Women's Center Advocate, mother, victim, and suspect. Allegations of sexual abuse were substantiated. The SS 8583 Report Form was on file.

FY 2009-10 (Exhibit C – pages 64-67)

- Case Number 0907-2506: LEA-generated SCAR case. No SCAR on file. Male accused of hitting stepsons. The LEA spoke to mother, victim (1 and 2), siblings, and suspect. Arrest made. The SS 8583 Report Form was not on file.

- Case Number 0909-2714: LEA-generated SCAR case. No SCAR on file. A father reported that his daughter and a female cousin may have been sexually abused by a male cousin. LEA spoke to mother, mother's sister, father, victim (1 and 2), and suspect. Allegations of sexual abuse substantiated. The SS 8583 Report Form was not on file.

FY 2010-11 (Exhibit C – pages 68-70)

- Case Number 1009-1848: LEA-generated SCAR case. No SCAR on file. Father who lives out of jurisdiction requests welfare check on his children. LEA checks residence and school and children are not located. Case is forwarded to CPS for follow up.

- Case Number 1010-0549: LEA-generated SCAR case occurrence date October 7, 2010. SCAR on file completed on October 8, 2010. Older brother sexually assaulted younger brother. The LEA spoke to the mother, father, victim, suspect, and older sister. Allegations of sexual abuse substantiated. No SS 8583 Report Form on file.

- Case Number 1104-1560: LEA-generated SCAR case. No SCAR on file. Father reported that mother physically abused son. Allegations of child abuse were substantiated. No SS 8583 Report Form on file.

- Case Number 1106-2117: LEA-generated SCAR case. No SCAR on file. Mother reported daughter was victim of sexual abuse by daughter's boyfriend. The LEA spoke to victim, mother, father, and suspect. Allegations of sexual abuse were unfounded.

Based on our review of the SCAR case files, one file included a completed SCAR Form SS 8572 and one included a completed SS 8583 Report Form. As such, the documentation in the case files does not support that the City prepared the required forms.

The City believes that although the SCAR case files did not always include the SCAR Form SS 8572 or the SS 8583 Report Forms required by the SCO, the City had records showing that the cases had been investigated. The City also believes that approximately 10 years had passed from the date the cases occurred to when the audit was conducted--and there was no prior notification of the requirement that the SCAR Form SS 8572 and the SS 8583 Report Form be kept as a condition to obtain reimbursement--making retention of the forms a requirement retroactively would violate Due Process.

The Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component provides reimbursement for costs associated with completing an initial investigation of SCARs for purposes of preparing and submitting the SS 8583 Report Form to the DOJ. Reimbursable activities are limited to reviewing the SCAR, conducting initial interviews, and writing a report about the interviews that may be reviewed by a supervisor. Additionally, time spent performing an initial investigation of a SCAR is reimbursable only for SCARs that were *not* initiated by the LEA (or other agency-generated SCARs).

For the audit period, the City claimed a total of 3,952 SCARs investigated. The City claimed investigation costs for LEA-generated SCARs investigated by the City of South Lake Tahoe Police Department and SCARs that were generated by another mandated reporter (other agency-generated) and cross-reported to the City of South Lake Tahoe Police Department to complete an investigation. During our audit fieldwork, the City provided us with a revised SCAR summary statistics report for each year of the audit period excluding FY 1999-2000 **(Tab 4)**. To verify the accuracy of the SCAR summary statistics report, we reconciled the counts to the detailed listing of SCARS from the Crime Analysis Results reports for FY 2008-09, FY 2009-10, and FY 2010-11. We found that the City's counts for these fiscal years were accurate. Therefore, we determined that it was reasonable to rely on the revised SCAR summary statistics report.

For testing purposes, we judgmentally selected a non-statistical sample of 148 SCAR cases (32 out of 163 in FY 2008-09, 66 out of 654 in FY 2009-10, and 50 out of 457 in FY 2010-11) to review **(Exhibit C – pages 61 -70)**. We calculated a weighted average using the number of other agency-generated SCAR cases, totaling 121 (26 for FY 2008-09, 54 for FY 2009-10, and 41 for FY 2010-11). We divided the amount by the sampled number of SCAR cases, totaling 148. The calculated weighted average for the other agency-generated SCAR cases was 81.76%. We multiplied the total number of SCARs for each fiscal year listed in the City's revised SCAR summary statistic reports by 81.76% to exclude the LEA-generated SCARs and to account for the other agency-generated SCARs.

The following table summarizes the claimed number of SCARs investigated, the number of SCARs investigated per the revised statistics report provided by the City, the calculated number of other agency-generated SCARs, and the calculated number of LEA-generated SCARs for the audit period:

Fiscal Year	Claimed Number of SCARs Investigated (a)	SCARs Investigated per Revised Statistics Provided by City (b)	Number of Other Agency-Generated SCARs (c) = (b) x 81.76%	Number of LEA-Generated SCARs (d) = (c) - (b)
1999-00	229	229	187	42
2000-01	241	250	204	46
2001-02	229	242	198	44
2002-03	277	261	213	48
2003-04	286	210	172	38
2004-05	286	273	223	50
2005-06	279	267	218	49
2006-07	315	289	236	53
2007-08	298	294	240	54
2008-09	377	163	133	30
2009-10	461	654	535	119
2010-11	460	456	373	83
2011-12	214	214	175	39
Total	3,952	3,802	3,107	695

Based on our analysis, we determined that 695 LEA-generated SCARs are ineligible for reimbursement for the Complete an Investigation for Purposes of the preparing the SS 8583 Report Form cost component for the audit period.

City's Response:

ISSUE 1: Audit Finding 2 – SCO determination of Ineligibility of ALL Law Enforcement generated cases

SCO stated on page 16 of its audit report, "…time spent performing an initial investigation of a SCAR is only reimbursable for those SCARs (Suspected Child Abuse Report) which were *not* initiated by the Police Department…" Exhibit C shows the spreadsheets the SCO used to determine which cases were deemed eligible (YELLOW highlighted cases were found allowable).

The City does not believe SCO correctly interpret Commission Statement of Decision and Parameters and Guidelines when they determined that ALL investigative time for ALL Child Abuse cases that were reported directly to the City of South Lake Tahoe Police Department (Law Enforcement Agency (LEA) generated cases) were ineligible for State Reimbursement.

It is the City's belief that Commission did not intend to completely disallow all time spent related to these LEA cases, as Instructions state:

Reimbursement is not required in the following circumstances:

ii. In the event that the mandated reporter is employed by the same child protective agency require to investigate and submit the "Child Abuse Investigation Report" Form SS 8583

> or subsequent designated form to the Department of Justice, pursuant to Penal Code Section 11169(a), reimbursement is not required if the investigation required to complete the Form SS 8572 ***is also sufficient*** to complete the essential information items required on the Form SS 8583…"

The city believed that for a number of cases, the level of investigation required to complete the form SS 8572 was NOT "sufficient to make the determination required to complete the items required to complete the Form SS 8583," which required investigation sufficient to determine whether the case was unfounded, substantiated, or inclusive. During the audit and in the Response to the Audit, the City requested that the SCO reconsider its assessment and allow some LEA cases be allowed in the population of allowable cases. (See Exhibit 1, page 2 of City's Response to the Audit Report and See Exhibit C for the SCO cases analysis file).

The Police Department explained that the SS 8572 process does not require contact and interview of suspects and witnesses. Nor does it bear the burden of conducting an investigation to determine the disposition of the case (founded, unfounded, or inclusive). Police Department staff told auditors that a mandated reporter form (SS 5872) could have been completed by one officer in approximately 15 minutes by talking to one reporting party. While the contested cases, it was shown that multiple officers had to interview multiple parties (victims, witnesses, suspects) to determine if the case was unfounded, substantiated, or inconclusive.

The SCO denied this request because:

1) "(t)here is no correlation between the severity of the case and the scope of information needed…"

2) "of the ten cases cited…only one completed SCAR (form SS 8572) was documented in the file, and none of the cases had completed SS 8583 forms in the file" (see Exhibit 2, page 31).

City's response to SCO reason number 1): Completion of Form SS 8583 **required** the interviews of 'victim(s), any known suspects, and witnesses" to determine case disposition (substantiated, unfounded or inconclusive) (see Exhibit D). SS 8572 only required the interview of one reporting party. Actual documentation (See Exhibit A) showed the number of eligible interviews performed per case as required by SS 8583. Then eligible time could have been allocated based on city's 2015 Time Study (36 minutes average time per eligible interview) less the time it would have taken to simply gather info from one reporting party and complete the SS 8572 (15 minutes).

City's response to reason number 2): State law requires a form SS 8583 only be prepared and sent to the Department of Justice (DOJ) if the investigation was completed and it was determined that the case was not unfounded. In addition, if a suspect was not contacted, the SS 8583 report was not to be prepared/sent to the DOJ (see Exhibit D, page 11). Since these criteria were not always met, the reports SCO sought would not even have existed for a majority of the cases.

While the City had records of the child abuse cases investigated, the file did not always retain copies of the SS 8572 and SS 8583 forms required by the SCO. Since about a decade had passed from the date the cases occurred and when the audit was conducted, and because there was no prior notification of the requirement that these forms be kept

as a condition to obtain reimbursement, it would violate Due Process to make this a requirement retroactively.

City requests that the eligible population be revised to include allowable cases that showed the number of eligible parties interviewed exceeded that which was required by taking a mandated reported form SS 8572 (greater than one interview).

SCO's Comments:

In its IRC, the City contends that the SCO incorrectly reduced the number of SCARs investigated for the Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component based on the denial of all the LEA-generated SCARs. The City believes that the level of investigation required to complete the SCAR Form SS 8572 was not sufficient to make a determination on whether the case was unfounded, substantiated, or inconclusive; or to complete the necessary information on the SS 8583 Report Form. The City requested that we reassess and allow 10 LEA-generated SCARs that we found to be ineligible in our analysis. Also, the City believes that it should be reimbursed for SCARs initiated and investigated by the LEA that identify interviews that involve more than one party. We disagree.

The parameters and guidelines (section IV – B.3.a.1) allow the following ongoing activities related to costs for reporting to the DOJ:

> From July 1, 1999 to December 31, 2011, city and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall: (Pursuant to amendments to Penal Code section 11169(b) enacted by Statutes 2011, chapter 468 (AB 717), the mandate to report to DOJ for law enforcement agencies only ends on January 1, 2012. In addition, the duty for all other affected agencies is modified to exclude an "inconclusive" report.)
>
> 1) Complete an investigation for purposes of preparing the report
>
> Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583 [emphasis added], or subsequent designated form, to the Department of Justice. (Penal Code section 11169(a) (Stats. 1997, ch. 842 § 5 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.) Except as provided in paragraph below, this activity includes review of the initial Suspected Child Abuse Report (Form 8572), conducting initial interviews with parents, victims, suspects, or witnesses, where applicable, and making a report of the findings of those interviews, which may be reviewed by a supervisor.
>
> ***Reimbursement is not required in the following circumstances:***
>
> i. Investigative activities conducted by a mandated reporter to complete the Suspected Child Abuse Report (Form SS 8572) pursuant to Penal Code section 11166(a).
>
> ii. In the event that the mandated reporter is employed by the same child protective agency required to investigate and submit the "Child Abuse Investigation Report" Form SS 8583 or subsequent designated form to the Department of Justice, pursuant to Penal Code section 11169(a), reimbursement is not required if the investigation required to complete the Form SS 8572 is also sufficient to make the determination required under section 11169(a), and sufficient to complete the essential information items required on the Form SS 8583, pursuant to Code of Regulations, title 11, section 903 (Register 98, No. 29).

iii. Investigative activities undertaken subsequent to the determination whether a report of suspected child abuse is substantiated, inconclusive, or unfounded, as defined in Penal Code section 11165.12, for purposes of preparing the Form SS 8583, including the collection of physical evidence, the referral to a child abuse investigator, and the conduct of follow-up interviews.

The City maintains that the 10 LEA-generated SCARs should have been included in the population of allowable cases because the level of investigation required to complete the initial SCAR Form SS 8572 was not sufficient to make the determination required to complete the SS 8583 Report Form. The City argues that the files for these 10 cases show that there were multiple officers on scene and multiple parties were interviewed to determine whether the cases were unfounded, substantiated, or inconclusive. The City contends that the officers were not able to obtain enough information to complete the initial SCAR Form SS 8572 and complete the SS 8583 Report Form. We disagree.

The Commission's Statement of Decision, pages 40 through 42, discusses in detail what activities are and are not reimbursable when a mandated reporter is employed at one of the investigating agency (Police Department, County Welfare, and Probation Department). Per PC section 11166(a), a mandated reporter is already compelled by the nature of their duty to report instances of suspected child abuse via the SS 8572 Form. No higher level of service is mandated and, therefore, the investigation under PC section 11166(a) is not reimbursable. Furthermore, the level of information for completing the SS 8572 form is frequently sufficient to complete form SS 8583 Report Form.

Page 41 of the Statement of Decision states:

> The precise scope of this investigative duty is not specified, but all mandated reporters are expected to employ the Form SS 8572 to report suspected child abuse… This duty is triggered whenever the mandated reporter, in his or her professional capacity or within the scope of his or her employment, has knowledge of or observes a child whom the mandated reporter knows or reasonably suspects has been the victim of child abuse or neglect. Given the scope of employment within a law enforcement agency, county probation department or county welfare agency generally includes investigation and observation for crime prevention, law enforcement and child protection purposes, information may be obtained by an employee which triggers the requirements of 11166(a), and ultimately leads to an investigation and report to DOJ under section 11169(a). Ultimately, some of the same information to satisfy the reporting requirements of section 11169 and the DOJ regulations may be obtained in the course of completing a mandated reporter's (non-reimbursable) duties under section 11166(a).

Page 42 of the Statement of Decision states:

> The test claim statement of decision approved only Code of Regulations, title 11, section 903 as amended by Register 98, No. 29, which adopted the Form SS 8583, and required that only "certain information items…must be completed." Those information items, as discussed above, impose a very low standard of investigation for reporting to DOJ regarding instances of known or suspected child abuse.

The Statement of Decision emphasizes that a mandated reporter who is an employee of a child protective agency already has greater responsibility to investigate when he/she has suspicions of child abuse. The Statement of Decision states, "[t]herefore, the regulations and statutes approved in the test claim statement of decision impose very little beyond what would otherwise be expected of a mandated reporter." The number of information items required to make the SS 8583 Report Form retainable is relatively low. Investigative work performed to identify suspects or gather proof for criminal charges is not necessary to complete the SS 8583 Report Form.

The Statement of Decision also states:

> [t]herefore, any investigation conducted by an employee of a county law enforcement agency, county welfare department, *prior to the completion of a Form SS 8572 under section 11166(a),* is not reimbursable under this mandated program. If the Form SS 8572 is *completed by an employee of the same agency, and the information contained in the* Form SS 8572 *is sufficient to make the determination and complete the essential information items required by section 11169 and the regulations,* then no further investigation is reimbursable.

Additionally, the Commission, when crafting the Statement of Decision, was aware of the potential for over-claiming when a mandated reporter is also the investigating agency. Page 40 of the Statement of Decision states, "the parameters and guidelines must be crafted to avoid over-claiming when the mandated reporter in particular case is also an employee of the child protective agency that will complete the investigation under section 11169."

During the course of the audit, the City did not provide supporting documentation for all of the costs claimed; this is not consistent with the rules in place when the claims were filed. The documentation requirements for the City's mandated cost claims are contained within the parameters and guidelines that were adopted by the Commission on December 6, 2013. The parameters and guidelines require that all costs claimed be traceable to source documents that show evidence of the validity of such costs and their relationship to this mandate. The City argues that about a decade had passed since the cases occurred and when the audit was conducted, and that there was no prior notification of the requirement that the SCAR Form SS 8572 and SS 8583 Report Form must be kept as a condition for reimbursement, and making this requirement retroactive would violate Due Process We disagree.

The City filed its claims with the SCO on July 15, 2015. The SCO initiated an audit of the City of South Lake Tahoe's legislatively mandated Interagency Child Abuse and Neglect Investigation Reports Program Cost claims filed for fiscal year (FY) 1999-2000 through FY 2011-12 on October 14, 2016. The documentation requirements for this mandated cost program were adopted by the Commission on December 6, 2013. For testing purposes, we judgmentally selected a non-statistical sample of SCAR cases from FY 2008-09, FY 2009-10, and FY 2010-11. Based on our review of the SCAR case files, we found that the documentation maintained by the City from one year to the next appeared to be consistent regardless of the fiscal year, showing that the City consistently failed to retain a SCAR Form SS 8572 or a SS 8583 Report Form for the SCAR case files. As such, the City's argument that approximately a decade had passed between when the cases occurred and the audit was conducted is unsupported, as FY 2010-11 was only five years from the date in which the City filed its claims with SCO and six years from the date on which the SCO initiated the audit. Furthermore, the City is responsible for maintaining documentation for the period the claims were subject to audit.

At this time, the City has not provided any additional documentation to support an increase in the allowable costs. Based on our review of the documentation provided during audit fieldwork, one out of the 10 LEA-generated SCAR cases included a completed SCAR Form SS 8572 in the file. Based on our review of the completed SCAR Form SS 8572 for case Number 1010-0549, the form shows that it was completed on October 8, 2018 **(Tab 5 – page 25)**. However, the occurrence date and the date of the initial interviews for this LEA-generated SCAR case occurred on October 7, 2018, and follow-up interviews were conducted on October 8, 2018 and after **(Tab 5 – pages 1-24)**. Therefore, the SCO is able to confirm that an investigation occurred prior to the completion of the Form SS 8572 for case Number 1010-0549. Therefore, costs are

ineligible for reimbursement because an investigation was conducted prior to the completion of the SS 8572 Form.

For the remaining nine cases, no SCAR Forms SS 8572 were on file. Therefore, the SCO is unable to confirm that the SCAR Forms SS 8572 were completed and cross-reported to CPS and the DA's Office. In addition, the SCO is unable to confirm that an investigation occurred prior to the completion of the SCAR SS 8572 Form. Costs are ineligible for reimbursement if information obtained by the mandated reporter through the completion of the SCAR Form SS 8572 was sufficient to make the determination and complete the essential information items required by PC section 11169. Costs are also ineligible for reimbursement if any investigation was conducted prior to the completion of the SCAR Form SS 8572 under section 11166(a). Without being able to review the SCAR Forms SS 8572 that may or may not have been completed by the City, the SCO is unable to determine whether the City was able to obtain sufficient information to make a determination and complete the essential information items required by PC section 11169 or if an investigation was conducted prior to the completion of the SCAR Form SS 8572. Therefore, the City's argument that the files for these cases show that there were multiple officers on scene and multiple parties were interviewed to determine whether the cases were unfounded, substantiated, or inconclusive is not relevant. Regardless of the number of interviews conducted, if they occurred prior to the completion of the SCAR Form SS 8572 they are ineligible for reimbursement. Also, the City's assertion that the level of investigation required to complete the SCAR Form SS 8572 was not sufficient to complete the necessary information in the SS 8583 Report Form is unsubstantiated. Based on our review of case Number 1010-0549, the level of investigation required to complete the SCAR Form SS 8572 Report was sufficient to complete the necessary information in the SS 8583 Report Form because the investigation occurred prior to the completion of the SCAR Form SS 8572. Furthermore, one of the cases had a completed SS 8583 Report Form on file. For this component, the reimbursable activity is to complete an investigation for purposes of preparing a SS 8583 Report form. The documentation in the case files does not support that the City prepared the required SS 8583 Report Forms.

The parameters and guidelines (section IV – Reimbursable Activities) require claimed costs to be supported by source documents. The parameters and guidelines state, in part:

> 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.

Consequently, the City's argument that the 10 LEA-generated SCAR cases should be included as eligible in the sampling analysis, and that SCAR cases initiated and investigated by the LEA identified interviews involving more than one party, remains unsupported. As such, we believe that the investigative costs determined to be ineligible for reimbursement for the LEA-generated SCARs for the audit period should remain unchanged.

Issue 2: Audit Finding 2 – SCO determination that the Police Department did not investigate a vast majority of case claimed for those "reported to them by other agencies (SCARs")

In an IRC filed on May 13, 2021, the City disagreed with the SCO's reduction to the number of other agency-generated SCARs investigated and the time associated with performing the investigative activities for the Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component **(Section 7 – page 5)**.

SCO's Analysis:

The City believes that the SCO's determination that the LEA investigated few other agency-generated SCARs that had been cross-reported to the City is erroneous. The City also believes that the SCO's reduction of the time associated with performing the investigative activities is incorrect.

Section IV – B.3.a (1) of the program's parameters and guidelines **(Exhibit F – page 243)** allows reimbursement of the actual costs incurred to complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive, for purposes of preparing and submitting the state SS 8583 Report Form to the DOJ. This activity includes reviewing the initial SCAR (Form SS 8572), conducting initial interviews with parents, victims, suspects, or witnesses, where applicable, and making a report of the findings of those interviews that may be reviewed by a supervisor. The Commission clarified multiple times in its statement of decision **(Exhibit F)** that reimbursement is limited to the activities noted in the parameters and guidelines.

The City believes that the preliminary investigative activities 2 through 5 identified below, which were performed by the LEA when a SCAR case was cross-reported were reasonably necessary for the LEA to make a determination regarding closure of the other agency-generated SCAR case (determine the allegations are unfounded) or to continue the investigation with in person/on-site interviews. The City stated in its IRC that it believes the following preliminary investigative activities and the time associated with performing each step should be eligible for reimbursement for the other agency-generated SCAR cases that were determined by the SCO to not be fully investigated based on the information included in the City's 2015 time study:

2. Verify if a report was already written (6 minutes Detective NOT ALLOWED)

3. Verify if a report was already written (6 minutes Records NOT ALLOWED)

4. Check prior history and determine if the case is actually in the agencies jurisdiction and determine that the case is not a duplicate and has not already been investigated by the department. This often requires phone calls to other involved agencies and also may work with internal staff such as records and dispatch to determine the history of the case to determine what action is required (36 minutes Detective NOT ALLOWED)

5. Then the Detective and/or Sergeant must contact the Department of Social Services, reporting agency, or involved individuals (at least one adult who has information regarding allegations) to obtain more details of the case to determine if in-person interviews are necessary. Detective and/or Lieutenant must decide on how to proceed on each case (city requested 26-36 minutes NOT ALLOWED).

The City also believes that the preliminary investigative activities 2 through 5 should be found eligible for reimbursement based on the information the City cites from the Statement of Decision. The City cites information from the Statement of Decision regarding CDSS testimony

indicating that prior to actual interviews, social workers must consider multiple issues in their deciding whether in-person investigation is necessary. The City also asserts that a social worker have direct contact with the alleged child victim and at least one adult who has information regarding the allegations. If the social worker does not find the referral to be unfounded, he or she must conduct an in-person investigation with the child alleged to be at risk of abuse, all parents who have access to the child, and noncustodial parent if he or she has regular or frequent in-person contact with the child. The social worker must also make necessary collateral contacts with persons having knowledge of the condition of the child.

The City goes on to state that because conducting in-person interviews and writing a report of the findings are the last steps by law enforcement before determining whether to proceed with criminal investigation or close the investigation, and last step that county welfare departments take before determining whether to forward the report to the DOJ and possibly refer the matter to law enforcement, that degree of investigative effort must be the last step that is necessary to comply with the mandate. The City believes that the preliminary investigative activities 2 through 5 are essentially the same as the activity described by the Department of Social Services in the Statement of Decision: "to contact….at least one adult who has information regarding the allegations. If after that stage the social worker does not find the referral to be unfounded, the social worker must conduct an in-person investigation." Therefore, the City believes that the SCO's disallowance of these activities is invalid and unsupported by the Statement of Decision.

The City believes that the claiming instructions are general guidelines meant to provide direction, not an exhaustive list of eligible tasks that take place during the preliminary investigative process to determine if a child abuse or neglect case is unfounded or founded. The City also believes that the written reports required by the SCO in a narrative format showing all interviews and investigative activities performed to obtain reimbursement are not supported by the parameters and guidelines. The City indicates that the LEA procedures do not require detailed narrative write-ups for cases that were deemed unfounded or inconclusive. The City believes that the 11166 PC Referral Form prepared and maintained by the LEA, the SCAR Form SS 8572, the City's 2015 time studies, and command staff assertions were standard LEA practice for these types of cases should have been sufficient to prove that investigative activities took place. The City believes that it is a violation of Due Process provisions for the SCO to require detailed written reports showing notes of every action and interview in the investigation when it is not the City's procedure to do so for unfounded and unsubstantiated cases.

For the audit period, the City claimed a total of 3,952 SCARs investigated. The City claimed investigation costs for LEA-generated SCARs investigated by the City of South Lake Tahoe Police Department, and SCARs that were generated by another mandated reporter (other-agency-generated) and cross-reported to the City of South Lake Tahoe Police Department for completion of the investigations. During our audit fieldwork, the City provided a revised SCAR summary statistics report for each year of the audit period excluding FY 1999-2000 **(Tab 4)**. To verify the accuracy of the SCAR statistics reports, we reconciled the counts to the detailed listing of SCARs from the Crime Analysis Results reports for FY 2008-09, FY 2009-10, and FY 2010-11. We found that the City's counts for these fiscal years were accurate. Therefore, we determined that it is reasonable to rely on the revised SCAR summary statistics report to determine allowable costs incurred by the city.

For testing purposes, we judgmentally selected a non-statistical sample of 148 SCAR cases (32 out of 163 in FY 2008-09, 66 out of 654 in FY 2009-10, and 50 out of 457 in FY 2010-11) to review **(Exhibit C – page 61-70)**. Based on our review of the SCAR case file sampling, we found that the documentation maintained was consistent from year to year and from case to case.

For the three years sampled, we calculated a weighted average using the number of other agency-generated SCAR cases, totaling 121 (26 for FY 2008-09, 54 for FY 2009-10, and 41 for FY 2010-11). We divided the amount by the sampled number of SCAR cases totaling 148. The calculated weighted average for the other-agency-generated SCAR cases was 81.76%. Of these other-agency-generated SCAR cases, the weighted average for which the Police Department completed and documented an initial investigation was 10%, totaling 311 fully investigated SCAR cases. We also calculated the number of SCAR cases allowable for the partial initial investigation by subtracting the fully investigated SCAR cases from the total number of other-agency-generated SCAR cases in each fiscal year.

The following table summarizes the number of other-agency-generated SCARs, the calculated number of other agency-generated SCARs fully investigated, and the calculated number of other agency-generated SCARs partially investigated for the audit period:

Fiscal Year	Claimed Number of SCARs Investigated (a)	Number of SCARs Investigated per Revised Statistics Provided by City (b)	Number of Other Agency-Generated SCARs (c) = (b) x 81.76%	Allowable Number of SCARs Fully Investigated (d) = (c) x 10%	Allowable Number of SCARs Partially Investigated (e) = (d) - (c)
1999-00	229	229	187	19	168
2000-01	241	250	204	20	184
2001-02	229	242	198	20	178
2002-03	277	261	213	21	192
2003-04	286	210	172	17	155
2004-05	286	273	223	22	201
2005-06	279	267	218	22	196
2006-07	315	289	236	24	212
2007-08	298	294	240	24	216
2008-09	377	163	133	13	120
2009-10	461	654	535	54	481
2010-11	460	456	373	37	336
2011-12	214	214	175	18	157
Total	3,952	3,802	3,107	311	2,796

Based on our analysis, we determined that the allowable number of other-agency-generated SCAR cases fully investigated totals 311 and the number of other- agency-generated SCAR cases partially investigated totals 2,796 for reimbursement for the Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component for the audit period.

City's Response:

ISSUE 2: Audit Finding 2 – SCO determination that the Police Department did not investigate a vast majority of case claimed for those "reported to them by other agencies (SCARs)"

The primary eligible activity of this mandated program is to "Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in PC section 11165.12 for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583."

However, the SCO determined, "Upon reviewing the case files sampled, we discovered that, contrary to what the city had claimed, the Police Department investigated very few of the other agency-generated SCARs that had been cross-reported to them, as no additional follow-up was deemed necessary." **(Exhibits C and E)**

To suggest that the Police Department did not complete or partially investigated 90% of its cases is erroneous and would imply that the department failed to comply with State law by not investigating child abuse cases. The Police Department explained that while each investigation is unique and not every case requires the same level of investigation; every case forwarded to the Police Department requires time and action, regardless of whether another agency did some level of investigation.

The Department outlined the steps taken when a case is forwarded to them via a SCAR report for investigation and times were determined from the 2015 Time Study:

1. the on-duty Detective must read and review each and every SCAR and all attached documentation including other agency notes, reports and narrative provided (ALLOWED at 18 minutes per case)
2. verify if a report was already written (6 minutes Detective NOT ALLOWED)
3. verify if a report was already written (6 minutes Records NOT ALLOWED)
4. Check prior history and determine if the case is actually in the agencies jurisdiction and determine that the case is not a duplicate and has not already been investigated by the department. This often requires phone calls to other involved agencies and also may work with internal staff such as records and dispatch to determine the history of the case to determine what action is required (36 minutes Detective) (NOT ALLOWED)
5. then the Detective and/or Sergeant must contact the Department of Social Services, report agency, or involved individuals (at least one adult who has information regarding allegations) to obtain more details of the case to determine if in-person interviews are necessary. Detective and/or Lieutenant must decide on how to proceed on each case. (city requested 26-36 minutes) (NOT ALLOWED)
6. Sergeant time to approve and close case (ALLOWED at 10 minutes per case)
7. Records document and close the case (ALLOWED at 6 minutes per case)

The SCO modified their language in their response to the City's comment to the Audit Report from "the City did not complete and document the investigation of 90% of their cases" to 90% of the cases…were not "*fully"* investigated." They also stated that "although full initial investigations were not conducted, **some preliminary investigative activities may have taken place to corroborate the information reported by CPS** [emphasis added]." (See Exhibit 2, pages 32-34)

When the City complained at having 90% of their cases denied for reimbursement, the SCO reconsidered their initial stance and permitted time for the activities above: 1) read and review the SCARs, 6) Approve closing the case, and 7) Documenting and file the closed case. However, while they admitted that "some preliminary investigative activities may have taken place to corroborate the information reported by CPS," no time was allowed for that or any actual preliminary investigative activities identified and requested (activities 2, 3, 4, and 5 above).

The SCO explained that they denied that request because they believed these "four additional activities are not within the scope of the parameters and guidelines." They also stated that "Although the department may view these activities as necessary, they do not quality as preliminary investigative activities and are not mandated. As explained, Section IV.B.3.1 of the parameters and guidelines allow reimbursement of the actual costs incurred to 1) review the initial SCARs, 2) conduct initial interviews with involved parties, and 3) make a report of the finding of those interviews." (See Exhibit 2, page 33).
The City argued, unsuccessfully, that activities above, including, "contact the Department of Social Services, reporting agency, or involved individuals (at least one adult who has information regarding allegations) to obtain more details of the case" falls under the eligible activity of "interview with involved parties" and "conduct a preliminary investigation." Further, without the investigative steps 2-5 above, it would have been impossible to determine the disposition of the case: whether or not the

allegations were founded and a SS 8583 report was required to be sent to the DOJ as required by State law and this mandate program.

The City contends that these preliminary investigative activities listed above were reasonably necessary for investigators to make the determination whether to close the case (determine the allegations are unfounded) or to continue the investigation by proceeding with in person/on-site interviews.

The Police Department explained that preparing detailed narratives, showing every action taken, was not required for these reports; particularly when it was determined that the case is not substantiated (See Exhibit E). The City explained that the times spent on the investigation could not be gleaned from the final PC 11166 reports, however, the interviews and preliminary investigative activities did occur and the time and process was documented in the 2015 time-study submitted to the SCO at the beginning of the audit process. A case could not be signed off as "not substantiated" without some review and action on our part.

The City believes that activities 2 through 5 above should have been found to be eligible based on the Commission's Statement of Decision (See Exhibit F). On page 34 of December 2013 Decision, the California Department of Social Services (CDSS) argues (and Commission agrees) that only an investigation similar to one that is conducted by CDSS should be allowed.

CDSS testimony states that, "**prior to the actual interviews,** the social worker must make a multitude of considerations **to first decide whether an in-person investigation is necessary** [emphasis added]." On page 35, CDSS continues to describe the process their staff goes through to make the determination as to whether the investigation requires referral to the Department of Justice (DOJ) under CANRA (Child Abuse and Neglect Reporting). "In Summary, these rules require the social worker to first decide whether an in-person investigation is necessary: which includes consideration of a multitude of considerations. If an in-person investigation of reported child abuse is determined to be necessary, the CDSS regulations at MPP 31-115 describe what steps are necessary for the conduct of the investigation."

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

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

The City's request for activities 2-5 (see pages 3-4 of this narrative) including "26-36 minutes to call the Department of Social Services, reporting agency, or involved individuals (at least one adult who has information regarding allegations) to obtain more details of the case to determine if in-person interviews are necessary (Detective)" is almost exactly the as the activity described by the Department of Social Services when they note, "to contact… at least one adult who has information regarding the allegations. If after that stage the social worker does not find the referral to be unfounded, the social worker must conduct an in-person investigation."

Therefore, based on the Statement of Decision discussion, we believe that the requested activities listed above and which were performed by the Police Department before this "last step" of "in-person interviews and writing a report of the findings" in the investigative process are therefore eligible for reimbursement. These preliminary investigative activities are necessary for the Police Department to determine if the suspected child abuse case (SCAR) was founded, unfounded or inconclusive and therefore should have been found to be reimbursable.

The claiming instructions are general guidelines meant to provide direction, not an exclusive and exhaustive list of every eligible tasks that take place during the preliminary investigative process to determine if the child abuse or neglect case is founded or unfounded. To assume so is unreasonable and violates the intent of State Mandate Statutes which ensure the reimbursement of actual costs incurred to comply with the State mandated program.

The SCO arrived at their conclusion by that activities 2-5 above were not eligible based on 1) strictly interpreted claiming instructions to mean that eligible activities equated to and were **solely limited to: conducting initial interviews with parents, victims, witnesses, or suspects** and 2) if no narrative detail existed in the report to prove an "interview" took place, then the SCO assumed that the Police Department did not investigate the case. (See Exhibit 2, page 17).

The City believes both these SCO assumptions were erroneous, unsupported by the Statement of Decision, and led to the disallowance of valid and eligible City costs.

SCO requiring a written report in a narrative format showing all interviews and investigative activities to obtain State Reimbursement for investigative activities is not supported by Parameters and Guidelines.

South Lake Tahoe Police Department procedures do not require detailed narrative write ups for cases that were deemed unfounded or inconclusive. The narrative in the "Comments" section of these reports might simply state, "Inconclusive. Unable to contract/locate family," or "Case closed by CPS" or "Situation stabilized." These brief descriptions and the identification of the assigned officer shown in the "Reviewed By" section of the report indicates investigative activities took place in order for the officer to make those assessments and close the case. (see South Lake Tahoe Police Department 11166 PC Referral Form in Exhibit E).

State Mandate law requires reimbursement of actual costs incurred to comply with the State mandated program. The City did have a report for each case investigated (11166 PC) – albeit a short form, however, this along with the copy of the SCAR (which the City had maintained and produced to the SCO satisfaction), the City's Time Studies (provided to the SCO) and command staff assertions that this was indeed standard Police Department practice for these types of cases, should have been sufficient to prove investigative activities took place.

Requiring detailed written reports showing notes of every action and interview in the investigation when it was not the City's procedure to do so for unfounded and unsubstantiated cases, would violate Due Process provisions. If this was a requirement for obtaining reimbursement, the SCO should have provided advance notification of their expectations in the claiming instructions. Further, since claiming instructions were released in 2014 and the program was eligible for reimbursement in 1999, it would have been impossible for activities to be tracked in the manner desired by the SCO prior to FY 2014-15.

Due process requires that a claimant have reasonable notice of any law that affects their substantive rights and liabilities.[1] Thus, the SCO request for documentation that was not enumerated in the Parameters and Guidelines adopted in March or April of 2014 (the requirement for reports to include a record of all parties contacted in the investigations) affect substantive rights or liabilities of the parties that change the legal consequences of past events, and thus the application of those provisions

may be considered unlawfully retroactive under due process principles.[2] Provisions that impose new, additional, or difference liabilities based on past conduct are unlawfully retroactive.[3]

In the Clovis Unified School Dist. v. Chiang case, the court addressed the Controller's use of the Contemporaneous Source Documentation Rule (CSDR) in audits before the rule was included in the parameters and guidelines, finding that the rule constituted an underground regulation. The court recognized that "it is now physically impossible to comply with the CSDR's requirement of contemporaneousness.."[4] The Controller, however, requested that the court take judicial notice that the Commission adopted the contemporaneous source document rule by later amending the parameters and guidelines. The court denied the request and did not apply the CSDR, since the issue concerned the use of the rule in earlier years, when no notice was provided to the claimant. The court stated:

> We deny this request for judicial notice. This is because the central issue in the present appeal concerns the Controller's policy of using the CSDR during the 1998 to 2003 fiscal years, when the CSDR was an underground regulation. This issue is not resolved by the Commission's subsequent incorporation of the CSDR into its Intradistrict Attendance and Collective Bargaining Programs' P & G's. (Emphasis in original.)[5]

For the foregoing reasons, the City believes the SCO finding that activities 2-5 listed on pages 3-5 of this narrative were ineligible for reimbursement for the 90% of cases they deemed had not been "investigated" and should be reversed by the Commission.

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[1] In re Cindy B. (1987) 192 Cal.App.3d 771, 783-784; Clovis Unified School Dist. v. Chiang (2010) 188 Cal.App.4th 794, 804-805.

[2] Department of Health Services v. Fontes (1985) 169 Cal.App.3d 301, 304-305; Tapia v. Superior Court (1991) 53 Cal.3d 282; 287-292; Murphy v. City of Alameda (1993) 11 Cal.App.4th 906, 911-912.

[3] City of Modesto v. National Med, Inc. (2005) 128 Cal.App.4th 906, 911-912.

[4] Clovis Unified School Dist. v. Chiang (2010) 188 Cal.App.4th 794, 804-805.

[5] Clovis Unified School Dist. v. Chiang (2010) 188 Cal.App.4th 794, 809, fn. 5.

SCO's Comment:

In its IRC, the City contends that the SCO incorrectly reduced the number of other agency-generated SCARs that the LEA investigated and the time associated with performing the investigative activities for the Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component.

The City argues that preliminary investigative activities 2 through 5 should be eligible for reimbursement for the other-agency-generated SCAR cases that were determined to not be *"*fully*"* investigated based on the information included in the City's 2015 time study. We disagree. Preliminary investigative activities 2 through 5 are as follows:

2. Verify if a report was already written (6 minutes Detective NOT ALLOWED)

3. Verify if a report was already written (6 minutes Records NOT ALLOWED)

4. Check prior history and determine if the case is actually in the agencies jurisdiction and determine that the case is not a duplicate and has not already been investigated by the department. This often requires phone calls to other involved agencies and also may work with internal staff such as records and dispatch to determine the history of the case to determine what action is required (36 minutes Detective NOT ALLOWED)

5. Then the Detective and/or Sergeant must contact the Department of Social Services, reporting agency, or involved individuals (at least one adult who has information regarding allegations) to obtain more details of the case to determine if in-person interviews are necessary. Detective and/or Lieutenant must decide on how to proceed on each case (city requested 26-36 minutes NOT ALLOWED).

The City is requesting an increase in the allowable time increment for those cases in which a full investigation was not completed. During audit fieldwork, we judgmentally selected a non-statistical sample of 148 SCAR case files (32 out of 163 in FY 2008-09; 66 out of 654 in FY 2009-10; and 50 out of 457 in FY 2010-11) to review. We thoroughly reviewed the contents of each file, and recorded our findings in detail in an Excel spreadsheet (**Exhibit C – page 62 – 71**). In reviewing the SCAR case files, the contents of the files typically included the following:

1. South Lake Police Department 11166 PC Referral Form. This form was completed by the Police Department; it provided a summary of the case that was referred, using check boxes, with the following information: type of abuse, investigating agency, type of investigation, assigned social worker, case status, and comments. **(See example – Exhibit E – page 115)**

   Most of the referral forms identified that CPS was the investigating agency. Those that did not identify CPS as the investigating agency, stated that an investigation was not necessary. "Type of investigation" refers to the type of investigation performed by CPS. The comments on the referral forms included: inconclusive, unfounded, or closed.

2. Pre-Disposition Sheet. This sheet was completed by CPS; it provided general information about a newly opened case, including date, assigned social worker, and to which agency who the case was cross-reported. **(See example – Exhibit E – page 116)**

3. Disposition Sheet. This sheet was completed by CPS. It provided a status of the case after CPS performed a review or investigation. Information on this sheet included date, name of social worker, which agency the social worker cross-reported to, and the final disposition of the case (no immediate risk, situation stabilized, closed, opened service case, evaluated out). **(See example – Exhibit E – page 120)**

4. Narrative Report. This was completed by the Police Department; it stated: "See PC 11166 in file," which is the referral form completed by CPS (see item 1 above). **(See example – Exhibit E – pages 112-114)**

5. Person Profile. This form was completed by the Police Department; it lists the contact information of the suspected child abuser. **(See example – Exhibit E – page 134)**

6. CPS Investigative Report. This report was completed by CPS when the SCAR case was investigated by CPS.

7. SCAR Form SS 8572. This form was completed by CPS. **(See example – Exhibit E – page 122)**

Based on our review of the SCAR case files, we found that few of the other agency-generated cases were investigated by the Police Department or if the Police Department did conduct an investigation it was not documented in the case files. As

noted previously, our review of the South Lake Police Department 11166 PC Referral Form disclosed that most of the forms identified that CPS was the investigating agency or that CPS determined that an investigation was not necessary. The case files also showed that CPS regularly cross-reported SCARs to the Police Department. The Police Department received the CPS referrals and, made notes of the referral in the files, but did not perform an investigation on the referrals received from CPS. The few SCAR case files we found that were investigated by the Police Department contained detailed written narratives of the investigations performed and the interviews conducted. The narratives identified the officers involved, type of investigative work performed, type of crime committed, whether a follow-up investigation was needed, who was interviewed, date of interviews, and time of interviews.

Based on our sampling results, we found that 90% (a total of 2,796) of the SCAR cases cross-reported to the Police Department were not fully investigated. That is, the case documentation that we reviewed during fieldwork did not show that the Police Department had: 1) reviewed the SCAR; 2) conducted initial interviews with witnesses, victims, parents, etc.; and 3) made a written report of the interviews that may have been reviewed by a supervisor. However, during the audit, Police Department staff members explained that for these cross-reported cases, although full initial investigations were not conducted, some preliminary investigative activities may have taken place to corroborate the information reported by CPS. Therefore, as detailed in the audit report, we worked with the Police Department to determine an allowable time increment for the Officer/Detective, Sergeant, Records Technician classifications for performing partial initial investigation activities for these 2,796 cases.

Section IV – B.3.a (1) of the parameters and guidelines states, in part:

> Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583,

or subsequent designated form, to the Department of Justice. Except as provided in paragraph below, this activity includes:

1. Review of the initial Suspected Child Abuse Report (Form SS 8572);

2. Conducting initial interviews with parents, victims, suspects, or witnesses, where applicable; and

3. Making a report of the findings of those interviews (which may be reviewed by a supervisor.

As outlined in the audit report (**Section 10 – Exhibit 2 – page 485**), we determined during the audit that preliminary investigative activities 1, 6, and 7 may have taken place to corroborate the information reported by CPS (which completed the investigations) to make a determination of whether the cases were unfounded. Therefore, we determined that the preliminary investigative activities 1, 6, and 7, and the time associated with performing these activities, were allowable for reimbursement for those SCARs, referred from CPS, in which the Police Department closed the cases without completing and documenting a full initial investigation (totaling 2,796 SCARs for the audit period). Activities 1, 6, and 7 are as follows:

1. Read and review the SCAR (18 minutes Officer/Detective);

6. Approve closing the case (5 minutes Sergeant); and

7. Document and file the closed case (5 minutes Records Technician).

The SCO did not "deny all preliminary investigative time" for the 2,796 cases that were found to have been not fully investigated. Rather, we worked with the Police Department, and based on our discussions with the City's Detective, we found the three previously referenced activities to be reimbursable. The City is correct that we allowed reimbursement of 28 minutes per case, as this is what the Detective proposed, and what we concluded was reasonable based on his explanation. During the audit, the City also proposed that preliminary investigative activities 2 through 5 should be included as reimbursable activities for the 2,796 cases that were found to have been not fully investigated.

In addition, the City argues that the 2015 time study supports that the City performed preliminary investigative activities 2 through 5. The purpose of a time study is to approximate the average time it takes to perform a specific activity. We are not questioning the time that it may have taken Police Department staff members to perform these activities. Rather we discussed the matter with City officials and informed them that these activities are not mandate-related and thus not reimbursable per the parameters and guidelines. Consequently, the time study is irrelevant.

We agree that Detectives and other Police Department staff members perform many activities necessary to complete child abuse investigations. However, not all activities within the investigation process (whether for partial or full initial investigations) are reimbursable, even when they appear reasonably necessary. For example, preliminary investigative activities 2 and 3, identified previously, can be described as overlapping internal procedures. Although the Police Department may view these activities as necessary, they do not qualify as preliminary investigative activities and are not mandate-related.

In the City's response, it suggests that preliminary investigative activities 2 through 5 are "almost exactly the same as" the activity described by the Department of Social Services in the Statement of Decision: "to contact….at least one adult who has information regarding the allegations. If after that stage the social worker does not find the referral to be unfounded, the social worker must conduct an in-person investigation." We would like to emphasize that "almost exactly the same" is not equivalent.

Page 34 of the Statement of Decision states:

> The CDSS Manual of Policies and Procedures, and excerpt of which is submitted by the claimant as Exhibit 9, states that social worker "shall have in-person contact with all children alleged to be abused," and if the report is not unfounded, "shall interview all children present at the time of the investigation, and all parents who have access," and "shall make a determination as to whether services are appropriate," and "shall request assistance from law enforcement if necessary." The manual goes on to state that the county "shall submit a report pursuant to PC Section 11169 to the Department of Justice of every case it investigates….that is determined not to be unfounded.
>
> CDSS argues that the maximum level of investigation that county welfare departments are required to undertake is to conduct interviews with parents, suspects, victims, and witnesses, and that "[b]ased on these investigative activities; the social worker is required under CDSS regulations at MPP 31-501 to determine whether the results of the investigation require referral to the Department of Justice under CANRA."

Page 35 of the Statement of Decision states:

> CDSS concludes that the interviews with suspect(s), victim(s), and witness(es) conducted by county welfare departments are sufficient to comply with the mandate, and that law enforcement activities are reimbursable only to the same extent.
>
> Commission finds that a patrol officer's (or county probation or county welfare employee's) interviews with the child, parents, siblings, witnesses, and/or suspect(s), and preliminary report of the findings, including supervisory review, constitute the maximum extent of investigation necessary to make the determination whether to forward the report to DOJ, and to make the report retainable.

The City contends that Police Department procedures do not require detailed narrative write-ups for cases deemed to be unfounded or inconclusive. The City maintains that the 11166 PC Referral Form prepared and maintained by the LEA, SCAR Form SS 8572, the City's 2015 time studies, and assertions by command staff should have been sufficient to prove that investigative activities took place. The City believes that it is a violation of Due Process provisions requiring detailed written reports showing notes of every action and interview in the investigation when it is not the City's procedure to do so for unfounded and unsubstantiated cases. We disagree.

Page 33 of the Statement of Decision states:

> As discussed throughout this analysis, the scope of reimbursable activities is limited by the plain language of the statute, which requires an investigation *to determine whether a report of suspected child abuse is unfounded, inconclusive, or substantiated.* In addition, the scope of investigation is limited to the degree of investigation that DOJ has allowed to constitute a "retainable report;" in other words, the *minimum* degree of investigation that is sufficient to

complete the reporting requirement is the *maximum* degree of investigation reimbursable under the test claim statute.

The parameters and guidelines (section IV – B.3.a.1) allow ongoing activities related to costs for reporting to the DOJ for the following reimbursable activities:

> From July 1, 1999 to December 31, 2011, city and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall: (Pursuant to amendments to Penal Code section 11169(b) enacted by Statutes 2011, chapter 468 (AB 717), the mandate to report to DOJ for law enforcement agencies only ends on January 1, 2012. In addition, the duty for all other affected agencies is modified to exclude an "inconclusive" report.)
>
> 2) Complete an investigation for purposes of preparing the report
>
> Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583 [emphasis added], or subsequent designated form, to the Department of Justice. (Penal Code section 11169(a) (Stats. 1997, ch. 842 § 5 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.) Except as provided in paragraph below, this activity includes review of the initial Suspected Child Abuse Report (Form 8572), conducting initial interviews with parents, victims, suspects, or witnesses, where applicable, and making a report of the findings of those interviews, which may be reviewed by a supervisor.

For this cost component, the reimbursable activity is to complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive, for purposes of preparing and submitting a SS 8583 Report Form to the DOJ. Reimbursable activities are limited to reviewing the SCAR, conducting initial interviews, and writing a report about the interviews that may be reviewed by a supervisor. The documentation maintained in the SCAR case files, as well as the documentation the City references, including the 11166 PC Report Form prepared and maintained by the LEA, the SCAR Form SS 8572, the City's 2015 time studies, and assertions by command staff are standard LEA practice for these types of cases do not support that the City prepared a written report nor do they support that the LEA conducted initial interviews with parents, victims, suspects, or witnesses, where applicable. Therefore, although it may not be the City's procedure to write a report to document an interview, doing so is a condition for reimbursement under the mandate.

The City also stated in its response that because in-person interviews and writing a report of the findings are the last step taken by law enforcement before determining whether to proceed with a criminal investigation or close the investigation, and last step that county welfare departments take before determining whether to forward the report to the DOJ and possible refer the matter to law enforcement, that degree of investigative effort must be the last step that is necessary to comply with the mandate. We agree that conducting in-person interviews and writing a report of the findings are necessary to comply with the mandate. However, preliminary investigative activities 2 through 5 do not support that the Police Department conducted in-person interviews or wrote a report of its findings to comply with the mandate. Preliminary investigative activities 2 through 5 are not within the scope of the parameters and guidelines. Therefore, the additional time the City is requesting for preliminary investigative activities 2 through 5, beyond the 28 minutes already allowed for

the 2,796 cases in which partial initial investigations were performed, are ineligible for reimbursement.

For the cases in which a full investigation was conducted, we accepted the City's claimed time increments without adjustment. In addition, we worked with the City during the audit to allow the time increments for the three partial investigation activities 1, 6, and 7 identified previously, even though there was no documentation in the case files to support that the activities had been performed.

The City has not provided any additional documentation to support an increase in allowable costs. The City's argument that the number of other agency-generated SCARs the LEA investigated and the time associated with performing the investigative activities were incorrectly reduced for the Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component remains unsupported. As such, we believe that the reduction to the number of other agency-generated SCARs that the LEA investigated and the time associated with performing the investigative activities for the audit period should remain unchanged.

III. DISALLOWANCE OF OVERHEAD/INDIRECT COST

(Finding 3: Unallowable indirect costs)

Issue 3

The SCO determined that the City overstated indirect costs totaling $521,214 for the audit period **(Section 10 – Exhibit 2 – page 499)**. The SCO concluded that the costs are unallowable because the City overstated the indirect cost rates for the audit period and applied the indirect cost rates to overstated salaries.

In the IRC filed May 13, 2021, the City disagrees with the SCO's reduction of the indirect cost rates. The City believes that the SCO determination to completely disallow the Public Safety Dispatcher and Evidence Technician classifications from the indirect cost rate proposal calculation is erroneous and improperly reduces the City's claims.

SCO's Analysis:

The City believes that the SCO's determination to completely disallow the Public Safety Dispatcher and Evidence Technician classifications from the indirect cost rate proposal (ICRP) calculation is erroneous.

Section IV of the parameters and guidelines states, "Actual Costs must be traceable and supported by source documents that show the validity of such costs."

Section V – B of the parameters and guidelines states:

> 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 be 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 using the procedure provided in 2 CFR Part 225 (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%.

The City believes that the Police Department's Communication Center and the Public Safety Dispatcher positions serve as the department's receptionists. The City provided a listing of common clerical duties obtained from Indeed.com's website to show that the duties performed by the Public Safety Dispatcher positions are clerical functions. The City also believes that the disallowance of the Public Safety Dispatcher positions from the Police Department's overhead rate contradicts what is identified in the *State Controller's Office Mandated Cost Manual for Local Agencies* because the mandated cost manual includes communications as an allowable expense in the example of computing an ICRP rate.

The City agrees that administrative and clerical duties are valid examples of allowable indirect costs and that the Public Safety Dispatchers perform clerical duties. However, the City points out that there is no language in the *State Controller's Office Mandated Cost Manual for Local Agencies* or OMB guidelines that restricts indirect costs to only administrative or clerical duties. The City believes that positions such as Janitors or Custodian, which are equivalent to the City's Police Maintenance Workers and staff in the City's Technology Division, do not perform administrative or clerical functions. However, the inclusion of these positions and division was allowable in the ICRP even though the employees do not perform administrative or clerical functions.

The City believes that it is clear that the Public Safety Dispatcher and the Evidence Technician classifications did not perform any of the mandated program or cost objective activities directly, nor can their time be directly attributable to any specific activity or award. The City believes that the Public Safety Dispatcher and the Evidence Technician classifications should be allowable as 100% indirect labor costs in its ICRP calculations.

City's Response:

Issue 3: Audit Finding 3 – SCO Incorrectly reduced Indirect Costs by

The SCO determined that two classifications of employees – the Dispatchers and Evidence Technicians were completely unallowable in the Indirect Cost pool." …two classifications that we determined do not provide any indirect duties and are therefore 0% indirect: Public Safety Dispatcher and Evidence Technician." (See Exhibit 2, page 42)

The following statements show how the SCO auditor came to their erroneous conclusion that these positions were not indirect:

First flaw in SCO's ICRP finding. The auditor states:

> *"The duties we identified as indirect were either administrative or clerical in nature." The "Public Safety Dispatcher and Evidence Technician's duty statements… do not identify any duties that are administrative or clerical in nature." (See Exhibit 2, page 42)*

It is unclear how the SCO defines clerical duties or functions, because most would consider an organization's communication center or receptionists to be clerical/support staff. They are not the one's solving the citizens problems – they are transmitting the calls to the officers (direct staff) to respond to those issues.

According to the on-line hiring website, ***Indeed.com's*** "List of Common Clerical Duties" downloaded from their website and attached in Exhibit H, eight of the twelve "clerical" tasks listed are performed by Police Department Dispatchers:

- Communication with customers and colleagues
- Answering phone calls
- Records and document filings
- Operating office machines
- Keeping records and reports
- Replying to emails
- Delivering messages
- Arranging appointments

The Police departments communication center and those dispatch position's primary mission is to serve as the department's receptionists, a clearly is a clerical function by standard definition. (See Job Description items 1-11 for the Dispatcher position attached in Exhibit G)

Evidence Technician's job to store, maintain and process evidence material for all sworn staff is similar to other clerical job duties listed by the Indeed list of clerical duties." to compile, track transactions," to "file important company records."

The SCO disallowance of the Communications/Dispatch positions from the Police Department's overhead rate clearly shows an error in judgement as it is contrary to their own statements and guidelines. The SCO's "Claiming Instructions, Local Agencies Mandated Cost Manual" specifically includes **Communications** costs as an ALLOWABLE expense in their own example of how to compute an ICRP rate. (See Exhibit I, Claiming Local Agencies Mandated Cost Manual, Section 2, Filing a Claim, page 13)

Second flaw in SCO's ICRP finding. The auditor states:

> *"The duties we identified as indirect were either administrative or clerical in nature." (See Exhibit 2, page 42):*

While we agree that administrative and clerical duties are valid examples of allowable indirect duties and that dispatchers perform clerical duties; it should be pointed out that there is no

language in either Claiming Instructions or the Federal CFR/OMB Guidelines which limits indirect costs to only administrative and clerical duties.

Claiming Instructions and the Federal CFR/OMG Guidelines which state:

> Indirect costs are those: (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."

For example, a janitor or custodian (in the city's case, the Police Maintenance Worker) is neither clerical nor administrative, however, that position does provide necessary support and benefit a common or joint purpose: the overall police department as well as the cost objective/mandate program. The same is true for the department's Information Technology division. Those positions (the Information Services Manager and the Information Services Technicians) were claimed and were correctly allowed for inclusion in the ICRP/Overhead rate by the SCO even though they did not provide "administrative or clerical" functions. (See Exhibit 2, page 35).

Therefore, the SCO criteria to limit eligibility to, *"The duties we identified as indirect were either administrative or clerical nature."* was erroneous.

Third flaw in SCO's ICRP finding. The auditor states:

> *"Generally speaking, direct costs are those which can be identified specifically with particular unit or function (cost objective) and accounted for separately." (See Exhibit 2, page 42). And*
>
> *"Indirect costs…are not attributable to a specific project or unit." (See Exhibit 2, pages 42-43).*

SCO's definitions of direct and indirect costs do not adhere to either State or Federal guidelines and may explain their error.

SCO states, "direct costs are those which can be identified specifically with particular unit or function (cost objective) and accounted for separately" however, Claiming Instructions say, "Direct costs are those costs incurred specifically for the reimbursable activities. (see Exhibit 1, page 14).
While on-scene conducting the child abuse investigations, the officer is in constant contact with the dispatch staff – receiving the information and request for service from dispatch, notifying dispatch of their location, arrival time, departure time form the call and notifying them of the status of the investigation or if any additional assistance is needed. The Dispatchers – or Communications Division – is the liaison between the public and the sworn officer, as well the sworn officer and command/support staff.

It is clear that neither the dispatcher nor the evidence staff positions are the direct costs of this programs or "Cost objective." They did not perform any of the mandated program activities directly; their time was not claimed directly – nor could easily be claimed directly for the mandated program; and their costs could not be identified specifically to the mandated "cost objective" or any other activity or award.

Nowhere in the Claiming Instructions or the Federal Guidelines does it specify that determination of whether a cost is an eligible indirect cost is defined by how it is budgeted or if its functions are "attributed to a specific unit." The determination is based on the function or **benefit** that unit performs or provides to the eligible direct "cost objective."

SCO statement:

"*Indirect costs…are not attributable to a specific project or unit." (See Exhibit 2, pages 42-43).*

is contrary to [the] claiming instructions and Federal OMB/CFR guidelines.

In fact, the opposite is true – Claiming Instructions specifically permit the computation of overhead/ICRP costs by division or section. (See Exhibit 1, Claiming Instructions, page 16 and also on Page 39 of the Audit Report) which reads:

> 2. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) separating a department into groups, such **as divisions or sections, and then classifying the division's or section's total costs for the base period**

In addition, the Claiming Manual further states that:

> "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."

CFR gives examples showing the clerical pools of staff be classified as indirect costs. (see Exhibit J, Page 207-209) 2 CFR instructs:

> "(b) Identification of indirect costs. Cost groupings must be established so as to permit the allocation of each grouping on the basis of benefits provided to the major functions. Each grouping must constitute a pool of expenses that are of like character in terms of functions they benefit and in terms of the allocation base which best measures the relative benefits provided to each function. The groupings are classified within the two broad categories: "Facilities" and "Administration" as described in section A.3 of this Appendix. The indirect costs pools are described as follows:…
> (3) Operations and maintenance expenses. …They include expenses such as janitorial…utilities…care of grounds…
>
> (4) General administration and general expenses. …Examples of this category include central offices, such as the director's office, the office of finance, business services, budget and planning, personnel, safety and risk management, general counsel, management information systems, and library costs…The salaries and wages of administrative and **pooled clerical staff** should normally be treated as indirect costs…"

Not only can divisions or units be either direct or indirect – but so can costs in outside DEPARTMENTS which provide eligible indirect "services". (See Exhibit I, Page 10). By the SCO's own analysis," City-wide" overhead costs" – or costs from outside departments were allowed in the ICRP computations. (see Exhibit 3 – City-wide Overhead Calculations in Claim copies)

For all the reasons stated above, SCO reasoning that: IF a cost "can be identified specifically with a unit or function", THEN that makes it a direct cost -- was flawed and contradicts State and Federal Guidelines.

The City respectfully requests that the Commission review and remedy these issues.

SCO's Comments:

In its IRC, the City contends that the SCO incorrectly and improperly reduced the City's claims by excluding the salaries and related benefits of the Public Safety Dispatcher and Evidence Technician classifications from the indirect cost pool in its IRCP. We disagree.

As outlined in the audit report **(Section 10 – Exhibit 2 – page 500)**, the City claimed a total of 21 classifications as 100% indirect in its ICRPs during the audit period (two exceptions were noted). Of these 21 classifications, we accepted the City's assessment for 13 and questioned eight as not being 100% direct due to the nature of the positions. Throughout the

audit, we worked with the City to determine a reasonable allocation of direct and indirect labor for these eight classifications. We analyzed the representative duties listed in the City's duty statements, and held multiple discussions with City officials and considered their input to determine a reasonable allocation. Of the eight classifications, we determined that six performed a combination of both direct and indirect duties to different extents.

The duties that we identified as indirect were either administrative or clerical in nature. The duties that we identified as direct were readily assignable to a specific function and benefited the direct functions of the Police Department. The City is not contesting our assessment of the six classifications. Rather, the City is contesting the two classifications that we determined do not perform any indirect duties and are therefore 0% indirect the Public Safety Dispatcher and Evidence Technician classifications.

During audit fieldwork, we worked extensively with both Police Department and City staff members to perform an analysis of the Public Safety Dispatcher and Evidence Technician classifications. Based on our analysis, we determined that these classifications did not perform any indirect duties and were thus 0% indirect. We based our assessment of direct and indirect salaries and related benefits both on our discussions with staff as well as on the actual duty statements **(Tab 6)**. The respective duty statements do not identify general business function duties that would benefit the entire Police Department. Rather, they identify duties that are direct in nature and can be specifically identified with a particular unit or function within the Police Department.

However, the City argues that the Police Departments communication center and the Public Safety Dispatcher positions serve as the department receptionists. The City provided a listing of common clerical duties obtained from the Indeed.com's website to show that the duties performed by the Public Safety Dispatcher positions are clerical functions. The City also contends that the disallowance of the Public Safety Dispatcher positions from the Police Department's overhead rate contradicts what is identified in the *State Controller's Office Mandated Cost Manual for Local Agencies* because the manual includes communications as an allowable expense in the example of computing an ICRP rate. We disagree.

Employees in the Public Safety Dispatcher classification may serve as receptionists; however, they do not provide receptionist services to the entire Police Department. Employees in the Public Safety Dispatcher classification serve as receptionists that benefit specific units within the Police Department. Therefore, we believe that this classification should be classified as direct. In addition, costs for communications are allowable, as documented in the OMB guidelines **(Tab 7 – page 5)**. In computing an ICRP rate, communication expenses are costs incurred for telephone services, local and long distant calls, telegrams, postage, messenger, electronic or computer transmittal services and the like. Consequently, there is no correlation between communication expenses and the Public Safety Dispatcher classifications costs, as the City suggests.

The City contends that it is clear that the Public Safety Dispatcher and Evidence Technician classifications did not perform any of the mandated program or cost objective activities directly, nor can their time be directly attributable to any specific activity or award. Therefore, the City argues that these classifications should be allowable as 100% indirect labor costs in the ICRP calculations. We disagree.

The City interchangeably identifies the cost objective as the "child abuse program" and "child abuse investigations." The City argues that the Public Safety Dispatcher and the

Evidence Technician classifications benefit more than one cost objective (child abuse investigation, missing persons, theft, DUI, etc.). For this reason, the City concludes that these positions are indirect. We disagree.

The indirect cost rate is typically computed as a calculation that allocates expenses between direct and indirect. The pool of expenses (numerator) identified as indirect is then divided by an allocation base (denominator), which in most cases is direct labor. Generally speaking, direct costs are those which can be identified specifically a with particular unit or function ("cost objective") and accounted for separately. Indirect costs, on the other hand, are those costs incurred in support of general business functions and which are not attributable to a specific project or unit. Both the City's claimed rates (as shown in its ICRPs) and our audited rates were based on the Police Department expenditures as a whole. Therefore, the cost objective is the entire Police Department and not the ICAN program. Direct labor includes the overall functions of the Police Department assignable to specific units and functions, and the calculated indirect cost rates are considered to be department-wide rates.

The City has not provided additional documentation to support an adjustment to the indirect cost rates. We believe that the Public Safety Dispatcher and Evidence Technician classifications perform duties that are direct in nature and can be specifically identified with a particular unit or function within the Police Department. We also believe that these classifications do not perform general business functions that benefit the entire Police Department. Therefore, we believe that we properly classified these positions as direct in our computations of the ICRPs for the audit period. As such, we believe that the reduction of the indirect cost rates by disallowing the Public Safety Dispatcher and Evidence Technician classifications from the indirect cost rate proposal calculation should remain unchanged.

IV. CONCLUSION

The SCO audited the City of South Lake Tahoe's claims for costs of the legislatively mandated Interagency Child Abuse and Neglect Investigation Reports program (PC sections 11165.9, 11166, 11166.2, 11166.9[1], 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapters 1289 and 1496; Statutes 1987, Chapters 82, 531, and 1459; Statutes 1988, Chapters 269, 1497, and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapters 650, 1330, 1363, 1603; Statutes 1992, Chapters 163, 459, and 1338; Statutes 1993, Chapters 219 and 510; Statutes 1996, Chapters 1080 and 1081; Statutes 1997, Chapters 842, 843, and 844; Statutes 1999, Chapters 475 and 1012; and Statutes 2000, Chapter 916; California Code of Regulations, Title 11, Section 903 (Register 98, Number 29); "Child Abuse Investigation Report" Form SS 8583 (Rev. 3/91)) for the period of July 1, 1999, through June 30, 2012. The city claimed $1,505,262 for the mandated program. Our audit found that $239,395 is allowable and $1,265,867 is unallowable. The costs are unallowable because the City overstated the number of SCARs cross-reported, overstated the number of SCAR cases investigated, misstated productive hourly rates, and overstated indirect cost rates.

The Commission should find that (1) the SCO correctly reduced the City's FY 1999-2000 claim by $33,684; (2) the SCO correctly reduced the City's FY 2000-01 claim by $41,122; (3) the SCO correctly reduced the City's FY 2001-02 claim by $44,012; (4) the SCO correctly reduced the City's FY 2002-03 claim by $68,780; (5) the SCO correctly reduced the City's FY 2003-04 claim by $77,602; (6) the SCO correctly reduced the City's FY 2004-05 claim by $82,291; (7)

the SCO correctly reduced the City's FY 2005-06 claim by $89,468; (8) the SCO correctly reduced the City's FY 2006-07 claim by $102,975; (9) the SCO correctly reduced the City's FY 2007-08 claim by $100,781; (10) the SCO correctly reduced the City's FY 2008-09 claim by $151,888; (11) the SCO correctly reduced the City's FY 2009-10 claim by $193,363; (12) the SCO correctly reduced the City's FY 2010-11 claim by $198,188; and (13) the SCO correctly reduced the City's FY 2011-12 claim by $81,713.

V. CERTIFICATION

I hereby certify by my signature below that the statements made in this document are true and correct of my own knowledge, or, as to all other matters, I believe them to be true and correct based upon information and belief.

Executed on February 16, 2022, at Sacramento, California, by:

Lisa Kurokawa, Chief
Compliance Audits Bureau
Division of Audits
State Controller's Office

Tab 3

STATE OF CALIFORNIA
COMMISSION ON STATE MANDATES
980 NINTH STREET, SUITE 300
SACRAMENTO, CA 95814
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December 16, 2013

Mr. Ed Jewik
County of Los Angeles,
Auditor-Controller's Office
500 West Temple Street, Room 603
Los Angeles, CA 90012-2766

And Affected State Agencies and Interested Parties (See Mailing List)

RE: Statement of Decision and Parameters and Guidelines
Interagency Child Abuse and Neglect Investigation Reports, 00-TC-22
Penal Code Sections 11165. 9 et al.
County of Los Angeles, Claimant

Dear Mr. Jewik:

On December 6, 2013, the Commission on State Mandates adopted the statement of decision and parameters and guidelines on the above-entitled matter.

Please contact Heidi Palchik at (916) 323-3562 if you have any questions.

Sincerely,

Heather Halsey
Executive Director

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BEFORE THE

COMMISSION ON STATE MANDATES

STATE OF CALIFORNIA

IN RE PARAMETERS AND GUIDELINES: Penal Code Sections 11165.9, 11166,11166.2, 11166.9,[1] 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapters 1289 and 1496; Statutes 1987, Chapters 82, 531 and 1459; Statutes 1988, Chapters 269, 1497 and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapters 650, 1330, 1363 and 1603; Statutes 1992, Chapters 163, 459 and 1338; Statutes 1993, Chapters 219 and 510; Statutes 1996, Chapters 1080 and 1081; Statutes 1997, Chapters 842, 843 and 844; Statutes 1999, Chapters 475 and 1012; and Statutes 2000, Chapter 916 California Code of Regulations, Title 11, Section 903 (Register 98, No. 29)[2] "Child Abuse Investigation Report" Form SS 8583 (Rev. 3/91) Period of reimbursement begins July 1, 1999, or later for specified activities added by subsequent statutes. Reimbursement ends for specified activities on January 1, 2012.	Case No.: 00-TC-22 *Interagency Child Abuse and Neglect Investigation Reports* STATEMENT OF DECISION PURSUANT TO GOVERNMENT CODE SECTION 17500 ET SEQ.; CALIFORNIA CODE OF REGULATIONS, TITLE 2, DIVISION 2, CHAPTER 2.5, ARTICLE 7 (*Adopted December 6, 2013*) (*Served December 16, 2013*)

STATEMENT OF DECISION

The Commission on State Mandates (Commission) adopted this statement of decision and parameters and guidelines during a regularly scheduled hearing on December 6, 2013.

[1] Renumbered at Penal Code section 11174.34 (Stats. 2004, ch. 842 (SB 1313)).

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

Ed Jewik appeared on behalf of the claimant, the County of Los Angeles. Michael Byrne and Kathleen Lynch appeared on behalf of the Department of Finance.

The law applicable to the Commission's determination of a reimbursable state-mandated program is article XIII B, section 6 of the California Constitution, Government Code section 17500 et seq., and related case law.

The Commission adopted the parameters and guidelines and statement of decision by a vote of 7-0.

I. SUMMARY OF THE MANDATE

These proposed parameters and guidelines pertain to the *Interagency Child Abuse and Neglect Investigation Reports* (ICAN) test claim, 00-TC-22, adopted December 6, 2007. Based on the filing date of the test claim, the period of reimbursement begins on July 1, 1999, or later for specified activities added by subsequent statutes. Some of the activities end as of January 1, 2012, due to a subsequent change in law.

The test claim addresses amendments to the Child Abuse and Neglect Reporting Act (CANRA). The act, as amended, provides for reporting of suspected child abuse or neglect by certain individuals, identified by their profession as having frequent contact with children. The Commission found that Penal Code sections 11165.9, 11166, 11166.2, 11166.9, 11168 (formerly 11161.7), 11169, and 11170, as added or amended by Statutes 1977, chapter 958, Statutes 1980, chapter 1071, Statutes 1981, chapter 435, Statutes 1982, chapters 162 and 905, Statutes 1984, chapters 1423 and 1613, Statutes 1985, chapter 1598, Statutes 1986, chapters 1289 and 1496, Statutes 1987, chapters 82, 531 and 1459, Statutes 1988, chapters 269, 1497 and 1580, Statutes 1989, chapter 153, Statutes 1990, chapters 650, 1330, 1363 and 1603, Statutes 1992, chapters 163, 459 and 1338, Statutes 1993, chapters 219 and 510, Statutes 1996, chapters 1080 and 1081, Statutes 1997, chapters 842, 843 and 844, Statutes 1999, chapters 475 and 1012, and Statutes 2000, chapter 916; and executive orders California Code of Regulations, title 11, section 903 as added by Register 98, No. 29, and "Child Abuse Investigation Report" Form SS 8583, mandate new programs or higher levels of service within the meaning of article XIII B, section 6 of the California Constitution, and impose costs mandated by the state pursuant to Government Code section 17514, for cities and counties for the following specific new activities:

Distributing the Suspected Child Abuse Report Form:

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Distribute the child abuse reporting form adopted by the Department of Justice (currently known as the "Suspected Child Abuse Report" Form SS 8572) to mandated reporters. (Pen. Code, § 11168, formerly § 11161.7.)[3]

[3] As added by Statutes 1980, chapter 1071 and amended by Statutes 2000, chapter 916. Derived from former Penal Code section 11161.7, as amended by Statutes 1977, chapter 958.

Reporting Between Local Departments

Accepting and Referring Initial Child Abuse Reports when a Department Lacks Jurisdiction:

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Transfer a call electronically or immediately refer the case by telephone, fax, or electronic transmission, to an agency with proper jurisdiction, whenever the department lacks subject matter or geographical jurisdiction over an incoming report of suspected child abuse or neglect. (Pen. Code, § 11165.9.)[4]

Cross-Reporting of Suspected Child Abuse or Neglect from County Welfare and Probation Departments to the Law Enforcement Agency with Jurisdiction and the District Attorney's Office:

A county probation department shall:

- Report by telephone immediately, or as soon as practically possible, to the law enforcement agency having jurisdiction over the case, to the agency given the responsibility for investigation of cases under Section 300 of the Welfare and Institutions Code, and to the district attorney's office every known or suspected instance of child abuse, as defined in Penal Code section 11165.6, except acts or omissions coming within subdivision (b) of section 11165.2, or reports made pursuant to section 11165.13 based on risk to a child which relates solely to the inability of the parent to provide the child with regular care due to the parent's substance abuse, which shall be reported only to the county welfare department. (Pen. Code, § 11166, subd. (h), now subd. (j).)[5]
- Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under this subdivision.

  As of January 1, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours. (Pen. Code, § 11166, subd. (h), now subd. (j).)[6]

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[4] As added by Statutes 2000, chapter 916, operative January 1, 2001.

[5] As added by Statutes 1980, chapter 1071; amended by Statutes 1981, chapter 435, Statutes 1982, chapter 905, Statutes 1984, chapter 1423, Statutes 1986, chapter 1289, Statutes 1987, chapter 1459, Statutes 1988, chapters 269 and 1580, Statutes 1990, chapter 1603, Statutes 1992, chapter 459, Statutes 1993, chapter 510, Statutes 1996, chapters 1080 and 1081, and Statutes 2000, chapter 916.

[6] *Ibid.*

A county welfare department shall:

- Report by telephone immediately, or as soon as practically possible, to the agency given the responsibility for investigation of cases under Section 300 of the Welfare and Institutions Code, and to the district attorney's office every known or suspected instance of child abuse, as defined in Penal Code section 11165.6, except acts or omissions coming within subdivision (b) of section 11165.2, or reports made pursuant to section 11165.13 based on risk to a child which relates solely to the inability of the parent to provide the child with regular care due to the parent's substance abuse, which shall be reported only to the county welfare department.

  This activity does not include making an initial report of child abuse and neglect from a county welfare department to the law enforcement agency having jurisdiction over the case, which was required under prior law to be made "without delay." (Pen. Code, § 11166, subd. (h), now subd. (j).)[7]

- Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency, including the law enforcement agency having jurisdiction over the case, to which it is required to make a telephone report under this subdivision.

  As of January 1, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours. (Pen. Code, § 11166, subd. (h), now subd. (j).)[8]

Cross-Reporting of Suspected Child Abuse or Neglect from the Law Enforcement Agency to the County Welfare and Institutions Code Section 300 Agency, County Welfare, and the District Attorney's Office:

A city or county law enforcement agency shall:

- Report by telephone immediately, or as soon as practically possible, to the agency given responsibility for investigation of cases under Welfare and Institutions Code section 300 and to the district attorney's office every known or suspected instance of child abuse reported to it, except acts or omissions coming within Penal Code section 11165.2, subdivision (b), which shall be reported only to the county welfare department. (Pen. Code, § 11166, subd. (i), now subd. (k).)[9]

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[7] *Ibid.*

[8] *Ibid.*

[9] As added by Statutes 1980, chapter 1071; amended by Statutes 1981, chapter 435, Statutes 1982, chapter 905, Statutes 1984, chapter 1423, Statutes 1986, chapter 1289, Statutes 1987, chapter 1459, Statutes 1988, chapters 269 and 1580, Statutes 1990, chapter 1603, Statutes 1992, chapter 459, Statutes 1993, chapter 510, Statutes 1996, chapters 1080 and 1081, and Statutes 2000, chapter 916.

- Report to the county welfare department every known or suspected instance of child abuse reported to it which is alleged to have occurred as a result of the action of a person responsible for the child's welfare, or as the result of the failure of a person responsible for the child's welfare to adequately protect the minor from abuse when the person responsible for the child's welfare knew or reasonably should have known that the minor was in danger of abuse. (Pen. Code, § 11166, subd. (i), now subd. (k).)[10]

- Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under this subdivision.

  As of January 1, 2006, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours. (Pen. Code, § 11166, subd. (i), now subd. (k).)[11]

Receipt of Cross-Reports by District Attorney's Office:

A district attorney's office shall:

- Receive reports of every known or suspected instance of child abuse reported to law enforcement, county probation or county welfare departments, except acts or omissions of general neglect coming within Penal Code section 11165.2, subdivision (b). (Pen. Code, § 11166, subds. (h) and (i), now subds. (j) and (k).)[12]

Reporting to Licensing Agencies:

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Report by telephone immediately or as soon as practically possible to the appropriate licensing agency every known or suspected instance of child abuse or neglect when the instance of abuse or neglect occurs while the child is being cared for in a child day care facility, involves a child day care licensed staff person, or occurs while the child is under the supervision of a community care facility or involves a community care facility licensee or staff person. The agency shall also send, fax, or electronically transmit a written report thereof within 36 hours of receiving the information concerning the

[10] *Ibid.*

[11] *Ibid.*

[12] As added by Statutes 1980, chapter 1071; amended by Statutes 1981, chapter 435, Statutes 1982, chapter 905, Statutes 1984, chapter 1423, Statutes 1986, chapter 1289, Statutes 1987, chapter 1459, Statutes 1988, chapters 269 and 1580, Statutes 1990, chapter 1603, Statutes 1992, chapter 459, Statutes 1993, chapter 510, Statutes 1996, chapters 1080 and 1081, and Statutes 2000, chapter 916.

incident to any agency to which it is required to make a telephone report under this subdivision. The agency shall send the licensing agency a copy of its investigation report and any other pertinent materials.

As of July 31, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours. (Pen. Code, § 11166.2.)[13]

Additional Cross-Reporting in Cases of Child Death:

A city or county law enforcement agency shall:

- Cross-report all cases of child death suspected to be related to child abuse or neglect to the county child welfare agency. (Pen. Code, § 11166.9, subd. (k), now § 11174.34, subd. (k).)[14]

A county welfare department shall:

- Cross-report all cases of child death suspected to be related to child abuse or neglect to law enforcement. (Pen. Code, § 11166.9, subd. (k), now § 11174.34, subd. (k).)[15]
- Create a record in the Child Welfare Services/Case Management System (CWS/CMS) on all cases of child death suspected to be related to child abuse or neglect. (Pen. Code, § 11166.9, subd. (l), now § 11174.34, subd. (l).)[16]
- Enter information into the CWS/CMS upon notification that the death was subsequently determined not to be related to child abuse or neglect. (Pen. Code, § 11166.9, subd. (l), now § 11174.34, subd. (l).)[17]

Investigation of Suspected Child Abuse, and Reporting to and from the State Department of Justice

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the

[13] As added by Statutes 1985, chapter 1598 and amended by Statutes 1987, chapter 531; Statutes 1988, chapter 269; Statutes 1990, chapter 650; and Statutes 2000, chapter 916.

[14] As amended by Statutes 1999, chapter 1012, operative January 1, 2000. This code section has since been renumbered as Penal Code section 11174.34, without amendment, by Statutes 2004, chapter 842.

[15] *Ibid.*

[16] *Ibid.*

[17] *Ibid.*

state "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice. (Pen. Code, § 11169, subd. (a); Cal. Code Regs., tit. 11, § 903, "Child Abuse Investigation Report" Form SS 8583.) [18]

- Forward to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse or severe neglect which is determined to be substantiated or inconclusive, as defined in Penal Code section 11165.12. Unfounded reports, as defined in Penal Code section 11165.12, shall not be filed with the Department of Justice. If a report has previously been filed which subsequently proves to be unfounded, the Department of Justice shall be notified in writing of that fact. The reports required by this section shall be in a form approved by the Department of Justice and may be sent by fax or electronic transmission. (Pen. Code, § 11169, subd. (a); Cal. Code Regs., tit. 11, § 903, "Child Abuse Investigation Report" Form SS 8583.) [19]

Notifications Following Reports to the Child Abuse Central Index

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Notify in writing the known or suspected child abuser that he or she has been reported to the Child Abuse Central Index, in any form approved by the Department of Justice, at the time the "Child Abuse Investigation Report" is filed with the Department of Justice. (Pen. Code, § 11169, subd. (b).)[20]
- Make relevant information available, when received from the Department of Justice, to the child custodian, guardian ad litem appointed under section 326, or counsel appointed under section 317 or 318 of the Welfare and Institutions Code, or the appropriate licensing agency, if he or she is treating or investigating a case of known or suspected child abuse or severe neglect. (Pen. Code, § 11170, subd. (b)(1).)[21]

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[18] Code section as added by Statutes 1980, chapter 1071, amended by Statutes 1981, chapter 435, Statutes 1985, chapter 1598, Statutes 1988, chapters 269 and 1497, Statutes 1997, chapter 842, and Statutes 2000, chapter 916. Regulation as added by Register 98, No. 29.

[19] *Ibid.*

[20] As amended by Statutes 1997, chapter 842, Statutes 1999, chapter 475, and Statutes 2000, chapter 916. The potential reimbursement period for this activity begins no earlier than January 1, 2001—the operative date of Statutes 2000, chapter 916.

[21] As added by Statutes 1980, chapter 1071; amended by Statutes 1981, chapter 435, Statutes 1982, chapter 162, Statutes 1984, chapter 1613, Statutes 1985, chapter 1598, Statutes 1986, chapter 1496, Statutes 1987, chapter 82, Statutes 1989, chapter 153, Statutes 1990, chapters 1330 and 1363, Statutes 1992, chapters 163 and 1338, Statutes 1993, chapter 219, Statutes 1996,

- Inform the mandated reporter of the results of the investigation and of any action the agency is taking with regard to the child or family, upon completion of the child abuse investigation or after there has been a final disposition in the matter. (Pen. Code, § 11170, subd. (b)(2).)[22]

- Notify, in writing, the person listed in the Child Abuse Central Index that he or she is in the index, upon receipt of relevant information concerning child abuse or neglect investigation reports contained in the index from the Department of Justice when investigating a home for the placement of dependent children. The notification shall include the name of the reporting agency and the date of the report. (Pen. Code, § 11170, subd. (b)(5), now subd. (b)(6).)[23]

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, county welfare department, county licensing agency, or district attorney's office shall:

- Obtain the original investigative report from the reporting agency, and draw independent conclusions regarding the quality of the evidence disclosed, and its sufficiency for making decisions regarding investigation, prosecution, licensing, or placement of a child, when a report is received from the Child Abuse Central Index. (Pen. Code, § 11170, subd. (b)(6)(A), now (b)(8)(A).) [24]

Any city or county law enforcement agency, county probation department, or county welfare department shall:

- Notify, in writing, the person listed in the Child Abuse Central Index that he or she is in the index, upon receipt of relevant information concerning child abuse or neglect reports contained in the index from the Department of Justice regarding placement with a responsible relative pursuant to Welfare and Institutions Code sections 281.5, 305, and 361.3. The notification shall include the location of the original investigative report and the submitting agency. The notification shall be submitted to the person listed at the same time that all other parties are notified of the information, and no later than the actual judicial proceeding that determines placement. (Pen. Code, § 11170, subd. (c).)

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chapter 1081, Statutes 1997, chapters 842, 843, and 844, Statutes 1999, chapter 475, and Statutes 2000, chapter 916.

[22] *Ibid.*

[23] As amended by Statutes 1997, chapter 844, Statutes 1999, chapter 475, and Statutes 2000, chapter 916. This subdivision was renumbered by Statutes 2004, chapter 842.

[24] *Ibid.*

Record Retention

Any city or county police or sheriff's department, or county probation department if designated by the county to receive mandated reports shall:

- Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of eight years for counties and cities (a higher level of service above the two-year record retention requirement pursuant to Gov. Code §§ 26202 (cities) and 34090 (counties).) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years. (Pen. Code, § 11169, subd. (c).)[25]

A county welfare department shall:

- Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of seven years for welfare records (a higher level of service above the three-year record retention requirement pursuant to Welf. & Inst. Code, § 10851.) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years. (Pen. Code, § 11169, subd. (c).) [26]

The Commission found that requirements imposed on individuals, termed "mandated reporters," are not unique to government, but rather are generally applicable to all persons described in the statute. Mandated reporters, including physicians, teachers, social workers, law enforcement personnel, and members of a number of other professions, are required to report to "an agency specified in section 11165.9," whenever the mandated reporter knows or reasonably suspects that a child has been the victim of abuse or severe neglect.[27] These requirements are imposed upon individuals by virtue of their vocation and professional training, irrespective of whether they are employed by local government. Therefore, as discussed in the test claim statement of decision, those requirements do not constitute a state-mandated new program or higher level of service.[28] Additionally, some duties found in the test claim statutes are not new, or are otherwise excluded from reimbursement, pursuant to the Commission's findings in the test claim statement of

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[25] As amended by Statutes 1997, chapter 842.

[26] *Ibid.*

[27] Penal Code section 11166(a) (Added by Stats. 1980, ch. 1071. Amended by Stats. 1981, ch. 435; Stats. 1982, ch. 905; Stats. 1984, ch. 1423; Stats. 1986, ch. 1289; Stats. 1987, ch. 1459; Stats. 1988, ch. 269; Stats. 1988, ch. 1580; Stats. 1990, ch. 1603 (SB2669); Stats. 1992, ch. 459 (SB1695); Stats. 1993, ch. 510 (SB665); Stats. 1996, ch. 1080 (AB295); Stats. 1996, ch. 1081 (AB3354); Stats. 2000, ch. 916 (AB1241); Stats. 2001, ch. 133 (AB102); Stats. 2002, ch. 936 (AB299); Stats. 2004, ch. 823 (AB20); Stats. 2004, ch. 842 (SB1313); Stats. 2005, ch. 42 (AB299); Stats. 2005, ch. 713 (AB776); Stats. 2006, ch. 701 (AB525); Stats. 2007, ch. 393 (AB673); Stats. 2010, ch. 123 (AB2380); Stats. 2012, ch. 728 (SB71); Stats. 2012, ch. 517 (AB1713); Stats. 2012, ch. 521 (AB1817)).

[28] See *County of Los Angeles v. State* (1987) 43 Cal.3d 46, at p. 56.

decision. Furthermore, maintaining the Child Abuse Central Index (CACI), and other duties imposed upon the Department of Justice, are not reimbursable activities because they affect state government, rather than local government.

But the duties imposed on city and county law enforcement agencies, county welfare departments, and county probation departments, where authorized, to receive reports from mandated reporters of suspected child abuse; to refer those reports to the correct agency when the recipient agency lacks jurisdiction; to cross-report to other local agencies with concurrent jurisdiction and to the district attorneys' offices; to report to licensing agencies; to make additional reports in the case of a child's death from abuse or neglect; to distribute the standardized forms to mandated reporters; to investigate reports of suspected child abuse to determine whether to report to the Department of Justice; to notify suspected abusers of listing in the Child Abuse Central Index; and to retain records, as specified, *are* unique to local government, and were determined to constitute a reimbursable state-mandated program pursuant to article XIII B, section 6 of the California Constitution. A small number of activities were also approved for county licensing agencies and district attorneys' offices, as provided.

II. PROCEDURAL HISTORY

The test claim was filed on June 29, 2001, by the County of Los Angeles (claimant), and was partially approved by the Commission on December 6, 2007, by a vote of 7 to 0.[29]

The adopted statement of decision was issued December 19, 2007, with instructions for the claimant to file proposed parameters and guidelines within 30 days. The claimant submitted proposed parameters and guidelines on January 14, 2008. On December 2, 2008, the claimant requested a prehearing conference on the draft parameters and guidelines. Pursuant to the prehearing on December 11, 2008, the parties agreed that they would develop a reasonable reimbursement methodology (RRM) and submit the proposal to the Commission by April 1, 2009. On March 10, 2009, the claimant submitted a request for a second prehearing. Pursuant to the second prehearing, Commission staff issued proposed schedules for the parties resulting in a tentative hearing date between September 2009 and January 2010. When the claimant failed to submit the proposed RRMs for addition to the parameters and guidelines within the proposed schedules, Commission staff warned, in a letter dated August 19, 2009, that "if a proposed reimbursement methodology is not submitted by September 1, 2009," the Commission would proceed in adopting an actual cost parameters and guidelines at the December 2009 hearing. The claimant requested a third prehearing, which was set for October 29, 2009. At the third prehearing, it was determined that the initial proposed parameters and guidelines did not describe the reimbursable activities consistently with the surveys that were being circulated to evaluate costs and form the proposed unit rate RRMs. As a result, the claimant submitted revised proposed parameters and guidelines, on January 28, 2010, attempting to describe the reimbursable activities more in line with the information requested in the surveys.

On March 11, 2010, the Department of Social Services (CDSS) requested an extension of time to file comments on the revised proposed parameters and guidelines. On March 12, 2010, the State Controller's Office (SCO) requested an extension of time to file comments on the revised proposed parameters and guidelines. On March 18, 2010, CDSS submitted written comments on

[29] Exhibit A, Test Claim Statement of Decision, at pp. 1-2; 21-38.

the revised proposed parameters and guidelines.[30] On March 30, 2010 the Department of Finance (DOF) submitted written comments on the revised proposed parameters and guidelines.[31] On April 1, 2010, SCO submitted written comments on the revised proposed parameters and guidelines.[32] On May 18, 2010, the claimant submitted rebuttal comments and a second revised proposed parameters and guidelines.[33]

On March 12, 2013, Commission staff issued a draft proposed statement of decision and parameters and guidelines.[34] On March 20, 2013, the claimant requested an extension of time to file comments, from April 2, 2013 to May 2, 2013, and a postponement of the hearing date from April 19, 2013 to May 24, 2013. The request for extension and postponement was granted for good cause. On March 27, 2013 the SCO filed comments on the draft proposed statement of decision and parameters and guidelines.[35] On April 17, 2013, the claimant filed comments on the draft proposed statement of decision and parameters and guidelines.[36] On April 19, 2013, DOF filed a request for extension and postponement, which was granted for good cause on April 22, 2013, extending time to file comments until June 7, 2013, and setting the matter for hearing on July 26, 2013.

On June 7, 2013, DOF submitted comments on the draft proposed statement of decision, suggesting that Proposition 30, adopted by the voters in 2012, might have an impact on the Commission's findings regarding costs mandated by the state.[37] On June 10, 2013, CDSS submitted comments on the draft proposed statement of decision, requesting that the Commission consider the potential impact of Proposition 30 and the 2011 Realignment legislation.[38]

On June 14, 2013, Commission staff issued a request for comments and additional briefing addressing the 2011 Realignment Legislation and Proposition 30, and the possible impacts on existing public safety-related mandates, such as the *ICAN* program.[39] On July 8, 2013, DOF

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[30] Exhibit C, CDSS Comments on Revised Proposed Parameters and Guidelines.

[31] Exhibit D, DOF Comments on Revised Proposed Parameters and Guidelines.

[32] Exhibit E, SCO Comments on Revised Proposed Parameters and Guidelines.

[33] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines.

[34] Exhibit I, Draft Staff Analysis and Proposed Parameters and Guidelines.

[35] Exhibit J, SCO Comments on Draft Proposed Statement of Decision and Parameters and Guidelines.

[36] Exhibit K, Claimant Comments on Draft Proposed Statement of Decision and Parameters and Guidelines.

[37] Exhibit L, DOF Comments on Draft Proposed Statement of Decision and Parameters and Guidelines.

[38] Exhibit M, CDSS Comments on Draft Proposed Statement of Decision and Parameters and Guidelines.

[39] Exhibit N, Commission Request for Comments on New Substantive Issue.

requested an extension of time to file comments and postponement of the hearing to the December 6, 2013 hearing, which was granted for good cause.[40] The parties and interested parties submitted comments in response to Commission staff's request on September 3 and 5, 2013.[41, 42,43]

III. POSITION OF THE PARTIES

A. Claimant's Position and Proposed Parameters and Guidelines

The claimant's revised proposed parameters and guidelines offered a combination of actual cost reimbursement for some activities and standard times-based RRMs for others. In response to agency comments, the claimant submitted rebuttal comments and a *second revised* proposed parameters and guidelines, which introduced a "streamlined three-tiered classification of required investigations,"[44] but otherwise made no changes to the prior revised proposed parameters and guidelines. For that reason, both the revised proposed parameters and guidelines and the second revised proposed parameters and guidelines are analyzed below.

The claimant proposes actual cost reimbursement for most activities expressly approved in the statement of decision, and most activities alleged to be reasonably necessary to complete those activities, including a number of case-specific investigative activities and costs, such as polygraph testing, DNA testing, medical examinations, and other evidence-gathering activities. In addition, the claimant proposes standard time RRMs for the following repetitive activities:

- For law enforcement to complete an investigation of suspected child abuse to determine whether a report is unfounded, substantiated or inconclusive: multiple standard time RRMs are proposed by the claimant based upon the level of investigation required in each case;[45] and
- For county welfare departments to complete certain reports and comply with specified notice requirements.[46]

The activities proposed for reimbursement by the claimant are based on declarations in the record detailing the procedures that Los Angeles County Sheriff's Department employs to investigate reports of suspected child abuse. The standard times were developed on the basis of survey information collected from Los Angeles County Sheriff's Department personnel, and

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[40] Exhibit O, DOF Request for Extension and Postponement.

[41] Exhibit P, CSAC Response to Commission Request for Comments.

[42] Exhibit Q, County of LA Response to Commission Request for Comments.

[43] Exhibit R, DOF Response to Commission Request for Comments.

[44] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 6.

[45] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 14-18.

[46] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 27.

provide reimbursement for repetitive activities conducted by law enforcement agencies when inquiring into reports of suspected child abuse. Standard time RRMs are proposed for three levels of investigations, based on the progress of the investigation, Level 1 being the lowest level.

In cases in which the report is facially inaccurate, or where a preliminary investigation results in a finding that no abuse has occurred, standard times are proposed for the recordkeeping and investigative activities necessary to receive and track the report, and to decide not to forward the report to DOJ; these cases are described as levels 1 and 2, and include receiving and reviewing the initial report, and, where necessary, tasking a patrol officer to conduct interviews and preliminary investigation, concluding with closure of the case, which includes supervisory review.[47] Cases in which some evidence is adduced that necessitates further investigation are categorized as level 3 investigations. Level 3 includes follow-up interviews conducted by a "Child abuse investigator," conducting a background check on the suspect(s), conferring with social services, and writing additional reports, including the CACI report required for DOJ.[48] The claimant proposes applying one of the standard times to each category of case, as reported by each eligible claimant, and multiplying the standard times by the hourly pay rates for each law enforcement agency.

The standard times RRMs proposed for county welfare agencies to prepare and submit certain reports and satisfy certain notice requirements were developed on the basis of information from CDSS detailing the procedures required of individual county welfare agencies, and surveys of eligible agencies in Los Angeles County taken to determine how much time is spent on each activity. The standard times are proposed for the completion of the Child Abuse Summary Report form, the Suspected Child Abuse Report form, the Notice of Child Abuse Central Index Listing form, filing copies of the forms, and responding to Department of Justice requests. The standard times are proposed to be applied to the number of these activities completed, multiplied by the hourly pay rates for eligible county welfare departments. The proposed RRMs are silent regarding reimbursement for probation departments that may perform some of the activities proposed for the RRMs.

In response to the draft proposed statement of decision issued March 12, 2013, the claimant submitted rebuttal comments and declarations in support. The claimant continues to stress that the scope of investigation for which reimbursement is required includes regulations put in place by DOJ *after the test claim decision*, which require a full investigation, including gathering and preserving evidence. The claimant argues that these activities should therefore be reimbursable. In the additional declarations submitted by the claimant, each declarant expressed a belief that *all investigative activities and steps necessary to complete an investigation* must be reimbursed.[49] In addition, the claimant continues to argue for reimbursement for annual training of "ICAN

[47] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at pp. 15-16.

[48] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 17.

[49] Exhibit K, Claimant's Comments on Draft Proposed Parameters and Guidelines.

staff" and reimbursement for developing and updating software and computer systems to track and process child abuse reports.[50]

In response to Commission staff's request for comments on the realignment issue, the claimant argued that "the ICAN statutes are not funded by the 2011 Realignment Legislation" and therefore article XIII, section 36 had no effect on mandate reimbursement for the ICAN activities.[51]

B. CDSS Position

CDSS urges the Commission to reject claimant's proposed parameters and guidelines, including the proposed law enforcement RRM, "because the activities described in it are not related to or required by CANRA." CDSS argues at length that CANRA does not give rise to any affirmative duty to investigate child abuse, and that in any event the investigative activities called for in the claimant's revised proposed parameters and guidelines reach deep into the realm of criminal investigative activities. CDSS argues that local law enforcement has a responsibility to investigate suspected child abuse, but that responsibility is not grounded in the provisions of CANRA. CDSS does not discuss the county welfare standard times and the activities involved in its comments, addressing only the activities and proposed standard times for law enforcement.[52]

On June 10, 2013, CDSS filed comments on the draft staff analysis, in which CDSS concludes that the draft parameters and guidelines "appear appropriate and reasonable, and the California Department of Social Services supports them." With respect to offsetting revenues, CDSS asserts that counties receive "significant state funding for the activities of social workers," and that a 1991-1992 realignment of Child Welfare Services Programs (AB 948) constitutes a potential offset. CDSS also declares that "[w]e also would expect the Commission to consider the implications of the [2011] realignment agreements' statutory and constitutional changes in any reimbursable cost estimates beyond 2011."[53]

C. DOF Position

DOF opposes the adoption of the claimant's revised proposed parameters and guidelines on the ground that "the proposed RRM inappropriately includes the totality of its law enforcement response to reports of child abuse, and all activities leading up to a full criminal prosecution." DOF argues that "the activities in levels 3, 4, and 5 are not requirements of CANRA but a more extensive investigation needed for the criminal justice system to apprehend and prosecute a criminal and therefore should not be reimbursable." DOF urges instead that "only those activities directly related to an investigation conducted to determine whether a report of suspected child abuse or neglect is unfounded, substantiated, or inconclusive, should be reimbursable."[54]

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[50] *Ibid.*

[51] Exhibit Q, Claimant's Response to Commission Request for Comments.

[52] Exhibit C, CDSS Comments on Revised Proposed Parameters and Guidelines, at p. 1.

[53] Exhibit M, CDSS Comments on Draft Proposed Parameters and Guidelines.

[54] Exhibit D, DOF Comments on Revised Proposed Parameters and Guidelines, at p. 1.

On June 7, 2013, DOF submitted comments on the draft proposed parameters and guidelines, stating, "[g]enerally we have no concerns with the reimbursable activities as they appear to be consistent with the statement of decision." However, DOF did suggest that the 2011 realignment would impact not only the scope of costs mandated by the state, but the extent to which the activities themselves are mandated.[55]

DOF responded to Commission staff's request for comments on the realignment issue, concluding, "[a]fter deliberating the questions, as well as the ICAN activities[,]" that "the approved activities under the ICAN statutes are reimbursable under the law."[56] DOF stated that it "does not believe that the 2011 Realignment Legislation shifted complete or partial funding responsibility from the state to local government," and therefore article XIII, section 36 is not applicable to the ICAN activities.[57]

D. SCO Position

The SCO states that "the activities specified in Section IV B [Reimbursable Activities] do not clearly identify the mandated activities in the Statement of Decision adopted by the Commission on December 19, 2007." SCO requests that the activities to which the standard time RRMs will apply be correlated to the reimbursable activities specified in the statement of decision. SCO also suggests that the activities should be segregated between one-time and on-going activities. And, SCO recommends that only an RRM rate or actual cost methodology be applied to each activity, not "a combination of actual cost and or standard cost methodologies," as proposed in the claimant's revised proposed parameters and guidelines.[58] On March 27, 2013, the SCO submitted comments on the draft proposed statement of decision, in which it recommended "no changes."[59]

IV. COMMISSION FINDINGS

Commission staff has reviewed the claimant's proposed parameters and guidelines and comments received. Non-substantive, technical changes, for purposes of clarification, consistency, and conformity to the statement of decision and statutory language have been made, and are not addressed in this analysis. The following analysis addresses only substantive changes to the activities approved in the statement of decision, and to the claimant's proposed parameters and guidelines, and incorporates changes to the parameters and guidelines proposed by the parties, where appropriate. The analysis also addresses whether the evidence in the record supports the adoption of the proposed RRMs.

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[55] Exhibit L, DOF Comments on Draft Proposed Parameters and Guidelines.

[56] Exhibit R, DOF Response to Commission Request for Comments, at pp. 1-2.

[57] *Ibid.*

[58] Exhibit E, SCO Comments on Revised Proposed Parameters and Guidelines, at pp. 1-2.

[59] Exhibit J, SCO Comments on Draft Proposed Statement of Decision.

A. Substantive Changes in Law Affecting the Period of Reimbursement for Some Activities (Section III. of Proposed Parameters and Guidelines)

Government Code section 17557(e) states that a test claim shall be submitted on or before June 30 following a given fiscal year to establish eligibility for that fiscal year. The County of Los Angeles filed the test claim on June 29, 2001, establishing eligibility for reimbursement for the 1999-2000 fiscal year. Therefore, costs incurred on or after July 1, 1999 are reimbursable under this test claim, for statutes in effect before July 1, 1999, or later, as specified, for statutes effective after July 1, 1999.

Here, the period of reimbursement must also take account of the subsequent amendments made to the test claim statutes that ended, or limited, some of the reimbursable activities. Statutes 2011, chapter 468 (AB 717) amended Penal Code section 11169 to provide, in pertinent part:

> (a) An agency specified in Section 11165.9 shall forward to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse or severe neglect that is *determined to be substantiated*, other than cases coming within subdivision (b) of Section 11165.2. An agency shall not forward a report to the Department of Justice unless it has conducted an active investigation and determined that the report is *substantiated*, as defined in Section 11165.12. If a report has previously been filed which subsequently proves to be not substantiated, the Department of Justice shall be notified in writing of that fact and shall not retain the report. The reports required by this section shall be in a form approved by the Department of Justice and may be sent by fax or electronic transmission. An agency specified in Section 11165.9 receiving a written report from another agency specified in Section 11165.9 shall not send that report to the Department of Justice.
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> (b) On and after January 1, 2012, a police department or sheriff's department specified in Section 11165.9 shall no longer forward to the Department of Justice a report in writing of any case it investigates of known or suspected child abuse or severe neglect.
>
> (c) At the time an agency specified in Section 11165.9 forwards a report in writing to the Department of Justice pursuant to subdivision (a), the agency shall also notify in writing the known or suspected child abuser that he or she has been reported to the Child Abuse Central Index (CACI).The notice required by this section shall be in a form approved by the Department of Justice. The requirements of this subdivision shall apply with respect to reports forwarded to the department on or after the date on which this subdivision becomes operative.[60]

Prior to the 2011 amendment, this section required agencies specified in section 11165.9[61] to forward to DOJ, after investigation, reports of suspected child abuse or neglect that were

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[60] Penal Code section 11169 (Stats. 2011, ch. 468 (AB 717)) [emphasis added].

[61] Penal Code section 11165.9 lists the agencies to which the remaining sections of the Child Abuse and Neglect Reporting Act apply: city and county police and sheriff's departments, except school district police or security departments; county welfare departments; and county probation

determined to be "not unfounded."[62] By changing the requirement from those cases that were "not unfounded," to only those that are "substantiated," the amended section now excludes an "inconclusive" case, meaning that forwarding to DOJ "inconclusive" reports of suspected child abuse or neglect is no longer reimbursable as of the effective date of the amendment, January 1, 2012.[63]

The new section also provides that law enforcement agencies "shall no longer" forward reports of suspected child abuse to DOJ, even if those reports are substantiated. Therefore, for law enforcement agencies only, reimbursement for forwarding reports of suspected child abuse to DOJ is no longer mandated as of January 1, 2012. This change was intended, in part, to provide cost savings to the state by limiting the mandate, including ending reimbursement for all law enforcement investigations required to satisfy the reporting requirements.[64] However, AB 717 did not change any other statutory or common law requirements imposed upon police officers, as mandated reporters, to investigate child abuse pursuant to Penal Code section 11166. The Commission, in its statement of decision on the test claim, specifically found that section 11166 did not impose a reimbursable mandate on local government since the duty of a mandated reporter is not unique to government.[65] Therefore, beginning January 1, 2012, for law enforcement only, the activity of investigating child abuse, for purposes of preparing the report to DOJ, is no longer a reimbursable activity.

Note also that subdivision (c) requires that "At the time an agency specified in Section 11165.9 forwards a report [to DOJ]…the agency shall also notify in writing the known or suspected child abuser that he or she has been reported to the Child Abuse Central Index (CACI)." Because this notice requirement is triggered by the report forwarded to DOJ, and law enforcement agencies are no longer required to forward reports to DOJ pursuant to section 11169(b), law enforcement agencies are also no longer are required to notify the suspected child abuser that he or she has been listed in CACI, at the time a report is forwarded. And, because

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departments where designated by the county to receive reports of suspected child abuse from mandated reporters. (Stats. 2000, ch. 916).

[62] Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916, § 27 (AB 1241); Code of Regulations, Title 11, section 903 (Register 98, No. 29); "Child Abuse Investigation Report" Form SS 8583.

[63] Penal Code section 11169 (As amended by Stats. 2011, ch. 468 (AB 717)).

[64] See Exhibit X, AB 717 Senate Committee Analysis ["By deleting the requirement to report inconclusive reports, as well as limiting CACI reporting agencies to child welfare and probation departments, the provisions of this bill will result in future state-reimbursable cost savings due to reduced mandated reporting workload on local reporting agencies"].

[65] See e.g. *Alejo v. City of Alhambra*, 75 Cal.App.4th 1180, addressing the duty of a law enforcement officer, as a mandated reporter, to investigate alleged child abuse reported to the officer; see also 11165.14, addressing the duty of law enforcement to investigate a child abuse complaint filed by a parent or guardian of a pupil with a school or an agency specified in Section 11165.9 against a school employee or other person that commits an act of child abuse against a pupil at a schoolsite. However, these investigative requirements have not been found to impose reimbursable state-mandated programs.

only "substantiated" reports, rather than all reports that are "not unfounded" are now required to be forwarded to DOJ, the requirement for other agencies subject to the mandate to inform the suspected child abuser of the listing in the CACI will arise with diminished frequency. However, a number of other notice requirements approved in the test claim statement of decision remain unaffected by the amendments made by Statutes 2011, chapter 468. The remaining activities relating to notice requirements approved by the Commission arise from section 11170, and are unaffected by the substantive amendments to the test claim statutes; the code section from which these activities arise was not substantively altered by Statutes 2011, chapter 468. Furthermore, these activities are triggered by events other than the initial listing in the CACI or initial forwarding of a report to DOJ, which were substantively altered by Statutes 2011, chapter 468. The remaining notice requirements are therefore included in the parameters and guidelines without further analysis.

Based on the foregoing analysis and discussion, the language of Section III, Period of Reimbursement, reflects the ending of certain activities, as of January 1, 2012. Additionally, for purposes of clarity, activities that are ended by subsequent amendments are specified in Section IV, Reimbursable Activities.

B. Reimbursable Activities (Section IV. of Proposed Parameters and Guidelines)

The majority of reimbursable activities included in the parameters and guidelines are drawn directly from the test claim statement of decision, and are approved without substantial analysis. However, for purposes of clarity and consistency, the parameters and guidelines provide, consistent with Penal Code section 11165.9, that "city and county law enforcement agencies" and "city or county police or sheriff's departments" are used interchangeably throughout the test claim statutes, and this analysis, and are not distinct entities subject to the mandate, as might be inferred from the test claim statement of decision. Additionally, for purposes of clarity and consistency, activities relating to obtaining the original investigative report and drawing independent conclusions, and retaining records of suspected child abuse reports, will be analyzed briefly. And finally, the scope of the activities approved in the test claim statement of decision pertaining to investigations and forwarding reports to DOJ is analyzed at length.

One-Time Activities: Developing Policies and Procedures to Implement the Mandate, Including Due Process Procedures

Government Code section 17557 provides that "[t]he proposed parameters and guidelines may include proposed reimbursable activities that are reasonably necessary for the performance of the state-mandated program."[66] The Commission's regulations provide that parameters and guidelines shall include "a description of the most reasonable methods of complying with the mandate." "'The most reasonable methods of complying with the mandate' are those methods not specified in statute or executive order that are necessary to carry out the mandated program."[67] The claimant has proposed the following reasonably necessary activities:

[66] Government Code section 17557 (as amended by Stats. 2010, ch. 719 § 32 (SB 856) effective October 19, 2010; Stats. 2011, ch. 144 (SB 112)).

[67] Code of Regulations, Title 2, section 1183.1(a)(4) (Register 96, No. 30; Register 2005, No. 36).

1) *Annually, update Departmental policies and procedures necessary to comply with ICAN's requirements.*

2) *Periodically, meet and confer with State and local agencies in coordinating ICAN cross-reporting and collaborative efforts.*

3) *Annually, train ICAN staff in State Department of Justices' [DOJ] ICAN requirements. Reimbursable specialized ICAN training costs include those incurred to compensate participants and instructors for their time in participating in an annual training session and to provide necessary facilities, training materials and audio visual presentations.*

4) *Periodically, to develop, update or obtain computer software and obtain equipment necessary for ICAN cross-reporting and reporting to DOJ.*

5) *Testing and evaluation costs that are incurred when reasonably necessary to make an evidentiary finding. Reimbursement is provided for the costs of tests and evaluations on suspects as well as victims. Victim costs include those incurred for medical exams for sexual assault and/or physical abuse, mental health exams, and, where the victim dies, for autopsies. Suspect costs include those incurred for DNA and polygraph testing. Also included, when reasonably necessary to make an evidentiary finding are the costs of video-taping interviews of victims and suspects.*

6) *Due process costs incurred by law enforcement and county welfare agencies to develop and maintain ICAN due process procedures reasonably necessary to comply with federal due process procedural protections under the 14th Amendment which need to be afforded suspects reported to the DOJ's Child Abuse Central Index [CACI].*[68]

SCO recommended, in its comments, that the proposed reasonably necessary activities "be delineated between One-time and Ongoing Activities." The Commission agrees; identification of one-time and ongoing activities is a necessary and usual convention of parameters and guidelines, and the parameters and guidelines for this mandated program therefore include such delineation.

Government Code section 17559 provides that a claimant or the state may petition to set aside a Commission decision not supported by substantial evidence. The Commission's regulations provide that hearings need not be conducted according to strict and technical rules of evidence, but that evidence must be "the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs," and that hearsay evidence will usually not be sufficient to support a finding unless admissible over objection in a civil action. The regulations also provide for admission of oral or written testimony, the introduction of exhibits, and taking official notice "in the manner and of such information as is described in Government Code section 11515." Therefore the reasonably necessary activities proposed must be supported by substantial evidence in order to withstand judicial review, and that evidence must include something other than hearsay evidence.

[68] See Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, at p. 25.

With respect to activity 1), above, SCO suggested that "Annually updating Departmental policies and procedures," as proposed, should be only reimbursable as a one-time activity. SCO therefore recommended striking the word "annually" above, and instead approving one-time reimbursement to "[d]evelop and establish policies and procedures necessary to comply with ICAN's requirements."[69] DOF, similarly, suggested striking the word "annually" and approving only a one-time reimbursement to "[u]pdate Departmental policies and procedures to comply with ICAN requirements."[70]

The claimant has submitted excerpts from the Los Angeles County Sheriff's Department Child Abuse Protocol, suggesting that the department developed a written policy for child abuse investigations. The claimant has not submitted evidence directly explaining why policy updates are necessary, but it is reasonable to assume, in this limited context, that in implementing the test claim statutes some policies and procedures required updating. Accordingly, the Commission has frequently approved similar policy and procedure updates as a reasonably necessary activity.

However, there is no evidence that compliance with ICAN requirements necessitates *annual* updates to departmental policies and procedures. Since the enactment of the test claim statute in Statutes 2000, chapter 916, very few substantive changes have been made that pertain to the mandated activities approved in the test claim statement of decision, and the claimant has not made any showing that changes to the ICAN requirements are frequent enough or substantial enough to warrant *annual updates* to policies and procedures.[71]

Accordingly, the Commission finds that only a one-time update of policies and procedures for the ongoing activities approved by the Commission is reasonably necessary to carry out the mandate. Reimbursement for a one-time update of policies and procedures is reflected in the parameters and guidelines.

With respect to items 2) through 5), above, the claimant did not submit evidence with its proposed parameters and guidelines to establish that the proposed activities are reasonably necessary to comply with the mandate; only unsupported assertions of necessity are found in the record.[72] Because there was no evidence in the record to support these items, Commission staff recommended in the draft staff analysis that items 2) through 5) be denied.[73] In response to the draft staff analysis, the claimant submitted comments which provide some evidence that some of the activities described in items 3) through 5) might be reasonably necessary to comply with the mandate.

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[69] Exhibit E, SCO Comments on Revised Proposed Parameters and Guidelines, at p. 3.

[70] Exhibit D, DOF Comments on Revised Proposed Parameters and Guidelines, at p. 2.

[71] See, e.g., Statutes 2011, chapter 468 (AB 717), amending Penal Code section 11169 to provide that only substantiated reports must be forwarded to the DOJ, and not "inconclusive" reports; and to provide that as of January 1, 2012, law enforcement agencies no longer are required to forward reports of suspected child abuse to DOJ.

[72] Exhibit B, Revised Proposed Parameters and Guidelines, at pp. 20-21; 26.

[73] Exhibit I, Draft Staff Analysis and Proposed Parameters and Guidelines, at p. 27.

With respect to item 3), proposing annual training of "ICAN staff," the claimant submitted the declaration of Sergeant Daniel Scott, which states that "it is my information and belief that specialized training is necessary to ensure that ICAN's comprehensive child abuse referral assessments, investigations and reports are completed in a timely manner and in accordance with DOJ's requirements." Sergeant Scott further expressed a belief that ICAN training should be performed annually, so that "new ICAN staff can be promptly trained and deployed."[74] In addition, the claimant noted SCO's Comments in April 2010, in which it was recommended that one-time activities include training "in State Department of Justice (DOJ) ICAN requirements."[75] The Commission notes that both DOF and SCO expressed their agreement with the Commission's draft proposed parameters and guidelines, absent any provision for training.[76] However, the Commission has often provided for training with respect to past mandates, and the cross-reporting duties of local agencies, as well as the receipt of mandated reports and forwarding completed reports to DOJ, all may necessitate some amount of training. Therefore, the Commission finds that the recommendation of ICAN training one time per employee required to implement ICAN activities is reasonably necessary to comply with the mandate.

With respect to item 4), "Periodically, to develop, update or obtain computer software and obtain equipment necessary for ICAN cross-reporting and reporting to DOJ," the claimant has submitted the declaration of John E. Langstaff, "a Children Services Administrator II with the Los Angeles County Department of Children and Family Services (DFCS)." Mr. Langstaff declares that "it is his information and belief that ICAN cross-reporting allows written reports transmission by 'fax or electronic transmission' and that electronic transmission includes transmission using computers and specialized software."[77] Mr. Langstaff further declares that fax machines are not reliable, and that the E-SCARS system in Los Angeles County "also has a database to track or produce reports regarding transmission, receipt of the SCAR, agency personnel assigned to investigate, agency findings, comments, report numbers…and many more features." Therefore, Mr. Langstaff declares "that it is my information and belief that ICAN cross-reporting reimbursements should include those for computerized systems which are reasonably necessary in providing child abuse referrals and reports in a timely, reliable, and cost-efficient manner."[78] The Commission notes that in the SCO's comments on the claimant's revised proposed parameters and guidelines, the SCO did not suggest eliminating computer equipment and software entirely, but rather seemed inclined to allow reimbursement to "[d]evelop or procure computer software and equipment necessary for ICAN cross-reporting and reporting to DOJ," with the caveat that such costs be prorated to include "only the costs related to the mandate."[79] The cross-reporting requirements (section 11166), and the requirements to report to DOJ (section 11169) permit, but do not require, electronic transmission. Section 11166

[74] Exhibit K, Claimant Comments on Draft Staff Analysis, at pp. 40-41.

[75] See Exhibit E, SCO Comments on Revised Proposed Parameters and Guidelines, at p. 3.

[76] See Exhibit J, SCO Comments on Draft Proposed Parameters and Guidelines; Exhibit L, DOF Comments on Draft Proposed Parameters and Guidelines.

[77] Exhibit K, Claimant Comments on Draft Staff Analysis, at p. 18.

[78] Exhibit K, Claimant Comments on Draft Staff Analysis, at p. 51.

[79] See Exhibit E, SCO Comments on Revised Proposed Parameters and Guidelines, at p. 3.

requires cross-reporting by phone, fax, *or* electronic transmission, and section 11169 provides for reporting to DOJ "in a form approved by the Department of Justice and *may be sent by fax or electronic transmission.*" Electronic transmission is an option available, and according to the County of Los Angeles a more reliable option, but it is not required. Moreover, the current form SS (or BCIA) 8583 is available from the DOJ's website in "pdf" format with electronic fields that can be filled and printed, or sent via email.[80] The Commission takes official notice that no specialized software or computer systems are required to access and utilize these forms.[81] Therefore, developing or obtaining software or specialized computer systems is not reasonably necessary to comply with the mandate. Finally, as the declaration of Mr. Langstaff indicates, the software utilized by the County of Los Angeles has many additional features that are not required to comply with the mandate, including, for example, tracking agency personnel assigned to investigate and District Attorney staff assigned, and indexing court case numbers.[82] The County's chosen method to implement the mandate exceeds the mandate, based on the description given by Mr. Langstaff. Therefore, the Commission finds that item 4) is not reasonably necessary to implement the mandate.[83]

With respect to item 5), "Testing and evaluation costs that are incurred when reasonably necessary to make an evidentiary finding," the claimant continues to stress that tests and evaluations, and other types of evidence-gathering, are required to complete an "active investigation." The claimant relies in part on the definition of "active investigation" in Code of Regulations, title 11, section 901, which was amended after the test claim was filed, and which the Commission found, in the test claim decision, did not impose any mandated activities or costs.[84] The claimant asserts, mistakenly, that section 901 was approved for reimbursement.[85] The claimant also points to the SCO's comments on the Revised Proposed Parameters and Guidelines, in which the SCO recommended reimbursement to "gather and evaluate evidence when reasonably necessary to make evidentiary findings on suspects and victims…"[86] However,

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[80] Exhibit X, Form BCIA 8583 (Revised 03/08).

[81] Code of Regulations, title 2, section 1187.5 ["Official notice may be taken in the manner and of such information as is described in Government Code Section 11515."]; Government Code section 11515 (Stats. 1945, ch. 867) ["In reaching a decision official notice may be taken, either before or after submission of the case for decision, of any generally accepted technical or scientific matter within the agency's special field, and of any fact which may be judicially noticed by the courts of this State."]; Evidence Code section 451(f) (Stats. 1986, ch. 248) ["Judicial notice shall be taken of the following: ¶…¶ Facts and propositions of generalized knowledge that are so universally known that they cannot reasonably be the subject of dispute."].

[82] Exhibit K, Claimant Comments on Draft Staff Analysis, at p. 50.

[83] The claimant proposes adding language regarding computer software and equipment to each of the ongoing cross-reporting activities approved in the test claim statement of decision. Based on the above analysis, that language is denied here, and will not be further addressed below.

[84] Exhibit A, Test Claim Statement of Decision, at p. 29. See also, Exhibit X, Excerpt from Test Claim 00-TC-22 and Exhibits including section 901.

[85] Exhibit K, Claimant Comments on Draft Staff Analysis, at pp. 3; 9-10.

[86] Exhibit K, Claimant Comments on Draft Staff Analysis, at p. 15.

the activity of investigating child abuse, as approved in the test claim decision, requires an investigation sufficient "to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state 'Child Abuse Investigation Report' Form SS 8583…to the Department of Justice." This issue is further explored below, in the discussion of the scope of investigation, but for purposes of "gathering and preserving evidence" or "testing and evaluation costs" it is sufficient to note that the scope of investigation required by the mandate is only *that which is necessary to determine whether to forward the report to DOJ*, which requires a finding only whether the report is "unfounded," "inconclusive," or "substantiated," and does not compel reimbursement of any additional steps that local agencies would reasonably take to gather evidence for a criminal prosecution. As discussed below, the scope of investigation necessary to comply with the mandate is limited to the finding of whether a report of suspected child abuse is unfounded, inconclusive, or substantiated; the gathering of physical evidence or conducting forensic tests is begun to prove allegations, not to establish whether a report is unfounded. Therefore, the Commission finds that item 5) is not necessary to implement the mandated program.

The provision of due process, and related activities and costs, are examined more fully below, but the one-time activity of developing due process procedures is approved here.

Based on the foregoing, the Commission finds that item 1) to develop policies and procedures to implement the mandate; item 3) to provide ICAN training one time to each employee required to comply with the mandate; and item 6) to develop policies and procedures to provide due process, are approved as follows:

1. Policies and Procedures

City and county police or sheriff's departments, county welfare departments, and county probation departments where designated by the county to receive mandated reports, may claim reimbursement for the increased costs to:

a. *Update Departmental policies and procedures necessary to comply with the reimbursable activities identified in IV B. (One-time costs only.)*

b. *Develop ICAN due process procedures reasonably necessary to comply with federal due process procedural protections under the 14th Amendment which need to be afforded suspects reported to the DOJ's Child Abuse Central Index [CACI]. (One-time costs only)*

2. Training

City and county police or sheriff's departments, county welfare departments, and county probation departments where designated by the county to receive mandated reports, may claim reimbursement for the increased costs to:

Develop and implement training for ICAN staff to implement State Department of Justice (DOJ) ICAN requirements. Reimbursable specialized ICAN training costs include those incurred to compensate instructors for their time in participating in training sessions and to provide necessary facilities, training materials and audio visual presentations. (One time per employee whose job responsibilities involve ICAN mandated activities)

Ongoing Activities

1. Distributing the Suspected Child Abuse Report Form

The Commission approved reimbursement in the test claim statement of decision for a city or county police or sheriff's department, county probation department, as specified, or county welfare department, to distribute the child abuse reporting forms adopted by DOJ to mandated reporters.[87] This activity is sufficiently clear from the plain language of the test claim finding, and is therefore approved without further analysis.

2. Reporting Between Local Departments

The Commission approved requirements in the test claim statement of decision for local agencies to receive and refer child abuse reports, and to promptly cross-report suspected child abuse among county welfare, county probation departments, local law enforcement, and the district attorney, as specified.[88] These activities were all sufficiently clear based on the language of the test claim findings, and were therefore taken directly from the test claim statement of decision and included in the proposed parameters and guidelines without substantial analysis.[89]

3. Reporting to the State Department of Justice

The most significant disputed issue in these parameters and guidelines is the proper scope of reimbursable activities relating to investigating reports of suspected child abuse and forwarding reports that have merit, as specified, to DOJ. The test claim statement of decision approved reimbursement for law enforcement agencies, county probation departments, or county welfare departments, to complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive, for purposes of preparing and submitting Form SS 8583 to DOJ; and to forward a report in writing of every case the agency investigates that is not unfounded.[90]

The claimant first requested reimbursement for *the full course of investigative activities* that law enforcement agencies undertake in cases of suspected child abuse or severe neglect.[91] The claimant later submitted rebuttal comments and a second revised proposed parameters and guidelines, in which the claimant reevaluated its reimbursable activities, in an attempt to present a "streamlined three-tiered classification of required investigations."[92] The second revised proposed parameters and guidelines request reimbursement for the following activities:

> *Level 1: No Child Abuse Based on Preliminary Information (Suspected Child Abuse Report (SCAR) or Call-for-Service)*

[87] Exhibit A, Test Claim Statement of Decision, at p. 41.

[88] Exhibit A, Test Claim Statement of Decision, at pp. 41-44.

[89] See Proposed Parameters and Guidelines, at pp. 4-8.

[90] Exhibit A, Test Claim Statement of Decision, at p. 45.

[91] Exhibit B, Revised Proposed Parameters and Guidelines, at pp. 23-24.

[92] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines.

1. *Officer receives, prints or transcribes child abuse reports (SCARs or calls-for-service) from the public, cross-reporting agency department, and mandated reporters.*
2. *Officer processes child abuse report into agency's tracking system.*
3. *Officer reviews report and determines based on SCAR or call-for-service that no further investigation is required.*
4. *Officer's findings are entered into agency's system*
5. *Supervising officer reviews investigation findings and approves closure of report indicating no child abuse.*

Level 2: Patrol Officer Investigation, No Child Abuse

1. *Officer receives, prints or transcribes child abuse reports (SCARs or calls-for-service) from the public, cross-reporting agency department, and mandated reporters.*
2. *Officer processes child abuse report into agency's tracking system.*
3. *Officer reviews report and assigns for appropriate follow-up investigation.*
4. *Patrol officer receives call-for-service and acknowledges call.*
5. *Patrol officer conducts preliminary interview with child/children.*
6. *Patrol officer conducts preliminary interviews with parents, siblings, witnesses, and/or suspect(s).*
7. *Patrol officer enters findings into agency's systems (ends call in computer aided system and documents findings).*
8. *Supervising officer reviews investigation findings and approves closure of the report indicating no child abuse.*

Level 3: Reported CACI Investigation

1. *Officer receives, prints or transcribes child abuse reports (SCARs or calls-for-service) from the public, cross-reporting agency department, and mandated reporters.*
2. *Officer processes child abuse report into agency's tracking system.*
3. *Officer reviews report and assigns for appropriate follow-up investigation.*
4. *Patrol officer receives call-for-service and acknowledges call.*
5. *Patrol officer conducts preliminary interview with child/children.*
6. *Patrol officer conducts preliminary interviews with parents, siblings, witnesses, and/or suspect(s).*
7. *Patrol officer enters findings into agency's systems (ends call in computer aided system, writes report, enters evidence).*

8. *Supervising officer reviews investigation findings and approves report indicating child abuse is suspected.*
9. *Secretary distributes, processes report.*
10. *Child abuse investigator reviews child abuse report.*
11. *Child abuse investigator conducts suspect background check.*
12. *Child abuse investigator confers with social services.*
13. *Child abuse investigator interviews child/children.*
14. *Child abuse investigator interviews witnesses.*
15. *Child abuse investigator interviews suspect(s).*
16. *Child abuse investigator writes additional reports.*
17. *Supervisor approves reports.*
18. *Secretary process final files and reports.*
19. *Child abuse investigator completes DOJ/CACI form.*
20. *Child abuse investigator completes advisement form to suspect(s).*[93]

In addition, the claimant requests actual cost reimbursement for the following activities that are deemed non-repetitive, and are alleged to be "reasonably necessary in certain cases:"

i. *Medical Exam – Sexual Assault*
ii. *Medical Exam – Physical Abuse*
iii. *Polygraph*
iv. *Collect, Store, and Review Evidence*
v. *Obtain Search Warrant*
vi. *Mental Health Examination*
vii. *Autopsies*
viii. *DNA Testing*
ix. *Video Taping Interviews (Victim or Suspect)*[94]

The claimant has also proposed reimbursement for repetitive activities of county welfare departments, some of which are expressly approved elsewhere in this analysis, and some of which were not supported by evidence that they are reasonably necessary to perform the activities approved in the test claim statement of decision. The county welfare activities are analyzed at Part 7., below.

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[93] *Ibid.*

[94] Exhibit F, Claimant Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 18.

The following analysis will demonstrate that reimbursement is not required for the *full course of investigative activities* performed by law enforcement agencies, but only the investigative activities necessary to determine whether a report of suspected child abuse is unfounded, inconclusive, or substantiated, for purposes of preparing and submitting the Form SS 8583 to DOJ. The analysis will show that the mandate to report to DOJ applies equally to all agencies subject to the mandate, and that therefore law enforcement should not be reimbursed for activities that go beyond what is required for all child protective agencies. The analysis herein concludes, therefore, that law enforcement activities 1-8, above are reimbursable under the mandate, ending with a supervisor's review of the investigative findings and approval of either the closure of the report (a finding of no child abuse) or a report indicating that child abuse is suspected (a substantiated or inconclusive finding). In addition, the analysis below recognizes that activity 19, completing the CACI form (also referred to as the "Child Abuse Summary Report [SS 8583] form), is expressly approved in the test claim decision as a part of forwarding the report to DOJ. Activity 20, providing notice to the suspected abuser, is addressed in Part 4., below. The analysis in this section will conclude also that the non-repetitive activities above are not supported in the record and go beyond the scope of the mandate; these are activities to gather evidence for a criminal investigation, and therefore would be performed only after a determination has been made that the report is "not unfounded." In addition, the Level 3 Investigation, as described by the claimant, is one that results in a report to CACI; therefore the activities in excess of a Level 2 Investigation are necessarily implicated only in the case that the report of suspected child abuse is "not unfounded." The analysis will also show that subsequent legislation *excludes* law enforcement's duty to report to DOJ regarding child abuse, and thereby limits reimbursement for investigative activities for law enforcement agencies to the period prior to the amendment; and, subsequent legislation has limited the mandate for all other agencies subject to the mandate to report to DOJ only reports of child abuse that are *substantiated, and no longer all reports that are "not unfounded*."

a. <u>The test claim statement of decision approved an investigation sufficient to determine whether a report of suspected child abuse is substantiated, inconclusive, or unfounded, in order to prepare and submit the Child Abuse Investigation Report Form SS 8583, or subsequent designated form to the Department of Justice.</u>

The test claim statement of decision approved the following:

> *Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:*
>
> - *Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice. (Pen. Code, §*

11169, subd. (a); Cal. Code Regs., tit. 11, § 903, "Child Abuse Investigation Report" Form SS 8583.) [95]

- *Forward to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse or severe neglect which is determined to be substantiated or inconclusive, as defined in Penal Code section 11165.12. Unfounded reports, as defined in Penal Code section 11165.12, shall not be filed with the Department of Justice. If a report has previously been filed which subsequently proves to be unfounded, the Department of Justice shall be notified in writing of that fact. The reports required by this section shall be in a form approved by the Department of Justice and may be sent by fax or electronic transmission. (Pen. Code, § 11169, subd. (a); Cal. Code Regs., tit. 11, § 903, "Child Abuse Investigation Report" Form SS 8583.)* [96]

The plain language of the approved reimbursable activities in the test claim statement of decision provides for a police or sheriff's department, county probation department, or county welfare department to (1) complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive, as defined; and (2) forward to DOJ a report in writing of every case that the local agency investigates which is determined to be substantiated or inconclusive. As explained throughout the analysis below, the determination whether a report must be forwarded to DOJ constitutes the upper bound of the scope of the mandate to investigate child abuse.

b. <u>Penal Code section 11169(a), and Code of Regulations, title 11, section 903, as approved in the test claim statement of decision, require an agency receiving mandated reports to complete an investigation to determine whether a report or known or suspected child abuse must be forwarded to DOJ, and to obtain enough information to complete the report.</u>

The approved activities pertaining to investigation and forwarding reports arise primarily from Penal Code section 11169(a), which states the following:

> A child protective agency shall forward to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse which is determined not to be unfounded, other than cases coming within subdivision (b) of Section 11165.2. A child protective agency shall not forward a report to the Department of Justice unless it has conducted an active investigation and determined that the report is not unfounded, as defined in Section 11165.12. If a report has previously been filed which subsequently proves to be unfounded, the Department of Justice shall be notified in writing of that fact and shall not retain the report. The report required by this section shall be in a form approved by the

[95] Code section as added by Statutes 1980, chapter 1071, amended by Statutes 1981, chapter 435, Statutes 1985, chapter 1598, Statutes 1988, chapters 269 and 1497, Statutes 1997, chapter 842, and Statutes 2000, chapter 916. Register 98, Number 29.

[96] *Ibid.*

> Department of Justice. A child protective agency receiving a written report from another child protective agency shall not send that report to the Department of Justice.[97]

Code of Regulations, title 11, section 903, as approved in the test claim statement of decision, provided that:

> All information items on the standard report form SS 8583 should be completed by the investigating [child protective agency]. Certain information items on the SS 8583 must be completed by the CPA in order for it to be considered a "retainable report" by DOJ and entered into [the index]. Reports without these items will be returned to the contributor. These information items are:
>
> (1) The complete name of the investigating agency and type of agency.
>
> (2) The agency's report number or case name.
>
> (3) The action taken by the investigating agency.
>
> (4) The specific type of abuse.
>
> (5) The victim(s) name, birth date or approximate age, and gender.
>
> (6) Either the suspect(s) name or the notation "unknown."[98]

Other information on the form 8583, which "should be completed," according to section 903, included the name of the investigating party, the date of the incident and the location, the address and relationship of suspect(s), and the present location of the victim, among other items.[99]

The Commission approved, in the test claim statement of decision, the completion of an investigation "to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive… for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583." The Commission based its finding on Penal Code section 11169; Code of Regulations, title 11, section 903 (Register 98, No. 29); and Form SS 8583.[100] The Commission found that the mandate *only requires enough information to determine whether to file a Form 8583*, or subsequent designated form, and enough information to render the Form 8583 a "retainable report," under section 903.[101]

In comments filed on the draft proposed statement of decision, the claimant continues to assert that the Commission approved an "active investigation," which the claimant defines by reference

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[97] Penal Code section 11169 (Stats. 2000, ch. 916).

[98] Code of Regulations, title 11, section 903 (Register 98, No. 29). The regulations pled in the test claim have been subsequently amended, but the Commission does not here take jurisdiction of the amended regulations that were not pled in the test claim.

[99] Exhibit X, Form SS 8583 (Revised 3/91).

[100] The version of Form 8583 included in the test claim exhibits was last revised 3/91.

[101] Penal Code section 11169 (Stats. 2000, ch. 916); Code of Regulations, title 11, section 903 (Register 98, No. 29).

to section 901 of the DOJ regulations. The claimant asserts that Form 8583 and section 901 require:

> " . . . at a minimum: assessing the nature and seriousness of the known or suspected abuse; conducting interviews of the victim(s) and any known suspect(s) and witness(es) when appropriate and/or available; gathering and preserving evidence; determining whether the incident is substantiated, inconclusive, or unfounded; and preparing a report that will be retained in the files of the investigating agency."

The claimant provides a copy of Form 8583 and of section 901 of title 11 in the exhibits attached to the claimant's comments. However, the version of form 8583 that was approved in the test claim statement of decision requires a substantially lesser degree of detail than that cited by the claimant; the form and the instructions have been amended by subsequent regulations, which are not subject to analysis at this time.[102]

Furthermore, the claimant states that section 901 "was included in the County's test claim legislation and found to impose reimbursable 'costs mandated by the State' upon local governmental agencies by the Commission."[103] The claimant is mistaken; the version of section 901 pled and analyzed in the test claim (Register 98, Number 29) contained no such definition.[104] Rather, version of section 901 that claimant cites to is a result of a 2005 amendment to the regulation, which was never pled and was not the subject of this or any other test claim. *Only section 903* was approved in the test claim: "[t]he Commission finds that California Code of Regulations, title 11, sections 901 or 902, do not require any activities that are not otherwise described in statute, and thus do not mandate a new program or higher level of service."[105]

Therefore, the investigation approved in the test claim statement of decision is only that required to comply with section 11169 and to complete the Form 8583, as those authorities existed at the time of the test claim decision. Any additional activities or costs allegedly mandated by later adopted executive orders, not pled in the original test claim would require a new test claim decision. Furthermore, the requirements of section 901 of the regulations may not be analyzed as a reasonably necessary activity; section 901 as it then read was denied in the test claim, and no new test claim has been filed on the amended regulations. Moreover, reasonably necessary activities are defined in the regulations as "those methods *not specified in statute or executive order* that are necessary to carry out the mandated program."[106]

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[102] The version of Form 8583 and the instructions included in the claimant's exhibits was revised in 2005, and was not pled in the test claim. See Exhibit K, Claimant Comments on Draft Proposed Parameters and Guidelines, at p. 81.

[103] Exhibit K, Claimant Comments on Draft Proposed Statement of Decision, at p. 8.

[104] Exhibit X, Excerpt from Test Claim Exhibits: California Code of Regulations, Title 11, sections 901-903.

[105] Exhibit A, Test Claim Statement of Decision, at p. 29.

[106] Code of Regulations, Title 2, section 1183.1.

c. <u>The claimant's proposal provides reimbursement for activities in excess of the scope of the mandate.</u>

As discussed above, claimant originally included a combination of RRMs and actual cost claiming for five levels of investigation in its revised proposed parameters and guidelines. The original proposal sought reimbursement for the full scope of investigative activities, as discussed herein.

DOF argues, in its comments on the claimant's revised proposed parameters and guidelines, that the claimant's proposal "*inappropriately includes the totality of its law enforcement response to reports of child abuse,* and all activities leading up to a full criminal prosecution." DOF argues that the activities alleged "extend beyond the limited investigation approved in the Statement of Decision (SOD) for the purpose of preparing and submitting Form SS 8583 to the Department of Justice (DOJ)."[107]

CDSS ignores the test claim statement of decision, and argues that *no investigation* is required under CANRA, except for the very narrow instance required under section 11165.14, not pled in this test claim.[108] However, CDSS also notes that its regulations require county welfare agencies to conduct in person interviews, and that "CDSS' investigatory requirements parallel the law enforcement activities described in the [parameters and guidelines] only up to the point that the patrol officer completes his or her duties in the investigation."[109] CDSS argues that county welfare agencies are required to make a determination whether to report to DOJ, pursuant to section 11169, on the basis of those initial in-person interviews. CDSS concludes: "[i]f these investigations comport with CANRA, and the county does not contend otherwise, it is improper for the county to maintain that the exhaustive and redundant investigatory steps performed by law enforcement in the criminal justice arena are mandated by CANRA."[110]

Based on these and other comments from the parties and interested parties, claimant submitted rebuttal comments and a *second revised* parameters and guidelines proposal.[111] The claimant's second revised proposed parameters and guidelines focuses primarily on the activities undertaken by law enforcement, leaving the remainder of the revised proposed parameters and guidelines substantially unchanged, and provides reimbursement for a list of repetitive activities, including interviews with the child, parents, siblings, witnesses, and suspect(s); follow up interviews by a child abuse investigator, if necessary; and a report detailing the findings, which must be reviewed by a supervisor.[112] The claimant also seeks reimbursement on a case-by-case basis for certain other activities that the claimant called "non-repetitive," including medical

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[107] Exhibit D, DOF Comments on Revised Proposed Parameters and Guidelines, at p. 1.

[108] Exhibit C, CDSS Comments on Revised Proposed Parameters and Guidelines, at pp. 1-3.

[109] Exhibit C, CDSS Comments on Revised Proposed Parameters and Guidelines, at p. 11.

[110] Exhibit C, CDSS Comments on Claimant's Revised Proposed Parameters and Guidelines, at p. 11.

[111] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 9.

[112] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at pp. 15-17.

examinations, obtaining a search warrant, DNA testing, conducting an autopsy, and collecting, storing, and reviewing physical evidence.[113]

In exhibits attached to the revised proposed parameters and guidelines the claimant submitted declarations from Suzie Ferrell and Daniel Scott, both of whom are employees of the Los Angeles County Sheriff's Department, and both of whom assert a belief that all activities described in the proposal are "*reasonably necessary in conducting ICAN investigations*, preparing ICAN reports and performing other required ICAN duties."[114] The Scott declaration introduces an excerpt from the Los Angeles County Sheriff's Department Child Abuse Protocol, which describes the procedures followed by the department in response to a report of suspected child abuse. The Scott declaration also states that "it is my information and belief that the omission of one or more ICAN activities described in Exhibit 4 or ICAN steps described in Exhibit 2 could impair the requirement to conduct an 'active investigation'" as defined in the DOJ forms.[115] Neither declarant provides any indication that he or she has considered whether the steps should be reimbursable; only that they are necessary to complete an investigation. Moreover, what is *reasonably necessary* to implement the mandate is a finding of law, and the declarations submitted by the claimant may inform that decision, but do not control the legal issue.

In exhibits attached to the claimant's second revised proposed parameters and guidelines, a new declaration from Ms. Ferrell states that the revised proposal "contains only those activities that are reasonably necessary in order to complete the state 'Child Abuse Investigation Report' Form SS 8583," and that "those activities necessary to meet additional criminal prosecution duties are not included" in the second revised proposal.[116] In both the rebuttal comments and second revised proposed parameters and guidelines, and in comments filed on the draft proposed statement of decision and parameters and guidelines, the claimant continues to emphasize the credentials of the declarants, and that the declarants believe that "omission of one or more ICAN investigation activity [*sic*] could impair the requirement to conduct an active investigation."[117] The claimant concludes that each declarant's statement should be given considerable weight, for example: "Sergeant Scott provides substantial evidence supporting the County's version of reimbursement provisions for child abuse investigations." More specifically, the claimant objects to the absence of reimbursement in the proposed parameters and guidelines for "assessing the nature and seriousness of the known or suspected abuse," and "gathering and

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[113] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at pp. 9; 18.

[114] Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, Narrative, at pp. 9; 45; 53.

[115] Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, Exhibit 3, Declaration of Daniel Scott, at pp. 1-2.

[116] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines.

[117] Exhibit K, Claimant Comments on Draft Proposed Statement of Decision and Parameters and Guidelines, at p. 11. See also, Exhibit F, Claimant Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 50.

preserving evidence." The claimant's proposed reimbursable activity with respect to investigating child abuse would include the following:

> Except as provided in the paragraph below, reimbursement for this activity includes but is not limited to: assessing the nature and seriousness of the known or suspected abuse, review of the initial Suspected Child Abuse Report (Form 8572); conducting interviews of the victim(s) and parent(s) and any known suspect(s) and witness(es) in their spoken language when appropriate and/or available; gathering and preserving evidence including, but not limited to, where applicable, videotaping interviews, obtaining medical exams, mental health exams, autopsies, DNA samples and polygraph tests necessary to gather and preserve evidence to determine if child abuse is unfound or if not unfound, whether child abuse is inconclusive or substantiated; and preparing a report that will be retained in the files of the investigating agency.

As discussed throughout this analysis, the scope of reimbursable investigative activities is limited by the plain language of the statute, which requires an investigation *to determine whether a report of suspected child abuse is unfounded, inconclusive, or substantiated*. In addition, the scope of investigation is limited to the degree of investigation that DOJ has allowed to constitute a "retainable report;" in other words, the *minimum* degree of investigation that is sufficient to complete the reporting requirement is the *maximum* degree of investigation reimbursable under the test claim statute. Based on the following analysis, the Commission finds, as a matter of law, that the activities described in the declarations, and in the proposed language, go beyond the scope of the mandate, as discussed herein.[118]

Penal Code section 11164 states that the "intent and purpose of [CANRA] is to protect children from abuse and neglect." The section recognizes that investigation is essential to the purpose (though it does not necessarily imply that all investigations will lead to criminal prosecution or penalties), saying: "[i]n any investigation of suspected child abuse or neglect, all persons participating in the investigation of the case shall consider the needs of the child victim and shall do whatever is necessary to prevent psychological harm to the child victim."[119] CDSS argues, accordingly, that the purpose of CANRA is the protection of children, not the investigation and prosecution of crime.[120] CDSS argues that the reporting required by CANRA does not involve identification of suspects,[121] does not require the same standards of proof as a criminal

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[118] The declarations submitted still fail to address specifically whether reimbursement is required for these activities. The declarants, and the claimant more broadly, suggest that if the Commission limits reimbursement as proposed, law enforcement agencies will fail to complete an investigation. There is no evidence that the completion of an investigation relies so closely upon the level of mandate reimbursement; and, moreover, the limitations proposed are consistent with the statement of decision, and with the reimbursement requirement of article XIII B, section 6.

[119] Penal Code section 11164 (Stats. 2000, ch. 916 (AB 1241)).

[120] Exhibit C, CDSS Comments on Revised Proposed Parameters and Guidelines, at pp. 1-2.

[121] Section 903 of title 11, Code of Regulations, states that all information on the form 8583, "should be completed." However, the same section also states that a "retainable report" entered

investigation or prosecution, and does not differentiate cases on the basis of severity.[122] The point is well-taken: if a significant focus of CANRA were the investigation of criminal instances of child abuse, the requirements of section 11169 would be crafted differently for law enforcement agencies as compared with county welfare departments, respective to their abilities and resources. But the requirements are *not* crafted differently for different agencies; the requirements to complete an investigation and to report to DOJ apply equally to all entities subject to the mandate. To the extent that a mandate to investigate can be tied to or derived from CANRA, it must be limited to the investigative activities that all agencies can and do undertake. Any further investigation should not be attributed to the mandate of CANRA.

The CDSS Manual of Policies and Procedures, an excerpt of which is submitted by the claimant as Exhibit 9, states that a social worker "shall have in-person contact with all children alleged to be abused," and if the report is not unfounded, "shall interview all children present at time of the investigation, and all parents who have access," and "shall make a determination as to whether services are appropriate," and "shall request assistance from law enforcement if necessary." The Manual goes on to state that the county "shall submit a report pursuant to PC Section 11169 to the Department of Justice of every case it investigates…that it has determined not to be unfounded."[123] CDSS does not assert that all activities required in the Manual of Policies and Procedures are required by CANRA; in fact most are required by the Welfare and Institutions Code.[124] Nevertheless, as CDSS points out:

> Every year, thousands of reports are referred by county welfare departments to the Department of Justice based on the results of these investigations. *CDSS is aware of no case [or] instance in which the Department of Justice rejected a county welfare department CACI referral based on the sufficiency of the social worker's investigation.*

CDSS argues that the maximum level of investigation that county welfare departments are required to undertake is to conduct interviews with parents, suspects, victims, and witnesses, and that "[b]ased on these investigative activities; the social worker is required under CDSS regulations at MPP 31-501 to determine whether the results of the investigation require referral to the Department of Justice under CANRA."[125]

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into the index may include "[e]ither the suspect(s) name or the notation 'unknown.'" (Code of Regs., tit. 11, § 903 (Reg. 98, No. 29)).

[122] Exhibit C, CDSS Comments on Revised Proposed Parameters and Guidelines, at p. 8.

[123] Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, at Exhibit 9.

[124] Exhibit X, CDSS MPP 31-101et seq. referencing Welfare and Institutions Code section 16501(f) as the source of the requirement to investigate. See also Exhibit C, CDSS Comments on Revised Proposed Parameters and Guidelines p. 15 stating the following: "The investigative activities performed by county social workers under CDSS's regulations are exclusively and totally connected with duties established under the Welfare and Institutions Code, not CANRA. Accordingly, costs for those activities are not related to the claim in the matter."

[125] Exhibit C, CDSS Comments on Revised Proposed Parameters and Guidelines, at pp. 10-11 [emphasis added].

> In summary, these rules require the social worker to first decide whether an in-person investigation is necessary, which includes consideration of a multitude of considerations. If an in-person is investigation of reported child abuse is determined to be necessary, CDSS regulations at MPP 31-115 describe what steps are necessary for the conduct of the investigation. These rules require direct contact with all alleged child victims, and at least one adult who has information regarding the allegations. If after that stage the social worker does not find the referral to be unfounded, the social worker must conduct an in-person investigation with all children present at the time of the initial in-person investigation, all parents who have access to the child alleged to be at risk of abuse, noncustodial parents if he/she has regular or frequent in-person contact with the child, and make necessary collateral contacts with persons having knowledge of the condition of the child. *Based on these investigative activities*; the social worker is required under CDSS regulations at MPP 31-501 *to determine whether the results of the investigation require referral to the Department of Justice under CANRA*. There is no requirement for redundancy in the investigation as described PG between patrol officer and detective interviews. There is no tracking, booking, or arresting of suspects. There is *no requirement for forensic evidence to be collected or analyzed*. There is no review of school records. Basically, CDSS' investigatory requirements parallel the law enforcement activities described in the PG only up to the point that the patrol officer completes his or her duties in the investigation.[126]

CDSS concludes that the interviews with suspect(s), victim(s) and witness(es) conducted by county welfare departments are *sufficient to comply with the mandate*, and that law enforcement activities are reimbursable only to the same extent.[127] The claimant has requested reimbursement, as discussed above, for a much more extensive investigation normally pursued by law enforcement agencies, whether the investigation results in a finding of no child abuse, or a finding that the suspected child abuse is substantiated. In accordance with CDSS' evidence, and the plain language of the test claim decision and the approved statute and regulations, the Commission finds that a patrol officer's (or county probation or county welfare employee's) interviews with the child, parents, siblings, witnesses, and/or suspect(s), and preliminary report of the findings, including supervisory review, constitute the maximum extent of investigation necessary to make the determination whether to forward the report to DOJ, and to make the report retainable.

In comments submitted in response to the draft proposed statement of decision and parameters and guidelines, the claimant disputes that the mandate applies equally to all agencies, labeling the reasoning above the "lowest common denominator theory." The claimant argues that this theory "assumes facts not in evidence," and that Commission staff and CDSS have not cited "any evidence that county welfare agencies are not complying with the requirements of conducting an

[126] Exhibit C, CDSS Comments on Revised Proposed Parameters and Guidelines, at pp. 10-11.

[127] *Id*, at p. 11.

"active investigation."[128] Indeed, staff has not cited any evidence that CDSS, or other agencies, are not complying with the mandate, and this is precisely the point: CDSS asserts that county welfare agencies *have complied with the mandate,* and that the investigative activities performed under CDSS guidance have been *sufficient* to satisfy DOJ requirements with respect to its Child Abuse Summary Reports, and thus the level of investigation performed by county welfare agencies *satisfies* the mandate.[129]

As discussed above, the test claim statutes require that child protective agencies subject to the mandate forward all reports that are "not unfounded," and the duty to investigate under section 11169 arises from the requirement to forward reports and to make that determination.[130] The point at which the decision is made to close the case (an unfounded report), or continue the investigation (an inconclusive or substantiated report), is the point at which a determination sufficient to control whether a report will be forwarded to DOJ has been made. The claimant's evidence demonstrates that an investigation that results in a finding of no child abuse will conclude with the patrol officer's interviews and the filing of a closure report, which must be approved by a supervisor.[131] Where some evidence is found that necessitates follow-up interviews by a child abuse investigator, the claimant classifies the case as a "Level 3" investigation, which apparently is expected to conclude with a report to DOJ, according to the claimant's proposed activities:

> *[¶…¶]*
>
> *8. Supervising officer reviews investigation findings and approves report indicating child abuse is suspected.*
>
> *9. Secretary distributes, processes report.*
>
> *10. Child abuse investigator reviews child abuse report.*
>
> *11. Child abuse investigator conducts suspect background check.*
>
> *12. Child abuse investigator confers with social services.*
>
> *13. Child abuse investigator interviews child/children.*
>
> *14. Child abuse investigator interviews witnesses.*
>
> *15. Child abuse investigator interviews suspect(s).*
>
> *16. Child abuse investigator writes additional reports.*

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[128] Exhibit K, Claimant Comments on Draft Proposed Statement of Decision and Parameters and Guidelines, at p. 12.

[129] Exhibit C, CDSS Comments on Revised Proposed Parameters and Guidelines, at pp. 10-11.

[130] As noted previously, the current text of section 11169 requires reporting to DOJ only of "substantiated" reports, rather than those that are "not unfounded," but the effective date of this change is the same as the date after which law enforcement agencies no longer must report to DOJ in any event, and therefore the change is irrelevant to the discussion in this section.

[131] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 16.

17. Supervisor approves reports.

18. Secretary process final files and reports.

19. Child abuse investigator completes DOJ/CACI form.

20. Child abuse investigator completes advisement form to suspect(s).[132]

The claimant's proposed language thus presumes that all Level 3 investigations will result in a report to DOJ, and therefore that all Level 3 investigations are "not unfounded."

Therefore, because in-person interviews and writing a report of the findings are the last step taken by law enforcement before determining whether to proceed with a criminal investigation or close the investigation, and the last step that county welfare departments take before determining whether to forward the report to DOJ and possibly refer the matter to law enforcement, that degree of investigative effort must be the last step that is necessary to comply with the mandate. All further investigative activities are not reimbursable under the mandate, because, in a very practical sense, once evidence is being gathered for criminal prosecution, the determination that a report is "not unfounded" has been made, and the investigative mandate approved in the test claim statement of decision has been satisfied.[133]

In comments on the draft staff analysis the claimant continues to stress that an "active investigation" is required by the test claim statute and DOJ regulations. However, the claimant relies on regulations not approved in the test claim decision, as discussed above, and on a theory that a complete report filed with DOJ requires a more extensive investigation than that provided for in the test claim decision. The above analysis is not changed: the mandate, as approved in the test claim decision, is to conduct an investigation sufficient to determine whether a report of suspected child abuse is unfounded, inconclusive, or substantiated, and thus whether a report must be forwarded to DOJ. The *maximum* scope of investigation required to make that determination, and to complete the report to DOJ, is the *minimum* level of investigation necessary to make the report retainable by DOJ. The evidence submitted by CDSS demonstrates that reports based only on interviews with suspects, witnesses, parents, and the victim(s) have been and are retainable. The claimant has not submitted evidence to the contrary.

Based on the foregoing, the Commission finds that the activities proposed for reimbursement to law enforcement agencies exceed the activities approved in the test claim statement of decision, as specified, and that the maximum extent of reimbursement under the mandate includes a patrol officer's (or county probation or county welfare employee's) interviews with the child, parents, witnesses, and/or suspects, and the reporting of those findings, which may be reviewed by a supervisor, where applicable.

d. <u>The requirement to investigate arises from both sections 11166 and 11169, but only investigative activities required pursuant to section 11169 are reimbursable.</u>

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[132] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 17.

[133] Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, Exhibit 2, at pp. 2-6.

The Commission's approval of investigative activities cites Penal Code section 11169 and *Alejo v. City of Alhambra*. *Alejo*, in turn, relied on both sections 11166(a) and 11169 for its finding that police are required to investigate reports of suspected child abuse. Ultimately, the Commission found, in the test claim statement of decision, that the activities of mandated reporters, required under section 11166(a), were not reimbursable because they were not unique to government.[134]

Alejo involved a child being abused by his mother's live-in boyfriend. The child's father reported the abuse to police, but they failed to investigate, or cross-report, or create any internal report. The child was soon after severely beaten and left permanently disabled, and the police department and the officer who took the report were sued on a negligence per se theory. The court explained that a negligence per se action will lie where (1) there has been a violation of statute or regulation; (2) the harm to the plaintiff was caused by the violation of statute or regulation; (3) the harm is of the type intended to be prevented by the statute or regulation; and (4) the plaintiff is within the class of persons that were to be protected by the statute or regulation. The court held that the only elements in issue were the causation question, and whether the failure to investigate upon receipt of a report of child abuse from the father was a violation of the statute.[135]

Relying on *Williams v. State of California* (1983) 34 Cal.3d 18, the court found that, as a general rule, police do not have a duty to act, including a duty to investigate. In *Williams*, the California Supreme Court concluded:

> In spite of the fact that our tax dollars support police functions, it is settled that the rules concerning the duty - or lack thereof - to come to the aid of another are applicable to law enforcement personnel in carrying out routine traffic investigations. Thus, the state highway patrol has the right, but not the duty, to investigate accidents.[136]

The California Supreme Court also observed that "the intended beneficiaries of any investigation that is undertaken are the People as prosecutors in criminal cases, not private plaintiffs in personal injury actions."[137] Accordingly, the *Alejo* court concluded that "[t]herefore, absent a special relationship or a statute creating a special duty, the police may not be held liable for their failure to provide protection."[138]

However, the court found that section 11166 imposes such a duty on police officers: "[s]ection 11166, subdivision (a) creates such a duty."[139] Section 11166, as it read in 1999, provided, in pertinent part:

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[134] Exhibit A, Test Claim Statement of Decision, at p. 31; *Alejo v. City of Alhambra*, (Cal. Ct. App. 2d Dist. 1999) 75 Cal.App.4th 1180.

[135] *Alejo, supra*, at pp. 1184-1185.

[136] *Williams, supra*, 34 Cal.3d at p. 24.

[137] *Williams, supra*, 34 Cal.3d at p. 24, Fn 4.

[138] *Alejo, supra*, 75 Cal.App.4th at pp. 1186.

[139] *Alejo, supra*, 75 Cal.App.4th at pp. 1186.

> (a) Except as provided in subdivision (b), any child care custodian, health practitioner, employee of a child protective agency, child visitation monitor, firefighter, animal control officer, or humane society officer *who has knowledge of or observes a child, in his or her professional capacity or within the scope of his or her employment, whom he or she knows or reasonably suspects has been the victim of child abuse, shall report the known or suspected instance of child abuse to a child protective agency immediately or as soon as practically possible*… For the purposes of this article, "reasonable suspicion" means that it is objectively reasonable for a person to entertain a suspicion, based upon facts that could cause a reasonable person in a like position, drawing when appropriate on his or her training and experience, to suspect child abuse.[140]

The *Alejo* court concluded that although nothing in the plain language of section 11166 requires a mandated reporter to investigate child abuse:

> [I]t clearly envisions some investigation in order for an officer to determine whether there is reasonable suspicion to support the child abuse allegation and to trigger a report to the county welfare department and the district attorney under section 11166, subdivision (i) and to the Department of Justice under section 11169, subdivision (a). The latter statute provides in relevant part: "A child protective agency shall forward to the Department of Justice a report in writing of *every case it investigates* of known or suspected child abuse which is determined not to be unfounded .... A child protective agency *shall not forward* a report to the Department of Justice *unless it has conducted an active investigation* and determined that the report is not unfounded, as defined in Section 11165.12."[141]

Furthermore, the *Alejo* court held that the statute imposed a duty "to take further action when an objectively reasonable person in the same situation would suspect child abuse," including reporting to a child protective agency immediately or as soon as practically possible. And finally, the *Alejo* court concluded that "[c]ontrary to the city's position, the duty to investigate and report child abuse is mandatory under section 11166, subdivision (a) if a reasonable person in Officer Doe's position would have suspected such abuse. The language of the statute, prior cases and public policy all support this conclusion."[142]

In the test claim statement of decision here, the Commission noted that "the court [in *Alejo*] was not examining the law from a mandates perspective, and made the finding based on current law." Therefore the Commission was compelled to examine prior law, and consider the court's decision in the context of mandates law to determine whether new programs or higher levels of service were mandated by the test claim statutes. With respect to prior law, the Commission noted that former Penal Code section 11161.5 required that: "[c]opies of all written reports

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[140] Penal Code section 11166 (Stats. 1996, ch. 1081 (AB 3354) [current version employs the term "mandated reporter," which is in turn defined in section 11165.7]) [emphasis added].

[141] *Alejo v. City of Alhambra*, *supra*, 75 Cal.App.4th 1180, at page 1186. [Emphasis added.]

[142] *Alejo, supra*, 75 Cal.App.4th at pp. 1186-1187.

received by the local police authority shall be forwarded to the Department of Justice."[143] The Commission found that the prior law did not require investigation, but required police only "to forward a copy of the report to the state, as received."[144] The Commission concluded:

> No earlier statutes required any determination of the validity of a report of child abuse or neglect before completing a child abuse investigative report form and forwarding it to the state. Therefore, the Commission finds that an investigation *sufficient to determine whether a report of suspected child abuse or neglect is unfounded, substantiated, or inconclusive*, as defined by Penal Code section 11165.12, is newly mandated by Penal Code section 11169, subdivision (a), as described by the court in *Alejo*.[145]

With respect to other mandates law considerations, the Commission held that because section 11166(a), which governs the duties of a mandated reporter, applies to a number of different professions, public and private, the requirements imposed are not unique to government, and therefore cannot be reimbursable.[146] Accordingly, the Commission found that "Penal Code section 11166, subdivision (a), does not mandate a new program or higher level of service on local governments for the activities required of mandated reporters."[147] Therefore, even though the court in *Alejo* found that section 11166(a) imposed a duty to investigate on the police officer as a mandated reporter, reimbursement is not required for costs arising from that duty; section 11166(a) was therefore denied. Thus the test claim statement of decision approved reimbursement for the investigation of suspected child abuse, and for forwarding reports that are "not unfounded" to the DOJ, as specified, relying only on section 11169, as interpreted by the court in *Alejo*.[148]

e. <u>Only investigative activities conducted by the agency subsequent to the receipt of a mandated report are reimbursable; reimbursement is not required for investigative activities conducted by employees of a county child protective agency pursuant to the duties of a mandated reporter.</u>

Because section 11166(a) was held by the *Alejo* court to impose a duty upon individuals employed by a local child protective agency to investigate, but is not reimbursable, the parameters and guidelines must be crafted to avoid over-claiming when the mandated reporter in

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[143] Former Penal Code section 11161.5 (Stats. 1973, ch. 1151).

[144] Exhibit A, Test Claim Statement of Decision, at pp. 29-30.

[145] Exhibit A, Test Claim Statement of Decision, at p. 31 [emphasis added]. See also *Alejo v. City of Alhambra*, *supra*, 75 Cal.App.4th 1180, 1186.

[146] See *County of Los Angeles v. State of California* (1987) 43 Cal.3d.46, at p. 56 [Reimbursement required only for "programs that carry out the governmental function of providing services to the public, or laws which, to implement a state policy, impose unique requirements on local governments and do not apply generally to all residents and entities in the state."].

[147] Exhibit A, Test Claim Statement of Decision, at p. 16.

[148] *Ibid*.

a particular case is also an employee of the child protective agency that will complete the investigation under section 11169.

Under section 11165.9, reports "shall be made by mandated reporters to any police department, sheriff's department, county probation department if designated by the county to receive mandated reports, or the county welfare department." And under section 11165.7, mandated reporters include "[a]ny employee of any police department, county sheriff's department, county probation department, or county welfare department."[149] Thus an employee of any of those agencies, represented here by the claimant, Los Angeles County, could be both a mandated reporter, and a recipient of mandated reports. In that event a mandated reporter could be required both to complete the initial report of suspected child abuse, and to investigate that report in order to determine whether to forward the matter to DOJ. In this manner the requirements of section 11166(a) and 11169 might be completed by the same agency, or even the same employee, and because the former requirements under section 11166(a) are not reimbursable, a claimant must not be permitted to claim reimbursement for investigative activities conducted pursuant to section 11166(a). In that event, reimbursement is required for investigative activities necessary to complete the agency's duties under section 11169, but not for any investigation already completed by the mandated reporter under section 11166(a).

As discussed above, a mandated reporter's duty to investigate under section 11166(a) pursuant to the holding in *Alejo* is not reimbursable. The precise scope of this investigative duty is not specified, but all mandated reporters are expected to employ the Form SS 8572 to report suspected child abuse to one of the identified child protective agencies. This duty is triggered whenever the mandated reporter, *in his or her professional capacity or within the scope of his or her employment*, has knowledge of or observes a child whom the mandated reporter knows or reasonably suspects has been the victim of child abuse or neglect.[150] Given that the scope of employment within a law enforcement agency, county probation department, or county welfare agency generally includes investigation and observation for crime prevention, law enforcement and child protection purposes, information may be obtained by an employee which triggers the requirements of section 11166(a), and ultimately leads to an investigation and report to DOJ under section 11169(a). Ultimately, some of the same information necessary to satisfy the reporting requirements of section 11169 and the DOJ regulations may be obtained in the course of completing a mandated reporter's (non-reimbursable) duties under section 11166(a) (as discussed above, section 11169 requires a determination whether a report is unfounded, inconclusive, or substantiated, and Code of Regulations, title 11, section 903, as amended by Register 98, No. 29, requires certain information items in order to complete a "retainable report").

The more recent amendments to the regulatory sections pled in the test claim provide that an agency must complete all information required in Form SS 8583.[151] But those amended

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[149] Penal Code section 11165.7 (As amended by Stats. 2000, ch. 916).

[150] Penal Code section 11166(a) (Stats. 2000, ch. 916).

[151] Section 902 of title 11, Code of Regulations, provides that "[i]n order to fully meet its obligations under CANRA, an agency required to report instances of known or suspected child

regulations are not the subject of this test claim; the test claim statement of decision approved only Code of Regulations, title 11, section 903 *as amended by Register 98, No. 29*, which adopted the Form SS 8583, and required that only "certain information items...must be completed." Those information items, as discussed above, impose a very low standard of investigation for reporting to DOJ regarding instances of known or suspected child abuse. Because, as discussed above, a mandated reporter is expected to do what is reasonable within the scope of his or her experience and employment, a mandated reporter who is an employee of a child protective agency necessarily has a greater responsibility to investigate when he or she has reasonable suspicion of child abuse.[152] Therefore the regulations and statutes approved in the test claim statement of decision impose very little beyond what would otherwise be expected of a mandated reporter in the employ of a child protective agency, and therefore reimbursement must be limited to only such investigative activity as is necessary to satisfy the mandate of section 11169, but not mandated on the individual employee under section 11166.

Therefore, any investigation conducted by an employee of a county law enforcement agency, county welfare department, or county probation department, *prior to the completion of a Form SS 8572 under section 11166(a)*, is not reimbursable under this mandated program. And, if the Form SS 8572 is *completed by an employee of the same agency*, and the information contained in the Form SS 8572 is *sufficient to make the determination and complete the essential information items required by section 11169 and the regulations*, no further investigation is reimbursable.[153]

Thus, the parameters and guidelines authorize reimbursement for investigation only to the extent information has not been previously obtained by a mandated reporter within the same agency, in the course of the investigation already performed by the mandated reporter within the scope of his or her employment, to determine if a report of child abuse is not unfounded.[154] If the mandated reporter in a particular case is not an employee of the investigating agency, the agency maintains an independent and reimbursable duty to investigate in order to determine whether a

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abuse or severe neglect must complete all of the information on the BCIA 8583. Only information from a fully completed BCIA 8583 will be entered into the CACI."

[152] See Alejo, supra, 75 Cal.App.4th, at p. 1187 ["duty to investigate and report child abuse is mandatory under section 11166, subdivision (a) if a reasonable person in Officer Doe's position would have suspected such abuse"].

[153] This position is supported by the description submitted by the claimant of the investigative activities conducted by law enforcement: each of the four levels of investigation, as discussed above, begins with receiving a "SCAR [Suspected Child Abuse Report, Form 8572] *from Department of Children and Family Services*." There is no mention of reimbursement for the situation in which the mandated reporter is an officer in the same law enforcement agency. The claimant's requested reimbursable activities appear to assume, correctly, that any investigative activities prior to the completion of a Form 8572 will not be reimbursed; only investigative activities subsequent to the receipt of a Form 8572 are proposed for reimbursement. (Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, at pp. 4-7; 23-24).

[154] "Unfounded reports" are defined as reports that are determined false, to be inherently improbable, to involve accidental injury, or not to constitute child abuse or neglect as defined by Penal Code section 11165.12.

report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583. If necessary, the investigating agency may need to verify the information reported on the Form SS 8572. But where the mandated reporter is an employee of the investigating agency, investigative activities necessary to complete Form 8583 to submit to DOJ, and not any investigation which was required to complete Form 8572, are reimbursable; and where the investigation undertaken to complete Form SS 8572 is sufficient also to complete Form SS 8583, and to satisfy the mandate of section 11169 to determine whether the report must be made to DOJ, reimbursement is not required for any further investigation.

f. <u>The mandate to report to DOJ regarding suspected child abuse has been limited by subsequent legislation, as provided</u>.

As stated above in analyzing the period of reimbursement, section 11169 was amended by the Legislature in 2011, ending the mandate for law enforcement agencies to investigate and forward to DOJ, and limiting the requirement for all other local agencies to forwarding only those reports that are substantiated. Penal Code section 11169 was amended in 2011 to provide that "[o]n and after January 1, 2012, a police department or sheriff's department specified in Section 11165.9 *shall no longer forward to the Department of Justice* a report in writing of any case it investigates of known or suspected child abuse or severe neglect."[155] Therefore, both the requirement to "[f]orward to the Department of Justice a report in writing of every case it investigates," as well as the requirement to "[c]omplete an investigation…for purposes of preparing and submitting the state 'Child Abuse Investigation Report' Form SS 8583,"[156] are ended, *for purposes of reimbursement to law enforcement agencies*, as of January 1, 2012. Penal Code section 11169 also was amended at the same time to provide that only "substantiated" reports of suspected child abuse shall be forwarded to the DOJ by agencies other than law enforcement, rather than reports that are "not unfounded," as was the requirement under prior law.[157] This results in fewer reports being forwarded to DOJ by the agencies remaining subject to the mandate.

Therefore, because the statute at issue has been amended to end the requirement as applied to law enforcement, the activities approved by the Commission in the test claim statute must also end, as applied to law enforcement, and the requirement to forward reports to DOJ must be limited, as applied to all other entities subject to the mandate, as of January 1, 2012. Section IV of the parameters and guidelines reflects these dates.

g. <u>Reimbursement for activities required to report to DOJ regarding reports of suspected child abuse is approved for all agencies subject to the mandate, but for law enforcement only until December 31, 2011, and for forwarding inconclusive reports only until December 31, 2011</u>.

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[155] Penal Code section 11169(b) (Amended by Stats. 2011, ch. 468, § 2 (AB 717)).

[156] Exhibit A, Test Claim Statement of Decision, at p. 45.

[157] Penal Code section 11169(a) (Amended by Stats. 2011, ch. 468, § 2 (AB 717)). Compare Penal Code section 11169 (As amended by Stats. 2000, ch. 916 (AB 1241)).

The test claim statement of decision approved reimbursement for investigation of reports of suspected child abuse, but only to the extent of an investigation sufficient to determine whether a report of suspected child abuse or neglect must be forwarded to DOJ. The test claim statement of decision also approved reimbursement for reporting to DOJ all reported instances of known or suspected child abuse that are determined, after investigation, to be "not unfounded." Based on the foregoing analysis, an investigation sufficient to make that determination is complete after a law enforcement officer, or county welfare employee, or county probation department employee where applicable, has completed in-person interviews with the parents, suspects, victims, and witnesses, if any, and reported his or her findings. And, because the mandate to investigate applies equally to all agencies subject to the reporting requirements, reimbursement must be limited to the activities that are or can be performed by all agencies subject to the mandate, and must exclude the collection of physical or forensic evidence, and the building of a criminal case. Moreover, because the activities of mandated reporters under section 11166(a) are not reimbursable, any investigative activity to be reimbursed under section 11169 must exclude investigative activities conducted by a mandated reporter prior to submission of a Form SS 8572, even if the mandated reporter is an employee of an otherwise-reimbursable county agency. And finally, the investigative activities of law enforcement agencies are no longer mandated under the test claim statutes as of January 1, 2012, pursuant to amendments made to the underlying code sections, as discussed above.

Pursuant to the above analysis, the following activities are approved for reimbursement in the parameters and guidelines:

Reporting to the State Department of Justice

a. ***From July 1, 1999 to December 31, 2011****, city and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall:*[158]

1) *Complete an investigation for purposes of preparing the report*

Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice.[159] *Except as provided in paragraph below, this activity includes review of the initial Suspected Child Abuse Report (Form 8572), conducting initial interviews with parents, victims, suspects, or witnesses, where applicable, and*

[158] Pursuant to amendments to Penal Code section 11169(b) enacted by Statutes 2011, chapter 468 (AB 717), the mandate to report to DOJ *for law enforcement agencies only* ends on January 1, 2012. In addition, the duty for all other affected agencies is modified to exclude an "inconclusive" report.

[159] Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.

making a report of the findings of those interviews, which may be reviewed by a supervisor.

Reimbursement is not required in the following circumstances:

i. *Investigative activities conducted by a mandated reporter to complete the Suspected Child Abuse Report (Form SS 8572) pursuant to Penal Code section 11166(a).*

ii. *In the event that the mandated reporter is employed by the same child protective agency required to investigate and submit the "Child Abuse Investigation Report" Form SS 8583 or subsequent designated form to the Department of Justice, pursuant to Penal Code section 11169(a), reimbursement is not required if the investigation required to complete the Form SS 8572 is also sufficient to make the determination required under section 11169(a), and sufficient to complete the essential information items required on the Form SS 8583, pursuant to Code of Regulations, title 11, section 903 (Register 98, No. 29).*

iii. *Investigative activities undertaken subsequent to the determination whether a report of suspected child abuse is substantiated, inconclusive, or unfounded, as defined in Penal Code section 11165.12, for purposes of preparing the Form SS 8583, including the collection of physical evidence, the referral to a child abuse investigator, and the conduct of follow-up interviews.*

2) *Forward reports to the Department of Justice*

Prepare and submit to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse or severe neglect which is determined to be substantiated or inconclusive, as defined in Penal Code section 11165.12. Unfounded reports, as defined in Penal Code section 11165.12, shall not be filed with the Department of Justice. If a report has previously been filed which subsequently proves to be unfounded, the Department of Justice shall be notified in writing of that fact. The reports required by this section shall be in a form approved by the Department of Justice (currently form 8583) and may be sent by fax or electronic transmission.[160]

This activity includes costs of preparing and submitting an amended report to DOJ, when the submitting agency changes a prior finding of substantiated or inconclusive to a finding of unfounded or from inconclusive or unfounded to substantiated.

Reimbursement is not required for the costs of the investigation required to make the determination to file an amended report.

[160] Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.

b. ***Beginning January 1, 2012****, county welfare departments, or county probation departments where designated by the county to receive mandated reports shall:*

1) *Complete an investigation*

Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice.[161] *Except as provided in paragraph below, this activity includes review of the initial Suspected Child Abuse Report (Form 8572), conducting initial interviews with parents, victims, suspects, or witnesses, where applicable, and making a report of the findings of those interviews, which may be reviewed by a supervisor.*

Reimbursement is not required in the following circumstances:

i. *Investigative activities conducted by a mandated reporter to complete the Suspected Child Abuse Report (Form SS 8572) pursuant to Penal Code section 11166(a).*

ii. *In the event that the mandated reporter is employed by the same child protective agency required to investigate and submit the "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice, pursuant to Penal Code section 11169(a), reimbursement is not required if the investigation required to complete the Form SS 8572 is also sufficient to make the determination required under section 11169(a), and sufficient to complete the essential information items required on the Form SS 8583, pursuant to Code of Regulations, title 11, section 903 (Register 98, No. 29).*

iii. *Investigative activities undertaken subsequent to the determination whether a report of suspected child abuse is substantiated, inconclusive, or unfounded, as defined in Penal Code section 11165.12, for purposes of preparing the Form SS 8583.*

2) *Forward reports to the Department of Justice*

Prepare and submit to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse or severe neglect which is determined to be substantiated, as defined in Penal Code section 11165.12. Unfounded or inconclusive reports, as defined in Penal Code section 11165.12, shall not be filed with the Department of Justice.

[161] Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916, § 27 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.

If a report has previously been filed which subsequently proves to be unfounded, the Department of Justice shall be notified in writing of that fact. The reports required by this section shall be in a form approved by the Department of Justice and may be sent by fax or electronic transmission.[162]

This activity includes costs of preparing and submitting an amended report to DOJ, when the submitting agency changes a prior finding of substantiated to a finding of inconclusive or unfounded, or from inconclusive or unfounded to substantiated, or when other information is necessary to maintain accuracy of the CACI.

Reimbursement is not required for the costs of the investigation required to make the determination to file an amended report.

In response to the draft proposed parameters and guidelines, the claimant submitted comments objecting to the limitation specifying that activities undertaken *subsequent to the determination* whether a report of child abuse is substantiated, inconclusive, or unfounded, "including the collection of physical evidence, the referral to a detective, the conduct of follow-up interviews, and the potential making of an arrest,"[163] were not reimbursable. The claimant stated that this limitation could be read to imply that these activities would be reimbursable if undertaken prior to making the determination whether a report should be forwarded to DOJ, but not reimbursable if performed after making a determination and forwarding the report. In addition, the claimant stated that not all agencies have "detectives," and that only those that do would be denied reimbursement. The intent of the limiting language above is merely to clarify that the focus of reimbursement for investigations should remain the *determination of whether to file a report with DOJ* (i.e., whether a report is unfounded, inconclusive, or substantiated). The collection of physical evidence, the referral to a senior investigating officer, whether or not that person is called "detective," and conducting follow-up interviews are all activities listed in the claimant's time studies[164] that should logically only be conducted in the case that the suspected child abuse is "not unfounded," and logically only performed after such determination has been made, and the mandate satisfied. Accordingly, the limitation of reimbursement stated above is amended to omit the word "detective," but otherwise unaffected.

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[162] Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916, § 27 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.

[163] See Exhibit I, Draft Staff Analysis and Proposed Parameters and Guidelines, at pp. 45; 88.

[164] See Exhibit B, Revised Proposed Parameters and Guidelines, at pp. 7-9.

4. Notifications Following Reports to the Child Abuse Central Index

The test claim statement of decision approved reimbursement to notify a known or suspected child abuser that he or she has been listed in the CACI. That and other notice requirements are included in the proposed parameters and guidelines, in accordance with the following analysis.[165]

a. Notifying the suspected abuser may include the SOC 832 form but this activity is ended, for law enforcement agencies, as of January 1, 2012.

In addition to the notice requirements approved in the test claim decision, the claimant has proposed reimbursement for the following activities when several of the approved notice requirements are triggered:

- *[For law enforcement agencies:] Child abuse investigator completes advisement form to suspect(s); and*[166]
- *[For county welfare departments:] Completion of the Notice of Child Abuse Central Index Listing (SOC 832) form.*[167]

In addition, the claimant has proposed that the above activities should include "sending the person listed in CACI with [sic] a 'Request for Grievance Hearing' form (SOC 834)."[168] There is no requirement in the statute or the approved regulations to provide this form along with the notice to the person listed. Providing the "Request for Grievance Hearing" form is denied.

Form SOC 832 was developed by CDSS, and is intended for use by county welfare departments to inform a known or suspected abuser that he or she has been reported to the CACI. It is not clear, based on the evidence in the record, whether any other agencies or departments also employ this form, but the Commission finds that completion of the Notice of Child Abuse Central Index Listing form (SOC 832), at item 3, above, is a reasonable means of implementing the expressly approved activity to "[n]*otify in writing the known or suspected child abuser that he or she has been reported to the Child Abuse Central Index, in any form approved by the Department of Justice, at the time the "Child Abuse Investigation Report" is filed with the Department of Justice."*[169]

Additionally, the activity described here, to notify a suspected abuser that he or she has been listed in the index at the time the agency files the "Child Abuse Investigation Report" with DOJ, is ended, for law enforcement, as of January 1, 2012. This requirement arises from Penal Code section 11169, which, as discussed above, was amended in Statutes 2011, chapter 468, ending the requirement for law enforcement to forward reports of suspected child abuse to DOJ as of January 1, 2012. Because the requirement above is to notify the suspected abuser *at the time the*

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[165] Exhibit I, Draft Staff Analysis and Proposed Parameters and Guidelines, at pp. 48-53; 88-90.

[166] Exhibit F, Claimant Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 17.

[167] Exhibit F, Claimant Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 27.

[168] Exhibit K, Claimant Comments on Draft Staff Analysis, at p. 34.

[169] Exhibit A, Test Claim Statement of Decision, at p. 45.

report is filed with DOJ, and because law enforcement agencies "shall no longer" file those reports, the notice requirement is also ended.

The parameters and guidelines reflect the completion of the form SOC 832, as a reasonable means of complying with the approved activity, and reflect the end date of this activity for law enforcement agencies, as follows:

> *a. City and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall:*
>
> *1) Notify in writing the known or suspected child abuser that he or she has been reported to the Child Abuse Central Index, in any form approved by the Department of Justice, at the time the "Child Abuse Investigation Report" is filed with the Department of Justice.*[170]
>
> *This activity includes, where applicable, the completion of the Notice of Child Abuse Central Index Listing form (SOC 832), or subsequent designated form.*
>
> ***For law enforcement agencies only, this activity is eligible for reimbursement from July 1, 1999 until December 31, 2011, pursuant to amendments to Penal Code section 11169(b), enacted in Statutes 2011, chapter 468 (AB 717), which ends the mandate to report to DOJ for law enforcement agencies.***
>
> ¶…¶
>
> **b. <u>When information is received from CACI in the normal course of investigating or licensing duties, agencies are required to obtain and objectively review the original investigative report when making decisions regarding a new investigation, prosecution, licensing, or placement of a child, but not required to initiate a new investigation.</u>**

The test claim statement of decision also approved the following, related to the notice requirements, and triggered by the receipt of information from the CACI during the course of a routine investigation, or an investigation of a current report of suspected child abuse or neglect:

> *Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, county welfare department, county licensing agency, or district attorney's office shall:*
>
> - *Obtain the original investigative report from the reporting agency, and draw independent conclusions regarding the quality of the evidence disclosed, and its sufficiency for making decisions regarding investigation, prosecution,*

[170] Penal Code section 11169(c) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916, § 27 (AB 1241)). This activity is ended for law enforcement as of January 1, 2012, pursuant to Statutes 2011, chapter 468 (AB 717).

licensing, or placement of a child, when a report is received from the Child Abuse Central Index. (Pen. Code, § 11170, subd. (b)(6)(A), now (b)(8)(A).) [171]

Information implicating the requirement to obtain and review the original report may be *received from DOJ* by the means described in section 11170. Section 11170, as amended by Statutes 2000, chapter 916, provides, in pertinent part:

> The Department of Justice shall immediately notify an agency that submits a report pursuant to Section 11169, or a district attorney who requests notification, of any information maintained pursuant to subdivision (a) that is relevant to the known or suspected instance of child abuse or severe neglect reported by the agency…
>
> ¶…¶
>
> The department shall make available to the State Department of Social Services or to any county licensing agency that has contracted with the state for the performance of licensing duties information regarding a known or suspected child abuser maintained pursuant to this section and subdivision (a) of Section 11169 concerning any person who is an applicant for licensure or any adult who resides or is employed in the home of an applicant for licensure or who is an applicant for employment in a position having supervisorial or disciplinary power over a child or children, or who will provide 24–hour care for a child or children in a residential home or facility…
>
> ¶…¶
>
> The department shall make available to investigative agencies or probation officers, or court investigators acting pursuant to Section 1513 of the Probate Code, responsible for placing children or assessing the possible placement of children…information regarding a known or suspected child abuser contained in the index concerning any adult residing in the home where the child may be placed, when this information is requested for purposes of ensuring that the placement is in the best interests of the child.
>
> ¶…¶
>
> Persons or agencies, as specified in subdivision (b), if investigating a case of known or suspected child abuse or neglect, or the State Department of Social Services or any county licensing agency pursuant to paragraph (3), or an agency or court investigator responsible for placing children or assessing the possible placement of children pursuant to paragraph (5), to whom disclosure of any information maintained pursuant to subdivision (a) is authorized, are responsible for obtaining the original investigative report from the reporting agency, and for drawing independent conclusions regarding the quality of the evidence disclosed,

[171] *Ibid.*

and its sufficiency for making decisions regarding investigation, prosecution, licensing, or placement of a child.[172]

Thus the duty to obtain and objectively review the original investigative report is implicated when an agency, in the conduct of its ordinary duties, has occasion to inquire to DOJ regarding an individual currently under investigation regarding an instance of known or suspected child abuse, or before the agency seeking a license, or placement of a child, or an employee of a licensee or home in which a child would be placed. In such case, the DOJ is instructed by the above statute that it "shall make available" the information requested, and the agency, in turn, is required, when a listing in the CACI is made known, to obtain the original investigative report, and to review it objectively in order to evaluate licensing, placement, or prosecution decisions. The section then requires that persons or agencies, when conducting their existing duties to investigate cases of known or suspected child abuse, or when making a licensing determination, or when assessing the possible placement of children in a home, shall, *upon receipt of information from DOJ* regarding an individual suspected of child abuse, or regarding an instance of suspected child abuse, obtain the original investigative report from the reporting agency, and draw independent conclusions regarding the quality of the evidence and its sufficiency for making decisions within the agency's or person's discretion.

The purpose of this section can be inferred from its context, and from the expansion of its scope subsequent to Statutes 2000, chapter 916: Penal Code section 11170(b)(10) (renumbered) now imposes the same requirements on a Court Appointed Special Advocate investigating prospective employees or volunteers, a local government agency conducting a background check on a prospective peace officer employee, and a county welfare or adoption agency conducting a background check on a prospective employee or volunteer.[173] These are not persons who would normally be subject to an active, targeted investigation seeking information regarding suspected child abuse; rather, they are persons who would be subject to a routine background investigation before they can be granted employment, or some other benefit. The Commission does not here seek to exercise jurisdiction over subsequent amendments to section 11170; the expanded scope of the section is discussed only as it helps to illuminate the purpose of the requirement, which is to obtain and objectively review a report of suspected child abuse, when information is received from DOJ regarding an individual before the agency in the normal course of the agency's duties. The purpose of the test claim statute (section 11170, as last amended in 2000), then, must be to protect the individual seeking a license, or placement of a child in his or her home, from being summarily denied on the basis of a report contained in the CACI. And, with respect to a person being investigated for a more recent instance of known or suspected child abuse, the test claim statute is meant to ensure that a district attorney or other law enforcement or child protective agency does not pre-judge the individual based solely upon the existence of a prior report in the

[172] Penal Code section 11170(b) (Stats. 2000, ch. 916 (AB 1241)).

[173] Penal Code section 11170(b)(10) Stats. 2001, ch. 133 (AB 102); Stats. 2004, ch. 842 (SB 1313); Stats. 2005, ch. 279 (SB 1107); Stats. 2006, ch. 701 (AB 525); Stats. 2007, ch. 160 (AB 369); Stats. 2007, ch. 583 (SB 703); Stats. 2008, ch. 701 (AB 2651); Stats. 2008, ch. 553 (AB 2618); Stats. 2008, ch. 701 (AB 2651); Stats. 2009, ch. 91 (AB 247); Stats. 2010, ch. 328 (SB 1330); Stats. 2011, ch. 459 (AB 212); Stats. 2011, ch. 468 (AB 717); Stats. 2012, ch. 846 (AB 1712); Stats. 2012, ch. 848 (AB 1707)).

CACI; the investigating agency, or district attorney, must obtain and objectively review the prior report, and evaluate "its sufficiency for making decisions."[174]

However, the Commission finds that reimbursement is only required for the costs of *obtaining the original report and reviewing the report objectively*. This section *does not* mandate reimbursement of any investigative activities that implicate the requirement to obtain the original report, nor any investigative activities that might be necessary after reviewing the report with respect to "making decisions regarding investigation, prosecution, licensing, or placement of a child."[175]

Based on the foregoing, the parameters and guidelines provide for reimbursement as follows:

> *City or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, county welfare department, county licensing agency, or district attorney's office shall:*
>
> *Obtain the original investigative report from the agency that submitted the information to the CACI pursuant to Penal Code section 11169(a), and shall objectively review the report, when information regarding an individual suspected of child abuse or neglect, or an instance of suspected child abuse or neglect, is received from the CACI while performing existing duties pertaining to criminal investigation or prosecution, or licensing, or placement of a child.*
>
> ***Reimbursement for this activity does not include investigative activities conducted by the agency, either prior to or subsequent to receipt of the information that necessitates obtaining and reviewing the investigative report.***

5. Record Retention

The test claim statement of decision approved reimbursement for record retention by local government agencies as follows:

> *Any city or county police or sheriff's department, or county probation department if designated by the county to receive mandated reports shall:*
>
> - Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of eight years for counties and cities (a higher level of service above the two-year record retention requirement pursuant to Gov. Code §§ 26202 (cities) and 34090 (counties).) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years.
>
> *A county welfare department shall:*
>
> - Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of seven years for welfare records (a higher level of service above the three-year record retention requirement pursuant to Welf. & Inst. Code,

[174] Penal Code section 11170(b)(6) (Stats. 2000, ch. 916 (AB 1241)).

[175] *Ibid.*

§ 10851.) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years.[176]

Penal Code section 11169 provides that "Agencies, including police departments and sheriff's departments, shall retain child abuse or neglect investigative reports that result or resulted in a report filed with the Department of Justice pursuant to subdivision (a) for the same period of time that the information is required to be maintained on the CACI pursuant to this section and subdivision (a) of Section 11170."[177] Penal Code section 11170 provides that information from an inconclusive or unsubstantiated report is removed from CACI after 10 years, unless a new report of suspected child abuse is received relating to the same person or persons within that time. However, because agencies subject to the test claim statute were already subject to record retention time frames for these reports, claimants are only eligible for reimbursement for the higher level of service; the length of time exceeding the prior requirement.

Government Code sections 26202 and 34090 allow cities and counties, respectively, to authorize destruction of records after two years. The Commission found that while the test claim statute requires a minimum 10 years of record retention, the initial two years are not reimbursable because of this existing requirement. The additional minimum of eight years is reimbursable under the test claim statute, and the parameters and guidelines reflect this analysis.[178]

Similarly, Welfare and Institutions Code section 10851 permits destruction of records after three years for county welfare departments. The Commission found that because county welfare departments already had a duty to retain records for three years under Welfare and Institutions Code section 10851, records retention for a minimum of seven years should be reimbursed under the test claim: the length of time added to the retention requirement by the test claim statute.[179] The parameters and guidelines reflect this analysis.

The parameters and guidelines provide for reimbursement of eight and seven years, respectively, for record retention for county probation departments and county welfare departments. As explained here and in the test claim statement of decision, the years for which claimants are eligible for reimbursement for record retention are those eight and seven years, respectively, that *follow* the two or three year retention period required under prior law. Therefore the Commission adopts the following language:

> *City and county police or sheriff's departments, and county probation departments if designated by the county to receive mandated reports shall:*
>
> *Retain child abuse or neglect investigative reports, that result in a report filed with the Department of Justice for a minimum of eight years for counties and cities (a higher level of service above the prior two-year record retention requirement pursuant to Gov. Code §§ 26202 (cities) and 34090 (counties).) If a subsequent report on the same suspected child abuser is received within*

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[176] Exhibit A, Test Claim Statement of Decision, at pp. 46-47 [citations omitted].

[177] Penal Code section 11169(h) (Stats. 1997, ch. 842 (SB 644); Stats. 2000, ch. 916 (AB 1241)).

[178] Exhibit A, Test Claim Statement of Decision, at pp. 37-38.

[179] *Ibid.*

the first 10-year period, the report shall be maintained for an additional 10 years.[180]

This activity includes retaining copies of the Suspected Child Abuse Report form SS 8572, received from a mandated reporter, and the Child Abuse Summary Report form SS 8583, with the original investigative report.

Reimbursement is not required for the first two years of record retention required under prior law, but only for the eight years following.

County welfare departments shall:

Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of seven years for welfare records (a higher level of service above the prior three-year record retention requirement pursuant to Welf. & Inst. Code, § 10851.) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years.[181]

This activity includes retaining copies of the Suspected Child Abuse Report form SS 8572, received from a mandated reporter, and the Child Abuse Summary Report form SS 8583, with the original investigative report.

Reimbursement is not required for the first three years of record retention required under prior law, but only for the seven years following.

6. Due Process Procedures Extended to Individual Listed in CACI

The claimant has proposed reimbursement for due process requirements implicated by the test claim statutes, as follows:

> *Due process costs incurred by law enforcement and county welfare agencies to develop and maintain ICAN due process procedures reasonably necessary to comply with federal due process procedural protections under the 14th Amendment which need to be afforded suspects reported to the DOJ's Child Abuse Central Index [CACI].*

DOF suggests striking this requirement entirely, but without comment.[182] SCO suggests limiting this activity to one-time development of ICAN due process procedures.[183] These comments are set aside, pursuant to the following analysis.

It is not clear whether the claimant's proposed language encompasses the actual implementation of due process procedures and the provision of a constitutionally-appropriate hearing for

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[180] (Penal Code section 11169(h) (Stats. 1997, ch. 842 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2001, ch. 133 (AB 102); Stats. 2004, ch. 842 (SB 1313); Stats. 2011, ch. 468 (AB 717)).

[181] (Penal Code section 11169(h) (Stats. 1997, ch. 842 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2001, ch. 133 (AB 102); Stats. 2004, ch. 842 (SB 1313); Stats. 2011, ch. 468 (AB 717)).

[182] Exhibit D, DOF Comments on Revised Proposed Parameters and Guidelines, at p. 2.

[183] Exhibit E, SCO Comments on Revised Proposed Parameters and Guidelines, at p. 3.

individuals whose rights are affected by the test claim statutes, or is limited to the development of due process procedures. The following analysis will demonstrate that agencies have always been responsible, under the Constitution and laws of the United States, and of California, to provide due process protections to those listed in the Child Abuse Central Index, and that Statutes 2011, chapter 468 codified these protections in Penal Code section 11169. Claimants are therefore eligible for reimbursement for the ongoing costs of providing due process in each individual case, as well as the one-time costs of developing due process procedures.

a. <u>An individual's inclusion within the Child Abuse Central Index triggers that person's due process rights</u>.

The test claim statement of decision was adopted in 2007, without discussion of the precise contours of due process protections implicated by the test claim statute. In 2009 the Ninth Circuit Court of Appeals decided *Humphries v. County of Los Angeles* (9th Cir. 2009) 554 F.3d 1170, in which it was held that CANRA triggers an individual's 14th Amendment rights to due process of law, because inclusion in the CACI can affect a person's liberty or property interests: certain licenses, and a number of relevant vocations, are not available to a person listed in the CACI.[184]

The plaintiffs in *Humphries* were listed in the CACI as a result of an allegation of child abuse made by a rebellious teenager.[185] Out-of-state investigators determined that the report of child abuse was "substantiated," and the Humphries were arrested by Los Angeles County Sheriff's Department officers and the report of suspected child abuse forwarded to DOJ for listing in the index.[186] The Humphries were later cleared of any wrongdoing by the courts, but were unable to have their names removed from the CACI, in part because the investigator who had forwarded their names in the first instance was no longer employed with the department.[187]

The Humphries alleged that their listing in the CACI impacted their reputations and potentially their livelihood: Mrs. Humphries worked as a special education teacher, and introduced evidence that renewal of her teaching credentials might be halted by the information in the CACI.[188] Mrs. Humphries also indicated that her desire to pursue a degree in psychology was threatened by her inclusion in the CACI, because portions of her psychology coursework included working in a child care program, which in turn would require a CACI background check. The court found that this evidence implicated the Humphries' rights to procedural due process.

The court determined that listing in the CACI deprived the Humphries of rights secured by the Constitution and laws of the United States. Specifically, the stigma of being listed in the CACI, along with the statutory consequences, including the inability to obtain certain licenses or

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[184] See Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, Exhibit 8.

[185] *Humphries*, *supra*, 554 F.3d 1170, at p. 1180.

[186] *Ibid*.

[187] *Id*, at pp. 1181-1182.

[188] *Id*, at p. 1183.

credentials, constituted a violation of protected liberty interests.[189] The court held that a "lack of any meaningful, guaranteed procedural safeguards before the initial placement on CACI combined with the lack of any effective process for removal from CACI violate[d] the Humphries' due process rights." Because certain licensing agencies are required to consult the CACI before issuing licenses, "the CACI cease[s] to be a mere investigatory tool, [and becomes], in substance, a judgment against those listed."[190] The court did not seek to dictate exactly what due process is required, but stated:

> At the very least, however, California must promptly notify a suspected child abuser that his name is on the CACI and provide "some kind of hearing" by which he can challenge his inclusion. *See Goss v. Lopez*, 419 U.S. 565, 578, 95 S.Ct. 729, 42 L.Ed.2d 725 (1975); Henry J. Friendly, "*Some Kind of Hearing*," 123 U. Pa. L.Rev. 1267 (1975) (discussing the various forms that a hearing can take). The opportunity to be heard on the allegations ought to be before someone other than the official who initially investigated the allegation and reported the name for inclusion on the CACI, and the standards for retaining a name on the CACI after it has been challenged ought to be carefully spelled out.[191]

Based on the court's reasoning in *Humphries*, it is clear that some due process is owed to those listed in the CACI, to ensure that the listings are not erroneous, and that an innocent person is not unduly damaged. At a minimum, due process requires notice, and an opportunity to be heard before an impartial fact finder.

b. <u>Due process protections recognized in *Humphries* were incorporated in the subsequent amendments to the test claim statutes</u>.

After and in accordance with *Humphries*, the Legislature sought to include basic due process protections in the statutes that make up CANRA. These requirements are declaratory of existing federal and state due process protections and do not require a new test claim decision. Due process protections identified in Humphries and codified by the Legislature are reasonably necessary to comply with the mandate; moreover, the amendments made to section 11169 are implementing existing constitutional requirements triggered by the test claim statutes, not imposing additional mandated activities.

Subdivisions (d) through (g) were added to section 11169 by Statutes 2011, chapter 468, as follows:

> (d) Subject to subdivision (e), any person who is listed on the CACI has the right to a hearing before the agency that requested his or her inclusion in the CACI to challenge his or her listing on the CACI. The hearing shall satisfy due process requirements. It is the intent of the Legislature that the hearing provided for by this subdivision shall not be construed to be inconsistent with hearing proceedings available to persons who have been listed on the CACI prior to the enactment of the act that added this subdivision.

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[189] *Id*, at pp. 1185-1189.

[190] *Humphries*, *supra*, 554 F.3d 1170, at p. 1201.

[191] *Ibid*.

(e) A hearing requested pursuant to subdivision (d) shall be denied when a court of competent jurisdiction has determined that suspected child abuse or neglect has occurred, or when the allegation of child abuse or neglect resulting in the referral to the CACI is pending before the court. A person who is listed on the CACI and has been denied a hearing pursuant to this subdivision has a right to a hearing pursuant to subdivision (d) only if the court's jurisdiction has terminated, the court has not made a finding concerning whether the suspected child abuse or neglect was substantiated, and a hearing has not previously been provided to the listed person pursuant to subdivision (d).

(f) Any person listed in the CACI who has reached 100 years of age shall have his or her listing removed from the CACI.

(g) If, after a hearing pursuant to subdivision (d) or a court proceeding described in subdivision (e), it is determined the person's CACI listing was based on a report that was not substantiated, the agency shall notify the Department of Justice of that result and the department shall remove that person's name from the CACI.

These changes, recognizing that "CACI has been the subject of substantial litigation over the years, principally involving issues related to due process of law," are intended "to address the issues raised in previous lawsuits" regarding the constitutionality of the CACI.[192] The Legislative Counsel's digest preceding the bill provides as follows:

> Existing law charges the Department of Justice with maintaining CACI and requires that the index be continually updated by the department and not contain any reports that are determined to be unfounded.
>
> This bill would instead provide that only information from reports that are reported as substantiated would be filed, and all other determinations would be removed from the centralized list. The bill would also provide that any person who is listed on the CACI has the right to an agency hearing, as specified, to challenge his or her listing on the CACI. The bill would require the hearing to meet due process requirements. The bill would also specify the circumstances under which the hearing may be denied. The bill would further provide that a person who is listed on the CACI has a right to that hearing if the court's jurisdiction terminates, the court has not made a finding concerning whether the suspected child abuse or neglect was substantiated, and that hearing has not been provided previously to the listed person. After that hearing or a court proceeding, if it is determined that the person's CACI listing was based on a report that was not substantiated, the agency would be required to notify the department of that result and the department shall remove that person's name from the CACI.

The Committee analysis also states that "[t]he provisions of this bill seeking to ensure that CACI is operated in a constitutional manner are likely to result in significant future litigation-related cost savings potentially in the millions of dollars to the DOJ and local agencies." While this statement captures the intent of cost-savings, it also recognizes the intent to alter the operation of the CACI to achieve consistency with constitutional requirements. Therefore the Commission

[192] Exhibit X, Senate Committee Analysis, AB 717.

finds that the amendments to section 11170, effected by Statutes 2011, chapter 468, are not newly mandated requirements, but are codifying and clarifying existing federal and state constitutional requirements.

c. Due process protections required under the Constitution of the United States, or under the Constitution and laws of the State of California, when triggered by state-mandated activities, are reimbursable pursuant to Article XIII B, section 6.

In *San Diego Unified School District v. Commission on State Mandates* (2004) 33 Cal.4th 859, the California Supreme Court held that all due process procedures and costs resulting from expulsions made mandatory by the test claim statute were reimbursable, whether arising from federal law or state law.[193] Education Code section 48915, in pertinent part, "(1) *compelled* a school principal to *immediately suspend* any student found to be in possession of a firearm at school or at a school activity off school grounds, and (2) *mandated* a recommendation to the school district governing board that the student be expelled."[194] The court noted that "whenever expulsion is recommended [under state law] a student has a right to an expulsion hearing." The court held, "[a]ccordingly, it is appropriate to characterize the former provision as *mandating* immediate suspension, a recommendation of expulsion, *and hence, an expulsion hearing.*"[195]

The Commission, in its test claim statement of decision prior to *San Diego Unified*, had excepted the federal due process requirements from reimbursement pursuant to Government Code section 17556, finding that only the due process requirements imposed by the test claim statute that were in excess of the federal requirements should be reimbursable.[196] The court disagreed, finding that section 17556 was not applicable to the facts; that Education Code section 48915, providing for mandatory expulsions in certain situations, does not "implement federal law," and therefore due process costs arising from both federal and state law and Constitutions are reimbursable when an expulsion recommendation is made mandatory under state statute.[197]

d. The one-time development of due process procedures, as well as the ongoing provision of due process protections to listed individuals, are approved.

Due process procedures were not expressly approved in the test claim statement of decision, nor are due process requirements found in the language of the test claim statutes, as pled. Rather the *Humphries* decision recognized a due process right inherent in the existence and application of the CACI, and the Legislature subsequently amended the code to include due process protections. *San Diego Unified* is in accord, in that it makes clear that due process procedures triggered by state-mandated activities are reimbursable whether arising under state or federal law

[193] Discretionary expulsions were held not to give rise to reimbursable costs, including due process procedures triggered.

[194] *San Diego Unified*, *supra*, at p. 869.

[195] *Id*, at p. 870.

[196] *Id*, at pp. 872-873.

[197] *Id*, at p. 881.

or Constitution.[198] The Commission now must accept the courts' findings and hold that due process protections triggered by test claim statutes surrounding the CACI are reimbursable.

The court in *Humphries* directed the state to institute "some kind of hearing" process to provide a remedy for those who would challenge their listing in the CACI, and provided that the hearing must be before someone other than the person who performed the investigation.[199] The very fact that the Humphries' were forced to sue (as well as the amendments to the code following thereafter) demonstrates that it is unlikely that adequate due process procedures existed prior to that 2009 case, at least in Los Angeles County. The Department of Social Services has adopted procedures that appear at first glance to satisfy due process, as interpreted by the court in *Humphries*, but those measures, adopted in settlement of another due process case, only extended to county welfare departments at that time, and were not required of law enforcement agencies. This is yet another reason for the amendments made in Statutes 2011, chapter 468 (AB 717).[200]

Based on the court's express finding that due process protections are owed, reimbursement for the development and implementation of those procedures is reasonably necessary to carry out the mandate. However, the claimant has submitted no evidence that due process procedures must be continually "develop[ed] *and* maintain[ed]." Therefore, approval of this activity is limited to a one-time activity of developing procedures for this program, consistent with the Legislature's expression of the constitutional requirements, rather than an on-going activity including "maintain[ing]" due process procedures.

The actual provision of due process protections to individuals who seek to challenge being listed in the CACI is reimbursable, based on the holdings of *San Diego Unified* and *Humphries, supra*. Because listing in the CACI triggers 14th Amendment due process protections, the agency initiating the listing must provide sufficient due process to protect the rights of the individual against unconstitutional deprivation of a protected liberty interest. The cost of that process is thus reasonably necessary to carry out the mandate. Given that due process hearings will be required any time an individual seeks to challenge his or her inclusion in the CACI, this must be considered a reasonably necessary ongoing activity.

Accordingly, and consistently with the implications of the *Humphries* decision, and *San Diego Unified*, and the subsequent amendments to section 11169, the Commission finds that one-time development and implementation of due process procedures is approved for reimbursement in these parameters and guidelines. The Commission also approves ongoing provision of due process protections to individuals seeking to challenge their listing in the CACI, including notice and a hearing. Both of these activities are eligible for reimbursement by a showing of actual costs, and will require contemporaneous source documentation, as provided in the parameters and guidelines. It is unclear how many, if any, of the eligible claimants provided the mandated due process protections prior to the *Humphrey's* decision in 2009 or the amendment of 11169 in 2011 and what the scope of those protections might have been. However, any jurisdiction that did actually perform the mandated due process activities is eligible to claim for their actual costs incurred beginning July 1, 1999.

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[198] *San Diego Unified, supra*, at p. 881.

[199] *Humphries, supra*, 554 F.3d 1170, at p. 1201.

[200] Exhibit X, Senate Committee Analysis, AB 717.

7. Requirements of County Welfare Departments Proposed by Claimant

The claimant has proposed reimbursement for reporting activities of county welfare departments, some of which are not supported on the basis of the record, and exceed the scope of the mandate. The claimant proposes reimbursement for the following reporting activities for county welfare departments:

> *1. Completion of the Child Abuse Summary Report (SS 8583) form [Standard time is 22 minutes]*
>
> *2. Completion of the Suspected Child Abuse Report (SS 8572) form [Standard time is 23 minutes]*
>
> *3. Completion of the Notice of Child Abuse Central Index Listing (SOC 832) form [Standard time is 13 minutes]*
>
> *4. Filing copies of the SS 8583 and SS 8572 forms with a copy of the investigative report [Standard time is 22 minutes]*
>
> *5. Response to DOJ inquires [Standard time is 9 minutes]*.[201]

The Commission finds that preparing and submitting the Child Abuse Summary Report form (SS 8583) is expressly approved in the test claim statement of decision, as part and parcel of the completion of an investigation and forwarding of reports to DOJ. The parameters and guidelines reflect this activity, as discussed above, and it is not necessary to further analyze this activity here.

Completion of a "Notice of Child Abuse Central Index Listing (SOC 832) form" is discussed above at Part 4., with respect to providing notice to a suspected abuser that he or she has been listed in the index. The Commission finds, as stated above, that the completion of the form is a reasonable method by which to comply with the mandate, and the parameters and guidelines therefore reflect reimbursement for this activity, where applicable.

Additionally, the claimant proposes reimbursement for "[f]iling copies of the SS 8583 and SS 8572 forms with a copy of the investigative report." The Child Abuse Summary Report, form 8583, is the form forwarded to DOJ. The Suspected Child Abuse Report, form 8572, originates with the mandated reporter, and is received by the investigating agency; this is the report that precipitates all reimbursable activities under CANRA. The activity proposed above might be interpreted to include filing copies of the forms with DOJ, but this is not required by DOJ regulations.[202] Therefore, it more likely is intended to mean filing copies of the incoming (8572) and outgoing (8583) forms with the investigating agency's investigation report, retained by the agency. Retention of these forms is included in the parameters and guidelines language regarding the expressly approved activities regarding retention of records of suspected child abuse at Part 5., above.

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[201] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 27.

[202] California Code of Regulations, title 11, section 903 (Register 98, No. 29) [requirement to report to DOJ using Form 8583, but no requirement to retain a copy of the Form 8583].

The remaining activities cited above are not supported by evidence in the record. In particular, the Suspected Child Abuse Report form (SS 8572) is the same form employed by mandated reporters, individuals whose activities are not subject to reimbursement. It is not clear based on the evidence in the record why county welfare *agencies* should be reimbursed for completing the Child Abuse Summary Report form, while county welfare *employees* would be subject, as individuals, based on their vocation, to the mandatory reporting requirements, which are not reimbursable. In other words, a psychologist, or doctor, would be considered a mandatory reporter by vocation and training, whether employed by the county, or some private entity. Therefore, as was explicitly found in the test claim statement of decision, the mandated reporter activity, to complete the Child Abuse Summary Report form, is not unique to government, and does not impose a reimbursable new program or higher level of service.[203] Submittal of this form to the child protective agency is the triggering event for the mandate—without it there are no mandated activities.

Furthermore, it is unclear from what approved activity in the test claim statement of decision the claimant derives the alleged reasonably necessary activity "Response to DOJ inquiries (9 min)." It could be asserted that responding to DOJ inquiries is a reasonably necessary activity, but the claimant has provided no explanation as to what would give rise to a DOJ inquiry, nor any explanation of what inquiries are proposed to be reimbursable.[204] DOJ does not take any responsibility for the accuracy of the information maintained in the index: "DOJ does not conduct an investigation to verify the accuracy of the information submitted nor does it investigate the quality or accuracy of the abuse or severe neglect investigation conducted by the submitting agency."[205] DOJ serves only as a repository of information, based on the language of the test claim statutes. Therefore it is unknown what sort of inquiry DOJ might undertake to make. The claimant has provided no evidence in the record explaining what a "DOJ inquiry" entails, and therefore this activity must be denied.

Based on the foregoing, the Commission finds that the preparing and submitting the Child Abuse Summary Report, form SS 8583, retaining copies of the Child Abuse Summary Report form SS 8583 and the Suspected Child Abuse Report form SS 8572, and the completion of the Notice of Child Abuse Central Index Listing, form SOC 832, are approved elsewhere in this analysis, and incorporated within the parameters and guidelines, as appropriate. The remaining proposed activities are denied.

C. Claim Preparation and RRM Proposal (Section V. of Proposed Parameters and Guidelines)

The claimant has proposed standard times RRMs for specified activities, including investigative activities performed by law enforcement agencies, and complying with reporting and notice

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[203] Exhibit A, Test Claim Statement of Decision, at pp. 15-16 [Duties alleged under Penal Code section11166 "are not required of local entities, but of mandated reporters as individual citizens," and are therefore not a reimbursable state-mandated new program or higher level of service].

[204] Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, at pp. 23-24.

[205] Code of Regulations, title 11, section 902 (Reg. 2002, No. 17; Reg. 2006, No. 19; Reg. 2010, No. 2).

requirements by county welfare departments. The claimant's proposed RRMs will be incorporated into the discussion below, where relevant.

For the following reasons, the Commission finds that the evidence and exhibits submitted are not sufficient to support adoption of the proposed RRMs, consistent with the constitutional and statutory requirements of RRMs, and of Commission decisions generally. While an RRM proposal need not be based on actual cost data, nor precisely reimburse every dollar to every claimant, an RRM must reasonably reimburse claimants for the costs mandated by the state, and an RRM proposal must be based on substantial evidence, like any other Commission decision. Here, as discussed below, there is not sufficient evidence in the record to meet the substantial evidence standard, and to adopt the RRMs for reimbursement on the basis of this record.

Thus, the parameters and guidelines include the Commission's standard language for actual cost reimbursement in Section V, requiring documentation to support the claims for reimbursement.

1. The Purpose of an RRM is to Reimburse Local Government Efficiently and Simply, with Minimal Auditing and Documentation Required.

a. <u>The RRM proposal meets the minimal statutory requirements for adoption of an RRM.</u>

The reimbursement obligation of article XIII B, section 6 was "enshrined in the Constitution ... to provide local entities with the assurance that state mandates would not place additional burdens on their increasingly limited revenue resources."[206] Section 17561(a) states: "[t]he state *shall* reimburse each local agency and school district for *all* 'costs mandated by the state,' as defined in Section 17514."[207] The courts have interpreted the constitutional and statutory scheme as requiring "full" payment of the actual costs incurred by a local entity once a mandate is determined by the Commission.[208] The statutes providing for the adoption of an RRM, along with the other statutes in this part of the Government Code, are intended to implement article XIII B, section 6.[209]

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[206] *Lucia Mar Unified School Dist. v. Honig* (1988) 44 Cal.3d 830, 836, fn. 6; *County of Sonoma v. Commission on State Mandates* (2000) 84 Cal.App.4th 1264, 1282; *CSBA v. State of California* (2011) 192 Cal.App.4th 770, 785-786.

[207] Government Code section 17561 (Stats. 2009, ch. 4, § 4 (SB3X 8)) [emphasis added].

[208] *CSBA v. State of California* (*CSBA II*) (Cal. Ct. App. 4th Dist. 2011) 192 Cal.App.4th 770, 786; *County of Sonoma v. Commission on State Mandates* (Cal. Ct. App. 1st Dist. 2000) 84 Cal.App.4th 1264, 1284. The court in *County of Sonoma* recognized that the goal of article XIII B, section 6 was to prevent the state from forcing extra programs on local government in a manner that negates their careful budgeting of expenditures, and that a forced program is one that results in "increased actual expenditures." The court further noted the statutory mandates process that refers to the reimbursement of "actual costs incurred."

See also, Government Code sections 17522 defining "annual reimbursement claim" to mean a claim for "actual costs incurred in a prior fiscal year; and Government Code section 17560(d)(2) and (3), referring to the Controller's audit to verify the "actual amount of the mandated costs."

[209] Government Code section 17500 et seq.

Statutory provision for the adoption of an RRM was originally enacted in 2004, and amended in 2007 to promote greater flexibility.[210] Former section 17518.5 provided that an RRM must "meet the following conditions:"

> (1) The total amount to be reimbursed statewide is equivalent to total estimated local agency and school district costs to implement the mandate in a cost-efficient manner.
>
> (2) For 50 percent or more of eligible local agency and school district claimants, the amount reimbursed is estimated to fully offset their projected costs to implement the mandate in a cost-efficient manner.[211]

The LAO found in a 2007 report that measurement of marginal costs was "complex," and that documentation requirements made it difficult to file claims and led to disputes with the Controller. LAO's recommendation to address these issues was to "[e]xpand the use of unit-based and *other simple claiming methodologies* by clarifying the type of easy-to-administer methodologies that the Legislature envisioned when it enacted this statute."[212] The LAO's recommendations were implemented in Statutes 2007, chapter 329 (AB 1222). Section 17518.5 now defines an RRM as follows:

> (a) "Reasonable reimbursement methodology" means a formula for reimbursing local agencies and school districts for costs mandated by the state, as defined in Section 17514.
>
> (b) A reasonable reimbursement methodology shall be based on cost information from a representative sample of eligible claimants, information provided by associations of local agencies and school districts, or projections of other 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

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[210] Government Code section 17518.5 (enacted by Stats. 2004, ch. 890 (AB 2856); amended by Stats. 2007, ch. 329 (AB 1222)).

[211] Government Code section 17518.5 (Stats. 2004, ch. 890 § 6 (AB 2856)).

[212] Exhibit X, "State-Local Working Group Proposal to Improve the Mandate Process," Legislative Analyst's Office, June 21, 2007, page 3. See also, Assembly Bill Analysis of AB 2856 (2004), concurrence in Senate Amendments of August 17, 2004; Assembly Bill Analysis of AB 1222 (2007), concurrence in Senate Amendments of September 4, 2007. These bill analyses identify the purpose of the RRM process is to "streamline the documentation and reporting process for mandates."; *Kaufman & Broad Communities, Inch. v. Performance Plastering* (Cal. Ct. App. 3d Dist. 2005) 133 Cal.App.4th 26, at pp. 31-32 [Reports of the Legislative Analyst's Office may properly be considered, as legislative history, to determine the legislative intent of a statute].

approximations of local costs mandated by the state, rather than detailed documentation of actual costs . . . .

(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. [213]

An RRM diverges from the traditional requirement of supporting a reimbursement claim with detailed documentation of actual costs incurred and, instead, applies a standard formula or single standard unit cost, based on approximations of local costs mandated by the state. A unit cost or, in this case, unit times, based on approximations or other projections may result in some entities receiving more than their actual costs incurred to comply with a mandated program, and some receiving less. As the following analysis will demonstrate, the statutory requirements are highly flexible, but whether approval of RRM is legally supportable turns on whether it reasonably reimburses eligible claimants for their actual costs and whether it is supported by substantial evidence in the record.

A unit cost must represent a reasonable approximation of the costs incurred by eligible claimants to implement the state-mandated program, in order to comply with the constitutional requirement that *all costs mandated by the state* be reimbursed to a local government entity. In certain circumstances, a unit cost based on a significant or large variation of costs reported may not reasonably represent the costs incurred by eligible claimants and, thus, may not comply with the requirements of article XIII B, section 6 of the California Constitution. On the other hand, given the purpose of the RRM, to "balance accuracy with simplicity," some degree of variation in costs is permissible.[214]

The statutory requirements to adopt an RRM are minimal, and very broad. Government Code section 17518.5, as amended in 2007, eliminates both the prior rule that 50% of eligible claimants have their costs fully offset, and the rule that the total amount to be reimbursed under an RRM must be equal to the total statewide cost estimate. The new statute provides less stringent requirements for documentation of costs, and less burdensome measuring of the marginal costs of higher levels of service.[215] In other words, rather than providing rigid requirements or elements to which an RRM proposal for adoption must adhere, the amended statute focuses on the *sources of information for the development of an RRM*, and only requires

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[213] Government Code section 17518.5(b-d) (Stats. 2007, ch. 329 § 1 (AB 1222)).

[214] Government Code section 17557 (Stats. 2010, ch. 719 (SB 856) § 32).

[215] *Kaufman & Broad Communities*, *supra*, 133 Cal.App.4th 26, at pp. 31-32 [LAO reports may be relied upon as evidence of legislative history].

that the end result "balances accuracy with simplicity."[216] The Commission's regulations which implement the RRM statute (section 17518.5) also focus on the information to be used, rather than any specific degree of precision or accuracy necessary.[217] Implicit, however, is the constitutional requirement that the end result must reasonably reimburse claimants for their actual mandated costs, as required by article XIII B, section 6.

The statute provides that detailed, actual cost information is not required to develop an RRM. Section 17518.5 provides that an RRM "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 other local costs*."[218] The statute does not *require* any one of these options; it merely outlines these as *possible sources* for the development of evidence to support an RRM. "[C]ost information from a representative sample of eligible claimants" is only *one source of evidence* upon which to base an RRM, along with "information provided by associations of local agencies and school districts, or *other projections* of local costs."[219] Thus, whether the sample size, or the constitution of the sample, is representative is not dispositive on the question whether an RRM may be adopted. Moreover, section 1183.13 of the Commission's regulations provides that a "representative sample of claimants does not include eligible claimants *that do not respond to surveys or otherwise participate* in submitting cost data."[220]

In addition, the statute provides that an RRM "[w]henever possible… 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 costs."[221]

And finally, section 17518.5(c) provides that an RRM "shall *consider* the variation in costs among local agencies and school districts to implement the mandate in a cost-efficient manner." The section does not require that an RRM *address* such variation, or that it *mitigate* or *eliminate* such variation.

Here, the law enforcement surveys upon which the RRMs are based were responded to by twelve law enforcement agencies that together "serve over half the state's population."[222] The county welfare surveys were responded to by eight counties, serving "well over 50 percent of the State's population."[223] The law enforcement surveys were developed by the Los Angeles County Sheriff's Department, in cooperation with the California State Association of Counties and the

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[216] Government Code section 17557.

[217] Government Code section 17518.5(b-d) (Stats. 2007, ch. 329 § 1 (AB 1222)); Code of Regulations, title 2, section 1183.131.

[218] Government Code section 17518.5(b) (Stats. 2007, ch. 329 § 1 (AB 1222)).

[219] Government Code section 17518.5 (Stats. 2007, ch. 329 (AB 1222) § 1) [emphasis added].

[220] Code of Regulations, Title 2, section 1183.13 (Register 2008, No. 17).

[221] Government Code section 17518.5(d) (Stats. 2007, ch. 329 § 1 (AB 1222)).

[222] Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, Narrative at p. 11.

[223] *Id*, at p. 19.

League of California Cities.[224] The county welfare department surveys were developed by "a core team of [Los Angeles] County staff, California Welfare Directors Association staff, and State Department of Social Services staff."

The RRM proposal includes standard times RRMs for specified activities. The survey data upon which the RRMs are based does not require actual dollar amounts for the specified activities, but rather focuses on the time expended for those activities, and bases reimbursement on those standard times applied to an individual claimant's "blended productive hourly rate, in accordance with long established State Controller's Office Instructions."[225] In this respect the RRMs are not based on "detailed documentation of actual costs," but rather on a formula, based on survey data, or on what might be characterized as "other approximations."[226] In rebuttal comments submitted in response to agency and other party comments, the claimant submitted a second revised proposed parameters and guidelines, which narrows the activities for which the claimant seeks reimbursement under the RRMs, but the surveys upon which the standard times RRMs are based are the same, and the analysis herein is therefore unchanged.[227]

Thus, the claimant has submitted survey results from local agencies who responded to the survey request, and who represent over half the state's population. The Commission may find that this constitutes a representative sample, in accordance with the ordinary meanings of "representative" and "sample," and with the definition found in the Commission's regulations, if the survey results are supported by admissible evidence in the record.[228]

In addition, the claimant has submitted a standard times RRM, which could easily be characterized as a "general allocation formula…[or] other approximations of local costs." To the extent that the RRM is based on time data rather than cost data, it is consistent with the minimal requirements of the statute.[229]

Finally, although hourly rates of pay and benefits might vary from one county or city to another, it is not necessary to examine whether and to what extent that variation impacts the total costs of implementing the mandate, because the application of "standard times" to the hourly rates of personnel in different cities and counties will account for the variation, as long as the times themselves are defensible. In this way a standard times proposal does address, and arguably

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[224] Id, at p. 2; See also, Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, Declaration of Suzie Ferrell, at p. 6.

[225] Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, Narrative at pp. 11-12.

[226] Government Code section 17518.5 (Stats. 2007, ch. 329 (AB 1222)).

[227] See Exhibit F, Claimant Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at pp. 14-18 [The re-evaluation of the law enforcement RRMs "focused on whether a specific activity should remain in the RRM or be removed. Fortunately, a new time survey of specific activities was not necessary as the standard time component for each activity was discernable."].

[228] Exhibit X, Webster's New International Dictionary, ["representative," and "sample," defined]. See also Code of Regulations, Title 2, section 1183.13.

[229] *Ibid*.

mitigates, any variation in costs among local government, to the extent that personnel costs constitute a significant variable.

Based on the foregoing, the Commission finds that the data submitted, and the proposal based on those data, do "consider the variation" in local costs as required, in order to arrive at the unit times proposed, and otherwise meet the minimal requirements of section 17518.5.

b. The RRM proposal is not supported by substantial evidence in the record.

Despite the findings that the RRM broadly meets the requirements of section 17518.5, statutory enactments must be considered in the context of the entire statutory scheme of which they are a part and be harmonized with the statutory framework as a whole;[230] when the Legislature added section 17518.5 to the Government Code, it did not change the existing requirement in section 17559 that all of the Commission's findings be based on substantial evidence in the record. In 2010, the Commission clarified its regulations to specifically identify the quasi-judicial matters that are subject to these evidentiary rules, including proposed parameters and guidelines and requests to amend parameters and guidelines.[231] Thus, the plain language of the statutory and regulatory mandates scheme requires substantial evidence in the record to support the adoption of an RRM.

Substantial evidence has been defined in two ways: first, as evidence of ponderable legal significance...reasonable in nature, credible, and of solid value;[232] and second, as relevant evidence that a reasonable mind might accept as adequate to support a conclusion.[233] The California Supreme Court has stated that "[o]bviously the word [substantial] cannot be deemed synonymous with 'any' evidence."[234] Therefore the second of the above definitions is

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[230] *Renee J. v. Superior Court* (2001) 26 Cal.4th 735, 743.

[231] The courts, in recent lawsuits dealing with questions of fact, have determined that the Commission's conclusions were not supported by any evidence in the record and, thus, the Commission's decisions were determined invalid pursuant to Government Code section 17559 and Code of Civil Procedure section 1094.5. (See, *Department of Finance v. Commission on State Mandates* (2009) 170 Cal.App.4th 1355 [Peace Officer Procedural Bill of Rights, on the issue of practical compulsion]; *State of California Department of Finance, State Water Resources Control Board, et al. v. Commission on State Mandates and County of San Diego, et al.,* Sacramento County Superior Court, Case No. 34-2010-80000604 [Discharge of Stormwater Runoff, on the issue of whether the permit requirements are considered to fall within the Maximum Extent Practicable standard of federal law]; *State of California Department of Finance, State Water Resources Control Board, and California Regional Water Quality Control Board, Los Angeles Region v. Commission on State Mandates and County of Los Angeles, et al.,* Los Angeles County Superior Court, Case No. BS130730 [Municipal Storm Water and Urban Runoff Discharges, on the issue of whether the permit requirements are considered to fall within the Maximum Extent Practicable standard of federal law]).

[232] *County of Mariposa v. Yosemite West Associates* (Cal. Ct. App. 5th Dist. 1998) 202 Cal.App.3d 791, at p. 805.

[233] *Desmond v. County of Contra Costa* (1993) 21 Cal.App.4th 330, 335.

[234] *People v. Bassett* (1968) 69 Cal.2d 122, at p. 139.

appropriate to the standard for overturning and Commission decision in accordance with section 17559: relevant evidence that a reasonable mind might accept as adequate to support a conclusion. Substantial evidence is not submitted by a party; it is a standard of review, upon which a reviewing court will uphold the determinations of a lower court, or in this context, the Commission, if those findings are supported by substantial evidence. A court will not reweigh the evidence of a lower court, or of an agency exercising its adjudicative functions; rather a court is "obliged to consider the evidence in the light most favorable to the [agency], giving to it the benefit of every reasonable inference and resolving all conflicts in its favor."[235]

The Commission is not required to observe strict evidentiary rules, but its decisions must be reasonable, and grounded in fairness. Section 1187.5(a) of the Commission's regulations provides that when exercising the quasi-judicial functions of the Commission, "[a]ny relevant non-repetitive evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs."[236] This regulation is borrowed from the evidentiary requirements of the Administrative Procedures Act, which contains substantially the same language.[237] In addition, both the Commission's regulations and the Government Code permit the use of hearsay evidence and declarations "for the purpose of supplementing or explaining other evidence but [hearsay] shall not be sufficient in itself to support a finding unless it would be admissible over objection in a civil action."[238]

Therefore, in keeping with the applicable evidentiary standards provided by the statutes and regulations, and in an attempt to harmonize the case law with the clear import of statute and regulation, the following standards emerge: the Commission's decisions must be supported by "substantial evidence" under section 17559, but the conduct of hearings need not adhere to strict evidence rules pursuant to section 1187.5 of the Commission's regulations and Government Code section 11513(c); any relevant non-repetitive evidence *shall* be admitted if it is the sort of evidence on which responsible persons are accustomed to rely; hearsay evidence may be used to supplement or explain, although it shall not be sufficient to support a finding unless admissible over objection in civil actions.[239] Under section 11514, as referenced in the Commission's regulations, an affidavit or declaration may be "given the same effect as if the affiant had testified orally," if properly noticed and an opportunity to cross-examine the affiant is given.[240] Expert testimony, in the form of an affidavit, would be admissible if the Commission finds a witness qualified by special skill or training, and the testimony (here, declaration) is helpful to the Commission.[241] Furthermore, surveys of eligible claimants as a method of gathering cost

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[235] *Martin v. State Personnel Board* (Cal. Ct. App. 3d Dist. 1972) 26 Cal.App.3d 573, at p. 577.

[236] Code of Regulations, Title 2, section 1187.5.

[237] Government Code section 11513.

[238] Code of Regulations, title 2, section 1187.5; Government Code section 11514 [providing for use of affidavits in lieu of testimony].

[239] California Code of Regulations, Title 2, section 1187.5.

[240] Government Code section 11514(a) (Stats. 1947, ch. 491 § 6).

[241] Evidence Code sections 720; 801 (Stats. 1965, ch. 299 § 2).

data are contemplated by the statute and the regulations as a viable form of evidence, but they must be admissible under the Commission's regulations and the evidence rules, as discussed.[242]

The claimant has proposed standard times RRMs for investigative activities performed by law enforcement, and for reporting and notice activities performed by county welfare departments, as follows:

> Level - 1 No Child Abuse Based on Preliminary Information (Suspected Child Abuse Report (SCAR) or Call-for-Service).
>
> All child abuse reports, whether from mandated reporters, the public or a cross-reporting agency department, must be logged in, reviewed, investigated and closed with no further action taken if no child abuse is indicated based on information received by the agency.
>
> The standard time for Level 1 is 102 minutes.
>
> Level 2 - Patrol Officer Investigation, No Child Abuse
>
> All child abuse reports, whether from mandated reporters, the public or a cross-reporting agency department, must be logged in, reviewed, investigated and if child abuse is not suspected after a patrol officer's investigation, the incident must be documented and closed.
>
> The standard time for Level 2 is 268 minutes.
>
> Level 3 - Reported CACI Investigation
>
> All child abuse allegations, whether from mandated reporters, the public or a cross-reporting agency department, must be logged in, reviewed, and investigated. If suspected child abuse has not been ruled out after a patrol officer's investigation, an in depth investigation must be completed to determine if the child abuse is "unfounded," "inconclusive," or "substantiated."
>
> If child abuse is "substantiated"' or "inconclusive," it must be reported to the State Department of Justice. Before it is reported, certain Level 3 steps, which go beyond those found in Level 1 and 2, must be performed.
>
> The standard time for Level 3 is 838 minutes.
>
> Actual cost reimbursement is available for additional services not found in the Level 3 RRM. These services are described in IV.C(D) below.
>
> The standard times for county welfare agencies are:
>
> 1. Completion of the Child Abuse Summary Report (SS 8583) form
>
> The standard time is 22 minutes.
>
> 2. Completion of the Suspected Child Abuse Report (SS 8572) form.
>
> The standard time is 23 minutes.

[242] Government Code section 17518.5; Code of Regulations, Title 2, section 1183.13.

3. Completion of the Notice of Child Abuse Central Index Listing (SOC 832) form.

The standard time is 13 minutes.

4. Filing copies of the SS 8583 and SS 8572 forms with a copy of the investigative report.

The standard time is 22 minutes.

5. Response to DOJ inquires.

The standard time is 9 minutes.[243]

Based on the record here, the Commission does not have substantial evidence upon which to base a decision to adopt the standard times RRMs proposed for law enforcement.

The declarations of Suzie Ferrell and Daniel Scott state that the law enforcement surveys were developed on the basis of the investigative activities necessary to complete the ICAN mandated activities, and that the activities included in the surveys are "reasonably necessary in conducting ICAN investigations, preparing ICAN reports, and performing other ICAN required duties."[244] The Ferrell declaration also states that "it is my information and belief that the average or standard time for each ICAN step…is based on a representative sample of law enforcement agencies." In an additional declaration attached to the claimant's rebuttal comments and second revised proposed parameters and guidelines, Ms. Ferrell states, with slightly more specificity, that "the replacement RRM, found in Exhibit 1 of this filing, contains only those activities that are reasonably necessary in order to complete the state 'Child Abuse Investigation Report' Form SS 8583."[245]

As discussed above with respect to reimbursable activities, these proposed RRMs, if supported with substantial evidence, could be only partially approved, despite the assertions of Mr. Scott and Ms. Ferrell, because the activities underpinning the proposed RRMs exceed the scope of the mandate, and the scope of what is reimbursable under article XIII B, section 6. Notwithstanding their information and belief that the steps described in the law enforcement RRMs are necessary to complete ICAN investigations, the activities beyond investigation by patrol officers for purposes of preparing the report required by section 11169, as discussed, are not reimbursable, because those activities exceed the scope of what was approved in the test claim statement of decision; they exceed the scope of what is reasonably necessary to carry out the mandate (i.e., to determine whether a report is unfounded); and they exceed the scope of what is reimbursable under article XIII B, section 6 and Government Code section 17556.[246]

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[243] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at pp. 26-27.

[244] Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, Exhibit 1, Declaration of Suzie Ferrell, at p. 6.

[245] Exhibit F, Claimant's Rebuttal Comments and Second Revised Proposed Parameters and Guidelines, at p. 47.

[246] See discussion above at section (B.)(3.), p. 34 and following.

Along with the declarations described above, the claimant has submitted summary survey results for the law enforcement activities that the claimant seeks to include in the law enforcement RRMs. Those summary survey results describe how much time should be assigned to each step in the investigation for law enforcement agencies. However, as discussed above, the reimbursement of those activities is limited to the activities and level of investigation required for the purpose of completing the Form 8583. Anything more, as analyzed above, would provide reimbursement for the costs of mandated reporter activities, or a criminal investigation; and to reimburse law enforcement agencies for activities beyond those approved for county welfare departments: these are not reimbursable activities. Moreover, nowhere in the claimant's submissions are the actual raw data found, nor any spreadsheets or other summaries that detail how the standard times RRMs were calculated; therefore it cannot be determined whether there is substantial evidence to support the costs claimed. In the claimant's rebuttal comments and second revised proposed parameters and guidelines, the times for each activity are identified individually, as follows:

Duty	Time in Minutes
Officer receives, prints, or transcribes child abuse reports (SCARs or calls-for-service) from the public, cross-reporting agency department, and mandated reporters	15
Officer processes child abuse report into agency's tracking system	7
Officer reviews report and determines based on the SCAR or call-for-service that no further investigation is required	33
Officer's findings are entered into agency's system	26
Supervising officer reviews investigation findings and approves closure of report indicating no child abuse	21
Totals for Level 1	102

Because the claimant's proposal identifies individual times for each activity, non-reimbursable activities *could* potentially be eliminated in an adopted RRM. However there remains no evidence to support the standard times requested, other than the conclusory declarations submitted into evidence. In addition, there is no evidence provided that these activities are utilized other than in the County of Los Angeles. In comments submitted in response to the draft staff analysis, the claimant submitted the declaration of Mr. John Langstaff, "Project and Program Manager of the E-SCARS project." Mr. Langstaff declares that the "specialized software" for cross-reporting and tracking child abuse reports utilized by the County is "a more reliable method of cross-reporting" than relying on fax machines. However, Mr. Langstaff does not state, nor does any other evidence in the record indicate, whether any other county or jurisdiction utilizes the E-SCARS system, or any other electronic tracking system. The standard times proposed above presume that the investigating patrol officer utilizes the agency's tracking system, but there is no support in the record for that presumption with respect to other jurisdictions. Therefore the RRMs, based upon inadmissible hearsay, and including activities that are not approved and may or may not be utilized in other jurisdictions, are not supported by substantial evidence in the record and cannot be approved by the Commission.

Based on the analysis above, the law enforcement RRMs are denied.

Moreover, just as with the law enforcement standard times proposed, the claimant has submitted only summary survey results for county welfare departments' activities, along with the survey questions distributed to eligible claimants.[247] As discussed above, the surveys were returned by eight eligible claimants, representing, according to the claimant's evidence, more than fifty percent of the state's population. But nowhere in the claimant's submissions is there any evidence of the raw data returned. Only the conclusions are stated, in the form of standard times calculated by the claimant. This evidence is not sufficient in itself to support the Commission's decision to approve the proposed RRMs.

Based on the foregoing, proposed RRMs for county welfare departments are denied.

D. Offsetting Revenues and Reimbursements (Section VII. of Proposed Parameters and Guidelines)

The Commission's regulations require parameters and guidelines to identify offsetting revenues that may apply to the program as follows:

i. Dedicated state and federal funds appropriated for this program

ii. Non-local agency funds dedicated for this program.

iii. Local agency's general purpose funds for this program.

iv. Fee authority to offset partial costs of this program.[248]

These items, required to be identified, do not undermine the Commission's finding that a program is reimbursable unless there is also a finding that the funding is sufficient to cover the costs of the program under section 17556(e), which is not the case here.

In addition, parameters and guidelines for *all* programs recently adopted state substantially as follows:

> Any offsetting revenue 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 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.

Therefore, even if the parameters and guidelines do not specifically highlight required or potential offsetting revenues, the Controller has authority to reduce reimbursement when other non-tax revenues are applied to mandated costs.

Based on the comments of parties and interested parties, and the plain language of the 2011 Realignment statutes, the Commission determines in the analysis below that non-local funds for child welfare services are identified as potentially offsetting revenue, but 2011 Realignment Funds are not offsetting revenue for purposes of ICAN mandated activities.

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[247] Exhibit B, Claimant's Revised Proposed Parameters and Guidelines, Exhibit 10, Child Abuse and Neglect Reporting Act Time Study Survey Questions, at pp. 2-3.

[248] Code of Regulations, Title 2, section 1183.1 (Register 2005, No. 36).

Here, as noted above, DOF and CDSS raised in their comments on the draft staff analysis an issue of offsetting revenue, and suggested that funding provided by the state, both prior to and including in the 2011 realignment, and possibly the language of article XIII, section 36 of the California Constitution might limit reimbursement going forward for the ICAN activities.[249] Specifically, CDSS suggested that "until the 2011 realignment of child welfare services, on the child welfare side counties have received significant state funding for the activities of social workers, for whom many of the activities identified in this mandate is [*sic*] a core function of their work." CDSS went on to assert that "[w]e also would expect the Commission to consider the implications of the realignment agreements' statutory and constitutional changes in any reimbursable cost estimates beyond 2011." And CDSS suggested as well that "the Commission should consider the revenues received by counties as a result of the 1991-92 Realignment of Child Welfare Services Programs (AB 948 Chapter 91 (1991)) as a potential offset to county costs for mandated activities."[250]

DOF asserted, in its comments on the draft proposed statement of decision, that "to the extent that 2011 Realignment funds [counties] for conducting ICAN activities, under Article XIII, section 36 of the California Constitution…the departments are required to conduct the mandated activities only insofar as funding is provided by 2011 Realignment [*sic*]."[251]

In response to these comments, Commission staff issued a request for comments on this new substantive issue.[252] Specifically, staff requested additional briefing on the following three questions:

1. Are the approved activities under the ICAN statutes (Penal Code sections 11165.9, 11166, 11166.2, 11166.9,[253] 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9)) part of "child abuse prevention, intervention, and treatment services as those costs and services are described in statute and regulation," for purposes of the funding directed to the Child Abuse Prevention Subaccount? And, if so, do such funds constitute a potential or required offset?
2. Does the shift of complete or partial funding responsibility from the state to local governments of existing approved mandated activities result in a mandate "imposed by the 2011 Realignment Legislation" within the meaning of paragraph (3)?

[249] Exhibit M, CDSS Comments on Draft Proposed Statement of Decision and Parameters and Guidelines; Exhibit L, DOF Comments on Draft Proposed Statement of Decision and Parameters and Guidelines.

[250] Exhibit M, CDSS Comments on Draft Proposed Statement of Decision and Parameters and Guidelines.

[251] Exhibit L, DOF Comments on Draft Proposed Statement of Decision and Parameters and Guidelines.

[252] Exhibit N, Commission Request for Comments.

[253] Renumbered at Penal Code section 11174.34 (Stats. 2004, ch. 842 (SB 1313)).

3. Does article XIII, section 36 require, as suggested by DOF, that an existing mandated program funded under the 2011 Realignment is mandated only to the extent of funding, or does that limitation apply only to future new programs or increases in levels of service related to a funded program?

CSAC responded to the request first, arguing that the approved ICAN activities "are not among the 'public safety services' that are covered by section 36 of article XIII of the California Constitution." CSAC maintains that "[t]here is nothing in Prop. 30 that broadly exempts from reimbursement any program that could potentially fit within the definition of 'public safety services.'" CSAC concludes that under article XIII, section 36, public safety services "are only exempt from reimbursement if they were assigned to local agencies by 2011 Realignment Legislation," and that the mandated ICAN activities were not transferred to local agencies by the 2011 Realignment Legislation, and therefore reimbursement is not affected.[254]

The claimant also responded to the request for comment, arguing that the ICAN mandated activities "were already assigned to local agencies prior to enactment of the 2011 Realignment Legislation," and that the Realignment Legislation "specifically details, by statutory reference, which Public Safety Services responsibilities are assigned to local agencies as a result of that legislation." The claimant concludes that "[b]ecause the ICAN statutes at issue have not been assigned to local agencies pursuant to the 2011 Realignment Legislation, but instead were preexisting mandates, they are not part of the 'child abuse prevention, intervention, and treatment services' referenced in Government Code section 30025(f)(16)(A)(vi)."[255]

And finally, DOF also responded to the request for comments, concluding that "[a]fter deliberating the questions, as well as the ICAN activities," there is no effect on the ICAN mandate resulting from article XIII, section 36. DOF asserts that "there is no statute that identifies and/or describes specific funding for ICAN activities," and that "Finance does not believe that the 2011 Realignment Legislation shifted complete or partial funding responsibility from the state to local government." Finance concludes that article XIII, section 36 only applies to limit reimbursement for "Legislation enacted after September 30th, 2012 that has the overall effect of increasing costs already incurred by a local agency for programs or levels of service mandated by 2011 Realignment Legislation."[256]

a. <u>The non-local share of child welfare services funding is identified as potentially offsetting revenue against costs mandated by the state.</u>

CDSS has suggested that counties receive "significant state funding for the activities of social workers," which, as discussed above, include referring cases of child abuse to DOJ, and conducting investigative activities under the ICAN statutes.[257] CDSS points to the 1991 realignment of health, mental health, and social services, in which the responsibilities of certain programs were shifted from the state to the counties, and the ratio of state to local funding was

[254] Exhibit P, CSAC Response to Commission Request for Comment, at pp. 1-2.

[255] Exhibit Q, County of Los Angeles Response to Commission Request for Comments.

[256] Exhibit R, DOF Response to Commission Request for Comments, at pp. 1-2.

[257] Exhibit M, CDSS Comments on Draft Proposed Statement of Decision and Parameters and Guidelines.

shifted, with a corresponding dedicated revenue stream to make up the difference. Prior to the 1991 Realignment, child welfare services funding was made up of 74 percent state and 24 percent local revenues. The 1991 Realignment altered the ratio to 70 percent state funding and 30 percent local funding, while at the same time increasing the state sales tax by one-half percent, and directing a larger share of the VLF revenues to local governments to cover the costs of realignment.[258]

There is no evidence in the record as to exactly what portion of the 70 percent state funding, or the increased local funding, is directed to the ICAN activities, if any, and Statutes 1991, chapter 91 (AB 948) does not specifically cite the prevention of child abuse as a purpose or priority of either source of funds. Accordingly, the Manual of Policies and Procedures, an excerpt of which was included in the claimant's exhibits, and which is cited above with respect to the scope of reimbursable activities, shows that ICAN duties are among those expected of Child Welfare Services agencies, but are not the only charge and expectation of those agencies. In addition, the Manual relies on the Welfare and Institutions Code for authority, rather than the Penal Code sections that impose the ICAN mandated activities. Thus, due to a lack of evidence in the record, the Commission cannot find, as a matter of law, that the non-local funds provided for Child Welfare Services in the 1991 Realignment are sufficient to fund any certain amount or proportion of the costs mandated by the state.

To the extent non-local funds are applied to cover the costs of the mandated activities, the Controller may reduce reimbursement accordingly, consistent with article XIII B, section 6. Based on the foregoing, the Commission finds that non-local funding for child welfare services from July 1, 1999 through June 30, 2011, is identified as potentially offsetting revenues against costs mandated by the state

b. <u>The 2011 realignment does not provide off-setting revenue to this program.</u>

As of November 3, 2004, article XIII B, section 6(c) defines a "mandated new program or higher level of service" as including "a transfer by the Legislature from the State to cities, counties, cities and counties, or special districts of complete or partial financial responsibility for a required program for which the State previously had complete or partial financial responsibility."[259] Accordingly, after the 2011 Realignment Legislation was enacted, the LAO issued a report on the realignment, identifying several "pressing implementation issues," including a risk that the programs shifted to the local level could trigger new mandate reimbursement requirements.[260] The principal accomplishments of the realignment were to raise new revenues, and to shift from the state to local governments complete financial responsibility for required programs for which the state previously had complete or partial responsibility.[261] Although no eligible claimant has come forward to file a test claim on the 2011 Realignment statutes pursuant to article XIII B, section 6(c), the LAO expressed an opinion that the statutes facially appear to constitute a mandated new program or higher level of service, and are

[258] Exhibit X, LAO Analysis of 1991 Realignment, at pp. 3; 6.

[259] Adopted by the voters as Proposition 1A, November 2, 2004.

[260] Exhibit X, LAO Report on 2011 Realignment, at pp. 11; 19.

[261] Exhibit X, LAO Report on 2011 Realignment, at pp. 4-6.

substantially likely to expose the state to liability for mandate reimbursement.[262] Therefore, the LAO recommended that:

> The clearest way to ensure that the 2011 realignment package does not result in state reimbursable mandates would be for the state to pass a constitutional amendment similar to the one proposed by the Governor. That measure excluded the 2011 realignment program changes from the reimbursement requirement.[263]

The following year, the voters approved Proposition 30, on November 6, 2012. In addition to providing new revenue for a period of years, Proposition 30 added article XIII, section 36 to the California Constitution. Section 36 provides:

> (3) *Notwithstanding Section 6 of Article XIII B, or any other constitutional provision, a mandate of a new program or higher level of service on a local agency imposed by the 2011 Realignment Legislation, or by any regulation adopted or any executive order or administrative directive issued to implement that legislation, shall not constitute a mandate requiring the State to provide a subvention of funds within the meaning of that section.*
>
> (4)(A) Legislation enacted after September 30, 2012, that has an overall effect of increasing the costs already borne by a local agency for programs or levels of service mandated by the 2011 Realignment Legislation shall apply to local agencies only to the extent that the State provides annual funding for the cost increase. Local agencies shall not be obligated to provide programs or levels of service required by legislation, described in this subparagraph, above the level for which funding has been provided.
>
> (B) Regulations, executive orders, or administrative directives, implemented after October 9, 2011, that are not necessary to implement the 2011 Realignment Legislation, and that have an overall effect of increasing the costs already borne by a local agency for programs or levels of service mandated by the 2011 Realignment Legislation, shall apply to local agencies only to the extent that the State provides annual funding for the cost increase. Local agencies shall not be obligated to provide programs or levels of service pursuant to new regulations, executive orders, or administrative directives, described in this subparagraph, above the level for which funding has been provided.[264]

DOF suggested that Proposition 30 might end reimbursement for county welfare departments for ICAN activities:

> [I]n regards to county welfare departments, to the extent that 2011 Realignment funds them for conducting the ICAN activities, under Article XIII, section 36 of the California Constitution, if the Commission outlines reimbursable activities

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[262] Exhibit X, LAO Report on 2011 Realignment, at pp. 11; 19.

[263] Exhibit X, LAO Report on 2011 Realignment, at pp. 11; 19.

[264] California Constitution, article XIII, section 36(c) (adopted November 6, 2012) [emphasis added].

> that cause these departments to incur costs that are in excess of what 2011 Realignment funds, the departments are required to conduct the activities only insofar as funding is provided by 2011 Realignment. Activities that result in costs in excess of what 2011 Realignment provides are not reimbursable mandates and the county welfare departments may conduct those additional activities if they have resources to do so.[265]

But the plain language of the above-quoted provisions of Proposition 30 (now article XIII, section 36) does not support that conclusion. Ultimately, DOF concluded "after deliberating" that reimbursement for ICAN activities is not affected by Proposition 30. Rather, DOF asserts that article XIII, section 36 only applies to limit reimbursement for Legislation enacted after September 30, 2012 that "has the overall effect of increasing costs already incurred by a local agency for programs or levels of service mandated by 2011 Realignment Legislation." DOF also states that it "does not believe that the 2011 Realignment Legislation shifted complete or partial funding responsibility from the state to local government," for the ICAN mandated activities, and that "there is no statute that identifies and/or describes specific funding for ICAN activities." Therefore, DOF concludes that "the approved activities under the ICAN statutes are reimbursable under the law."[266] This conclusion is consistent with the comments submitted by claimant and CSAC, as well as the plain language of article XIII, section 36.

Therefore, the Commission finds that the 2011 Realignment Legislation, coupled with Proposition 30, had no effect on mandate reimbursement for the approved activities identified in the ICAN test claim statement of decision.

V. CONCLUSION

For the foregoing reasons the Commission hereby adopts the attached proposed parameters and guidelines, providing for actual cost reimbursement of the activities approved in the test claim statement of decision and the reasonably necessary activities, as analyzed above.

[265] Exhibit L, DOF Comments on Draft Proposed Statement of Decision and Parameters and Guidelines.

[266] Exhibit R, DOF Response to Commission Request for Comments.

BEFORE THE

COMMISSION ON STATE MANDATES

STATE OF CALIFORNIA

IN RE PARAMETERS AND GUIDELINES:

Penal Code Sections 11165.9, 11166,11166.2, 11166.9, 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapters 1289 and 1496; Statutes 1987, Chapters 82, 531 and 1459; Statutes 1988, Chapters 269, 1497 and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapters 650, 1330, 1363 and 1603; Statutes 1992, Chapters 163, 459 and 1338; Statutes 1993, Chapters 219 and 510; Statutes 1996, Chapters 1080 and 1081; Statutes 1997, Chapters 842, 843 and 844; Statutes 1999, Chapters 475 and 1012; and Statutes 2000, Chapter 916

California Code of Regulations, Title 11, Section 903 (Register 98, No. 29)

"Child Abuse Investigation Report" Form SS 8583 (Rev. 3/91)

Period of reimbursement begins July 1, 1999, or later for specified activities added by subsequent statutes. Reimbursement ends for specified activities on January 1, 2012.

Case No.: 00-TC-22

Interagency Child Abuse and Neglect Investigation Reports

STATEMENT OF DECISION PURSUANT TO GOVERNMENT CODE SECTION 17500 ET SEQ.; CALIFORNIA CODE OF REGULATIONS, TITLE 2, DIVISION 2, CHAPTER 2.5, ARTICLE 7

(*Adopted December 6, 2013*)

(*Served December 16, 2013*)

PARAMETERS AND GUIDELINES

The Commission on State Mandates adopted the attached parameters and guidelines on December 6, 2013.

Heather Halsey, Executive Director

Adopted: December 6, 2013

PARAMETERS AND GUIDELINES

Penal Code Sections 11165.9, 11166, 11166.2, 11166.9[1], 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapters 1289 and 1496; Statutes 1987, Chapters 82, 531, and 1459; Statutes 1988, Chapters 269, 1497, and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapters 650, 1330, 1363, and 1603; Statutes 1992, Chapters 163, 459, and 1338; Statutes 1993, Chapters 219 and 510; Statutes 1996, Chapters 1080 and 1081; Statutes 1997, Chapters 842, 843, and 844; Statutes 1999, Chapters 475 and 1012; and Statutes 2000, Chapter 916

California Code of Regulations, Title 11, Section 903 (Register 98, Number 29)

"Child Abuse Investigation Report" Form SS 8583 (Rev. 3/91)

Interagency Child Abuse and Neglect Investigation Reports
00-TC-22

Period of reimbursement begins July 1, 1999,
or later for specified activities added by subsequent statutes.

I. SUMMARY OF THE MANDATE

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

The act, as amended, provides for reporting of suspected child abuse or neglect by certain individuals, identified by their profession as having frequent contact with children. The act provides rules and procedures for local agencies, including law enforcement, receiving such reports. The act provides for cross-reporting among law enforcement and other child protective agencies, and to licensing agencies and district attorneys' offices. The act requires reporting to the DOJ when a report of suspected child abuse is "not unfounded." The act requires an active investigation before a report can be forwarded to the DOJ. As of January 1, 2012, the act no longer requires law enforcement agencies to report to the DOJ, and now requires reporting only of "substantiated" reports by other agencies. The act imposes additional cross-reporting and recordkeeping duties in the event of a child's death from abuse or neglect. The act requires agencies and the DOJ to keep records of investigations for a minimum of 10 years, and to notify

[1] Renumbered at Penal Code section 11174.34 (Stats. 2004, ch. 842 (SB 1313)).

suspected child abusers that they have been listed in the Child Abuse Central Index. The act imposes certain due process protections owed to persons listed in the index, and provides certain other situations in which a person would be notified of his or her listing in the index.

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

II. ELIGIBLE CLAIMANTS

Any city, county, and city and county that incurs increased costs as a result of this mandate is eligible to claim reimbursement.

III. PERIOD OF REIMBURSEMENT

Government Code section 17557(e) states that a test claim shall be submitted on or before June 30 following a given fiscal year to establish eligibility for that fiscal year. The County of Los Angeles filed the test claim on June 29, 2001, establishing eligibility for reimbursement for the 1999-2000 fiscal year. Therefore, costs incurred on or after July 1, 1999 are reimbursable under this test claim, for statutes in effect before July 1, 1999, or later periods as specified for statutes effective after July 1, 1999.

However, Penal Code section 11169 was amended in Statutes 2011, chapter 468 (AB 717), effective January 1, 2012, to repeal the mandate for law enforcement agencies to report to DOJ, and to require that all other affected departments in the local agencies report to DOJ only "substantiated" reports of suspected child abuse, and not "inconclusive" reports. Thus, law enforcement agencies are eligible for reimbursement for the costs of completing investigations of suspected child abuse in order to determine whether a report of suspected child abuse is unfounded, inconclusive, or substantiated, for the purpose of forwarding those reports to DOJ from July 1, 1999 until December 31, 2011, when the mandate was repealed. In addition, law enforcement agencies are eligible for reimbursement for the costs of notifying suspected abusers that they have been listed in the Child Abuse Central Index at the time that a report is submitted to DOJ from July 1, 1999 until December 31, 2011, when the mandate to forward reports to DOJ was repealed.

For all other affected departments in the local agencies, the reimbursement period for forwarding reports that are "inconclusive" to DOJ is from July 1, 1999 until December 31, 2011, due to a subsequent change in Penal Code section 11169 by Statutes 2011, chapter 468 (AB 717). On and after January 1, 2012, only forwarding reports to DOJ that are "substantiated" is reimbursable.

Reimbursement for state-mandated costs may be claimed as follows:

1. Actual costs for one fiscal year shall be included in each claim.
2. Pursuant to Government Code section 17561(d)(1)(A), all claims for reimbursement of initial fiscal year costs shall be submitted to the State Controller within 120 days of the issuance date for the claiming instructions.
3. Pursuant to Government Code section 17560(a), a local agency may, by February 15 following the fiscal year in which costs were incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year.
4. If revised claiming instructions are issued by the Controller pursuant to Government Code section 17558(c), 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. (Government Code section 17560(b).)
5. If the total costs for a given fiscal year do not exceed $1,000, no reimbursement shall be allowed except as otherwise allowed by Government Code section 17564(a).
6. There shall be no reimbursement for any period in which the Legislature has suspended the operation of a mandate pursuant to state law.

IV. REIMBURSABLE ACTIVITIES

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed.

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

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

Claimants may use time studies to support salary and benefit costs when an activity is task-repetitive. Activities that require varying levels of effort are not appropriate for time studies. Claimants wishing to use time studies to support salary and benefit costs are required to comply with the State Controller's Time-Study Guidelines before a time study is conducted. 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 below. Increased cost is limited to the cost of an activity that the claimant is required to incur as a result of the mandate.

For each eligible claimant that incurs increased costs, the following activities are reimbursable:

A. One-Time Activities

1. Policies and Procedures

City and county police or sheriff's departments, county welfare departments, and county probation departments where designated by the county to receive mandated reports, may claim reimbursement for the increased costs to:

a. Update Departmental policies and procedures necessary to comply with the reimbursable activities identified in IV B. (One-time costs only)

b. Develop ICAN due process procedures reasonably necessary to comply with federal due process procedural protections under the 14th Amendment which need to be afforded suspects reported to the DOJ's Child Abuse Central Index [CACI]. (One-time costs only)

2. Training

City and county police or sheriff's departments, county welfare departments, and county probation departments where designated by the county to receive mandated reports, may claim reimbursement for the increased costs to:

> Develop and implement training for ICAN staff to implement State Department of Justice (DOJ) ICAN requirements. Reimbursable specialized ICAN training costs include those incurred to compensate instructors for their time in participating in training sessions and to provide necessary facilities, training materials and audio visual presentations. (One time per employee whose job responsibilities involve ICAN mandated activities)

B. On-going Activities

1. Distributing the Suspected Child Abuse Report Form

City and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall:

a. Distribute the child abuse reporting form adopted by DOJ (currently known as the "Suspected Child Abuse Report" Form SS 8572) to mandated reporters.[2]

2. Reporting Between Local Departments

a. Accepting and Referring Initial Child Abuse Reports when a Department Lacks Jurisdiction:

City and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall:

Transfer a call electronically or immediately refer the case by telephone, fax, or electronic transmission, to an agency with proper jurisdiction, whenever the

[2] Penal Code section 11168, as added by Statutes 1980, chapter 1071 and amended by Statutes 2000, chapter 916.

department lacks subject matter or geographical jurisdiction over an incoming report of suspected child abuse or neglect.[3]

b. Cross-Reporting of Suspected Child Abuse or Neglect from County Welfare and Probation Departments to the Law Enforcement Agency with Jurisdiction and the District Attorney's Office:

1) County probation departments shall:

i. Report by telephone immediately, or as soon as practically possible, to the law enforcement agency having jurisdiction over the case, to the agency given the responsibility for investigation of cases under Section 300 of the Welfare and Institutions Code, and to the district attorney's office every known or suspected instance of child abuse, as defined in Penal Code section 11165.6, except acts or omissions coming within subdivision (b) of section 11165.2, or reports made pursuant to section 11165.13 based on risk to a child which relates solely to the inability of the parent to provide the child with regular care due to the parent's substance abuse, which shall be reported only to the county welfare department.

ii. Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under Penal Code section 11166.

As of January 1, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours.[4]

2) County welfare departments shall:

i. Report by telephone immediately, or as soon as practically possible, to the agency given the responsibility for investigation of cases under Section 300 of the Welfare and Institutions Code, and to the district attorney's office every known or suspected instance of child abuse, as defined in Penal Code section 11165.6, except acts or omissions coming within subdivision (b) of section 11165.2, or reports made pursuant to section 11165.13 based on risk to a child which relates solely to the inability of the parent to provide the child with regular care due to the parent's substance abuse, which shall be reported only to the county welfare department.

Reimbursement is not required for making an initial report of child abuse and neglect from a county welfare department to the law enforcement

[3] Penal Code sections 11165.9 (Stats. 2000, ch. 916, § 8 (AB 1241)).

[4] Penal Code section 11166 (h) (As added by Stats. 1980, ch. 1071; amended by Stats. 1981, ch. 435; Stats. 1982, ch. 905; Stats. 1984, ch. 1423; Stats. 1986, ch. 1289; Stats. 1987, ch. 1459; Stats. 1988, chs. 269 and 1580; Stats. 1990, ch. 1603; Stats. 1992, ch. 459; Stats. 1993, ch. 510; Stats. 1996, chs. 1080 and 1081; and Stats. 2000, ch. 916 (AB 1241)). Renumbered at subdivision (i) by Statutes 2004, chapter 842 (SB 1313), and renumbered again at subdivision (j) by Statutes 2005, chapter 42 (AB 299).

agency having jurisdiction over the case, which was required under prior law to be made "without delay."

ii. Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency, including the law enforcement agency having jurisdiction over the case, to which it is required to make a telephone report under Penal Code section 11166.

As of January 1, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours.[5]

c. Cross-Reporting of Suspected Child Abuse or Neglect from the Law Enforcement Agency to the County Welfare and Institutions Code Section 300 Agency, County Welfare, and the District Attorney's Office:

City and county police or sheriff's departments shall:

1) Report by telephone immediately, or as soon as practically possible, to the agency given responsibility for investigation of cases under Welfare and Institutions Code section 300 and to the district attorney's office every known or suspected instance of child abuse reported to it, except acts or omissions coming within Penal Code section 11165.2(b), which shall be reported only to the county welfare department.[6]

2) Report to the county welfare department every known or suspected instance of child abuse reported to it which is alleged to have occurred as a result of the action of a person responsible for the child's welfare, or as the result of the failure of a person responsible for the child's welfare to adequately protect the minor from abuse when the person responsible for the child's welfare knew or reasonably should have known that the minor was in danger of abuse.

3) Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under Penal Code section 11166.

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[5] Penal Code section 11166(h) (As added by Stats. 1980, ch. 1071; amended by Stats. 1981, ch. 435; Stats. 1982, ch. 905; Stats. 1984, ch. 1423; Stats. 1986, ch. 1289; Stats. 1987, ch. 1459; Stats. 1988, chs. 269 and 1580; Stats. 1990, ch. 1603; Stats. 1992, ch. 459; Stats. 1993, ch. 510; Stats. 1996, chs. 1080 and 1081; and Stats. 2000, ch. 916 (AB 1241)). Renumbered at subdivision (i) by Statutes 2004, chapter 842 (SB 1313), and renumbered again at subdivision (j) by Statutes 2005, chapter 42 (AB 299).

[6] Penal Code section 11166(i) (As added by Stats. 1980, ch. 1071; amended by Stats. 1981, ch. 435; Stats. 1982, ch. 905; Stats. 1984, ch. 1423; Stats. 1986, ch. 1289; Stats. 1987, ch. 1459; Stats. 1988, chs. 269 and 1580; Stats. 1990, ch. 1603; Stats. 1992, ch. 459; Stats. 1993, ch. 510; Stats. 1996, chs. 1080 and 1081; and Stats. 2000, ch. 916 (AB 1241)). Renumbered at subdivision (j) by Statutes 2004, chapter 842 (SB 1313), and renumbered again at subdivision (k) by Statutes 2005, chapter 42 (AB 299).

As of January 1, 2006, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours.[7]

d. Receipt of Cross-Reports by District Attorney's Office:

District attorneys' offices shall:

Receive reports of every known or suspected instance of child abuse reported to law enforcement, county probation or county welfare departments, except acts or omissions of general neglect coming within Penal Code section 11165.2(b).[8]

e. Reporting to Licensing Agencies:

City and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall:

1) Report by telephone immediately or as soon as practically possible to the appropriate licensing agency every known or suspected instance of child abuse or neglect when the instance of abuse or neglect occurs while the child is being cared for in a child day care facility, involves a child day care licensed staff person, or occurs while the child is under the supervision of a community care facility or involves a community care facility licensee or staff person.

2) Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under Penal Code section 11166.2. The agency shall send the licensing agency a copy of its investigation report and any other pertinent materials.

   As of July 31, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours.[9]

f. Additional Cross-Reporting in Cases of Child Death:

1) City and county police or sheriff's departments shall:

   Cross-report all cases of child death suspected to be related to child abuse or neglect to the county child welfare agency.[10]

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[7] *Ibid*.

[8] Penal Code section 11166 (As added by Stats. 1980, ch. 1071; amended by Stats. 1981, ch. 435; Stats. 1982, ch. 905; Stats. 1984, ch. 1423; Stats. 1986, ch. 1289; Stats. 1987, ch. 1459; Stats. 1988, chs. 269 and 1580; Stats. 1990, ch. 1603; Stats. 1992, ch. 459; Stats. 1993, ch. 510; Stats. 1996, chs. 1080 and 1081; and Stats. 2000, ch. 916 (AB 1241)).

[9] Penal Code section 11166.2 (Added by Stats. 1985, ch. 1598 § 4; amended by Stats. 1987, ch. 531 § 5; Stats. 1988, ch. 269 § 3; Stats. 1990, ch. 650 § 1 (AB 2423); Stats. 2000, ch. 916 § 18 (AB 1241)).

[10] Penal Code section 11166.9 (Stats. 2000, ch. 916, § 23 (AB 1241)); Renumbered at Penal Code section 11174.34 (Stats. 2004, ch. 842 § 13 (SB 1313)).

2) County welfare departments shall:

i. Cross-report all cases of child death suspected to be related to child abuse or neglect to law enforcement.[11]

ii. Create a record in the Child Welfare Services/Case Management System (CWS/CMS) on all cases of child death suspected to be related to child abuse or neglect.[12]

iii. Enter information into the CWS/CMS upon notification that the death was subsequently determined not to be related to child abuse or neglect.[13]

3. Reporting to the State Department of Justice

a. **From July 1, 1999 to December 31, 2011**, city and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall:[14]

1) Complete an investigation for purposes of preparing the report

Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice.[15] Except as provided in paragraph below, this activity includes review of the initial Suspected Child Abuse Report (Form 8572), conducting initial interviews with parents, victims, suspects, or witnesses, where applicable, and making a report of the findings of those interviews, which may be reviewed by a supervisor.

[11] Penal Code section 11166.9 (Stats. 2000, ch. 916, § 23 (AB 1241)); Renumbered at Penal Code section 11174.34 (Stats. 2004, ch. 842 § 13 (SB 1313)).

[12] Penal Code section 11166.9 (Stats. 2000, ch. 916, § 23 (AB 1241)); Renumbered at Penal Code section 11174.34 (Stats. 2004, ch. 842 § 13 (SB 1313); Stats. 2010, ch. 618, § 10 (AB 2791)).

[13] Penal Code section 11166.9 (Stats. 2000, ch. 916, § 23 (AB 1241)); Renumbered at Penal Code section 11174.34 (Stats. 2004, ch. 842 § 13 (SB 1313)).

[14] Pursuant to amendments to Penal Code section 11169(b) enacted by Statutes 2011, chapter 468 (AB 717), the mandate to report to DOJ *for law enforcement agencies only* ends on January 1, 2012. In addition, the duty for all other affected agencies is modified to exclude an "inconclusive" report.

[15] Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.

Reimbursement is not required in the following circumstances:

i. Investigative activities conducted by a mandated reporter to complete the Suspected Child Abuse Report (Form SS 8572) pursuant to Penal Code section 11166(a).

ii. In the event that the mandated reporter is employed by the same child protective agency required to investigate and submit the "Child Abuse Investigation Report" Form SS 8583 or subsequent designated form to the Department of Justice, pursuant to Penal Code section 11169(a), reimbursement is not required if the investigation required to complete the Form SS 8572 is also sufficient to make the determination required under section 11169(a), and sufficient to complete the essential information items required on the Form SS 8583, pursuant to Code of Regulations, title 11, section 903 (Register 98, No. 29).

iii. Investigative activities undertaken subsequent to the determination whether a report of suspected child abuse is substantiated, inconclusive, or unfounded, as defined in Penal Code section 11165.12, for purposes of preparing the Form SS 8583, including the collection of physical evidence, the referral to a child abuse investigator, and the conduct of follow-up interviews.

2) Forward reports to the Department of Justice

Prepare and submit to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse or severe neglect which is determined to be substantiated or inconclusive, as defined in Penal Code section 11165.12. Unfounded reports, as defined in Penal Code section 11165.12, shall not be filed with the Department of Justice. If a report has previously been filed which subsequently proves to be unfounded, the Department of Justice shall be notified in writing of that fact. The reports required by this section shall be in a form approved by the Department of Justice (currently form 8583) and may be sent by fax or electronic transmission.[16]

This activity includes costs of preparing and submitting an amended report to DOJ, when the submitting agency changes a prior finding of substantiated or inconclusive to a finding of unfounded or from inconclusive or unfounded to substantiated.

Reimbursement is not required for the costs of the investigation required to make the determination to file an amended report.

b. **Beginning January 1, 2012**, county welfare departments, or county probation departments where designated by the county to receive mandated reports shall:

[16] Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.

1) Complete an investigation

Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice.[17] Except as provided in paragraph below, this activity includes review of the initial Suspected Child Abuse Report (Form 8572), conducting initial interviews with parents, victims, suspects, or witnesses, where applicable, and making a report of the findings of those interviews, which may be reviewed by a supervisor.

Reimbursement is not required in the following circumstances:

i. Investigative activities conducted by a mandated reporter to complete the Suspected Child Abuse Report (Form SS 8572) pursuant to Penal Code section 11166(a).

ii. In the event that the mandated reporter is employed by the same child protective agency required to investigate and submit the "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice, pursuant to Penal Code section 11169(a), reimbursement is not required if the investigation required to complete the Form SS 8572 is also sufficient to make the determination required under section 11169(a), and sufficient to complete the essential information items required on the Form SS 8583, pursuant to Code of Regulations, title 11, section 903 (Register 98, No. 29).

iii. Investigative activities undertaken subsequent to the determination whether a report of suspected child abuse is substantiated, inconclusive, or unfounded, as defined in Penal Code section 11165.12, for purposes of preparing the Form SS 8583.

2) Forward reports to the Department of Justice

Prepare and submit to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse or severe neglect which is determined to be substantiated, as defined in Penal Code section 11165.12. Unfounded or inconclusive reports, as defined in Penal Code section 11165.12, shall not be filed with the Department of Justice. If a report has previously been filed which subsequently proves to be unfounded, the Department of Justice shall be notified in writing of that fact. The reports required by this section shall be in a

[17] Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916, § 27 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.

form approved by the Department of Justice and may be sent by fax or electronic transmission.[18]

This activity includes costs of preparing and submitting an amended report to DOJ, when the submitting agency changes a prior finding of substantiated to a finding of inconclusive or unfounded, or from inconclusive or unfounded to substantiated, or when other information is necessary to maintain accuracy of the CACI.

Reimbursement is not required for the costs of the investigation required to make the determination to file an amended report.

4. Notifications Following Reports to the Child Abuse Central Index

a. City and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall:

1) Notify in writing the known or suspected child abuser that he or she has been reported to the Child Abuse Central Index, in any form approved by the Department of Justice, at the time the "Child Abuse Investigation Report" is filed with the Department of Justice.[19]

This activity includes, where applicable, completion of the Notice of Child Abuse Central Index Listing form (SOC 832), or subsequent designated form.

For law enforcement agencies only, this activity is eligible for reimbursement from July 1, 1999 until December 31, 2011, pursuant to Penal Code section 11169(b), as amended by Statutes 2011, chapter 468 (AB 717), which ends the mandate to report to DOJ for law enforcement agencies.

2) Make relevant information available, when received from the Department of Justice, to the child custodian, guardian ad litem appointed under section 326, or counsel appointed under section 317 or 318 of the Welfare and Institutions Code, or the appropriate licensing agency, if he or she is treating or investigating a case of known or suspected child abuse or severe neglect.[20]

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[18] Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916, § 27 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.

[19] Penal Code section 11169(c) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916 (AB 1241)).

[20] Penal Code section 11170 (Added by Stats. 1980, ch. 1071 § 4; amended by Stats. 1981, ch. 435, § 5; Stats. 1982, ch. 162, § 3; Stats. 1984, ch. 1613, § 3; Stats. 1985, ch. 1598, § 8.5; Stats. 1986, ch. 1496, § 3; Stats. 1987, ch. 82, § 4; Stats. 1989, ch. 153, § 2; Stats. 1990, ch. 1330 § 2 (SB 2788); Stats. 1990, ch. 1363, § 15.7 (AB 3532); Stats. 1992, ch. 163, § 113 (AB 2641); Stats. 1992, ch. 1338, § 2 (SB 1184); Stats. 1993, ch. 219, § 221.1 (AB 1500); Stats. 1996, ch. 1081, § 5 (AB 3354); Stats. 1997, ch. 842, § 6 (SB 644); Stats. 1997, ch. 843, § 5 (AB 753); Stats. 1997, ch. 844, § 2.5 (AB 1065); Stats. 1999, ch. 475, § 8 (SB 654); Stats. 2000, ch. 916, 28 (AB 1241)).

3) Inform the mandated reporter of the results of the investigation and of any action the agency is taking with regard to the child or family, upon completion of the child abuse investigation or after there has been a final disposition in the matter.[21]

4) Notify, in writing, the person listed in the Child Abuse Central Index that he or she is in the index, upon receipt of relevant information concerning child abuse or neglect investigation reports contained in the index from the Department of Justice when investigating a home for the placement of dependent children. The notification shall include the name of the reporting agency and the date of the report.[22]

b. City and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, county welfare departments, county licensing agencies, and district attorney offices shall:

Obtain the original investigative report from the agency that submitted the information to the CACI pursuant to Penal Code section 11169(a), and objectively review the report, when information regarding an individual suspected of child abuse or neglect, or an instance of suspected child abuse or neglect, is received from the CACI while performing existing duties pertaining to criminal investigation or prosecution, or licensing, or placement of a child.[23]

Reimbursement for this activity does not include investigative activities conducted by the agency, either prior to or subsequent to receipt of the information that necessitates obtaining and reviewing the investigative report.

c. City and county police or sheriff's departments, county probation departments, and county welfare departments shall:

Notify, in writing, the person listed in the Child Abuse Central Index that he or she is in the index, upon receipt of relevant information concerning child abuse or neglect reports contained in the index from the Department of Justice regarding placement with a responsible relative pursuant to Welfare and Institutions Code sections 281.5, 305, and 361.3. The notification shall include the location of the original investigative report and the submitting agency. The notification shall be

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[21] Penal Code section 11170(b) (Added by Stats. 1980, ch. 1071 § 4; amended by Stats. 1981, ch. 435, § 5; Stats. 1982, ch. 162, § 3; Stats. 1984, ch. 1613, § 3; Stats. 1985, ch. 1598, § 8.5; Stats. 1986, ch. 1496, § 3; Stats. 1987, ch. 82, § 4; Stats. 1989, ch. 153, § 2; Stats. 1990, ch. 1330 § 2 (SB 2788); Stats. 1990, ch. 1363, § 15.7 (AB 3532); Stats. 1992, ch. 163, § 113 (AB 2641); Stats. 1992, ch. 1338, § 2 (SB 1184); Stats. 1993, ch. 219, § 221.1 (AB 1500); Stats. 1996, ch. 1081, § 5 (AB 3354); Stats. 1997, ch. 842, § 6 (SB 644); Stats. 1997, ch. 843, § 5 (AB 753); Stats. 1997, ch. 844, § 2.5 (AB 1065); Stats. 1999, ch. 475, § 8 (SB 654); Stats. 2000, ch. 916, 28 (AB 1241)).

[22] *Ibid*.

[23] Penal Code section 11170(b)(6) (Stats. 2000, ch. 916 (AB 1241)); now subdivision (b)(10), as amended by Statutes 2012, chapter 848 (AB 1707).

submitted to the person listed at the same time that all other parties are notified of the information, and no later than the actual judicial proceeding that determines placement.[24]

5. Record Retention

a. City and county police or sheriff's departments, and county probation departments if designated by the county to receive mandated reports shall:

Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of eight years (a higher level of service above the two-year record retention requirement pursuant to Gov. Code §§ 26202 (cities) and 34090 (counties).) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years.[25]

This activity includes retaining copies of the Suspected Child Abuse Report form SS 8572, received from a mandated reporter, and the Child Abuse Summary Report form SS 8583, with the original investigative report.

Reimbursement is not required for the first two years of record retention required under prior law, but only for the eight years following.

b. County welfare departments shall:

Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of seven years (a higher level of service above the three-year record retention requirement pursuant to Welf. & Inst. Code, § 10851.) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years.[26]

This activity includes retaining copies of the Suspected Child Abuse Report form SS 8572, received from a mandated reporter, and the Child Abuse Summary Report form SS 8583, with the original investigative report.

Reimbursement is not required for the first three years of record retention required under prior law, but only for the seven years following.

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[24] Penal Code section 11170(c) (Added by Stats. 1980, ch. 1071 § 4; amended by Stats. 1981, ch. 435, § 5; Stats. 1982, ch. 162, § 3; Stats. 1984, ch. 1613, § 3; Stats. 1985, ch. 1598, § 8.5; Stats. 1986, ch. 1496, § 3; Stats. 1987, ch. 82, § 4; Stats. 1989, ch. 153, § 2; Stats. 1990, ch. 1330 § 2 (SB 2788); Stats. 1990, ch. 1363, § 15.7 (AB 3532); Stats. 1992, ch. 163, § 113 (AB 2641); Stats. 1992, ch. 1338, § 2 (SB 1184); Stats. 1993, ch. 219, § 221.1 (AB 1500); Stats. 1996, ch. 1081, § 5 (AB 3354); Stats. 1997, ch. 842, § 6 (SB 644); Stats. 1997, ch. 843, § 5 (AB 753); Stats. 1997, ch. 844, § 2.5 (AB 1065); Stats. 1999, ch. 475, § 8 (SB 654); Stats. 2000, ch. 916, 28 (AB 1241)).

[25] (Penal Code section 11169(h) (Stats. 1997, ch. 842 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2001, ch. 133(AB 102); Stats. 2004, ch. 842 (SB 1313); Stats. 2011, ch. 468 (AB 717)).

[26] (Penal Code section 11169(h) (Stats. 1997, ch. 842 (SB 644); Stats. 2000, ch. 916 (AB 1241)).

6. Due Process Procedures Offered to Person Listed in CACI

City and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall:

Provide due process reasonably necessary to comply with federal due process procedural protections under the 14th Amendment that must be afforded to individuals reported to the DOJ's Child Abuse Central Index. This activity includes a hearing before the agency that submitted the individual's name to CACI. This activity includes any due process procedures available to persons listed in the CACI prior to the enactment of Statutes 2011, chapter 468.

Reimbursement is not required for a hearing meeting the requirements of due process if a court of competent jurisdiction has determined that child abuse has occurred, or while the allegation is pending before a court.[27]

V. CLAIM PREPARATION AND SUBMISSION

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

A. Direct Cost Reporting

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

1. Salaries and Benefits

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

2. Materials and Supplies

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

3. Contracted Services

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

[27] (Penal Code section 11169(h) (Stats. 1997, ch. 842 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2011, ch. 468 (AB 717)); *Humphries v. County of Los Angeles* (9th Cir. 2009) 554 F.3d 1170; *San Diego Unified School District v. Commission on State Mandates* (2004) 33 Cal.4th 859.

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

4. Fixed Assets

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

5. Travel

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

B. Indirect Cost Rates

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

Compensation for indirect costs is eligible for reimbursement utilizing the procedure provided in 2 CFR Part 225 (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, Appendix A and B (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, Appendix A and B (OMB Circular A-87 Attachments A and B). However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable. The distribution base may be: (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.); (2) direct salaries and wages; or (3) another base which results in an equitable distribution.

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

1. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by: (1) classifying a department's total costs for the base period as either direct or indirect; and (2) dividing the total

allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount of allowable indirect costs bears to the base selected; or

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

VI. RECORD RETENTION

Pursuant to Government Code section 17558.5(a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter[28] is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed not later than two years after the date that the audit is commenced. All documents used to support the reimbursable activities, as described in Section IV., must be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

VII. OFFSETTING REVENUES AND REIMBURSEMENTS

Any offsetting revenue 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 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 CLAIMING INSTRUCTIONS

Pursuant to Government Code section 17558(b), the Controller shall issue claiming instructions for each mandate that requires state reimbursement not later than 90 days after receiving the adopted parameters and guidelines from the Commission, to assist local agencies and school districts in claiming costs to be reimbursed. The claiming instructions shall be derived from the test claim decision and the parameters and guidelines adopted by the Commission.

Pursuant to Government Code section 17561(d)(1), issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the Commission.

IX. REMEDIES BEFORE THE COMMISSION

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

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(d), and California Code of Regulations, title 2, section 1183.2.

X. LEGAL AND FACTUAL BASIS FOR THE PARAMETERS AND GUIDELINES

The statements of decision adopted for the test claim and parameters and guidelines 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. The administrative record is on file with the Commission.

DECLARATION OF SERVICE BY EMAIL

I, the undersigned, declare as follows:

I am a resident of the County of Solano and I am over the age of 18 years, and not a party to the within action. My place of employment is 980 Ninth Street, Suite 300, Sacramento, California 95814.

On December 16, 2013, I served the:

Statement of Decision and Parameters and Guidelines
Interagency Child Abuse and Neglect Investigation Reports, 00-TC-22
Penal Code Sections 11165. 9 et al.
County of Los Angeles, Claimant

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

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on December 16, 2013 at Sacramento, California.

Heidi J. Palchik
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814
(916) 323-3562

COMMISSION ON STATE MANDATES

Mailing List

Last Updated: 12/9/13

Claim Number: 00-TC-22

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

Claimant(s): County of Los Angeles

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, § 1181.2.)

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Tab 4

UPDATED as of 10-2016

Interagency Child Abuse & Neglect Reports (NEW PROGRAM)

STATISTICAL DATA NEEDED:

Fiscal Year	99-00	00-01	01-02	02-03	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14
Number of Substantiated or Inconclusive Reports		39	44	31	36	24	31	36	40	27	42	35	43	55	49
Number of Unfounded Reports		211	198	230	174	249	236	268	254	136	612	421	385	400	159
TOTAL REPORTS	229?	250	242	261	210	273	267	289	294	163	654	456	428	455	208

some never entered up in system / sat on someone's desk, underfilled -Kathleen 11/22

One-Time Activities:

1) Staff Training on Mandate Program – Develop and implement training for ICAN program – instructor and attendee time and costs.

Title of position(s) that performs this activity: _____
Time for this activity per referral: _____

Title of position(s) that performs this activity: _____
Time for this activity per referral: _____

Title of position(s) that performs this activity: _____
Time for this activity per referral: _____

Title of position(s) that performs this activity: _____
Time for this activity per referral: _____

List staff in attendance and time for one time training. (Provide documentation if available) This should have occurred about FY 99-00.

2) Develop Policies and Procedures to address these new law changes.

Title of position(s) that performs this activity: _____
Time for this activity per referral: _____

Title of position(s) that performs this activity: _____
Time for this activity per referral: _____

Title of position(s) that performs this activity: _____
Time for this activity per referral: _____

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705-2 East Bidwell Street, #294
Folsom, CA 95630

Phone (916) 939-7901 *Fax (916) 939-7801* *Email: AChinnCRS@aol.com*

Tab 5

Arrest [X] Crime [ ] Non-Criminal [ ]

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150

CA0090200

CR-1

CASE# 1010-0549

PAGE 1

OFFENSE(S): 289 (A)(1) PC; Sexual Penetration W/Foreign Object W/Force; Fel.

OFFENSE(S) cont'd.:

DATE, TIME AND DAY OF OCCURENCE: 10/07/10 21:25 Thursday

DATE AND TIME REPORTED: 10/07/10 21:25

MORE CHARGES: YES [ ] NO [X]

ESTIMATED LOSS VALUE: $ 0.00

LOCATION OF OCCURENCE:

LOCATION NAME:

TYPE OF LOCATION:

BEAT:

SECTOR: 105

PERSONS

Codes: V = Victim W = Witness C = Complainant P = Parent G = Guardian R = Party O = Other

MORE NAMES: YES [ ] NO [X]

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	RESIDENCE	HOME
V 1 OF 1			

OCCUPATION	RACE	SEX	AGE	DOB	ADDRESS 2	PHONE 2
	H	M	6			

DL	STATE	SS#	INJURIES	ADDRESS 3	PHONE 3

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	RESIDENCE	CELLULAR
R 1 OF 4			

OCCUPATION	RACE	SEX	AGE	DOB	ADDRESS 2	PHONE 2
	H	F	40			

DL	STATE	SS#	INJURIES	ADDRESS 3	PHONE 3

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	RESIDENCE	CELLULAR
R 2 OF 4			

OCCUPATION	RACE	SEX	AGE	DOB	ADDRESS 2	PHONE 2
Maid	H	M	34			

DL	STATE	SS#	INJURIES	ADDRESS 3	PHONE 3

CASE SUMMARY / VEHICLE INFORMATION

SUMMARY: arrested for penetration of a foreign object.

VEHICLE USED IN CRIME	OF	LICENSE (NO. AND STATE)	YEAR	MAKE	MODEL	BODY TYPE	COLOR	VIN	MORE VEHICLES
YES [ ] NO [ ] UNK [ ]									YES [ ] NO [X]

TOW REPORT	GARAGE NAME AND PHONE	REGISTERED OWNER	R/O ADDRESS
YES [ ] NO [ ]			

SUSPECT (S)/ ARRESTEE (S)

Codes: S = Suspect A = Arrestee D = Detainee SV - Suspect/Victim AV - Arrestee/Victim DV - Detainee/Victim

MORE NAMES: YES [ ] NO [X]

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	RESIDENCE	HOME
A 1 OF 1			

RACE	SEX	HT	WT	HAIR	EYE	AGE	DOB	ADDRESS 2	PHONE 2
H	M	5'08"	160	BLK	BRO	15			

OCCUPATION	INJURIES	ADDRESS 3	PHONE 3

SCARS / MARKS / TATTOOS	AKA's	ARRESTEE DISPOSITION	RELEASE LOCATION	ARREST DATE / TIME
YES [ ] NO [ ]		5-Juvenile	EDCoJail-SLT	10/08/2010 / 02:28

DL	STATE	ARRESTED	BOOKING #	WARRANT	CITATION #	SS#	CII#
		YES [X] NO [ ]	1010-0549	YES [ ] NO [X]			

CHARGES: 289 (A)(1) PC (1)

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	ADDRESS 1	PHONE 1
OF			

RACE	SEX	HT	WT	HAIR	EYE	AGE	DOB	ADDRESS 2	PHONE 2

OCCUPATION	INJURIES	ADDRESS 3	PHONE 3

SCARS / MARKS / TATTOOS	AKA's	ARRESTEE DISPOSITION	RELEASE LOCATION	ARREST DATE / TIME
YES [ ] NO [ ]				/

DL	STATE	ARRESTED	BOOKING #	WARRANT	CITATION #	SS#	CII#
		YES [ ] NO [ ]		YES [ ] NO [ ]			

CHARGES:

ADMINISTRATION

VICTIM DESIRES PROSECUTION	FOLLOW-UP	COPIES TO:
YES [ ] NO [X]	YE [ ] NO [X]	[ ] PAT. [ ] DET. [ ] DA [ ] COURT [ ] PROBATION [ ] VWAP [ ] OTHER:

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
S. Crivelli 205	10/08/10 08:46	Josh Adler 163	10/08/10

OFFICER	UNIT/SHIFT	ASSIGNED TO	CASE STATUS
			Closed

Arrest [x]
Crime [ ]
Non-Criminal [ ]

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200

Additional Crimes, Persons and Vehicles

CASE # 1010-0549

PAGE 1 OF 1

OFFENSE(S)	OFFENSE(S) cont'd.
289 (A)(1) PC; Sexual Penetration W/Foreign Object W/Force; Fel.	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
10/07/10 21:25 Thursday	10/07/10 21:25

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				105

ADDITIONAL OFFENSE(S) | ADDITIONAL OFFENSE(S) cont'd.

PERSONS

Codes: V = Victim W = Witness C = Complainant P = Parent G = Guardian R = Party O = Other

MORE NAMES YES [ ] NO [ ]

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	RESIDENCE	
R 3 OF 4			Home
OCCUPATION	RACE H / SEX M / AGE 9 / DOB	ADDRESS 2	PHONE 2
DL / STATE	SSN / INJURIES	ADDRESS 3	PHONE 3

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	RESIDENCE	
R 4 OF 4			Home
OCCUPATION	RACE H / SEX M / AGE 6 / DOB	ADDRESS 2	PHONE 2
DL / STATE	SSN / INJURIES	ADDRESS 3	PHONE 3

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	RESIDENCE	
RP 1 OF 1			Cellular
OCCUPATION	RACE H / SEX F / AGE 21 / DOB	ADDRESS 2	PHONE 2
DL / STATE	SSN / INJURIES	ADDRESS 3	PHONE 3

ADMINISTRATION

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
S. Crivelli 205	10/08/10 08:46	Josh Adler 163	10/08/10
OFFICER	UNIT/SHIFT	ASSIGNED TO	CASE STATUS
			Closed

Arrest [X]
Crime [ ]
Non-Criminal [ ]

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200

Property and Evidence

CASE # 1010-0549

OFFENSE(S)	OFFENSE(S) cont'd.
289 (A)(1) PC; Sexual Penetration W/Foreign Object W/Force; Fel.	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED	TOTAL PROPERTY VALUE
10/07/10 21:25 Thursday	10/07/10 21:25	$ 0.00

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				105

PROPERTY ITEMS

ITEM #	STATUS	QUANTITY	COLOR	COLOR 2	TYPE	MAKE	MODEL	YEAR
205-001	E	1				Audio recording		

SERIAL NUMBER	BAR CODE	VALUE	TOTAL	LOCATION / BIN #
		$ 0.00	$ 0.00	Evidence Locker

DESCRIPTION: Audio recording of statements

[ ] FIELD RECEIPT ISSUED

ADMINISTRATION

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
S. Crivelli 205	10/08/10 08:46	Josh Adler 163	10/08/10

OFFICER	UNIT/SHIFT	ASSIGNED TO	CASE STATUS
			Closed

Arrest [X]
Crime [ ]
Non-Criminal [ ]

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200

Person Profile

CASE # 1010-0549

OFFENSE(S)	OFFENSE(S) cont'd.
289 (A)(1) PC; Sexual Penetration W/Foreign Object W/Force; Fel.	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
10/07/10 21:25 Thursday	10/07/10 21:25

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				105

PERSONS

Codes: V = Victim W = Witness S = Suspect A = Arrestee D = Detainee C = Complainant R = Party O = Other

MORE NAMES YES [ ] NO [ ]

CODE		NAME - LAST, FIRST, MIDDLE, SUFFIX	DOB	
A	1 OF 1			This report contains Person Profile information only. Please refer to the primary report(s) for additional information.

CLOTHING

CODE		NAME - LAST, FIRST, MIDDLE, SUFFIX	DOB	
V	1 OF 1			This report contains Person Profile information only. Please refer to the primary report(s) for additional information.

CLOTHING

CODE		NAME - LAST, FIRST, MIDDLE, SUFFIX	DOB	
R	1 OF 4			This report contains Person Profile information only. Please refer to the primary report(s) for additional information.

CLOTHING

CODE		NAME - LAST, FIRST, MIDDLE, SUFFIX	DOB	
R	2 OF 4			This report contains Person Profile information only. Please refer to the primary report(s) for additional information.

CLOTHING

CODE		NAME - LAST, FIRST, MIDDLE, SUFFIX	DOB	
R	3 OF 4			This report contains Person Profile information only. Please refer to the primary report(s) for additional information.

CLOTHING

CODE		NAME - LAST, FIRST, MIDDLE, SUFFIX	DOB	
R	4 OF 4			This report contains Person Profile information only. Please refer to the primary report(s) for additional information.

CLOTHING

ADMINISTRATION

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
S. Crivelli 205	10/08/10 08:46	Josh Adler 163	10/08/10

OFFICER	UNIT/SHIFT	ASSIGNED TO	CASE STATUS
			Closed

Arrest [X]
Crime [ ]
Non-Criminal [ ]

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200

Person Profile

CASE # 1010-0549

OFFENSE(S)	OFFENSE(S) cont'd.
289 (A)(1) PC; Sexual Penetration W/Foreign Object W/Force; Fel.	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
10/07/10 21:25 Thursday	10/07/10 21:25

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				105

PERSONS

Codes: V = Victim W = Witness S = Suspect A = Arrestee D = Detainee C = Complainant R = Party O = Other

MORE NAMES YES [ ] NO [ ]

CODE		NAME - LAST, FIRST, MIDDLE, SUFFIX	DOB	
RP	1 OF 1	--		This report contains Person Profile information only. Please refer to the primary report(s) for additional information.

CLOTHING

ADMINISTRATION

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
S. Crivelli 205	10/08/10 08:46	Josh Adler 163	10/08/10
OFFICER	**UNIT/SHIFT**	**ASSIGNED TO**	**CASE STATUS**
			Closed

Arrest [x]
Crime [ ]
Non-Criminal [ ]

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200

Narrative Report

CASE # 1010-0549

OFFENSE(S)	OFFENSE(S) cont'd.
289 (A)(1) PC; Sexual Penetration W/Foreign Object W/Force; Fel.	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
10/07/10 21:25 Thursday	10/07/10 21:25

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				105

NARRATIVE

On 10/07/10, I was advised by dispatch a female identified as contacted the Police Department regarding a sexual assault which may have occurred with her six year old brother, . lives in Fountain Valley, NV so I contacted her via land line and she related the following in summary:

On 10/07/10, at approximately 2120 hrs, received a phone call from her mother, . stated her mother told her ad been sexually assaulted by her older brother, . stated told her that had put his finger inside his anus. stated her mother was worried and did not want to call the Police because she was afraid would get arrested. stated she tried to convince her to call but she refused. then decided to contact the Police herself because it was the right thing to do. End Statement.

Officer Rider and I responded to the address provided by . Officer Rider briefly spoke to inside, however not regarding this incident. along with two other brothers were staying at this address with their parents and . At the residence I contacted . regarding the possible sexual assault. did not speak any english, so all statements were provided through language line. related the following in summary;

stated on 10/07/10, she noticed that her six year old son, was having irregular bowel movements. asked what was wrong and he told her that his older brother, co had put his finger inside his anus. asked if he was sure it was his finger and he said yes. asked if it were the first time it had ever happened and he said yes.

seemed very nervous and was being very vague answering questions. I asked why she did not call the Police and she stated she was nervous for getting in trouble. End statement.

Officer Rider and I returned to the station to contact the watch commander Sgt. Brad Williams. I decided to contact the reporting party, , a second time to attempt to obtain more information. I called on a recorded land line in dispatch and she

ADMINISTRATION

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
S. Crivelli 205	10/08/2010 08:46	Josh Adler 163	10/08/10
OFFICER	**UNIT/SHIFT**	**ASSIGNED TO**	**CASE STATUS**
			Closed

OFFENSE(S)	OFFENSE(S) cont'd.
289 (A)(1) PC; Sexual Penetration W/Foreign Object W/Force; Fel.	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
10/07/10 21:25 Thursday	10/07/10 21:25

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				105

NARRATIVE

related the following in summary;

I asked to be more specific with what her mother said when she called. stated when her mother called she said that had told her husband that had put his finger in his anus. When confronted about what happened, told her that had put a spoon inside his anus. did not go into further detail, as to what she said to .

stated her mother called her back when the Police had left the residence. stated her mother was upset that she had called the Police. stated that she "left things out" when she was talking to the Police. told her daughter to tell the Police that she had forgotten what happened, rather than tell the truth. told her mother she had to do the right thing. stated her mother was afraid would get arrested, so she was going to send him to Mexico. End statement.

Officer Rider, Sgt. Brad Williams, and I decided more investigation needed to be done. I asked to respond to her mothers house, and possibly take over custody of if needed. agreed and stated she would meet me at her mother's house.

Officer Rider and I returned to for more investigations. I contacted the victim, for a brief statement, he related the following in summary:

stated he spoke a small amount of english. I asked what had happened between him and his brother. initially stated he did not remember anything that happened. I asked if his mother told him to tell me that he had forgotten everything and he said yes. I asked again what had happened and he stated he could not explain it in English and would need to tell me in Spanish. I asked if his mother had told him to tell me he was only able to speak spanish and he said yes. I decided to talk to later on when I had language line on the phone. End Statement.

I then contacted another brother in the house, who is 9 years old. was able to speak english. I asked if he knew why the Police were at his house. did not know why I was there, and was unaware of any problems between his brother and

ADMINISTRATION

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
S. Crivelli 205	10/08/2010 08:46	Josh Adler 163	10/08/10
OFFICER	**UNIT/SHIFT**	**ASSIGNED TO**	**CASE STATUS**
			Closed

OFFENSE(S)	OFFENSE(S) cont'd.
289 (A)(1) PC; Sexual Penetration W/Foreign Object W/Force; Fel.	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
10/07/10 21:25 Thursday	10/07/10 21:25

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				105

NARRATIVE

his brother stated he has never had any negative physical contact with his brother .

I then contacted father , who does not speak english, all statements were received through language line. related the following in summary:

stated has been peeing his pants for about the last two months. Today, inally asked why he was peeing his pants, since he is now older. then told that had put his finger inside his anus, while wearing a glove. hen confronted about what happened. told hat he helped wipe his bottom one day. stated he may have wiped a little hard and his finger may have gone inside his anus but was unsure.

then stated that had recently taken a video game from , which made very upset. stated may be making this whole thing up since was so upset. stated neither him or his wife told any of the kids to lie to the police or to tell them anything but the truth. End Statement.

I then had ell it was Ok to talk to us and it was very important to tell us the truth. Officer Rider then received a statement from . In summary, stated that there was one incident that occurred approximately one month ago, where he and were wrestling on the bed and he was poking him with a spoon. The spoon may have poked in the bottom, but stated it did not penetrate his anus. stated there was another incident which occurred more than 2 weeks ago but sooner than a month, when he was helping wipe after he went to the bathroom. stated he was helping him wipe and was wearing a latex glove. He stated he may have pressed too hard and his middle finger went inside anus on accident. See Officer Rider's report for further information.

I then contacted , age six, again this time using language line. father old to make sure he tells the truth and it is ok to talk to the Police. related the following in summary:

ADMINISTRATION

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
S. Crivelli 205	10/08/2010 08:46	Josh Adler 163	10/08/10
OFFICER	**UNIT/SHIFT**	**ASSIGNED TO**	**CASE STATUS**
			Closed

OFFENSE(S)	OFFENSE(S) cont'd.
289 (A)(1) PC; Sexual Penetration W/Foreign Object W/Force; Fel.	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
10/07/10 21:25 Thursday	10/07/10 21:25

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				105

NARRATIVE

I asked what had happened between him and his brother stated his brother put a spoon in his anus, when the family went to the store and he was left alone with stated it hurt really bad and there was a lot of bleeding. was not able to put a specific time on when this incident occurred. referenced it may have been around his fifth birthday, which would be 03/10/09. did not refer to an incident regarding finger. continued to refer to a spoon being used to penetrate his anus. stated it was a long time ago. stated he never took a video game or toy from which would make him upset. I asked again if his mother told him to tell me that he had forgotten what happened, and he said yes. . was unable to provide any other information regarding the incidents which occurred.

I then contacted and mother, , a second time. All statements were received through language line. related the following in summary:

I asked why she would tell her kids to lie to the Police about what happened. stated she never would tell them to lie and she always told them to tell the Police the truth.

. stated on 10/08/10, she was lying on her bed when came into the room and asked her if she knew what was saying happened with . explained to that had told him that had put his finger in his anus. then asked o tell her what happened and be truthful. stated she assumed used his penis and thought it was his finger. then told that had used a spoon to penetrate his anus.

. then asked , if this had ever happened before and old her no. I asked , why she did not contact the Police. stated she was nervous and did not know what to do. She stated she was scared for and did not want him to get into any trouble. . stated she contacted her daughter and told her what happened, and she ended up contacting the Police. End Statement.

I decided it would be best if . was not in the home where the crime occurred over night. sister, had since arrived on scene. . agreed to take custody of and cooperate with any tasks the SLT PD detectives would need from her. I

ADMINISTRATION

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
S. Crivelli 205	10/08/2010 08:46	Josh Adler 163	10/08/10
OFFICER	**UNIT/SHIFT**	**ASSIGNED TO**	**CASE STATUS**
			Closed

OFFENSE(S)	OFFENSE(S) cont'd.
289 (A)(1) PC; Sexual Penetration W/Foreign Object W/Force; Fel.	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
10/07/10 21:25 Thursday	10/07/10 21:25

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				105

NARRATIVE

explained the situation to and how I thought it would be best for to go to her daughters house temporarily. . agreed and consented to her daughter taking

I advised , Detectives would be getting a hold of her on the following day and a medical exam for would probably follow. and then left the residence.

After our investigation, Officer Rider, Sgt. Williams, and I decided had penetrated his brother, in his anus with a foreign object. Due to mother express her interest in sending him to Mexico, it was important to have in custody.

Officer Rider placed under arrest and placed handcuffs on Officer Rider and I transported to the Juvenile treatment center, where he was booked.

See Officer Rider's report for further information

I e-mailed a copy of the recorded statements to Evidence Tech Larry Tomer, for him to put them onto a CD.

Recommendation:

Send to DA officer for filing.
Send to Detectives for follow up.
Request a SART interview and SART exam.

ADMINISTRATION

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
S. Crivelli 205	10/08/2010 08:46	Josh Adler 163	10/08/10
OFFICER	**UNIT/SHIFT**	**ASSIGNED TO**	**CASE STATUS**
			Closed

Arrest [X]
Crime [ ]
Non-Criminal [ ]

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150

CA0090200

Supplemental Report

CASE # 1010-0549

PAGE 1 OF 4

OFFENSE(S)	OFFENSE(S) cont'd.
289 (A)(1) PC; Sexual Penetration W/Foreign Object W/Force; Fel.	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
10/07/10 21:25 Thursday	10/07/10 21:25

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				105

CASE SUMMARY

Statements from

SUSPECT(S)/ ARRESTEE(S)

Codes: S = Suspect A = Arrestee D = Detainee SV - Suspect/Victim AV - Arrestee/Victim DV - Detainee/Victim

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	ADDRESS 1	HOME
A 1 OF 1			

RACE	SEX	HT	WT	HAIR	EYE	AGE	DOB	ADDRESS 2	PHONE 2
H	M	5'08"	160	BLK	BRO	15			

OCCUPATION	INJURIES	ADDRESS 3	PHONE 3

SCARS / MARKS / TATTOOS	AKA'S	ARRESTEE DISPOSITION	RELEASE LOCATION	ARREST DATE / TIME
YES [ ] NO [ ]		5-Juvenile	EDCoJail-SLT	10/08/2010 / 02:28

DL / STATE	ARRESTED	BOOKING #	WARRANT	CITATION #	SS#	CII#
	YES [X] NO [ ]		YES [ ] NO [X]			

CHARGES

289 (A)(1) PC (1)

NARRATIVE

On October 7, 2010 at approximately 2310 hours I responded with Officer Crivelli to to assist in investigating a possible child sexual abuse.

While Officer Crivelli spoke with (the mother) outside I contacted 15 year old inside. I identified but did not ask him any questions pertaining to the case. did not ask why police were at his home.

Officers Crivelli and I left to get additional information from the reporting party.

At approximately 0050 we returned and I interviewed The interview took place in his room. Below is the interview in summary. See digital recording for further information.

I asked o if he knew why I was there and he said that he knew we were there because his sister had called us. He said he did not know what it was about. I asked if he had touched his brother in a way that was inappropriate. said that they wrestle sometimes. I asked why his sister and mom would tell police that he had put his finger or a spoon in utt. initially said he did not know but upon further questioning relayed an incident where this might have happened. said that he and were wrestling in his bedroom alone and poking each other with a

ADMINISTRATION

FOLLOW-UP	COPIES TO:							
YES [ ] NO [X]	[ ] PAT.	[ ] DET.	[ ] DA	[ ] COURT	[ ] PROBATION	[ ] VWAP	[ ] OTHER	

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
B. Rider 200	10/08/2010 08:46	Josh Adler 163	10/08/10

OFFICER	UNIT/SHIFT	ASSIGNED TO	CASE STATUS
			Closed

Arrest [X]
Crime [ ]
Non-Criminal [ ]

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200

Supplemental Report

CASE # 1010-0549
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OFFENSE(S)	OFFENSE(S) cont'd.
289 (A)(1) PC; Sexual Penetration W/Foreign Object W/Force; Fel.	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
10/07/10 21:25 Thursday	10/07/10 21:25

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				105

CASE SUMMARY
Statements from

NARRATIVE

spoon when slipped and poked n the butt with the spoon. explained that it was the round end of the spoon not the handle and that was wearing pajama pants. He said that the spoon did not actually go into his butt although said it hurt so they stopped wrestling. said this was the first and only time this has happened and it was accidental. said he told him mom about it. said the spoon was similar in size to a spoon sitting in a bowl on his dresser. This spoon was metal and approximately 8" long and 1/2 inch wide.
said he did not receive any sexual gratification from poking with the spoon.

said that his two other brothers ( ) were wrestling too but left prior to the spoon incident. This happened approximately 1 month ago according to .

Throughout the interview appeared nervous or scared but never became upset over the allegations of molesting his brother.

said that he has his own bedroom while his 3 brothers sleep in his parent's room or in the living room.

A short while later father told ne needed to tell me the truth and everything that happened. I obtained another statement from . This interview was conducted sitting in the living room. gave the following statement in summary, see audio recording for further information.

I explained to that I wanted him to tell me everything that had happened between him and said that he all ready told me but then explained another incident where had pooped and needed help cleaning up his butt afterwards. said that he put a latex glove on his hand and used some toilet paper to wipe butt. said that as he was doing this the paper ripped and his finger went into butt. said his finger did not go all the way into butt.

ADMINISTRATION

FOLLOW-UP	COPIES TO						
YES [ ] NO [X]	[ ] PAT.	[ ] DET.	[ ] DA	[ ] COURT	[ ] PROBATION	[ ] VWAP	[ ] OTHER

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
B. Rider 200	10/08/2010 08:46	Josh Adler 163	10/08/10

OFFICER	UNIT/SHIFT	ASSIGNED TO	CASE STATUS
			Closed

Arrest [X]
Crime [ ]
Non-Criminal [ ]

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200

Supplemental Report

CASE # 1010-0549
PAGE 3 OF 4

OFFENSE(S)	OFFENSE(S) cont'd.
289 (A)(1) PC; Sexual Penetration W/Foreign Object W/Force; Fel.	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
10/07/10 21:25 Thursday	10/07/10 21:25

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				105

CASE SUMMARY
Statements from

NARRATIVE

I asked show me which finger it was. showed me that it was his middle finger on his right hand. I had point on his finger how far in it had gone. pointed to his knuckle approximately 2" from the tip of his finger. said that this happened about two weeks ago. He said that after it happened, cried. said that he thought this really hurt . said that he told his mom about it and she was mad because was crying. I asked if had asked him for help cleaning up or if he offered to help. said that asked him to help as he has helped him clean up after the going to the bathroom before. said that this was the only time he has ever slipped with his finger. said that his mom was home when this occurred.

I explained to that it was unbelievable that he slipped accidentally and his finger went that far into his brother's butt. explained that he wrapped the paper up into a ball and was pushing really hard because had some dried poop. explained that had pooped earlier on and not cleaned up after. I asked again when this happened and he said it happened a long time ago. said that it was maybe a month ago but two days after the wrestling we talked about before.

said that he has not helped clean up after he poops anymore sense this happened and cleans himself up now.

then waited in his bedroom while I spoke with Officer Crivelli. I waited with him in his room while Officers interviewed parents and

Based on my investigation I determined that had penetrated anal opening against his will with a foreign object (his finger) in violation of 289 (a)(1) PC. I advised that he was under arrest for the above violation and placed him in double locked hand cuffs. I checked the cuffs for fit and secured in the back seat of my patrol vehicle. I read his Miranda rights verbatim from my Miranda card and he said that he understood them and would be willing to answer questions I had.

ADMINISTRATION

FOLLOW-UP	COPIES TO:						
YES [ ] NO [X]	[ ] PAT.	[ ] DET.	[ ] DA	[ ] COURT	[ ] PROBATION	[ ] VWAP	[ ] OTHER

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
B. Rider 200	10/08/2010 08:46	Josh Adler 163	10/08/10

OFFICER	UNIT/SHIFT	ASSIGNED TO	CASE STATUS
			Closed

Arrest [X]
Crime [ ]
Non-Criminal [ ]

SOUTH LAKE TAHOE POLICE DEPARTMENT

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Supplemental Report

CASE # 1010-0549

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OFFENSE(S)	OFFENSE(S) cont'd.
289 (A)(1) PC; Sexual Penetration W/Foreign Object W/Force; Fel.	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
10/07/10 21:25 Thursday	10/07/10 21:25

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				105

CASE SUMMARY

Statements from .

NARRATIVE

I transported to JTC and he was booked without incident.

It should be noted that did not appear upset over the allegations and arrest.

Attach to original report.

ADMINISTRATION

FOLLOW-UP	COPIES TO:						
YES [ ] NO [X]	[ ] PAT.	[ ] DET.	[ ] DA	[ ] COURT	[ ] PROBATION	[ ] VWAP	[ ] OTHER

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
B. Rider 200	10/08/2010 08:46	Josh Adler 163	10/08/10

OFFICER	UNIT/SHIFT	ASSIGNED TO	CASE STATUS
			Closed

Arrest [X]
Crime [ ]
Non-Criminal [ ]

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200

Property and Evidence

CASE # 1010-0549

OFFENSE(S)	OFFENSE(S) cont'd.
289 (A)(1) PC; Sexual Penetration W/Foreign Object W/Force; Fel.	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED	TOTAL PROPERTY VALUE
10/07/10 21:25 Thursday	10/07/10 21:25	$ 0.00

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				105

PROPERTY ITEMS

ITEM #	STATUS	QUANTITY	COLOR	COLOR 2	TYPE	MAKE	MODEL	YEAR
200-001	E	1				Cd-R		

SERIAL NUMBER	BAR CODE	VALUE	TOTAL	LOCATION / BIN #
		$ 0.00	$ 0.00	Evidence Locker

DESCRIPTION	FIELD RECEIPT ISSUED
Audio recording	[ ]

ADMINISTRATION

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
B. Rider 200	10/08/10 08:46	Josh Adler 163	10/08/10

OFFICER	UNIT/SHIFT	ASSIGNED TO	CASE STATUS
			Closed

Arrest [X]
Crime [ ]
Non-Criminal [ ]

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200

Person Profile

CASE # 1010-0549

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OFFENSE(S)	OFFENSE(S) cont'd.
289 (A)(1) PC; Sexual Penetration W/Foreign Object W/Force; Fel.	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
10/07/10 21:25 Thursday	10/07/10 21:25

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				105

PERSONS

Codes: V = Victim W = Witness S = Suspect A = Arrestee D = Detainee C = Complainant R = Party O = Other

MORE NAMES YES [ ] NO [ ]

CODE		NAME - LAST, FIRST, MIDDLE, SUFFIX	DOB	
A	1 OF 1			report contains Person Profile information only. Please refer to the primary report(s) for additional information.

CLOTHING

ADMINISTRATION

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
B. Rider 200	10/08/10 08:46	Josh Adler 163	10/08/10
OFFICER	**UNIT/SHIFT**	**ASSIGNED TO**	**CASE STATUS**
			Closed

Arrest [X]
Crime [ ]
Non-Criminal [ ]

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
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Supplemental Report

CASE # 1010-0549
PAGE 1 OF 2

OFFENSE(S)	OFFENSE(S) cont'd.
288 (A) PC; Lewd Or Lascivious Acts W/Child Under 14 Years; Fel.	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
10/07/10 21:25 Thursday	10/07/10 21:25

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				105

CASE SUMMARY
Follow-up

NARRATIVE

On 10/08/10, I called (victim's sister) to arrange a SART interview with . She said the best day for her to bring for a SART is Thursday. I made arrangements to have the interview on 10/14/10 at 1600 hours.

I notified ADA Kelliher via voice mail about this SART interview. I also contacted ADA O'Hara about this case and the scheduled interview.

I contacted Dr. Wagoner about a possible medical exam. I was unable to reach her but I left a message with the details of this case. She later left a message saying the window for collection of evidence had long since passed and that any injuries would be healed by now.

On 10/14/10 at approximately 1600 hours, the SART interview was conducted. Present in the SART observation room was ADA Kelliher, Women's Center Advocate Lisa Schaffer, CPS Workers Leah Brown and Joycelyn Mata. As spoke Spanish, Women's Center Advocate Laura Barber conducted the interview in Spanish. Mata remained in the observation room to interpret the interview. The following is a summary of what said. It is in no way intended to represent an exact, word for word, literal transcription. Additionally, the interview were conducted in Spanish. For complete statement please refer to DVD.

On 10/28/10 at approximately 1500 hours, the SART interview was conducted. Present in the SART observation room was ADA Kelliher, Women's Center Advocate Lisa Schaffer, CPS Workers Leah Brown and Joycelyn Mata. As spoke Spanish, Women's Center Advocate Laura Barber conducted the interview in Spanish. Mata remained in the observation room to interpret the interview. The following is a summary of what said. Additionally, the entire interview was conducted in Spanish. It is in no way intended to represent an exact, word for word, literal transcription. For complete statement please refer to DVD.

ADMINISTRATION

FOLLOW-UP	COPIES TO:						
YES [ ] NO [X]	[ ] PAT.	[ ] DET.	[ ] DA	[ ] COURT	[ ] PROBATION	[ ] VWAP	[ ] OTHER

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
D. Sentell 182	11/10/2010 16:23	Cameron Carmichael 143	11/12/10

OFFICER	UNIT/SHIFT	ASSIGNED TO	CASE STATUS
			Closed

Arrest [X]
Crime [ ]
Non-Criminal [ ]

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200

Supplemental Report

CASE # 1010-0549
PAGE 2 OF 2

OFFENSE(S)	OFFENSE(S) cont'd.
288 (A) PC; Lewd Or Lascivious Acts W/Child Under 14 Years; Fel.	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
10/07/10 21:25 Thursday	10/07/10 21:25

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				105

CASE SUMMARY
Follow-up

NARRATIVE

On 11/02/10, I was notified by Det. Herring that had been placed in Foster care on 11/01/10. The foster mother reported there were suspicious buising on his pelvis and blistering around his anus. She also reported had no sensation or control of his bowel movements. Det. Herring spoke to the foster parent and said she was willing to transport to a SART interview, if needed.

Det. Herring informed me had been placed in a foster home in Amador County. Det. Herring contacted the Amador County Sheriff's Department and learned their SART exams were conducted at Mark Twain Hospital in Calaveras County.

On 11/02/10, I contacted Calaveras County Sheriff's Detective Wade Whitney. I explained our situation and he agreed to assist us with a SART exam of We arranged to have a SART exam done on 11/02/10 at 1230 hours.

After the SART exam, Det. Whitney contacted me and told me there were no findings.

Recommendations: Forward to the DA's office for review.

ADMINISTRATION

FOLLOW-UP	COPIES TO:							
YES [ ] NO [X]	[ ] PAT.	[ ] DET.	[ ] DA	[ ] COURT	[ ] PROBATION	[ ] VWAP	[ ] OTHER	

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
D. Sentell 182	11/10/2010 16:23	Cameron Carmichael 143	11/12/10

OFFICER	UNIT/SHIFT	ASSIGNED TO	CASE STATUS
			Closed

Arrest [X]
Crime [ ]
Non-Criminal [ ]

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200

Additional Crimes, Persons and Vehicles

CASE # 1010-0549

PAGE 1 OF 1

OFFENSE(S)	OFFENSE(S) cont'd.
288 (A) PC; Lewd Or Lascivious Acts W/Child Under 14 Years; Fel.	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
10/07/10 21:25 Thursday	10/07/10 21:25

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				105

ADDITIONAL OFFENSE(S)	ADDITIONAL OFFENSE(S) cont'd.

PERSONS

Codes: V = Victim W = Witness C = Complainant P = Parent G = Guardian R = Party O = Other

MORE NAMES YES [ ] NO [ ]

CODE	NAME - LAST, FIRST, MIDDLE, SUFFIX	RESIDENCE	Home
V 1 OF 1			

OCCUPATION	RACE	SEX	AGE	DOB	ADDRESS 2	PHONE 2
	H	M	6			

DL STATE	SSN	INJURIES	ADDRESS 3	PHONE 3

ADMINISTRATION

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
D. Sentell 182	11/10/10 16:23	Cameron Carmichael 143	11/12/10

OFFICER	UNIT/SHIFT	ASSIGNED TO	CASE STATUS
			Closed

Arrest [X]
Crime [ ]
Non-Criminal [ ]

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200

Property and Evidence

CASE # 1010-0549

OFFENSE(S)	OFFENSE(S) cont'd.
288 (A) PC; Lewd Or Lascivious Acts W/Child Under 14 Years; Fel.	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED	TOTAL PROPERTY VALUE
10/07/10 21:25 Thursday	10/07/10 21:25	$ 0.00

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				105

PROPERTY ITEMS

ITEM #	STATUS	QUANTITY	COLOR	COLOR 2	TYPE	MAKE	MODEL	YEAR
182-001	E	1						

SERIAL NUMBER	BAR CODE	VALUE	TOTAL	LOCATION / BIN #
		$ 0.00	$ 0.00	Evidence Locker

DESCRIPTION: SART interview of

[ ] FIELD RECEIPT ISSUED

ITEM #	STATUS	QUANTITY	COLOR	COLOR 2	TYPE	MAKE	MODEL	YEAR
182-002	E	1						

SERIAL NUMBER	BAR CODE	VALUE	TOTAL	LOCATION / BIN #
		$ 0.00	$ 0.00	Evidence Locker

DESCRIPTION: SART interview of

[ ] FIELD RECEIPT ISSUED

ITEM #	STATUS	QUANTITY	COLOR	COLOR 2	TYPE	MAKE	MODEL	YEAR
182-003	E	1						

SERIAL NUMBER	BAR CODE	VALUE	TOTAL	LOCATION / BIN #
		$ 0.00	$ 0.00	Evidence Locker

DESCRIPTION:

[ ] FIELD RECEIPT ISSUED

ADMINISTRATION

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
D. Sentell 182	11/10/10 16:23	Cameron Carmichael 143	11/12/10

OFFICER	UNIT/SHIFT	ASSIGNED TO	CASE STATUS
			Closed

Arrest [X]
Crime [ ]
Non-Criminal [ ]

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150
CA0090200

Person Profile

CASE # 1010-0549

PAGE 1 OF 1

OFFENSE(S)	OFFENSE(S) cont'd.
288 (A) PC; Lewd Or Lascivious Acts W/Child Under 14 Years; Fel.	

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
10/07/10 21:25 Thursday	10/07/10 21:25

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR
				105

PERSONS

Codes: V = Victim W = Witness S = Suspect A = Arrestee D = Detainee C = Complainant R = Party O = Other

MORE NAMES YES [ ] NO [ ]

CODE		NAME - LAST, FIRST, MIDDLE, SUFFIX	DOB	
V	1 OF 1			This report contains Person Profile information only. Please refer to the primary report(s) for additional information.

CLOTHING

ADMINISTRATION

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
D. Sentell 182	11/10/10 16:23	Cameron Carmichael 143	11/12/10
OFFICER	**UNIT/SHIFT**	**ASSIGNED TO**	**CASE STATUS**
			Closed

Arrest [ ]
Crime [X]
Non-Criminal [ ]

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150

CA0090200

Supplemental Report

CASE # 1010-0549

PAGE 1 OF 1

OFFENSE(S)	OFFENSE(S) cont'd.

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED
10/07/10 21:25 Thursday	10/07/10 21:25

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR

CASE SUMMARY

Evidence booking

NARRATIVE

Report for evidence booking only

ADMINISTRATION

FOLLOW-UP	COPIES TO							
YES [ ] NO [X]	[ ] PAT.	[ ] DET.	[ ] DA	[ ] COURT	[ ] PROBATION	[ ] VWAP	[ ] OTHER	

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
D. Sentell 182	11/02/2010 14:41	Cameron Carmichael 143	11/02/10

OFFICER	UNIT/SHIFT	ASSIGNED TO	CASE STATUS
			Closed

Arrest ☐
Crime ☒
Non-Criminal ☐

SOUTH LAKE TAHOE POLICE DEPARTMENT

1352 Johnson Blvd, South Lake Tahoe, CA 96150

CA0090200

Property and Evidence

CASE # 1010-0549

OFFENSE(S)	OFFENSE(S) cont'd.

DATE, TIME AND DAY OF OCCURENCE	DATE AND TIME REPORTED	TOTAL PROPERTY VALUE
10/07/10 21:25 Thursday	10/07/10 21:25	$ 0.00

LOCATION OF OCCURENCE	LOCATION NAME	TYPE OF LOCATION	BEAT	SECTOR

PROPERTY ITEMS

ITEM #	STATUS	QUANTITY	COLOR	COLOR 2	TYPE	MAKE	MODEL	YEAR
182-001	E	1						

SERIAL NUMBER	BAR CODE	VALUE	TOTAL	LOCATION / BIN #
		$ 0.00	$ 0.00	Evidence Locker

DESCRIPTION: SART interview of

☐ FIELD RECEIPT ISSUED

ITEM #	STATUS	QUANTITY	COLOR	COLOR 2	TYPE	MAKE	MODEL	YEAR
182-002	E	1						

SERIAL NUMBER	BAR CODE	VALUE	TOTAL	LOCATION / BIN #
		$ 0.00	$ 0.00	Evidence Locker

DESCRIPTION: SART interview of

☐ FIELD RECEIPT ISSUED

ITEM #	STATUS	QUANTITY	COLOR	COLOR 2	TYPE	MAKE	MODEL	YEAR
182-003	E	1						

SERIAL NUMBER	BAR CODE	VALUE	TOTAL	LOCATION / BIN #
		$ 0.00	$ 0.00	Evidence Locker

DESCRIPTION: Drawing

☐ FIELD RECEIPT ISSUED

ADMINISTRATION

BY OFFICER	DATE/TIME	APPROVED BY	DATE APPROVED
D. Sentell 182	11/02/10 14:41	Cameron Carmichael 143	11/02/10

OFFICER	UNIT/SHIFT	ASSIGNED TO	CASE STATUS
			Closed

1010-0549

EL DORADO COUNTY PROBATION DEPARTMENT
JUVENILE HALL BOOKING SHEET

Name of Juvenile	Date of Birth	Place of Birth	Age	Soc.Sec.#
		MEXICO	15	

Address (Physical and Mailing)	Phone Number
96151	

Religion	Race	Sex	Hair Color	Eye Color	Height	Weight	Current Ward:
	H	M	BLK	BRO	508	190	☐ Yes ☒ No

Name of Father	Father's Address (physical/mailing)	Father's Phone Number Hm ( ) Wk ( )

Name of Mother	Mother's Address (physical/mailing)	Mother's Phone Number Hm ( ) Wk ( )

Name of Step-Parent/Guardian	Address (physical/mailing)	Phone Number Hm ( ) Wk ( )

Arresting Agency	Agency Report No.	Arresting Officer (print name)	Booking Completed by (print name)
SLTPD	1010-0549	B. RIDER	B. RIDER

Name of Parent/Guardian Notified	Notified By	Time Notified	How Notified
	P.B. WILLIAMS	0228	IN PERSON

Date of Offense	Date/Time of Arrest	Code Violation(s)	
10/08/10	10/08/10 0228	288 P.C.	☐ misdemeanor ☒ felony

Specific Offense(s)
PENETRATION W/ FOREIGN OBJECT

Violation of Probation ☐ 777(a) ☐ 777(b) Specific Violation	For V.O.P./Original Offense Section	☐ misdemeanor ☐ felony

Accomplice/Victim Information	Gang Association ☐ Yes ☐ No ☐ Unknown Name of Gang

Details of Offense/Relevant Information (specify any history of violence, sexual abuse or prior delinquency)

PENETRATED HIS 6 YEAROLD BROTHER'S ANUS WITH A FOREIGN OBJECT.

CHARGE BOOKING INFORMATION TO BE COMPLETED BY DUTY SUPERVISOR OR DESIGNEE

Admitting Time	Date	Admitted By	Detention Authorized By	Time Intake DPO Notified
0245	10/8/10			0303

Special Detention Information

Release Authorized By	Date/Time of Release	Released To	Staff Member Releasing

INTAKE OFFICER'S ACTION/DATE

☐ Closed At Intake	_____	☐ Calendar Detention Hearing	_____
☐ Released from Detention	_____	☐ Referred to D.A. for Review	_____
☐ Informal Probation	_____	☐ Affidavit Submitted	_____
☐ Referred to Teen Court	_____	☐ Dismissed per D.A.	_____

Referred To: _____ Intake Officer: _____

white – PROBATION pink – ACCOUNTING yellow – JUVENILE HALL gold – DETAINING AGENCY

PO#1a [NEW 5/99]

1010-0549

Print

SUSPECTED CHILD ABUSE REPORT

Reset Form

To Be Completed by **Mandated Child Abuse Reporters**
Pursuant to Penal Code Section 11166

PLEASE PRINT OR TYPE

CASE NAME:

CASE NUMBER: 1010-0549

A. REPORTING PARTY

NAME OF MANDATED REPORTER	TITLE	MANDATED REPORTER CATEGORY
Scott Crivelli	Police Officer	

REPORTER'S BUSINESS/AGENCY NAME AND ADDRESS	Street	City	Zip	DID MANDATED REPORTER WITNESS THE INCIDENT?
South Lake Tahoe Police Department	1352 Johnson Blvd	South Lake Tahoe	96150	☐ YES ☒ NO

REPORTER'S TELEPHONE (DAYTIME)	SIGNATURE	TODAY'S DATE
(530) 542-6100		10/08/10

B. REPORT NOTIFICATION

☒ LAW ENFORCEMENT ☐ COUNTY PROBATION ☐ COUNTY WELFARE / CPS (Child Protective Services)

AGENCY: South Lake Tahoe Police Department

ADDRESS	Street	City	Zip	DATE/TIME OF PHONE CALL
1352 Johnson Blvd		South Lake Tahoe	96150	10/07/10 / 2300

OFFICIAL CONTACTED - TITLE	TELEPHONE
Scott Crivelli - Police Officer	(530) 542-6100

C. VICTIM (One report per victim)

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
Ly		M	18

ADDRESS	Street	City	Zip	TELEPHONE
		South Lake Tahoe	96150	( )

PRESENT LOCATION OF VICTIM	SCHOOL	CLASS	GRADE
	Bijou Elementary		1st

PHYSICALLY DISABLED?	DEVELOPMENTALLY DISABLED?	OTHER DISABILITY (SPECIFY)	PRIMARY LANGUAGE SPOKEN IN HOME
☐ YES ☒ NO	☐ YES ☒ NO		Spanish

IN FOSTER CARE?	IF VICTIM WAS IN OUT-OF-HOME CARE AT TIME OF INCIDENT, CHECK TYPE OF CARE:	TYPE OF ABUSE *(CHECK ONE OR MORE)*
☐ YES	☐ DAY CARE ☐ CHILD CARE CENTER ☐ FOSTER FAMILY HOME ☐ FAMILY FRIEND	☐ PHYSICAL ☐ MENTAL ☒ SEXUAL ☐ NEGLECT
☒ NO	☐ GROUP HOME OR INSTITUTION ☐ RELATIVE'S HOME	☐ OTHER (SPECIFY)

RELATIONSHIP TO SUSPECT	PHOTOS TAKEN?	DID THE INCIDENT RESULT IN THIS VICTIM'S DEATH?
Sibling	☐ YES ☒ NO	☐ YES ☒ NO ☐ UNK

D. INVOLVED PARTIES

VICTIM'S SIBLINGS

NAME	BIRTHDATE	SEX	ETHNICITY
1.		M	18
2.		F	18
3.		M	18
4.		M	18

VICTIM'S PARENTS/GUARDIANS

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
		F	18

ADDRESS	Street	City	Zip	HOME PHONE	BUSINESS PHONE
		South Lake Tahoe	96150	( )	( )

NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
South Lake Tahoe 96150		M	18

ADDRESS	Street	City	Zip	HOME PHONE	BUSINESS PHONE
		South Lake Tahoe	96150	( )	( )

SUSPECT

SUSPECT'S NAME (LAST, FIRST, MIDDLE)	BIRTHDATE OR APPROX. AGE	SEX	ETHNICITY
	02/15/95	M	18

ADDRESS	Street	City	Zip	TELEPHONE
		South Lake Tahoe	96150	( )

OTHER RELEVANT INFORMATION

E. INCIDENT INFORMATION

IF NECESSARY, ATTACH EXTRA SHEET(S) OR OTHER FORM(S) AND CHECK THIS BOX ☐ *IF MULTIPLE VICTIMS, INDICATE NUMBER:*

DATE / TIME OF INCIDENT	PLACE OF INCIDENT
10/07/10 2100 Hrs	1077 Moss #4

NARRATIVE DESCRIPTION (What victim(s) said/what the mandated reporter observed/what person accompanying the victim(s) said/similar or past incidents involving the victim(s) or suspect)

Victim stated the suspect placed a spoon inside his anus, against his will. The victim reported the incident to his mother, who contacted her sister, who contacted the police. The suspect stated his finger accidentally went inside the victim's anus, while helping him wipe after he used the bathroom.

SS 8572 (Rev. 12/02)

DEFINITIONS AND INSTRUCTIONS ON REVERSE

DO NOT submit a copy of this form to the Department of Justice (DOJ). The investigating agency is required under Penal Code Section 11169 to submit to DOJ a Child Abuse Investigation Report Form SS 8583 if (1) an active investigation was conducted and (2) the incident was determined not to be unfounded.

WHITE COPY-Police or Sheriff's Department; BLUE COPY-County Welfare or Probation Department; GREEN COPY- District Attorney's Office; YELLOW COPY-Reporting Party

Tab 6

PROPERTY/EVIDENCE TECHNICIAN

Class Code: 3490

Bargaining Unit: Police Employees' Association

CITY OF SOUTH LAKE TAHOE
Revision Date: Nov 15, 2007

SALARY RANGE

$25.43 - $30.91 Hourly
$2,034.46 - $2,472.46 Biweekly
$4,408.00 - $5,357.00 Monthly
$52,896.00 - $64,284.00 Annually

SUMMARY DESCRIPTION:
Class specifications are intended to present a descriptive list of the range of duties performed by employees in the class. Specifications are not intended to reflect all duties performed within the job.

SUMMARY DESCRIPTION
Under supervision (Evidence/Property Technician) or general supervision (Senior Evidence/Property Technician) of assigned supervisory or management staff, performs a wide variety of responsible technical and paraprofessional duties involved in preparing, identifying, and maintaining criminal identification records and evidence as part of the investigation and prosecution work of the department.

IDENTIFYING CHARACTERISTICS
Evidence/Property Technician – This is the entry-level class within the Evidence/Property Technician series performing routine and less complex technical and paraprofessional non-sworn duties in support of Police Department evidence/property operations. Positions at this level are not expected to function with the same amount of program knowledge or skill level as positions allocated to the Senior Evidence/Property Technician level and exercise less independent discretion and judgment in matters related to work procedures and methods. Work is usually supervised while in progress and fits an established structure or pattern. Exceptions or changes in procedures are explained in detail as they arise. This classification is flexibly staffed with the Senior Evidence/Property Technician. Advancement to the "Senior" level is based on demonstrated proficiency in performing the assigned functions and/or certification or testing that validates the performance of the full range of duties and is at the discretion of higher level supervisory or management staff.

Senior Evidence/Property Technician – This is the full journey level class within the Evidence/Property Technician series performing the full range of technical and paraprofessional non-sworn duties in support of Police Department evidence/property operations. Employees at this level receive only occasional instruction or assistance as new or unusual situations arise, and are fully aware of the operating procedures and policies of the work unit. Positions in this class series are flexibly staffed and are generally filled by advancement from the Evidence/Property Technician level, or when filled from the outside, require prior experience. Advancement to the "Senior" level is based on demonstrated proficiency in performing the assigned functions and/or certification or testing that validates the performance of the full range of duties and is at the discretion of higher level supervisory or management staff.

REPRESENTATIVE DUTIES:
The following duties are typical for this classification. Incumbents may not perform all of the listed duties and/or may be required to perform additional or different duties from those set forth below to address business needs and changing business practices.

1. Assumes responsibility for the preparation, identification, and maintenance of fingerprints and other related identification records.
2. Conducts specialized tasks in photography, latent fingerprint development, arson and bomb investigations, bloodstain interpretation, hair fiber and trace evidence collection.
3. Fingerprints suspects, prisoners, and corpses; classifies and identifies fingerprints; assists in identification matters with Federal, State and local authorities; prepares fingerprint displays for court.
4. Conducts identification calls to crime scenes; searches for and collects physical evidence; photographs and video records crime scene; makes diagrams and log items collected from each location.
5. Identifies and preserves evidence; presents it in court; books property into and out of evidence to preserve the chain of evidence; maintains files and daily logs; conducts police auction; destroys and releases property; inventories monies and narcotics; generates reports and assists other members of the department with investigations.
6. Compares latent fingerprints to known and unknown suspects and victims; searches files for identifying suspects.
7. Is responsible for the preparation, identification, and maintenance of fingerprints and other related identification records.
8. Conducts specialized tasks in photography, arson and bomb investigations, bloodstain interpretation, hair fiber and trace evidence collection.
9. Serves as an expert witness; provides courtroom testimony.
10. Performs related duties as required.

QUALIFICATION:

The following generally describes the knowledge and ability required to enter the job and/or be learned within a short period of time in order to successfully perform the assigned duties.

Knowledge of:
Principles and practices of evidence collection, analysis and management.
Crime scene investigation: photography, diagramming, collection and preservation of evidence.
Evidentiary collection methods and analyses: bloodstain pattern interpretation, arson and bomb related scenes, and gunshot wounds and ballistics.
Use of various electronic video equipment.
Standard fingerprint classification methods, practices, records, and equipment.
Modern methods, practices, and techniques of police work including knowledge of criminal investigation and crime scene analysis.
Photography and the various methods of printing, developing, and enlarging negatives to pictures.

Ability to:
Analyze crime scenes.
Develop evidence to be processed.
Identify, interpret, explain, and enforce evidentiary and other police procedures.
Review and interpret case reports.
Maintain awareness of safety at all times.
Prepare and analyze clear and concise reports.
Lift latent fingerprints and to classify fingerprints accurately.
Maintain detailed criminal records.
Reconstruct crime scenes.
Work under pressure.
Communicate clearly and concisely, both orally and in writing.
Establish and maintain effective working relationships with those contacted in the course of work.

Education and Experience Guidelines - Any combination of education and experience that would likely provide the required knowledge and abilities is qualifying. A typical way to obtain the knowledge and abilities would be:

Evidence/Property Technician
Education/Training:
Equivalent to the completion of the twelfth grade. Additional specialized training in evidence collection, law enforcement, or a related field is desirable.

Experience:
Some evidence identification and collection experience with the ability to classify fingerprints and conduct fingerprint comparisons is desirable.

License or Certificate:
Possession of a valid California or Nevada driver's license.

Senior Evidence/Property Technician

Education/Training:
Equivalent to the completion of the twelfth grade supplemented by specialized training in evidence collection, law enforcement, or a related field.

Experience:
Two years of responsible technical and paraprofessional non-sworn experience comparable to a Evidence/Property Technician with the City of South Lake Tahoe.

License or Certificate:
Possession of a California or Nevada driver's license.

PHYSICAL DEMANDS-WORKING CONDITIONS:
The conditions herein are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential job functions.

Environment: Work is performed in an office, storage room, and field environment; travel to different locations; incumbents may be exposed to inclement weather conditions; work and/or walk on various types of surfaces including slippery or uneven surfaces; work at heights on ladders; exposure to hazards including bio-hazards such as body fluids and dust; incumbents may be required to work extended hours including evenings and weekends.

Physical: Primary functions require sufficient physical ability and mobility to work in an office and field setting; to walk or sit for prolonged periods of time; to lift, carry, push, and/or pull light to moderate amounts of weight; to operate office equipment requiring repetitive hand movement and fine coordination including use of a computer keyboard; to operate assigned equipment and vehicle; and to verbally communicate to exchange information.
Vision: See in the normal visual range with or without correction.
Hearing: Hear in the normal audio range with or without correction.

FLSA Designation: Non-Exempt

PUBLIC SAFETY DISPATCHER

Class Code: 6540

Bargaining Unit: Police Employees' Association

CITY OF SOUTH LAKE TAHOE
Established Date: May 11, 2011
Revision Date: May 11, 2011

SALARY RANGE

$23.86 - $29.00 Hourly

SUMMARY DESCRIPTION:

*Class specifications are intended to present a descriptive list of the range of duties performed by employees in the class. Specifications are **not** intended to reflect all duties performed within the job.*

Under general supervision from supervisory or management staff, the Public Safety Dispatcher receives and transmits routine and emergency requests for police, fire, ambulance and/or emergency assistance and dispatches required personnel and equipment; performs responsible clerical work of moderately high difficulty; and operates complex teletype and video terminals for automated information retrieval.

Identifying characteristics

The Public Safety Dispatcher is a journey level non-sworn classification in the Police Department. This position requires the incumbent to work under general supervision and within a framework of established procedures. They are expected to perform a full range of duties with only occasional instruction or assistance. Work normally is reviewed only on completion, and may be expected to provide limited training and assistance to less experienced staff.

REPRESENTATIVE DUTIES:

The following duties are typical for this classification. Incumbents may not perform all of the listed duties and/or may be required to perform additional or different duties from those set forth below to address business needs and changing business practices.

1. On assigned shift, receives and processes incoming 911 calls, non-emergency calls, and voice radio calls; secures and records information as to the exact location and circumstances, and uses radio to dispatch necessary units, including police, fire department, and ambulance personnel and equipment as well as other resources that may be necessary.
2. Maintains status of units on assignments; keeps department officials informed of situations and dispatches equipment that either protocol or the dispatcher deem appropriate.
3. Inputs highly sensitive and technically difficult warrants, restraining orders, weapons, evidence, vehicles, property, missing persons, runaways, into the local, state and national teletype system.
4. Provides emergency medical instruction over the phone and must be EMD certified to perform this task.
5. Logs all police, fire, and medical calls for service; compiles data and prepares reports of reported emergencies, equipment dispatched, and/or status of emergency and non-emergency calls.
6. Relays emergency and non-emergency information to public safety personnel in the field; interprets information from units in field which may be unclear, broken or in code.
7. Processes all paperwork related to arrests and citations as part of completing the package for the District Attorney or other related agencies.
8. Relays information to other agencies as required; relays the nature of the incident.
9. Receives the public at the front counter; responds to requests for information; answers general questions about department's procedures and processes.
10. Performs clerical work related to Police activities including logs, reports, applications and correspondence.
11. Accurately inputs program information into electronic data bases.

12. Performs related duties as required.

QUALIFICATION:

The following generally describes the knowledge and ability required to enter the job and/or be learned within a short period of time in order to successfully perform the assigned duties.

Knowledge of:

English usage and grammar.
Modern office procedures and practices.

Ability to:

Review documents related to dispatching operations.
Observe, identify and problem solve incidents while dispatching.
Remember, understand, interpret and explain operational policies and procedures to the public and staff.
Operate radio and telephone equipment in dispatching public safety equipment and personnel.
Analyze a situation and determine effective course of action.
Perform job tasks effectively under pressure for sustained periods of time.
Memorize and retain information presented clearly and unclearly from a variety of sources.
Perform several tasks at once and assign reasonable priorities to incoming calls; monitor multiple radio frequencies.
Speak clearly and concisely in an understandable voice via radio and telephone and in person.
Use a keyboard and computer efficiently and effectively.
Type a minimum of 40 net words per minute.
Work under stress and exercise good judgment in emergency situations.
Learn the geography of the city, county and location of streets and important buildings.
Adjust quickly to changing situations.
Listen carefully and attentively and remember names, locations and numbers.
Give and take orders.
Read maps quickly and accurately.
Perform arithmetic computations with speed and accuracy.
Work irregular hours and shift work.
Communicate clearly and concisely, both orally and in writing.
Establish and maintain effective working relationships with those contacted in the course of work.

Education and Experience Guidelines - *Any combination of education and experience that would likely provide the required knowledge and abilities is qualifying. A typical way to obtain the knowledge and abilities would be:*

Education/Training:

Equivalent to the completion of the twelfth grade.

Experience:

Some experience performing duties similar to dispatching emergency services.

PHYSICAL DEMANDS-WORKING CONDITIONS:

The conditions herein are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential job functions.

Environment: Work is performed primarily in a standard office environment; incumbents may be required to work extended hours including evenings and weekends. Incumbents may also be called in for local emergencies at irregular hours.

Physical: Primary functions require sufficient physical ability and mobility to work in an office setting; to stand or sit for prolonged periods of time; to frequently stoop, bend, kneel, crouch, reach, and twist; to lift, carry, push, and/or pull light to moderate amounts of weight; to operate office equipment requiring repetitive hand movement and fine coordination including use of a computer keyboard; and to verbally communicate to exchange information.

Vision: See in the normal visual range with or without correction.

Hearing: Hear in the normal audio range with or without correction.

FLSA Designation: Non-Exempt

Tab 7

OFFICE OF MANAGEMENT AND BUDGET

2 CFR Part 225

Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A–87)

AGENCY: Office of Management and Budget

ACTION: Relocation of policy guidance to 2 CFR chapter II.

SUMMARY: The Office of Management and Budget (OMB) is relocating Circular A–87, ''Cost Principles for State, Local, and Indian Tribal Governments,'' to Title 2 in the Code of Federal Regulations (2 CFR), Subtitle A, Chapter II, part 225 as part of an initiative to provide the public with a central location for Federal government policies on grants and other financial assistance and nonprocurement agreements. Consolidating the OMB guidance and co-locating the agency regulations provides a good foundation for streamlining and simplifying the policy framework for grants and agreements as part of the efforts to implement the Federal Financial Assistance Management Improvement Act of 1999 (Pub. L. 106–107).

DATES: This document is effective August 31, 2005. This document republishes the existing OMB Circular A–87, which already is in effect.

FOR FURTHER INFORMATION CONTACT: Gil Tran, Office of Federal Financial Management, Office of Management and Budget, telephone 202–395–3052 (direct) or 202–395–3993 (main office) and e-mail: *Hai_M._Tran@omb.eop.gov*.

SUPPLEMENTARY INFORMATION: On May 10, 2004 [69 FR 25970], we revised the three OMB circulars containing Federal cost principles. The purpose of those revisions was to simplify the cost principles by making the descriptions of similar cost items consistent across the circulars where possible, thereby reducing the possibility of misinterpretation. Those revisions, a result of OMB and Federal agency efforts to implement Public Law 106–107, were effective on June 9, 2004.

In this document, we relocate OMB Circular A–87 to the CFR, in Title 2 which was established on May 11, 2004 [69 FR 26276] as a central location for OMB and Federal agency policies on grants and agreements.

Our relocation of OMB Circular A–87 does not change the substance of the circular. Other than adjustments needed to conform to the formatting requirements of the CFR, this notice relocates in 2 CFR the version of OMB Circular A–87 as revised by the May 10, 2004 notice.

List of Subjects in 2 CFR Part 225

Accounting, Grant administration, Grant programs, Reporting and recordkeeping requirements, State, local, and Indian tribal governments.

Dated: August 8, 2005.

Joshua B. Bolten,

Director.

Authority and Issuance

■ For the reasons set forth above, the Office of Management and Budget amends 2 CFR Subtitle A, Chapter II, by adding a part 225 as set forth below.

PART 225—COST PRINCIPLES FOR STATE, LOCAL, AND INDIAN TRIBAL GOVERNMENTS (OMB CIRCULAR A–87)

Sec.

225.5 Purpose.
225.10 Authority
225.15 Background
225.20 Policy.
225.25 Definitions.
225.30 OMB responsibilities.
225.35 Federal agency responsibilities.
225.40 Effective date of changes.
225.45 Relationship to previous issuance.
225.50 Policy review date.
225.55 Information Contact.
Appendix A to Part 225—General Principles for Determining Allowable Costs
Appendix B to Part 225—Selected Items of Cost
Appendix C to Part 225—State/Local-Wide Central Service Cost Allocation Plans
Appendix D to Part 225—Public Assistance Cost Allocation Plans
Appendix E to Part 225—State and Local Indirect Cost Rate Proposals

Authority: 31 U.S.C. 503; 31 U.S.C. 1111; 41 U.S.C. 405; Reorganization Plan No. 2 of 1970; E.O. 11541, 35 FR 10737, 3 CFR, 1966–1970, p. 939.

§ 225.5 Purpose.

This part establishes principles and standards for determining costs for Federal awards carried out through grants, cost reimbursement contracts, and other agreements with State and local governments and federally-recognized Indian tribal governments (governmental units).

§ 225.10 Authority.

This part is issued under the authority of the Budget and Accounting Act of 1921, as amended; the Budget and Accounting Procedures Act of 1950, as amended; the Chief Financial Officers Act of 1990; Reorganization Plan No. 2 of 1970; and Executive Order No. 11541 (''Prescribing the Duties of the Office of Management and Budget and the Domestic Policy Council in the Executive Office of the President'').

§ 225.15 Background.

As part of the government-wide grant streamlining effort under Public Law 106–107, Federal Financial Award Management Improvement Act of 1999, OMB led an interagency workgroup to simplify and make consistent, to the extent feasible, the various rules used to award Federal grants. An interagency task force was established in 2001 to review existing cost principles for Federal awards to State, local, and Indian tribal governments; colleges and universities; and non-profit organizations. The task force studied ''Selected Items of Cost'' in each of the three cost principles to determine which items of costs could be stated consistently and/or more clearly.

§ 225.20 Policy.

This part establishes principles and standards to provide a uniform approach for determining costs and to promote effective program delivery, efficiency, and better relationships between governmental units and the Federal Government. The principles are for determining allowable costs only. They are not intended to identify the circumstances or to dictate the extent of Federal and governmental unit participation in the financing of a particular Federal award. Provision for profit or other increment above cost is outside the scope of this part.

§ 225.25 Definitions.

Definitions of key terms used in this part are contained in Appendix A to this part, Section B.

§ 225.30 OMB responsibilities.

The Office of Management and Budget (OMB) will review agency regulations and implementation of this part, and will provide policy interpretations and assistance to insure effective and efficient implementation. Any exceptions will be subject to approval by OMB. Exceptions will only be made in particular cases where adequate justification is presented.

§ 225.35 Federal agency responsibilities.

Agencies responsible for administering programs that involve cost reimbursement contracts, grants, and other agreements with governmental units shall issue regulations to implement the provisions of this part and its appendices.

§ 225.40 Effective date of changes.

This part is effective August 31, 2005.

§ 225.45 Relationship to previous issuance.

(a) The guidance in this part previously was issued as OMB Circular

A–87. Appendix A to this part contains the guidance that was in Attachment A (general principles) to the OMB circular; Appendix B contains the guidance that was in Attachment B (selected items of cost); Appendix C contains the information that was in Attachment C (state/local-wide central service cost allocation plans); Appendix D contains the guidance that was in Attachment D (public assistance cost allocation plans); and Appendix E contains the guidance that was in Attachment E (state and local indirect cost rate proposals).

(b) This part supersedes OMB Circular A–87, as amended May 10, 2004, which superseded Circular A–87, as amended and issued May 4, 1995.

§ 225.50 Policy review date.

This part will have a policy review three years from the date of issuance.

§ 225.55 Information contact.

Further information concerning this part may be obtained by contacting the Office of Federal Financial Management, Financial Standards and Reporting Branch, Office of Management and Budget, Washington, DC 20503, telephone 202–395–3993.

Appendix A to Part 225—General Principles for Determining Allowable Costs

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General Principles for Determining Allowable Costs

A. *Purpose and Scope*

1. Objectives. This Appendix establishes principles for determining the allowable costs incurred by State, local, and federally-recognized Indian tribal governments (governmental units) under grants, cost reimbursement contracts, and other agreements with the Federal Government (collectively referred to in this appendix and other appendices to 2 CFR part 225 as ''Federal awards''). The principles are for the purpose of cost determination and are not intended to identify the circumstances or dictate the extent of Federal or governmental unit participation in the financing of a particular program or project. The principles are designed to provide that Federal awards bear their fair share of cost recognized under these principles except where restricted or prohibited by law. Provision for profit or other increment above cost is outside the scope of 2 CFR part 225.

2. Policy guides.

a. The application of these principles is based on the fundamental premises that:

(1) Governmental units are responsible for the efficient and effective administration of Federal awards through the application of sound management practices.

(2) Governmental units assume responsibility for administering Federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the Federal award.

(3) Each governmental unit, in recognition of its own unique combination of staff, facilities, and experience, will have the primary responsibility for employing whatever form of organization and management techniques may be necessary to assure proper and efficient administration of Federal awards.

b. Federal agencies should work with States or localities which wish to test alternative mechanisms for paying costs for administering Federal programs. The Office of Management and Budget (OMB) encourages Federal agencies to test fee-for-service alternatives as a replacement for current cost-reimbursement payment methods in response to the National Performance Review's (NPR) recommendation. The NPR recommended the fee-for-service approach to reduce the burden associated with maintaining systems for charging administrative costs to Federal programs and preparing and approving cost allocation plans. This approach should also increase incentives for administrative efficiencies and improve outcomes.

3. Application.

a. These principles will be applied by all Federal agencies in determining costs incurred by governmental units under Federal awards (including subawards) except those with (1) publicly-financed educational institutions subject to, 2 CFR part 220, Cost Principles for Educational Institutions (OMB Circular A–21), and (2) programs administered by publicly-owned hospitals and other providers of medical care that are subject to requirements promulgated by the sponsoring Federal agencies. However, 2 CFR part 225 does apply to all central service and department/agency costs that are allocated or billed to those educational institutions, hospitals, and other providers of medical care or services by other State and local government departments and agencies.

b. All subawards are subject to those Federal cost principles applicable to the particular organization concerned. Thus, if a subaward is to a governmental unit (other than a college, university or hospital), 2 CFR part 225 shall apply; if a subaward is to a commercial organization, the cost principles applicable to commercial organizations shall apply; if a subaward is to a college or university, 2 CFR part 220 (Circular A–21) shall apply; if a subaward is to a hospital, the cost principles used by the Federal awarding agency for awards to hospitals shall apply, subject to the provisions of subsection A.3.a. of this Appendix; if a subaward is to some other non-profit organization, 2 CFR part 230, Cost Principles for Non-Profit Organizations (Circular A–122), shall apply.

c. These principles shall be used as a guide in the pricing of fixed price arrangements where costs are used in determining the appropriate price.

d. Where a Federal contract awarded to a governmental unit incorporates a Cost Accounting Standards (CAS) clause, the requirements of that clause shall apply. In such cases, the governmental unit and the cognizant Federal agency shall establish an appropriate advance agreement on how the governmental unit will comply with applicable CAS requirements when estimating, accumulating and reporting costs under CAS-covered contracts. The agreement shall indicate that 2 CFR part 225 (OMB Circular A–87) requirements will be applied to other Federal awards. In all cases, only one set of records needs to be maintained by the governmental unit.

e. Conditional exemptions.

(1) OMB authorizes conditional exemption from OMB administrative requirements and cost principles for certain Federal programs with statutorily-authorized consolidated planning and consolidated administrative funding, that are identified by a Federal agency and approved by the head of the Executive department or establishment. A Federal agency shall consult with OMB during its consideration of whether to grant such an exemption.

(2) To promote efficiency in State and local program administration, when Federal non-entitlement programs with common purposes have specific statutorily-authorized consolidated planning and consolidated administrative funding and where most of the State agency's resources come from non-Federal sources, Federal agencies may exempt these covered State-administered, non-entitlement grant programs from certain OMB grants management requirements. The

exemptions would be from all but the allocability of costs provisions of Appendix A subsection C.3 of 2 CFR part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A–87); Appendix A, Section C.4 of 2 CFR 220, Cost Principles for Educational Institutions (Circular A–21); Appendix A, subsection A.4 of 2 CFR 230 Cost Principles for Non-Profit Organizations (Circular A–122); and from all of the administrative requirements provisions of 2 CFR part 215, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations (Circular A–110), and the agencies' grants management common rule.

(3) When a Federal agency provides this flexibility, as a prerequisite to a State's exercising this option, a State must adopt its own written fiscal and administrative requirements for expending and accounting for all funds, which are consistent with the provisions of 2 CFR part 225 (OMB Circular A–87), and extend such policies to all subrecipients. These fiscal and administrative requirements must be sufficiently specific to ensure that: Funds are used in compliance with all applicable Federal statutory and regulatory provisions, costs are reasonable and necessary for operating these programs, and funds are not used for general expenses required to carry out other responsibilities of a State or its subrecipients.

B. *Definitions*

1. ''Approval or authorization of the awarding or cognizant Federal agency'' means documentation evidencing consent prior to incurring a specific cost. If such costs are specifically identified in a Federal award document, approval of the document constitutes approval of the costs. If the costs are covered by a State/local-wide cost allocation plan or an indirect cost proposal, approval of the plan constitutes the approval.

2. ''Award'' means grants, cost reimbursement contracts and other agreements between a State, local and Indian tribal government and the Federal Government.

3. ''Awarding agency'' means (a) with respect to a grant, cooperative agreement, or cost reimbursement contract, the Federal agency, and (b) with respect to a subaward, the party that awarded the subaward.

4. ''Central service cost allocation plan'' means the documentation identifying, accumulating, and allocating or developing billing rates based on the allowable costs of services provided by a governmental unit on a centralized basis to its departments and agencies. The costs of these services may be allocated or billed to users.

5. ''Claim'' means a written demand or written assertion by the governmental unit or grantor seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of award terms, or other relief arising under or relating to the award. A voucher, invoice or other routine request for payment that is not a dispute when submitted is not a claim. Appeals, such as those filed by a governmental unit in response to questioned audit costs, are not considered claims until a final management decision is made by the Federal awarding agency.

6. ''Cognizant agency'' means the Federal agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals developed under 2 CFR part 225 on behalf of all Federal agencies. OMB publishes a listing of cognizant agencies.

7. ''Common Rule'' means the ''Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments; Final Rule'' originally issued at 53 FR 8034–8103 (March 11, 1988). Other common rules will be referred to by their specific titles.

8. ''Contract'' means a mutually binding legal relationship obligating the seller to furnish the supplies or services (including construction) and the buyer to pay for them. It includes all types of commitments that obligate the government to an expenditure of appropriated funds and that, except as otherwise authorized, are in writing. In addition to bilateral instruments, contracts include (but are not limited to): Awards and notices of awards; job orders or task orders issued under basic ordering agreements; letter contracts; orders, such as purchase orders, under which the contract becomes effective by written acceptance or performance; and, bilateral contract modifications. Contracts do not include grants and cooperative agreements covered by 31 U.S.C. 6301 *et seq.*

9. ''Cost'' means an amount as determined on a cash, accrual, or other basis acceptable to the Federal awarding or cognizant agency. It does not include transfers to a general or similar fund.

10. ''Cost allocation plan'' means central service cost allocation plan, public assistance cost allocation plan, and indirect cost rate proposal. Each of these terms is further defined in this section.

11. ''Cost objective'' means a function, organizational subdivision, contract, grant, or other activity for which cost data are needed and for which costs are incurred.

12. ''Federally-recognized Indian tribal government'' means the governing body or a governmental agency of any Indian tribe, band, nation, or other organized group or community (including any native village as defined in Section 3 of the Alaska Native Claims Settlement Act, 85 Stat. 688) certified by the Secretary of the Interior as eligible for the special programs and services provided through the Bureau of Indian Affairs.

13. ''Governmental unit'' means the entire State, local, or federally-recognized Indian tribal government, including any component thereof. Components of governmental units may function independently of the governmental unit in accordance with the term of the award.

14. ''Grantee department or agency'' means the component of a State, local, or federally-recognized Indian tribal government which is responsible for the performance or administration of all or some part of a Federal award.

15. ''Indirect cost rate proposal'' means the documentation prepared by a governmental unit or component thereof to substantiate its request for the establishment of an indirect cost rate as described in Appendix E of 2 CFR part 225.

16. ''Local government'' means a county, municipality, city, town, township, local public authority, school district, special district, intrastate district, council of governments (whether or not incorporated as a non-profit corporation under State law), any other regional or interstate government entity, or any agency or instrumentality of a local government.

17. ''Public assistance cost allocation plan'' means a narrative description of the procedures that will be used in identifying, measuring and allocating all administrative costs to all of the programs administered or supervised by State public assistance agencies as described in Appendix D of 2 CFR part 225.

18. ''State'' means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a State exclusive of local governments.

C. *Basic Guidelines*

1. Factors affecting allowability of costs. To be allowable under Federal awards, costs must meet the following general criteria:

a. Be necessary and reasonable for proper and efficient performance and administration of Federal awards.

b. Be allocable to Federal awards under the provisions of 2 CFR part 225.

c. Be authorized or not prohibited under State or local laws or regulations.

d. Conform to any limitations or exclusions set forth in these principles, Federal laws, terms and conditions of the Federal award, or other governing regulations as to types or amounts of cost items.

e. Be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the governmental unit.

f. Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.

g. Except as otherwise provided for in 2 CFR part 225, be determined in accordance with generally accepted accounting principles.

h. Not be included as a cost or used to meet cost sharing or matching requirements of any other Federal award in either the current or a prior period, except as specifically provided by Federal law or regulation.

i. Be the net of all applicable credits.

j. Be adequately documented.

2. Reasonable costs. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. The question of reasonableness is particularly important when governmental units or components are predominately federally-funded. In determining reasonableness of a given cost, consideration shall be given to:

a. Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the governmental unit or the performance of the Federal award.

b. The restraints or requirements imposed by such factors as: Sound business practices; arm's-length bargaining; Federal, State and other laws and regulations; and, terms and conditions of the Federal award.

c. Market prices for comparable goods or services.

d. Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the governmental unit, its employees, the public at large, and the Federal Government.

e. Significant deviations from the established practices of the governmental unit which may unjustifiably increase the Federal award's cost.

3. Allocable costs.

a. A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received.

b. All activities which benefit from the governmental unit's indirect cost, including unallowable activities and services donated to the governmental unit by third parties, will receive an appropriate allocation of indirect costs.

c. Any cost allocable to a particular Federal award or cost objective under the principles provided for in 2 CFR part 225 may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by law or terms of the Federal awards, or for other reasons.

d. Where an accumulation of indirect costs will ultimately result in charges to a Federal award, a cost allocation plan will be required as described in Appendices C, D, and E to this part.

4. Applicable credits.

a. Applicable credits refer to those receipts or reduction of expenditure-type transactions that offset or reduce expense items allocable to Federal awards as direct or indirect costs. Examples of such transactions are: Purchase discounts, rebates or allowances, recoveries or indemnities on losses, insurance refunds or rebates, and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or received by the governmental unit relate to allowable costs, they shall be credited to the Federal award either as a cost reduction or cash refund, as appropriate.

b. In some instances, the amounts received from the Federal Government to finance activities or service operations of the governmental unit should be treated as applicable credits. Specifically, the concept of netting such credit items (including any amounts used to meet cost sharing or matching requirements) should be recognized in determining the rates or amounts to be charged to Federal awards. (See Appendix B to this part, item 11, ''Depreciation and use allowances,'' for areas of potential application in the matter of Federal financing of activities.)

D. *Composition of Cost*

1. Total cost. The total cost of Federal awards is comprised of the allowable direct cost of the program, plus its allocable portion of allowable indirect costs, less applicable credits.

2. Classification of costs. There is no universal rule for classifying certain costs as either direct or indirect under every accounting system. A cost may be direct with respect to some specific service or function, but indirect with respect to the Federal award or other final cost objective. Therefore, it is essential that each item of cost be treated consistently in like circumstances either as a direct or an indirect cost. Guidelines for determining direct and indirect costs charged to Federal awards are provided in the sections that follow.

E. *Direct Costs*

1. General. Direct costs are those that can be identified specifically with a particular final cost objective.

2. Application. Typical direct costs chargeable to Federal awards are:

a. Compensation of employees for the time devoted and identified specifically to the performance of those awards.

b. Cost of materials acquired, consumed, or expended specifically for the purpose of those awards.

c. Equipment and other approved capital expenditures.

d. Travel expenses incurred specifically to carry out the award.

3. Minor items. Any direct cost of a minor amount may be treated as an indirect cost for reasons of practicality where such accounting treatment for that item of cost is consistently applied to all cost objectives.

F. *Indirect Costs*

1. General. Indirect costs are those: Incurred for a common or joint purpose benefiting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. The term ''indirect costs,'' as used herein, applies to costs of this type originating in the grantee department, as well as those incurred by other departments in supplying goods, services, and facilities. To facilitate equitable distribution of indirect expenses to the cost objectives served, it may be necessary to establish a number of pools of indirect costs within a governmental unit department or in other agencies providing services to a governmental unit department. Indirect cost pools should be distributed to benefitted cost objectives on bases that will produce an equitable result in consideration of relative benefits derived.

2. Cost allocation plans and indirect cost proposals. Requirements for development and submission of cost allocation plans and indirect cost rate proposals are contained in Appendices C, D, and E to this part.

3. Limitation on indirect or administrative costs.

a. In addition to restrictions contained in 2 CFR part 225, there may be laws that further limit the amount of administrative or indirect cost allowed.

b. Amounts not recoverable as indirect costs or administrative costs under one Federal award may not be shifted to another Federal award, unless specifically authorized by Federal legislation or regulation.

G. Interagency Services. The cost of services provided by one agency to another within the governmental unit may include allowable direct costs of the service plus a pro rate share of indirect costs. A standard indirect cost allowance equal to ten percent of the direct salary and wage cost of providing the service (excluding overtime, shift premiums, and fringe benefits) may be used in lieu of determining the actual indirect costs of the service. These services do not include centralized services included in central service cost allocation plans as described in Appendix C to this part.

H. Required Certifications. Each cost allocation plan or indirect cost rate proposal required by Appendices C and E to this part must comply with the following:

1. No proposal to establish a cost allocation plan or an indirect cost rate, whether submitted to a Federal cognizant agency or maintained on file by the governmental unit, shall be acceptable unless such costs have been certified by the governmental unit using the Certificate of Cost Allocation Plan or Certificate of Indirect Costs as set forth in Appendices C and E to this part. The certificate must be signed on behalf of the governmental unit by an individual at a level no lower than chief financial officer of the governmental unit that submits the proposal or component covered by the proposal.

2. No cost allocation plan or indirect cost rate shall be approved by the Federal Government unless the plan or rate proposal has been certified. Where it is necessary to establish a cost allocation plan or an indirect cost rate and the governmental unit has not submitted a certified proposal for establishing such a plan or rate in accordance with the requirements, the Federal Government may either disallow all indirect costs or unilaterally establish such a plan or rate. Such a plan or rate may be based upon audited historical data or such other data that have been furnished to the cognizant Federal agency and for which it can be demonstrated that all unallowable costs have been excluded. When a cost allocation plan or indirect cost rate is unilaterally established by the Federal Government because of failure of the governmental unit to submit a certified proposal, the plan or rate established will be set to ensure that potentially unallowable costs will not be reimbursed.

Appendix B to Part 225—Selected Items of Cost

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Sections 1 through 43 provide principles to be applied in establishing the allowability or unallowability of certain items of cost. These principles apply whether a cost is treated as direct or indirect. A cost is allowable for Federal reimbursement only to the extent of benefits received by Federal awards and its conformance with the general policies and principles stated in Appendix A to this part. Failure to mention a particular item of cost in these sections is not intended to imply that it is either allowable or unallowable; rather, determination of allowability in each case should be based on the treatment or standards provided for similar or related items of cost.

1. *Advertising and public relations costs.*

a. The term advertising costs means the costs of advertising media and corollary administrative costs. Advertising media include magazines, newspapers, radio and television, direct mail, exhibits, electronic or computer transmittals, and the like.

b. The term public relations includes community relations and means those activities dedicated to maintaining the image of the governmental unit or maintaining or promoting understanding and favorable relations with the community or public at large or any segment of the public.

c. The only allowable advertising costs are those which are solely for:

(1) The recruitment of personnel required for the performance by the governmental unit of obligations arising under a Federal award;

(2) The procurement of goods and services for the performance of a Federal award;

(3) The disposal of scrap or surplus materials acquired in the performance of a Federal award except when governmental units are reimbursed for disposal costs at a predetermined amount; or

(4) Other specific purposes necessary to meet the requirements of the Federal award.

d. The only allowable public relations costs are:

(1) Costs specifically required by the Federal award;

(2) Costs of communicating with the public and press pertaining to specific activities or accomplishments which result from performance of Federal awards (these costs are considered necessary as part of the outreach effort for the Federal award); or

(3) Costs of conducting general liaison with news media and government public relations officers, to the extent that such activities are limited to communication and liaison necessary keep the public informed on matters of public concern, such as notices of Federal contract/grant awards, financial matters, etc.

e. Costs identified in subsections c and d if incurred for more than one Federal award or for both sponsored work and other work of the governmental unit, are allowable to the extent that the principles in Appendix A to this part, sections E. (''Direct Costs'') and F. (''Indirect Costs'') are observed.

f. Unallowable advertising and public relations costs include the following:

(1) All advertising and public relations costs other than as specified in subsections 1.c, d, and e of this appendix;

(2) Costs of meetings, conventions, convocations, or other events related to other activities of the governmental unit, including:

(a) Costs of displays, demonstrations, and exhibits;

(b) Costs of meeting rooms, hospitality suites, and other special facilities used in conjunction with shows and other special events; and

(c) Salaries and wages of employees engaged in setting up and displaying exhibits, making demonstrations, and providing briefings;

(3) Costs of promotional items and memorabilia, including models, gifts, and souvenirs;

(4) Costs of advertising and public relations designed solely to promote the governmental unit.

2. *Advisory councils.* Costs incurred by advisory councils or committees are allowable as a direct cost where authorized by the Federal awarding agency or as an indirect cost where allocable to Federal awards.

3. *Alcoholic beverages.* Costs of alcoholic beverages are unallowable.

4. *Audit costs and related services.*

a. The costs of audits required by , and performed in accordance with, the Single Audit Act, as implemented by Circular A–133, ''Audits of States, Local Governments, and Non-Profit Organizations'' are allowable. Also see 31 U.S.C. 7505(b) and section 230 (''Audit Costs'') of Circular A–133.

b. Other audit costs are allowable if included in a cost allocation plan or indirect cost proposal, or if specifically approved by the awarding agency as a direct cost to an award.

c. The cost of agreed-upon procedures engagements to monitor subrecipients who are exempted from A–133 under section 200(d) are allowable, subject to the conditions listed in A–133, section 230 (b)(2).

5. *Bad debts.* Bad debts, including losses (whether actual or estimated) arising from uncollectable accounts and other claims, related collection costs, and related legal costs, are unallowable.

6. *Bonding costs.*

a. Bonding costs arise when the Federal Government requires assurance against financial loss to itself or others by reason of the act or default of the governmental unit. They arise also in instances where the governmental unit requires similar assurance. Included are such bonds as bid, performance, payment, advance payment, infringement, and fidelity bonds.

b. Costs of bonding required pursuant to the terms of the award are allowable.

c. Costs of bonding required by the governmental unit in the general conduct of its operations are allowable to the extent that such bonding is in accordance with sound business practice and the rates and premiums are reasonable under the circumstances.

7. *Communication costs.* Costs incurred for telephone services, local and long distance telephone calls, telegrams, postage, messenger, electronic or computer transmittal services and the like are allowable.

8. *Compensation for personal services.*

a. General. Compensation for personnel services includes all remuneration, paid currently or accrued, for services rendered during the period of performance under Federal awards, including but not necessarily limited to wages, salaries, and fringe benefits. The costs of such compensation are allowable to the extent that they satisfy the specific requirements of this and other appendices under 2 CFR Part 225, and that the total compensation for individual employees:

(1) Is reasonable for the services rendered and conforms to the established policy of the governmental unit consistently applied to both Federal and non-Federal activities;

(2) Follows an appointment made in accordance with a governmental unit's laws and rules and meets merit system or other requirements required by Federal law, where applicable; and

(3) Is determined and supported as provided in subsection h.

b. Reasonableness. Compensation for employees engaged in work on Federal awards will be considered reasonable to the extent that it is consistent with that paid for similar work in other activities of the governmental unit. In cases where the kinds of employees required for Federal awards are not found in the other activities of the governmental unit, compensation will be considered reasonable to the extent that it is comparable to that paid for similar work in the labor market in which the employing government competes for the kind of employees involved. Compensation surveys providing data representative of the labor market involved will be an acceptable basis for evaluating reasonableness.

c. Unallowable costs. Costs which are unallowable under other sections of these principles shall not be allowable under this section solely on the basis that they constitute personnel compensation.

d. Fringe benefits.

(1) Fringe benefits are allowances and services provided by employers to their

employees as compensation in addition to regular salaries and wages. Fringe benefits include, but are not limited to, the costs of leave, employee insurance, pensions, and unemployment benefit plans. Except as provided elsewhere in these principles, the costs of fringe benefits are allowable to the extent that the benefits are reasonable and are required by law, governmental unit-employee agreement, or an established policy of the governmental unit.

(2) The cost of fringe benefits in the form of regular compensation paid to employees during periods of authorized absences from the job, such as for annual leave, sick leave, holidays, court leave, military leave, and other similar benefits, are allowable if: They are provided under established written leave policies; the costs are equitably allocated to all related activities, including Federal awards; and, the accounting basis (cash or accrual) selected for costing each type of leave is consistently followed by the governmental unit.

(3) When a governmental unit uses the cash basis of accounting, the cost of leave is recognized in the period that the leave is taken and paid for. Payments for unused leave when an employee retires or terminates employment are allowable in the year of payment provided they are allocated as a general administrative expense to all activities of the governmental unit or component.

(4) The accrual basis may be only used for those types of leave for which a liability as defined by Generally Accepted Accounting Principles (GAAP) exists when the leave is earned. When a governmental unit uses the accrual basis of accounting, in accordance with GAAP, allowable leave costs are the lesser of the amount accrued or funded.

(5) The cost of fringe benefits in the form of employer contributions or expenses for social security; employee life, health, unemployment, and worker's compensation insurance (except as indicated in section 22, Insurance and indemnification); pension plan costs (see subsection e.); and other similar benefits are allowable, provided such benefits are granted under established written policies. Such benefits, whether treated as indirect costs or as direct costs, shall be allocated to Federal awards and all other activities in a manner consistent with the pattern of benefits attributable to the individuals or group(s) of employees whose salaries and wages are chargeable to such Federal awards and other activities.

e. Pension plan costs. Pension plan costs may be computed using a pay-as-you-go method or an acceptable actuarial cost method in accordance with established written policies of the governmental unit.

(1) For pension plans financed on a pay-as-you-go method, allowable costs will be limited to those representing actual payments to retirees or their beneficiaries.

(2) Pension costs calculated using an actuarial cost-based method recognized by GAAP are allowable for a given fiscal year if they are funded for that year within six months after the end of that year. Costs funded after the six month period (or a later period agreed to by the cognizant agency) are allowable in the year funded. The cognizant agency may agree to an extension of the six month period if an appropriate adjustment is made to compensate for the timing of the charges to the Federal Government and related Federal reimbursement and the governmental unit's contribution to the pension fund. Adjustments may be made by cash refund or other equitable procedures to compensate the Federal Government for the time value of Federal reimbursements in excess of contributions to the pension fund.

(3) Amounts funded by the governmental unit in excess of the actuarially determined amount for a fiscal year may be used as the governmental unit's contribution in future periods.

(4) When a governmental unit converts to an acceptable actuarial cost method, as defined by GAAP, and funds pension costs in accordance with this method, the unfunded liability at the time of conversion shall be allowable if amortized over a period of years in accordance with GAAP.

(5) The Federal Government shall receive an equitable share of any previously allowed pension costs (including earnings thereon) which revert or inure to the governmental unit in the form of a refund, withdrawal, or other credit.

f. Post-retirement health benefits. Post-retirement health benefits (PRHB) refers to costs of health insurance or health services not included in a pension plan covered by subsection 8.e. of this appendix for retirees and their spouses, dependents, and survivors. PRHB costs may be computed using a pay-as-you-go method or an acceptable actuarial cost method in accordance with established written polices of the governmental unit.

(1) For PRHB financed on a pay as-you-go method, allowable costs will be limited to those representing actual payments to retirees or their beneficiaries.

(2) PRHB costs calculated using an actuarial cost method recognized by GAAP are allowable if they are funded for that year within six months after the end of that year. Costs funded after the six month period (or a later period agreed to by the cognizant agency) are allowable in the year funded. The cognizant agency may agree to an extension of the six month period if an appropriate adjustment is made to compensate for the timing of the charges to the Federal Government and related Federal reimbursements and the governmental unit's contributions to the PRHB fund. Adjustments may be made by cash refund, reduction in current year's PRHB costs, or other equitable procedures to compensate the Federal Government for the time value of Federal reimbursements in excess of contributions to the PRHB fund.

(3) Amounts funded in excess of the actuarially determined amount for a fiscal year may be used as the government's contribution in a future period.

(4) When a governmental unit converts to an acceptable actuarial cost method and funds PRHB costs in accordance with this method, the initial unfunded liability attributable to prior years shall be allowable if amortized over a period of years in accordance with GAAP, or, if no such GAAP period exists, over a period negotiated with the cognizant agency.

(5) To be allowable in the current year, the PRHB costs must be paid either to:

(a) An insurer or other benefit provider as current year costs or premiums, or

(b) An insurer or trustee to maintain a trust fund or reserve for the sole purpose of providing post-retirement benefits to retirees and other beneficiaries.

(6) The Federal Government shall receive an equitable share of any amounts of previously allowed post-retirement benefit costs (including earnings thereon) which revert or inure to the governmental unit in the form of a refund, withdrawal, or other credit.

g. Severance pay.

(1) Payments in addition to regular salaries and wages made to workers whose employment is being terminated are allowable to the extent that, in each case, they are required by law, employer-employee agreement, or established written policy.

(2) Severance payments (but not accruals) associated with normal turnover are allowable. Such payments shall be allocated to all activities of the governmental unit as an indirect cost.

(3) Abnormal or mass severance pay will be considered on a case-by-case basis and is allowable only if approved by the cognizant Federal agency.

h. Support of salaries and wages. These standards regarding time distribution are in addition to the standards for payroll documentation.

(1) Charges to Federal awards for salaries and wages, whether treated as direct or indirect costs, will be based on payrolls documented in accordance with generally accepted practice of the governmental unit and approved by a responsible official(s) of the governmental unit.

(2) No further documentation is required for the salaries and wages of employees who work in a single indirect cost activity.

(3) Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee.

(4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection 8.h.(5) of this appendix unless a statistical sampling system (see subsection 8.h.(6) of this appendix) or other substitute system has been approved by the cognizant Federal agency. Such documentary support will be required where employees work on:

(a) More than one Federal award,

(b) A Federal award and a non-Federal award,

(c) An indirect cost activity and a direct cost activity,

(d) Two or more indirect activities which are allocated using different allocation bases, or

(e) An unallowable activity and a direct or indirect cost activity.

(5) Personnel activity reports or equivalent documentation must meet the following standards:

(a) They must reflect an after-the-fact distribution of the actual activity of each employee,

(b) They must account for the total activity for which each employee is compensated,

(c) They must be prepared at least monthly and must coincide with one or more pay periods, and

(d) They must be signed by the employee.

(e) Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards but may be used for interim accounting purposes, provided that:

(i) The governmental unit's system for establishing the estimates produces reasonable approximations of the activity actually performed;

(ii) At least quarterly, comparisons of actual costs to budgeted distributions based on the monthly activity reports are made. Costs charged to Federal awards to reflect adjustments made as a result of the activity actually performed may be recorded annually if the quarterly comparisons show the differences between budgeted and actual costs are less than ten percent; and

(iii) The budget estimates or other distribution percentages are revised at least quarterly, if necessary, to reflect changed circumstances.

(6) Substitute systems for allocating salaries and wages to Federal awards may be used in place of activity reports. These systems are subject to approval if required by the cognizant agency. Such systems may include, but are not limited to, random moment sampling, case counts, or other quantifiable measures of employee effort.

(a) Substitute systems which use sampling methods (primarily for Temporary Assistance to Needy Families (TANF), Medicaid, and other public assistance programs) must meet acceptable statistical sampling standards including:

(i) The sampling universe must include all of the employees whose salaries and wages are to be allocated based on sample results except as provided in subsection 8.h.(6)(c) of this appendix;

(ii) The entire time period involved must be covered by the sample; and

(iii) The results must be statistically valid and applied to the period being sampled.

(b) Allocating charges for the sampled employees' supervisors, clerical and support staffs, based on the results of the sampled employees, will be acceptable.

(c) Less than full compliance with the statistical sampling standards noted in subsection 8.h.(6)(a) of this appendix may be accepted by the cognizant agency if it concludes that the amounts to be allocated to Federal awards will be minimal, or if it concludes that the system proposed by the governmental unit will result in lower costs to Federal awards than a system which complies with the standards.

(7) Salaries and wages of employees used in meeting cost sharing or matching requirements of Federal awards must be supported in the same manner as those claimed as allowable costs under Federal awards.

i. Donated services.

(1) Donated or volunteer services may be furnished to a governmental unit by professional and technical personnel, consultants, and other skilled and unskilled labor. The value of these services is not reimbursable either as a direct or indirect cost. However, the value of donated services may be used to meet cost sharing or matching requirements in accordance with the provisions of the Common Rule.

(2) The value of donated services utilized in the performance of a direct cost activity shall, when material in amount, be considered in the determination of the governmental unit's indirect costs or rate(s) and, accordingly, shall be allocated a proportionate share of applicable indirect costs.

(3) To the extent feasible, donated services will be supported by the same methods used by the governmental unit to support the allocability of regular personnel services.

9. *Contingency provisions.* Contributions to a contingency reserve or any similar provision made for events the occurrence of which cannot be foretold with certainty as to time, intensity, or with an assurance of their happening, are unallowable. The term ''contingency reserve'' excludes self-insurance reserves (see section 22.c. of this appendix), pension plan reserves (see section 8.e.), and post-retirement health and other benefit reserves (section 8.f.) computed using acceptable actuarial cost methods.

10. *Defense and prosecution of criminal and civil proceedings, and claims.*

a. The following costs are unallowable for contracts covered by 10 U.S.C. 2324(k), ''Allowable costs under defense contracts.''

(1) Costs incurred in defense of any civil or criminal fraud proceeding or similar proceeding (including filing of false certification brought by the United States where the contractor is found liable or has pleaded nolo contendere to a charge of fraud or similar proceeding (including filing of a false certification).

(2) Costs incurred by a contractor in connection with any criminal, civil or administrative proceedings commenced by the United States or a State to the extent provided in 10 U.S.C. 2324(k).

b. Legal expenses required in the administration of Federal programs are allowable. Legal expenses for prosecution of claims against the Federal Government are unallowable.

11. *Depreciation and use allowances.*

a. Depreciation and use allowances are means of allocating the cost of fixed assets to periods benefiting from asset use. Compensation for the use of fixed assets on hand may be made through depreciation or use allowances. A combination of the two methods may not be used in connection with a single class of fixed assets (*e.g.*, buildings, office equipment, computer equipment, etc.) except as provided for in subsection g. Except for enterprise funds and internal service funds that are included as part of a State/local cost allocation plan, classes of assets shall be determined on the same basis used for the government-wide financial statements.

b. The computation of depreciation or use allowances shall be based on the acquisition cost of the assets involved. Where actual cost records have not been maintained, a reasonable estimate of the original acquisition cost may be used. The value of an asset donated to the governmental unit by an unrelated third party shall be its fair market value at the time of donation. Governmental or quasi-governmental organizations located within the same State shall not be considered unrelated third parties for this purpose.

c. The computation of depreciation or use allowances will exclude:

(1) The cost of land;

(2) Any portion of the cost of buildings and equipment borne by or donated by the Federal Government irrespective of where title was originally vested or where it presently resides; and

(3) Any portion of the cost of buildings and equipment contributed by or for the governmental unit, or a related donor organization, in satisfaction of a matching requirement.

d. Where the depreciation method is followed, the following general criteria apply:

(1) The period of useful service (useful life) established in each case for usable capital assets must take into consideration such factors as type of construction, nature of the equipment used, historical usage patterns, technological developments, and the renewal and replacement policies of the governmental unit followed for the individual items or classes of assets involved. In the absence of clear evidence indicating that the expected consumption of the asset will be significantly greater in the early portions than in the later portions of its useful life, the straight line method of depreciation shall be used.

(2) Depreciation methods once used shall not be changed unless approved by the Federal cognizant or awarding agency. When the depreciation method is introduced for application to an asset previously subject to a use allowance, the annual depreciation charge thereon may not exceed the amount that would have resulted had the depreciation method been in effect from the date of acquisition of the asset. The combination of use allowances and depreciation applicable to the asset shall not exceed the total acquisition cost of the asset or fair market value at time of donation.

e. When the depreciation method is used for buildings, a building's shell may be segregated from the major component of the building (*e.g.*, plumbing system, heating, and air conditioning system, etc.) and each major component depreciated over its estimated useful life, or the entire building (*i.e.*, the shell and all components) may be treated as a single asset and depreciated over a single useful life.

f. Where the use allowance method is followed, the following general criteria apply:

(1) The use allowance for buildings and improvements (including land improvements, such as paved parking areas, fences, and sidewalks) will be computed at an annual rate not exceeding two percent of acquisition costs.

(2) The use allowance for equipment will be computed at an annual rate not exceeding 6⅔ percent of acquisition cost.

(3) When the use allowance method is used for buildings, the entire building must be treated as a single asset; the building's components (*e.g.*, plumbing system, heating and air condition, etc.) cannot be segregated from the building's shell. The two percent limitation, however, need not be applied to equipment which is merely attached or fastened to the building but not permanently fixed to it and which is used as furnishings or decorations or for specialized purposes (*e.g.*, dentist chairs and dental treatment units, counters, laboratory benches bolted to the floor, dishwashers, modular furniture, carpeting, etc.). Such equipment will be considered as not being permanently fixed to the building if it can be removed without the destruction of, or need for costly or extensive alterations or repairs, to the building or the equipment. Equipment that meets these criteria will be subject to the 6⅔ percent equipment use allowance limitation.

g. A reasonable use allowance may be negotiated for any assets that are considered to be fully depreciated, after taking into consideration the amount of depreciation previously charged to the government, the estimated useful life remaining at the time of negotiation, the effect of any increased maintenance charges, decreased efficiency due to age, and any other factors pertinent to the utilization of the asset for the purpose contemplated.

h. Charges for use allowances or depreciation must be supported by adequate property records. Physical inventories must be taken at least once every two years (a statistical sampling approach is acceptable) to ensure that assets exist, and are in use. Governmental units will manage equipment in accordance with State laws and procedures. When the depreciation method is followed, depreciation records indicating the amount of depreciation taken each period must also be maintained.

12. *Donations and contributions.*

a. Contributions or donations rendered. Contributions or donations, including cash, property, and services, made by the governmental unit, regardless of the recipient, are unallowable.

b. Donated services received:

(1) Donated or volunteer services may be furnished to a governmental unit by professional and technical personnel, consultants, and other skilled and unskilled labor. The value of these services is not reimbursable either as a direct or indirect cost. However, the value of donated services may be used to meet cost sharing or matching requirements in accordance with the Federal Grants Management Common Rule.

(2) The value of donated services utilized in the performance of a direct cost activity shall, when material in amount, be considered in the determination of the governmental unit's indirect costs or rate(s) and, accordingly, shall be allocated a proportionate share of applicable indirect costs.

(3) To the extent feasible, donated services will be supported by the same methods used by the governmental unit to support the allocability of regular personnel services.

13. *Employee morale, health, and welfare costs.*

a. The costs of employee information publications, health or first-aid clinics and/or infirmaries, recreational activities, employee counseling services, and any other expenses incurred in accordance with the governmental unit's established practice or custom for the improvement of working conditions, employer-employee relations, employee morale, and employee performance are allowable.

b. Such costs will be equitably apportioned to all activities of the governmental unit. Income generated from any of these activities will be offset against expenses.

14. *Entertainment.* Costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities) are unallowable.

15. *Equipment and other capital expenditures.*

a. For purposes of this subsection 15, the following definitions apply:

(1) ''Capital Expenditures'' means expenditures for the acquisition cost of capital assets (equipment, buildings, land), or expenditures to make improvements to capital assets that materially increase their value or useful life. Acquisition cost means the cost of the asset including the cost to put it in place. Acquisition cost for equipment, for example, means the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. Ancillary charges, such as taxes, duty, protective in transit insurance, freight, and installation may be included in, or excluded from the acquisition cost in accordance with the governmental unit's regular accounting practices.

(2) ''Equipment'' means an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost which equals or exceeds the lesser of the capitalization level established by the governmental unit for financial statement purposes, or $5000.

(3) ''Special purpose equipment'' means equipment which is used only for research, medical, scientific, or other technical activities. Examples of special purpose equipment include microscopes, x-ray machines, surgical instruments, and spectrometers.

(4) ''General purpose equipment'' means equipment, which is not limited to research, medical, scientific or other technical activities. Examples include office equipment and furnishings, modular offices, telephone networks, information technology equipment and systems, air conditioning equipment, reproduction and printing equipment, and motor vehicles.

b. The following rules of allowability shall apply to equipment and other capital expenditures:

(1) Capital expenditures for general purpose equipment, buildings, and land are unallowable as direct charges, except where approved in advance by the awarding agency.

(2) Capital expenditures for special purpose equipment are allowable as direct costs, provided that items with a unit cost of $5000 or more have the prior approval of the awarding agency.

(3) Capital expenditures for improvements to land, buildings, or equipment which materially increase their value or useful life are unallowable as a direct cost except with the prior approval of the awarding agency.

(4) When approved as a direct charge pursuant to section 15.b(1), (2), and (3)of this appendix, capital expenditures will be charged in the period in which the expenditure is incurred, or as otherwise determined appropriate and negotiated with the awarding agency. In addition, Federal awarding agencies are authorized at their option to waive or delegate the prior approval requirement.

(5) Equipment and other capital expenditures are unallowable as indirect costs. However, see section 11 of this appendix, Depreciation and use allowance, for rules on the allowability of use allowances or depreciation on buildings, capital improvements, and equipment. Also, see section 37 of this appendix, Rental costs, concerning the allowability of rental costs for land, buildings, and equipment.

(6) The unamortized portion of any equipment written off as a result of a change in capitalization levels may be recovered by continuing to claim the otherwise allowable use allowances or depreciation on the equipment, or by amortizing the amount to be written off over a period of years negotiated with the cognizant agency.

(7) When replacing equipment purchased in whole or in part with Federal funds, the governmental unit may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property.

16. *Fines and penalties.* Fines, penalties, damages, and other settlements resulting from violations (or alleged violations) of, or failure of the governmental unit to comply with, Federal, State, local, or Indian tribal laws and regulations are unallowable except when incurred as a result of compliance with specific provisions of the Federal award or written instructions by the awarding agency authorizing in advance such payments.

17. *Fund raising and investment management costs.*

a. Costs of organized fund raising, including financial campaigns, solicitation of gifts and bequests, and similar expenses incurred to raise capital or obtain contributions are unallowable, regardless of the purpose for which the funds will be used.

b. Costs of investment counsel and staff and similar expenses incurred to enhance income from investments are unallowable. However, such costs associated with investments covering pension, self-insurance, or other funds which include Federal participation allowed by this and other appendices of 2 CFR part 225 are allowable.

c. Fund raising and investment activities shall be allocated an appropriate share of indirect costs under the conditions described in subsection C.3.b. of Appendix A to this part.

18. *Gains and losses on disposition of depreciable property and other capital assets*

and substantial relocation of Federal programs.

a. (1) Gains and losses on the sale, retirement, or other disposition of depreciable property shall be included in the year in which they occur as credits or charges to the asset cost grouping(s) in which the property was included. The amount of the gain or loss to be included as a credit or charge to the appropriate asset cost grouping(s) shall be the difference between the amount realized on the property and the undepreciated basis of the property.

(2) Gains and losses on the disposition of depreciable property shall not be recognized as a separate credit or charge under the following conditions:

(a) The gain or loss is processed through a depreciation account and is reflected in the depreciation allowable under sections 11 and 15 of this appendix.

(b) The property is given in exchange as part of the purchase price of a similar item and the gain or loss is taken into account in determining the depreciation cost basis of the new item.

(c) A loss results from the failure to maintain permissible insurance, except as otherwise provided in subsection 22.d of this appendix.

(d) Compensation for the use of the property was provided through use allowances in lieu of depreciation.

b. Substantial relocation of Federal awards from a facility where the Federal Government participated in the financing to another facility prior to the expiration of the useful life of the financed facility requires Federal agency approval. The extent of the relocation, the amount of the Federal participation in the financing, and the depreciation charged to date may require negotiation of space charges for Federal awards.

c. Gains or losses of any nature arising from the sale or exchange of property other than the property covered in subsection 18.a. of this appendix, *e.g.*, land or included in the fair market value used in any adjustment resulting from a relocation of Federal awards covered in subsection b. shall be excluded in computing Federal award costs.

19. *General government expenses.*

a. The general costs of government are unallowable (except as provided in section 43 of this appendix, Travel costs). These include:

(1) Salaries and expenses of the Office of the Governor of a State or the chief executive of a political subdivision or the chief executive of federally-recognized Indian tribal government;

(2) Salaries and other expenses of a State legislature, tribal council, or similar local governmental body, such as a county supervisor, city council, school board, etc., whether incurred for purposes of legislation or executive direction;

(3) Costs of the judiciary branch of a government;

(4) Costs of prosecutorial activities unless treated as a direct cost to a specific program if authorized by program statute or regulation (however, this does not preclude the allowability of other legal activities of the Attorney General); and

(5) Costs of other general types of government services normally provided to the general public, such as fire and police, unless provided for as a direct cost under a program statute or regulation.

b. For federally-recognized Indian tribal governments and Councils Of Governments (COGs), the portion of salaries and expenses directly attributable to managing and operating Federal programs by the chief executive and his staff is allowable.

20. *Goods or services for personal use.* Costs of goods or services for personal use of the governmental unit's employees are unallowable regardless of whether the cost is reported as taxable income to the employees.

21. *Idle facilities and idle capacity.*

As used in this section the following terms have the meanings set forth below:

(1) ''Facilities'' means land and buildings or any portion thereof, equipment individually or collectively, or any other tangible capital asset, wherever located, and whether owned or leased by the governmental unit.

(2) ''Idle facilities'' means completely unused facilities that are excess to the governmental unit's current needs.

(3) ''Idle capacity'' means the unused capacity of partially used facilities. It is the difference between: that which a facility could achieve under 100 percent operating time on a one-shift basis less operating interruptions resulting from time lost for repairs, setups, unsatisfactory materials, and other normal delays; and the extent to which the facility was actually used to meet demands during the accounting period. A multi-shift basis should be used if it can be shown that this amount of usage would normally be expected for the type of facility involved.

(4) ''Cost of idle facilities or idle capacity'' means costs such as maintenance, repair, housing, rent, and other related costs, e.g., insurance, interest, property taxes and depreciation or use allowances.

b. The costs of idle facilities are unallowable except to the extent that:

(1) They are necessary to meet fluctuations in workload; or

(2) Although not necessary to meet fluctuations in workload, they were necessary when acquired and are now idle because of changes in program requirements, efforts to achieve more economical operations, reorganization, termination, or other causes which could not have been reasonably foreseen. Under the exception stated in this subsection, costs of idle facilities are allowable for a reasonable period of time, ordinarily not to exceed one year, depending on the initiative taken to use, lease, or dispose of such facilities.

c. The costs of idle capacity are normal costs of doing business and are a factor in the normal fluctuations of usage or indirect cost rates from period to period. Such costs are allowable, provided that the capacity is reasonably anticipated to be necessary or was originally reasonable and is not subject to reduction or elimination by use on other Federal awards, subletting, renting, or sale, in accordance with sound business, economic, or security practices. Widespread idle capacity throughout an entire facility or among a group of assets having substantially the same function may be considered idle facilities.

22. *Insurance and indemnification.*

a. Costs of insurance required or approved and maintained, pursuant to the Federal award, are allowable.

b. Costs of other insurance in connection with the general conduct of activities are allowable subject to the following limitations:

(1) Types and extent and cost of coverage are in accordance with the governmental unit's policy and sound business practice.

(2) Costs of insurance or of contributions to any reserve covering the risk of loss of, or damage to, Federal Government property are unallowable except to the extent that the awarding agency has specifically required or approved such costs.

c. Actual losses which could have been covered by permissible insurance (through a self-insurance program or otherwise) are unallowable, unless expressly provided for in the Federal award or as described below. However, the Federal Government will participate in actual losses of a self insurance fund that are in excess of reserves. Costs incurred because of losses not covered under nominal deductible insurance coverage provided in keeping with sound management practice, and minor losses not covered by insurance, such as spoilage, breakage, and disappearance of small hand tools, which occur in the ordinary course of operations, are allowable.

d. Contributions to a reserve for certain self-insurance programs including workers compensation, unemployment compensation, and severance pay are allowable subject to the following provisions:

(1) The type of coverage and the extent of coverage and the rates and premiums would have been allowed had insurance (including reinsurance) been purchased to cover the risks. However, provision for known or reasonably estimated self-insured liabilities, which do not become payable for more than one year after the provision is made, shall not exceed the discounted present value of the liability. The rate used for discounting the liability must be determined by giving consideration to such factors as the governmental unit's settlement rate for those liabilities and its investment rate of return.

(2) Earnings or investment income on reserves must be credited to those reserves.

(3) Contributions to reserves must be based on sound actuarial principles using historical experience and reasonable assumptions. Reserve levels must be analyzed and updated at least biennially for each major risk being insured and take into account any reinsurance, coinsurance, etc. Reserve levels related to employee-related coverages will normally be limited to the value of claims submitted and adjudicated but not paid, submitted but not adjudicated, and incurred but not submitted. Reserve levels in excess of the amounts based on the above must be identified and justified in the cost allocation plan or indirect cost rate proposal.

(4) Accounting records, actuarial studies, and cost allocations (or billings) must recognize any significant differences due to types of insured risk and losses generated by the various insured activities or agencies of the governmental unit. If individual departments or agencies of the governmental

unit experience significantly different levels of claims for a particular risk, those differences are to be recognized by the use of separate allocations or other techniques resulting in an equitable allocation.

(5) Whenever funds are transferred from a self-insurance reserve to other accounts (e.g., general fund), refunds shall be made to the Federal Government for its share of funds transferred, including earned or imputed interest from the date of transfer.

e. Actual claims paid to or on behalf of employees or former employees for workers' compensation, unemployment compensation, severance pay, and similar employee benefits (e.g., subsection 8.f. for post retirement health benefits), are allowable in the year of payment provided the governmental unit follows a consistent costing policy and they are allocated as a general administrative expense to all activities of the governmental unit.

f. Insurance refunds shall be credited against insurance costs in the year the refund is received.

g. Indemnification includes securing the governmental unit against liabilities to third persons and other losses not compensated by insurance or otherwise. The Federal Government is obligated to indemnify the governmental unit only to the extent expressly provided for in the Federal award, except as provided in subsection 22.d of this appendix.

h. Costs of commercial insurance that protects against the costs of the contractor for correction of the contractor's own defects in materials or workmanship are unallowable.

23. *Interest.*

a. Costs incurred for interest on borrowed capital or the use of a governmental unit's own funds, however represented, are unallowable except as specifically provided in subsection b. or authorized by Federal legislation.

b. Financing costs (including interest) paid or incurred which are associated with the otherwise allowable costs of building acquisition, construction, or fabrication, reconstruction or remodeling completed on or after October 1, 1980 is allowable subject to the conditions in section 23.b.(1) through (4) of this appendix. Financing costs (including interest) paid or incurred on or after September 1, 1995 for land or associated with otherwise allowable costs of equipment is allowable, subject to the conditions in section 23.b. (1) through (4) of this appendix.

(1) The financing is provided (from other than tax or user fee sources) by a bona fide third party external to the governmental unit;

(2) The assets are used in support of Federal awards;

(3) Earnings on debt service reserve funds or interest earned on borrowed funds pending payment of the construction or acquisition costs are used to offset the current period's cost or the capitalized interest, as appropriate. Earnings subject to being reported to the Federal Internal Revenue Service under arbitrage requirements are excludable.

(4) For debt arrangements over $1 million, unless the governmental unit makes an initial equity contribution to the asset purchase of 25 percent or more, the governmental unit shall reduce claims for interest cost by an amount equal to imputed interest earnings on excess cash flow, which is to be calculated as follows. Annually, non-Federal entities shall prepare a cumulative (from the inception of the project) report of monthly cash flows that includes inflows and outflows, regardless of the funding source. Inflows consist of depreciation expense, amortization of capitalized construction interest, and annual interest cost. For cash flow calculations, the annual inflow figures shall be divided by the number of months in the year (i.e., usually 12) that the building is in service for monthly amounts. Outflows consist of initial equity contributions, debt principal payments (less the pro rata share attributable to the unallowable costs of land) and interest payments. Where cumulative inflows exceed cumulative outflows, interest shall be calculated on the excess inflows for that period and be treated as a reduction to allowable interest cost. The rate of interest to be used to compute earnings on excess cash flows shall be the three-month Treasury bill closing rate as of the last business day of that month.

(5) Interest attributable to fully depreciated assets is unallowable.

24. *Lobbying.*

a. General. The cost of certain influencing activities associated with obtaining grants, contracts, cooperative agreements, or loans is an unallowable cost. Lobbying with respect to certain grants, contracts, cooperative agreements, and loans shall be governed by the common rule, ''New Restrictions on Lobbying'' (see Section J.24 of Appendix A to 2 CFR part 220), including definitions, and the Office of Management and Budget ''Government-wide Guidance for New Restrictions on Lobbying'' and notices published at 54 FR 52306 (December 20, 1989), 55 FR 24540 (June 15, 1990), and 57 FR 1772 (January 15, 1992), respectively.

b. Executive lobbying costs. Costs incurred in attempting to improperly influence either directly or indirectly, an employee or officer of the Executive Branch of the Federal Government to give consideration or to act regarding a sponsored agreement or a regulatory matter are unallowable. Improper influence means any influence that induces or tends to induce a Federal employee or officer to give consideration or to act regarding a federally-sponsored agreement or regulatory matter on any basis other than the merits of the matter.

25. *Maintenance, operations, and repairs.* Unless prohibited by law, the cost of utilities, insurance, security, janitorial services, elevator service, upkeep of grounds, necessary maintenance, normal repairs and alterations, and the like are allowable to the extent that they: keep property (including Federal property, unless otherwise provided for) in an efficient operating condition, do not add to the permanent value of property or appreciably prolong its intended life, and are not otherwise included in rental or other charges for space. Costs which add to the permanent value of property or appreciably prolong its intended life shall be treated as capital expenditures (see sections 11 and 15 of this appendix).

26. *Materials and supplies costs.*

a. Costs incurred for materials, supplies, and fabricated parts necessary to carry out a Federal award are allowable.

b. Purchased materials and supplies shall be charged at their actual prices, net of applicable credits. Withdrawals from general stores or stockrooms should be charged at their actual net cost under any recognized method of pricing inventory withdrawals, consistently applied. Incoming transportation charges are a proper part of materials and supplies costs.

c. Only materials and supplies actually used for the performance of a Federal award may be charged as direct costs.

d. Where federally-donated or furnished materials are used in performing the Federal award, such materials will be used without charge.

27. *Meetings and conferences.* Costs of meetings and conferences, the primary purpose of which is the dissemination of technical information, are allowable. This includes costs of meals, transportation, rental of facilities, speakers' fees, and other items incidental to such meetings or conferences. But see section 14, Entertainment costs, of this appendix.

28. *Memberships, subscriptions, and professional activity costs.*

a. Costs of the governmental unit's memberships in business, technical, and professional organizations are allowable.

b. Costs of the governmental unit's subscriptions to business, professional, and technical periodicals are allowable.

c. Costs of membership in civic and community, social organizations are allowable as a direct cost with the approval of the Federal awarding agency.

d. Costs of membership in organizations substantially engaged in lobbying are unallowable.

29. *Patent costs.*

a. The following costs relating to patent and copyright matters are allowable: cost of preparing disclosures, reports, and other documents required by the Federal award and of searching the art to the extent necessary to make such disclosures; cost of preparing documents and any other patent costs in connection with the filing and prosecution of a United States patent application where title or royalty-free license is required by the Federal Government to be conveyed to the Federal Government; and general counseling services relating to patent and copyright matters, such as advice on patent and copyright laws, regulations, clauses, and employee agreements (but see sections 32, Professional service costs, and 38, Royalties and other costs for use of patents and copyrights, of this appendix).

b. The following costs related to patent and copyright matter are unallowable: Cost of preparing disclosures, reports, and other documents and of searching the art to the extent necessary to make disclosures not required by the award; costs in connection with filing and prosecuting any foreign patent application; or any United States patent application, where the Federal award does not require conveying title or a royalty-free license to the Federal Government (but see section 38, Royalties and other costs for use of patents and copyrights, of this appendix).

30. *Plant and homeland security costs.* Necessary and reasonable expenses incurred for routine and homeland security to protect facilities, personnel, and work products are allowable. Such costs include, but are not limited to, wages and uniforms of personnel engaged in security activities; equipment; barriers; contractual security services; consultants; etc. Capital expenditures for homeland and plant security purposes are subject to section 15, Equipment and other capital expenditures, of this appendix.

31. *Pre-award costs.* Pre-award costs are those incurred prior to the effective date of the award directly pursuant to the negotiation and in anticipation of the award where such costs are necessary to comply with the proposed delivery schedule or period of performance. Such costs are allowable only to the extent that they would have been allowable if incurred after the date of the award and only with the written approval of the awarding agency.

32. *Professional service costs.*

a. Costs of professional and consultant services rendered by persons who are members of a particular profession or possess a special skill, and who are not officers or employees of the governmental unit, are allowable, subject to subparagraphs b and c when reasonable in relation to the services rendered and when not contingent upon recovery of the costs from the Federal Government. In addition, legal and related services are limited under section 10 of this appendix.

b. In determining the allowability of costs in a particular case, no single factor or any special combination of factors is necessarily determinative. However, the following factors are relevant:

(1) The nature and scope of the service rendered in relation to the service required.

(2) The necessity of contracting for the service, considering the governmental unit's capability in the particular area.

(3) The past pattern of such costs, particularly in the years prior to Federal awards.

(4) The impact of Federal awards on the governmental unit's business (*i.e.*, what new problems have arisen).

(5) Whether the proportion of Federal work to the governmental unit's total business is such as to influence the governmental unit in favor of incurring the cost, particularly where the services rendered are not of a continuing nature and have little relationship to work under Federal grants and contracts.

(6) Whether the service can be performed more economically by direct employment rather than contracting.

(7) The qualifications of the individual or concern rendering the service and the customary fees charged, especially on non-Federal awards.

(8) Adequacy of the contractual agreement for the service (*e.g.*, description of the service, estimate of time required, rate of compensation, and termination provisions).

c. In addition to the factors in subparagraph b, retainer fees to be allowable must be supported by available or rendered evidence of bona fide services available or rendered.

33. *Proposal costs.* Costs of preparing proposals for potential Federal awards are allowable. Proposal costs should normally be treated as indirect costs and should be allocated to all activities of the governmental unit utilizing the cost allocation plan and indirect cost rate proposal. However, proposal costs may be charged directly to Federal awards with the prior approval of the Federal awarding agency.

34. *Publication and printing costs.*

a. Publication costs include the costs of printing (including the processes of composition, plate-making, press work, binding, and the end products produced by such processes), distribution, promotion, mailing, and general handling. Publication costs also include page charges in professional publications.

b. If these costs are not identifiable with a particular cost objective, they should be allocated as indirect costs to all benefiting activities of the governmental unit.

c. Page charges for professional journal publications are allowable as a necessary part of research costs where:

(1) The research papers report work supported by the Federal Government; and

(2) The charges are levied impartially on all research papers published by the journal, whether or not by federally-sponsored authors.

35. *Rearrangement and alteration costs.* Costs incurred for ordinary and normal rearrangement and alteration of facilities are allowable. Special arrangements and alterations costs incurred specifically for a Federal award are allowable with the prior approval of the Federal awarding agency.

36. *Reconversion costs.* Costs incurred in the restoration or rehabilitation of the governmental unit's facilities to approximately the same condition existing immediately prior to commencement of Federal awards, less costs related to normal wear and tear, are allowable.

37. *Rental costs of buildings and equipment.*

a. Subject to the limitations described in subsections b. through d. of this section, rental costs are allowable to the extent that the rates are reasonable in light of such factors as: rental costs of comparable property, if any; market conditions in the area; alternatives available; and the type, life expectancy, condition, and value of the property leased. Rental arrangements should be reviewed periodically to determine if circumstances have changed and other options are available.

b. Rental costs under ''sale and lease back'' arrangements are allowable only up to the amount that would be allowed had the governmental unit continued to own the property. This amount would include expenses such as depreciation or use allowance, maintenance, taxes, and insurance.

c. Rental costs under ''less-than-arm's-length'' leases are allowable only up to the amount (as explained in section 37.b of this appendix) that would be allowed had title to the property vested in the governmental unit. For this purpose, a less-than-arm's-length lease is one under which one party to the lease agreement is able to control or substantially influence the actions of the other. Such leases include, but are not limited to those between divisions of a governmental unit; governmental units under common control through common officers, directors, or members; and a governmental unit and a director, trustee, officer, or key employee of the governmental unit or his immediate family, either directly or through corporations, trusts, or similar arrangements in which they hold a controlling interest. For example, a governmental unit may establish a separate corporation for the sole purpose of owning property and leasing it back to the governmental unit.

d. Rental costs under leases which are required to be treated as capital leases under GAAP are allowable only up to the amount (as explained in subsection 37.b of this appendix) that would be allowed had the governmental unit purchased the property on the date the lease agreement was executed. The provisions of Financial Accounting Standards Board Statement 13, Accounting for Leases, shall be used to determine whether a lease is a capital lease. Interest costs related to capital leases are allowable to the extent they meet the criteria in section 23 of this appendix. Unallowable costs include amounts paid for profit, management fees, and taxes that would not have been incurred had the governmental unit purchased the facility.

38. *Royalties and other costs for the use of patents.*

a. Royalties on a patent or copyright or amortization of the cost of acquiring by purchase a copyright, patent, or rights thereto, necessary for the proper performance of the award are allowable unless:

(1) The Federal Government has a license or the right to free use of the patent or copyright.

(2) The patent or copyright has been adjudicated to be invalid, or has been administratively determined to be invalid.

(3) The patent or copyright is considered to be unenforceable.

(4) The patent or copyright is expired.

b. Special care should be exercised in determining reasonableness where the royalties may have been arrived at as a result of less-than-arm's-length bargaining, *e.g.:*

(1) Royalties paid to persons, including corporations, affiliated with the governmental unit.

(2) Royalties paid to unaffiliated parties, including corporations, under an agreement entered into in contemplation that a Federal award would be made.

(3) Royalties paid under an agreement entered into after an award is made to a governmental unit.

c. In any case involving a patent or copyright formerly owned by the governmental unit, the amount of royalty allowed should not exceed the cost which would have been allowed had the governmental unit retained title thereto.

39. *Selling and marketing.* Costs of selling and marketing any products or services of the governmental unit are unallowable (unless allowed under section 1. of this appendix as allowable public relations costs or under section 33. of this appendix as allowable proposal costs.

40. *Taxes.*

a. Taxes that a governmental unit is legally required to pay are allowable, except for self-

assessed taxes that disproportionately affect Federal programs or changes in tax policies that disproportionately affect Federal programs. This provision is applicable to taxes paid during the governmental unit's first fiscal year that begins on or after January 1, 1998, and applies thereafter.

b. Gasoline taxes, motor vehicle fees, and other taxes that are in effect user fees for benefits provided to the Federal Government are allowable.

c. This provision does not restrict the authority of Federal agencies to identify taxes where Federal participation is inappropriate. Where the identification of the amount of unallowable taxes would require an inordinate amount of effort, the cognizant agency may accept a reasonable approximation thereof.

41. *Termination costs applicable to sponsored agreements.* Termination of awards generally gives rise to the incurrence of costs, or the need for special treatment of costs, which would not have arisen had the Federal award not been terminated. Cost principles covering these items are set forth below. They are to be used in conjunction with the other provisions of this appendix in termination situations.

a. The cost of items reasonably usable on the governmental unit's other work shall not be allowable unless the governmental unit submits evidence that it would not retain such items at cost without sustaining a loss. In deciding whether such items are reasonably usable on other work of the governmental unit, the awarding agency should consider the governmental unit's plans and orders for current and scheduled activity. Contemporaneous purchases of common items by the governmental unit shall be regarded as evidence that such items are reasonably usable on the governmental unit's other work. Any acceptance of common items as allocable to the terminated portion of the Federal award shall be limited to the extent that the quantities of such items on hand, in transit, and on order are in excess of the reasonable quantitative requirements of other work.

b. If in a particular case, despite all reasonable efforts by the governmental unit, certain costs cannot be discontinued immediately after the effective date of termination, such costs are generally allowable within the limitations set forth in this and other appendices of 2 CFR part 225, except that any such costs continuing after termination due to the negligent or willful failure of the governmental unit to discontinue such costs shall be unallowable.

c. Loss of useful value of special tooling, machinery, and equipment is generally allowable if:

(1) Such special tooling, special machinery, or equipment is not reasonably capable of use in the other work of the governmental unit,

(2) The interest of the Federal Government is protected by transfer of title or by other means deemed appropriate by the awarding agency, and

(3) The loss of useful value for any one terminated Federal award is limited to that portion of the acquisition cost which bears the same ratio to the total acquisition cost as the terminated portion of the Federal award bears to the entire terminated Federal award and other Federal awards for which the special tooling, machinery, or equipment was acquired.

d. Rental costs under unexpired leases are generally allowable where clearly shown to have been reasonably necessary for the performance of the terminated Federal award less the residual value of such leases, if:

(1) The amount of such rental claimed does not exceed the reasonable use value of the property leased for the period of the Federal award and such further period as may be reasonable, and

(2) The governmental unit makes all reasonable efforts to terminate, assign, settle, or otherwise reduce the cost of such lease. There also may be included the cost of alterations of such leased property, provided such alterations were necessary for the performance of the Federal award, and of reasonable restoration required by the provisions of the lease.

e. Settlement expenses including the following are generally allowable:

(1) Accounting, legal, clerical, and similar costs reasonably necessary for:

(a) The preparation and presentation to the awarding agency of settlement claims and supporting data with respect to the terminated portion of the Federal award, unless the termination is for default (see Subpart __.44 of the Grants Management Common Rule (see § 215.5) implementing OMB Circular A–102); and

(b) The termination and settlement of subawards.

(2) Reasonable costs for the storage, transportation, protection, and disposition of property provided by the Federal Government or acquired or produced for the Federal award, except when grantees or contractors are reimbursed for disposals at a predetermined amount in accordance with Subparts __.31 and __.32 of the Grants Management Common Rule (see § 215.5) implementing OMB Circular A–102.

f. Claims under subawards, including the allocable portion of claims which are common to the Federal award, and to other work of the governmental unit are generally allowable. An appropriate share of the governmental unit's indirect expense may be allocated to the amount of settlements with subcontractors and/or subgrantees, provided that the amount allocated is otherwise consistent with the basic guidelines contained in Appendix A to this part. The indirect expense so allocated shall exclude the same and similar costs claimed directly or indirectly as settlement expenses.

42. *Training costs.* The cost of training provided for employee development is allowable.

43. *Travel costs.*

a. General. Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of the governmental unit. Such costs may be charged on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip and not to selected days of the trip, and results in charges consistent with those normally allowed in like circumstances in the governmental unit's non-federally-sponsored activities. Notwithstanding the provisions of section 19 of this appendix, General government expenses, travel costs of officials covered by that section are allowable with the prior approval of an awarding agency when they are specifically related to Federal awards.

b. Lodging and subsistence. Costs incurred by employees and officers for travel, including costs of lodging, other subsistence, and incidental expenses, shall be considered reasonable and allowable only to the extent such costs do not exceed charges normally allowed by the governmental unit in its regular operations as the result of the governmental unit's written travel policy. In the absence of an acceptable, written governmental unit policy regarding travel costs, the rates and amounts established under subchapter I of Chapter 57, Title 5, United States Code (''Travel and Subsistence Expenses; Mileage Allowances''), or by the Administrator of General Services, or by the President (or his or her designee) pursuant to any provisions of such subchapter shall apply to travel under Federal awards (48 CFR 31.205–46(a)).

c. Commercial air travel.

(1) Airfare costs in excess of the customary standard commercial airfare (coach or equivalent), Federal Government contract airfare (where authorized and available), or the lowest commercial discount airfare are unallowable except when such accommodations would:

(a) Require circuitous routing;

(b) Require travel during unreasonable hours;

(c) Excessively prolong travel;

(d) Result in additional costs that would offset the transportation savings; or

(e) Offer accommodations not reasonably adequate for the traveler's medical needs. The governmental unit must justify and document these conditions on a case-by-case basis in order for the use of first-class airfare to be allowable in such cases.

(2) Unless a pattern of avoidance is detected, the Federal Government will generally not question a governmental unit's determinations that customary standard airfare or other discount airfare is unavailable for specific trips if the governmental unit can demonstrate either of the following:

(aa) That such airfare was not available in the specific case; or

(b) That it is the governmental unit's overall practice to make routine use of such airfare.

d. Air travel by other than commercial carrier. Costs of travel by governmental unit-owned, -leased, or -chartered aircraft include the cost of lease, charter, operation (including personnel costs), maintenance, depreciation, insurance, and other related costs. The portion of such costs that exceeds the cost of allowable commercial air travel, as provided for in subsection 43.c. of this appendix, is unallowable.

e. Foreign travel. Direct charges for foreign travel costs are allowable only when the travel has received prior approval of the awarding agency. Each separate foreign trip

must receive such approval. For purposes of this provision, ''foreign travel'' includes any travel outside Canada, Mexico, the United States, and any United States territories and possessions. However, the term ''foreign travel'' for a governmental unit located in a foreign country means travel outside that country.

Appendix C to Part 225—State/Local-Wide Central Service Cost Allocation Plans

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A. *General.*

1. Most governmental units provide certain services, such as motor pools, computer centers, purchasing, accounting, etc., to operating agencies on a centralized basis. Since federally-supported awards are performed within the individual operating agencies, there needs to be a process whereby these central service costs can be identified and assigned to benefitted activities on a reasonable and consistent basis. The central service cost allocation plan provides that process. All costs and other data used to distribute the costs included in the plan should be supported by formal accounting and other records that will support the propriety of the costs assigned to Federal awards.

2. Guidelines and illustrations of central service cost allocation plans are provided in a brochure published by the Department of Health and Human Services entitled ''A Guide for State and Local Government Agencies: Cost Principles and Procedures for Establishing Cost Allocation Plans and Indirect Cost Rates for Grants and Contracts with the Federal Government.'' A copy of this brochure may be obtained from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20401.

B. *Definitions.*

1. ''Billed central services'' means central services that are billed to benefitted agencies and/or programs on an individual fee-for-service or similar basis. Typical examples of billed central services include computer services, transportation services, insurance, and fringe benefits.

2. ''Allocated central services'' means central services that benefit operating agencies but are not billed to the agencies on a fee-for-service or similar basis. These costs are allocated to benefitted agencies on some reasonable basis. Examples of such services might include general accounting, personnel administration, purchasing, etc.

3. ''Agency or operating agency'' means an organizational unit or sub-division within a governmental unit that is responsible for the performance or administration of awards or activities of the governmental unit.

C. *Scope of the Central Service Cost Allocation Plans.* The central service cost allocation plan will include all central service costs that will be claimed (either as a billed or an allocated cost) under Federal awards and will be documented as described in section E. Costs of central services omitted from the plan will not be reimbursed.

D. *Submission Requirements.*

1. Each State will submit a plan to the Department of Health and Human Services for each year in which it claims central service costs under Federal awards. The plan should include a projection of the next year's allocated central service cost (based either on actual costs for the most recently completed year or the budget projection for the coming year), and a reconciliation of actual allocated central service costs to the estimated costs used for either the most recently completed year or the year immediately preceding the most recently completed year.

2. Each local government that has been designated as a ''major local government'' by the Office of Management and Budget (OMB) is also required to submit a plan to its cognizant agency annually. OMB periodically lists major local governments in the **Federal Register**.

3. All other local governments claiming central service costs must develop a plan in accordance with the requirements described in this appendix and maintain the plan and related supporting documentation for audit. These local governments are not required to submit their plans for Federal approval unless they are specifically requested to do so by the cognizant agency. Where a local government only receives funds as a sub-recipient, the primary recipient will be responsible for negotiating indirect cost rates and/or monitoring the sub-recipient's plan.

4. All central service cost allocation plans will be prepared and, when required, submitted within six months prior to the beginning of each of the governmental unit's fiscal years in which it proposes to claim central service costs. Extensions may be granted by the cognizant agency on a case-by-case basis.

E. *Documentation Requirements for Submitted Plans.* The documentation requirements described in this section may be modified, expanded, or reduced by the cognizant agency on a case-by-case basis. For example, the requirements may be reduced for those central services which have little or no impact on Federal awards. Conversely, if a review of a plan indicates that certain additional information is needed, and will likely be needed in future years, it may be routinely requested in future plan submissions. Items marked with an asterisk (*) should be submitted only once; subsequent plans should merely indicate any changes since the last plan.

1. General. All proposed plans must be accompanied by the following: An organization chart sufficiently detailed to show operations including the central service activities of the State/local government whether or not they are shown as benefiting from central service functions; a copy of the Comprehensive Annual Financial Report (or a copy of the Executive Budget if budgeted costs are being proposed) to support the allowable costs of each central service activity included in the plan; and, a certification (see subsection 4.) that the plan was prepared in accordance with this and other appendices to this part, contains only allowable costs, and was prepared in a manner that treated similar costs consistently among the various Federal awards and between Federal and non-Federal awards/activities.

2. Allocated central services. For each allocated central service, the plan must also include the following: A brief description of the service*, an identification of the unit rendering the service and the operating agencies receiving the service, the items of expense included in the cost of the service, the method used to distribute the cost of the service to benefitted agencies, and a summary schedule showing the allocation of each service to the specific benefitted agencies. If any self-insurance funds or fringe benefits costs are treated as allocated (rather than billed) central services, documentation discussed in subsections 3.b. and c. shall also be included.

3. Billed services.

a. General. The information described below shall be provided for all billed central services, including internal service funds, self-insurance funds, and fringe benefit funds.

b. Internal service funds.

(1) For each internal service fund or similar activity with an operating budget of $5 million or more, the plan shall include: A brief description of each service; a balance sheet for each fund based on individual accounts contained in the governmental unit's accounting system; a revenue/expenses statement, with revenues broken out by source, *e.g.*, regular billings, interest earned, etc.; a listing of all non-operating transfers (as defined by Generally Accepted Accounting Principles (GAAP)) into and out of the fund; a description of the procedures (methodology) used to charge the costs of each service to users, including how billing rates are determined; a schedule of current rates; and, a schedule comparing total revenues (including imputed revenues) generated by the service to the allowable costs of the service, as determined under this and other appendices of this part, with an explanation of how variances will be handled.

(2) Revenues shall consist of all revenues generated by the service, including unbilled and uncollected revenues. If some users were not billed for the services (or were not billed at the full rate for that class of users), a schedule showing the full imputed revenues associated with these users shall be provided. Expenses shall be broken out by object cost categories (*e.g.*, salaries, supplies, etc.).

c. Self-insurance funds. For each self-insurance fund, the plan shall include: The fund balance sheet; a statement of revenue and expenses including a summary of billings and claims paid by agency; a listing of all non-operating transfers into and out of the fund; the type(s) of risk(s) covered by the fund (*e.g.*, automobile liability, workers' compensation, etc.); an explanation of how the level of fund contributions are determined, including a copy of the current actuarial report (with the actuarial assumptions used) if the contributions are determined on an actuarial basis; and, a description of the procedures used to charge or allocate fund contributions to benefitted activities. Reserve levels in excess of claims submitted and adjudicated but not paid, submitted but not adjudicated, and incurred but not submitted must be identified and explained.

d. Fringe benefits. For fringe benefit costs, the plan shall include: A listing of fringe benefits provided to covered employees, and the overall annual cost of each type of benefit; current fringe benefit policies*; and procedures used to charge or allocate the costs of the benefits to benefitted activities. In addition, for pension and post-retirement health insurance plans, the following information shall be provided: the governmental unit's funding policies, *e.g.*, legislative bills, trust agreements, or State-mandated contribution rules, if different from actuarially determined rates; the pension plan's costs accrued for the year; the amount funded, and date(s) of funding; a copy of the current actuarial report (including the actuarial assumptions); the plan trustee's report; and, a schedule from the activity showing the value of the interest cost associated with late funding.

4. Required certification. Each central service cost allocation plan will be accompanied by a certification in the following form:

Certificate of Cost Allocation Plan

This is to certify that I have reviewed the cost allocation plan submitted herewith and to the best of my knowledge and belief:

(1) All costs included in this proposal [identify date] to establish cost allocations or billings for [identify period covered by plan] are allowable in accordance with the requirements of 2 CFR Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A–87), and the Federal award(s) to which they apply. Unallowable costs have been adjusted for in allocating costs as indicated in the cost allocation plan.

(2) All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the awards to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently.

I declare that the foregoing is true and correct.

Governmental Unit: _____

Signature: _____

Name of Official: _____

Title: _____

Date of Execution: _____

F. *Negotiation and Approval of Central Service Plans.*

1. All proposed central service cost allocation plans that are required to be submitted will be reviewed, negotiated, and approved by the Federal cognizant agency on a timely basis. The cognizant agency will review the proposal within six months of receipt of the proposal and either negotiate/approve the proposal or advise the governmental unit of the additional documentation needed to support/evaluate the proposed plan or the changes required to make the proposal acceptable. Once an agreement with the governmental unit has been reached, the agreement will be accepted and used by all Federal agencies, unless prohibited or limited by statute. Where a Federal funding agency has reason to believe that special operating factors affecting its awards necessitate special consideration, the funding agency will, prior to the time the plans are negotiated, notify the cognizant agency.

2. The results of each negotiation shall be formalized in a written agreement between the cognizant agency and the governmental unit. This agreement will be subject to re-opening if the agreement is subsequently found to violate a statute or the information upon which the plan was negotiated is later found to be materially incomplete or inaccurate. The results of the negotiation shall be made available to all Federal agencies for their use.

3. Negotiated cost allocation plans based on a proposal later found to have included costs that: Are unallowable as specified by law or regulation, as identified in Appendix B of this part, or by the terms and conditions of Federal awards, or are unallowable because they are clearly not allocable to Federal awards, shall be adjusted, or a refund shall be made at the option of the Federal cognizant agency. These adjustments or refunds are designed to correct the plans and do not constitute a reopening of the negotiation.

G. *Other Policies.*

1. Billed central service activities. Each billed central service activity must separately account for all revenues (including imputed revenues) generated by the service, expenses incurred to furnish the service, and profit/loss.

2. Working capital reserves. Internal service funds are dependent upon a reasonable level of working capital reserve to operate from one billing cycle to the next. Charges by an internal service activity to provide for the establishment and maintenance of a reasonable level of working capital reserve, in addition to the full recovery of costs, are allowable. A working capital reserve as part of retained earnings of up to 60 days cash expenses for normal operating purposes is considered reasonable. A working capital reserve exceeding 60 days may be approved by the cognizant Federal agency in exceptional cases.

3. Carry-forward adjustments of allocated central service costs. Allocated central service costs are usually negotiated and approved for a future fiscal year on a ''fixed with carry-forward'' basis. Under this procedure, the fixed amounts for the future year covered by agreement are not subject to adjustment for that year. However, when the actual costs of the year involved become known, the differences between the fixed amounts previously approved and the actual costs will be carried forward and used as an adjustment to the fixed amounts established for a later year. This ''carry-forward'' procedure applies to all central services whose costs were fixed in the approved plan. However, a carry-forward adjustment is not permitted, for a central service activity that was not included in the approved plan, or for unallowable costs that must be reimbursed immediately.

4. Adjustments of billed central services. Billing rates used to charge Federal awards shall be based on the estimated costs of providing the services, including an estimate of the allocable central service costs. A comparison of the revenue generated by each billed service (including total revenues whether or not billed or collected) to the actual allowable costs of the service will be made at least annually, and an adjustment will be made for the difference between the revenue and the allowable costs. These adjustments will be made through one of the following adjustment methods: A cash refund to the Federal Government for the Federal share of the adjustment, credits to the amounts charged to the individual programs, adjustments to future billing rates, or adjustments to allocated central service costs. Adjustments to allocated central services will not be permitted where the total amount of the adjustment for a particular service (Federal share and non-Federal) share exceeds $500,000.

5. Records retention. All central service cost allocation plans and related documentation used as a basis for claiming costs under Federal awards must be retained for audit in accordance with the records retention requirements contained in the Common Rule.

6. Appeals. If a dispute arises in the negotiation of a plan between the cognizant agency and the governmental unit, the dispute shall be resolved in accordance with the appeals procedures of the cognizant agency.

7. OMB assistance. To the extent that problems are encountered among the Federal agencies and/or governmental units in connection with the negotiation and approval process, OMB will lend assistance, as required, to resolve such problems in a timely manner.

Appendix D to Part 225—Public Assistance Cost Allocation Plans

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A. *General.* Federally-financed programs administered by State public assistance agencies are funded predominately by the Department of Health and Human Services (HHS). In support of its stewardship requirements, HHS has published requirements for the development, documentation, submission, negotiation, and approval of public assistance cost allocation plans in Subpart E of 45 CFR part 95. All administrative costs (direct and indirect) are normally charged to Federal awards by implementing the public assistance cost allocation plan. This appendix extends these requirements to all Federal agencies whose programs are administered by a State public assistance agency. Major federally-financed programs typically administered by State public assistance agencies include: Temporary Assistance to Needy Families (TANF), Medicaid, Food Stamps, Child Support Enforcement, Adoption Assistance and Foster Care, and Social Services Block Grant.

B. *Definitions.*

1. ''State public assistance agency'' means a State agency administering or supervising the administration of one or more public assistance programs operated by the State as identified in Subpart E of 45 CFR part 95. For the purpose of this appendix, these programs include all programs administered by the State public assistance agency.

2. ''State public assistance agency costs'' means all costs incurred by, or allocable to, the State public assistance agency, except expenditures for financial assistance, medical vendor payments, food stamps, and payments for services and goods provided directly to program recipients.

C. *Policy.* State public assistance agencies will develop, document and implement, and the Federal Government will review, negotiate, and approve, public assistance cost allocation plans in accordance with Subpart E of 45 CFR part 95. The plan will include all programs administered by the State public assistance agency. Where a letter of approval or disapproval is transmitted to a State public assistance agency in accordance with Subpart E, the letter will apply to all Federal agencies and programs. The remaining sections of this appendix (except for the requirement for certification) summarize the provisions of Subpart E of 45 CFR part 95.

D. *Submission, Documentation, and Approval of Public Assistance Cost Allocation Plans.*

1. State public assistance agencies are required to promptly submit amendments to the cost allocation plan to HHS for review and approval.

2. Under the coordination process outlined in subsection E, affected Federal agencies will review all new plans and plan amendments and provide comments, as appropriate, to HHS. The effective date of the plan or plan amendment will be the first day of the quarter following the submission of the plan or amendment, unless another date is specifically approved by HHS. HHS, as the cognizant agency acting on behalf of all affected Federal agencies, will, as necessary, conduct negotiations with the State public assistance agency and will inform the State agency of the action taken on the plan or plan amendment.

E. *Review of Implementation of Approved Plans.*

1. Since public assistance cost allocation plans are of a narrative nature, the review during the plan approval process consists of evaluating the appropriateness of the proposed groupings of costs (cost centers) and the related allocation bases. As such, the Federal Government needs some assurance that the cost allocation plan has been implemented as approved. This is accomplished by reviews by the funding agencies, single audits, or audits conducted by the cognizant audit agency.

2. Where inappropriate charges affecting more than one funding agency are identified, the cognizant HHS cost negotiation office will be advised and will take the lead in resolving the issue(s) as provided for in Subpart E of 45 CFR part 95.

3. If a dispute arises in the negotiation of a plan or from a disallowance involving two or more funding agencies, the dispute shall be resolved in accordance with the appeals procedures set out in 45 CFR part 75. Disputes involving only one funding agency will be resolved in accordance with the funding agency's appeal process.

4. To the extent that problems are encountered among the Federal agencies and/or governmental units in connection with the negotiation and approval process, the Office of Management and Budget will lend assistance, as required, to resolve such problems in a timely manner.

F. *Unallowable Costs.* Claims developed under approved cost allocation plans will be based on allowable costs as identified in 2 CFR part 225. Where unallowable costs have been claimed and reimbursed, they will be refunded to the program that reimbursed the unallowable cost using one of the following methods: a cash refund, offset to a subsequent claim, or credits to the amounts charged to individual awards.

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F. Other Policies
1. Fringe benefit rates
2. Billed services provided by the grantee agency
3. Indirect cost allocations not using rates
4. Appeals
5. Collections of unallowable costs and erroneous payments
6. OMB assistance

A. *General.*

1. Indirect costs are those that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. After direct costs have been determined and assigned directly to Federal awards and other activities as appropriate, indirect costs are those remaining to be allocated to benefitted cost objectives. A cost may not be allocated to a Federal award as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been assigned to a Federal award as a direct cost.

2. Indirect costs include the indirect costs originating in each department or agency of the governmental unit carrying out Federal awards and the costs of central governmental services distributed through the central service cost allocation plan (as described in Appendix C to this part) and not otherwise treated as direct costs.

3. Indirect costs are normally charged to Federal awards by the use of an indirect cost rate. A separate indirect cost rate(s) is usually necessary for each department or agency of the governmental unit claiming indirect costs under Federal awards. Guidelines and illustrations of indirect cost proposals are provided in a brochure published by the Department of Health and Human Services entitled ''A Guide for State and Local Government Agencies: Cost Principles and Procedures for Establishing Cost Allocation Plans and Indirect Cost Rates for Grants and Contracts with the Federal Government.'' A copy of this brochure may be obtained from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20401.

4. Because of the diverse characteristics and accounting practices of governmental units, the types of costs which may be classified as indirect costs cannot be specified in all situations. However, typical examples of indirect costs may include certain State/local-wide central service costs, general administration of the grantee department or agency, accounting and personnel services performed within the grantee department or agency, depreciation

or use allowances on buildings and equipment, the costs of operating and maintaining facilities, etc.

5. This appendix does not apply to State public assistance agencies. These agencies should refer instead to Appendix D to this part.

B. *Definitions.*

1. ''Indirect cost rate proposal'' means the documentation prepared by a governmental unit or subdivision thereof to substantiate its request for the establishment of an indirect cost rate.

2. ''Indirect cost rate'' is a device for determining in a reasonable manner the proportion of indirect costs each program should bear. It is the ratio (expressed as a percentage) of the indirect costs to a direct cost base.

3. ''Indirect cost pool'' is the accumulated costs that jointly benefit two or more programs or other cost objectives.

4. ''Base'' means the accumulated direct costs (normally either total direct salaries and wages or total direct costs exclusive of any extraordinary or distorting expenditures) used to distribute indirect costs to individual Federal awards. The direct cost base selected should result in each award bearing a fair share of the indirect costs in reasonable relation to the benefits received from the costs.

5. ''Predetermined rate'' means an indirect cost rate, applicable to a specified current or future period, usually the governmental unit's fiscal year. This rate is based on an estimate of the costs to be incurred during the period. Except under very unusual circumstances, a predetermined rate is not subject to adjustment. (Because of legal constraints, predetermined rates are not permitted for Federal contracts; they may, however, be used for grants or cooperative agreements.) Predetermined rates may not be used by governmental units that have not submitted and negotiated the rate with the cognizant agency. In view of the potential advantages offered by this procedure, negotiation of predetermined rates for indirect costs for a period of two to four years should be the norm in those situations where the cost experience and other pertinent facts available are deemed sufficient to enable the parties involved to reach an informed judgment as to the probable level of indirect costs during the ensuing accounting periods.

6. ''Fixed rate'' means an indirect cost rate which has the same characteristics as a predetermined rate, except that the difference between the estimated costs and the actual, allowable costs of the period covered by the rate is carried forward as an adjustment to the rate computation of a subsequent period.

7. ''Provisional rate'' means a temporary indirect cost rate applicable to a specified period which is used for funding, interim reimbursement, and reporting indirect costs on Federal awards pending the establishment of a ''final'' rate for that period.

8. ''Final rate'' means an indirect cost rate applicable to a specified past period which is based on the actual allowable costs of the period. A final audited rate is not subject to adjustment.

9. ''Base period'' for the allocation of indirect costs is the period in which such costs are incurred and accumulated for allocation to activities performed in that period. The base period normally should coincide with the governmental unit's fiscal year, but in any event, shall be so selected as to avoid inequities in the allocation of costs.

C. *Allocation of Indirect Costs and Determination of Indirect Cost Rates.*

1. General.

a. Where a governmental unit's department or agency has only one major function, or where all its major functions benefit from the indirect costs to approximately the same degree, the allocation of indirect costs and the computation of an indirect cost rate may be accomplished through simplified allocation procedures as described in subsection 2 of this appendix.

b. Where a governmental unit's department or agency has several major functions which benefit from its indirect costs in varying degrees, the allocation of indirect costs may require the accumulation of such costs into separate cost groupings which then are allocated individually to benefitted functions by means of a base which best measures the relative degree of benefit. The indirect costs allocated to each function are then distributed to individual awards and other activities included in that function by means of an indirect cost rate(s).

c. Specific methods for allocating indirect costs and computing indirect cost rates along with the conditions under which each method should be used are described in subsections 2, 3 and 4 of this appendix.

2. Simplified method.

a. Where a grantee agency's major functions benefit from its indirect costs to approximately the same degree, the allocation of indirect costs may be accomplished by classifying the grantee agency's total costs for the base period as either direct or indirect, and 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 individual Federal awards. The rate should be expressed as the percentage which the total amount of allowable indirect costs bears to the base selected. This method should also be used where a governmental unit's department or agency has only one major function encompassing a number of individual projects or activities, and may be used where the level of Federal awards to that department or agency is relatively small.

b. Both the direct costs and the indirect costs shall exclude capital expenditures and unallowable costs. However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable.

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

3. Multiple allocation base method.

a. Where a grantee agency's indirect costs benefit its major functions in varying degrees, such costs shall be accumulated into separate cost groupings. Each grouping shall then be allocated individually to benefitted functions by means of a base which best measures the relative benefits.

b. The cost groupings should be established so as to permit the allocation of each grouping on the basis of benefits provided to the major functions. Each grouping should constitute a pool of expenses that are of like character in terms of the functions they benefit and in terms of the allocation base which best measures the relative benefits provided to each function. The number of separate groupings should be held within practical limits, taking into consideration the materiality of the amounts involved and the degree of precision needed.

c. Actual conditions must be taken into account in selecting the base to be used in allocating the expenses in each grouping to benefitted functions. When an allocation can be made by assignment of a cost grouping directly to the function benefitted, the allocation shall be made in that manner. When the expenses in a grouping are more general in nature, the allocation should be made through the use of a selected base which produces results that are equitable to both the Federal Government and the governmental unit. In general, any cost element or related factor associated with the governmental unit's activities is potentially adaptable for use as an allocation base provided that: it can readily be expressed in terms of dollars or other quantitative measures (total direct costs, direct salaries and wages, staff hours applied, square feet used, hours of usage, number of documents processed, population served, and the like), and it is common to the benefitted functions during the base period.

d. Except where a special indirect cost rate(s) is required in accordance with subsection 4, the separate groupings of indirect costs allocated to each major function shall be aggregated and treated as a common pool for that function. The costs in the common pool shall then be distributed to individual Federal awards included in that function by use of a single indirect cost rate.

e. The distribution base used in computing the indirect cost rate for each function may be total direct costs (excluding capital expenditures and other distorting items such as pass-through funds, major subcontracts, etc.), direct salaries and wages, or another base which results in an equitable distribution. An indirect cost rate should be developed for each separate indirect cost pool developed. The rate in each case should be stated as the percentage relationship between the particular indirect cost pool and the distribution base identified with that pool.

4. Special indirect cost rates.

a. In some instances, a single indirect cost rate for all activities of a grantee department or agency or for each major function of the agency may not be appropriate. It may not take into account those different factors which may substantially affect the indirect costs applicable to a particular program or group of programs. The factors may include the physical location of the work, the level of administrative support required, the nature of the facilities or other resources

employed, the organizational arrangements used, or any combination thereof. When a particular award is carried out in an environment which appears to generate a significantly different level of indirect costs, provisions should be made for a separate indirect cost pool applicable to that award. The separate indirect cost pool should be developed during the course of the regular allocation process, and the separate indirect cost rate resulting therefrom should be used, provided that: the rate differs significantly from the rate which would have been developed under subsections 2. and 3. of this appendix, and the award to which the rate would apply is material in amount.

b. Although 2 CFR part 225 adopts the concept of the full allocation of indirect costs, there are some Federal statutes which restrict the reimbursement of certain indirect costs. Where such restrictions exist, it may be necessary to develop a special rate for the affected award. Where a ''restricted rate'' is required, the procedure for developing a non-restricted rate will be used except for the additional step of the elimination from the indirect cost pool those costs for which the law prohibits reimbursement.

D. *Submission and Documentation of Proposals.*

1. Submission of indirect cost rate proposals.

a. All departments or agencies of the governmental unit desiring to claim indirect costs under Federal awards must prepare an indirect cost rate proposal and related documentation to support those costs. The proposal and related documentation must be retained for audit in accordance with the records retention requirements contained in the Common Rule.

b. A governmental unit for which a cognizant agency assignment has been specifically designated must submit its indirect cost rate proposal to its cognizant agency. The Office of Management and Budget (OMB) will periodically publish lists of governmental units identifying the appropriate Federal cognizant agencies. The cognizant agency for all governmental units or agencies not identified by OMB will be determined based on the Federal agency providing the largest amount of Federal funds. In these cases, a governmental unit must develop an indirect cost proposal in accordance with the requirements of 2 CFR 225 and maintain the proposal and related supporting documentation for audit. These governmental units are not required to submit their proposals unless they are specifically requested to do so by the cognizant agency. Where a local government only receives funds as a sub-recipient, the primary recipient will be responsible for negotiating and/or monitoring the sub-recipient's plan.

c. Each Indian tribal government desiring reimbursement of indirect costs must submit its indirect cost proposal to the Department of the Interior (its cognizant Federal agency).

d. Indirect cost proposals must be developed (and, when required, submitted) within six months after the close of the governmental unit's fiscal year, unless an exception is approved by the cognizant Federal agency. If the proposed central service cost allocation plan for the same period has not been approved by that time, the indirect cost proposal may be prepared including an amount for central services that is based on the latest federally-approved central service cost allocation plan. The difference between these central service amounts and the amounts ultimately approved will be compensated for by an adjustment in a subsequent period.

2. Documentation of proposals. The following shall be included with each indirect cost proposal:

a. The rates proposed, including subsidiary work sheets and other relevant data, cross referenced and reconciled to the financial data noted in subsection b of this appendix. Allocated central service costs will be supported by the summary table included in the approved central service cost allocation plan. This summary table is not required to be submitted with the indirect cost proposal if the central service cost allocation plan for the same fiscal year has been approved by the cognizant agency and is available to the funding agency.

b. A copy of the financial data (financial statements, comprehensive annual financial report, executive budgets, accounting reports, etc.) upon which the rate is based. Adjustments resulting from the use of unaudited data will be recognized, where appropriate, by the Federal cognizant agency in a subsequent proposal.

c. The approximate amount of direct base costs incurred under Federal awards. These costs should be broken out between salaries and wages and other direct costs.

d. A chart showing the organizational structure of the agency during the period for which the proposal applies, along with a functional statement(s) noting the duties and/or responsibilities of all units that comprise the agency. (Once this is submitted, only revisions need be submitted with subsequent proposals.)

3. Required certification. Each indirect cost rate proposal shall be accompanied by a certification in the following form:

Certificate of Indirect Costs

This is to certify that I have reviewed the indirect cost rate proposal submitted herewith and to the best of my knowledge and belief:

(1) All costs included in this proposal [identify date] to establish billing or final indirect costs rates for [identify period covered by rate] are allowable in accordance with the requirements of the Federal award(s) to which they apply and 2 CFR part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A–87). Unallowable costs have been adjusted for in allocating costs as indicated in the cost allocation plan.

(2) All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the agreements to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently and the Federal Government will be notified of any accounting changes that would affect the predetermined rate.

I declare that the foregoing is true and correct.

Governmental Unit: _____

Signature: _____

Name of Official: _____

Title: _____

Date of Execution: _____

E. *Negotiation and Approval of Rates.*

1. Indirect cost rates will be reviewed, negotiated, and approved by the cognizant Federal agency on a timely basis. Once a rate has been agreed upon, it will be accepted and used by all Federal agencies unless prohibited or limited by statute. Where a Federal funding agency has reason to believe that special operating factors affecting its awards necessitate special indirect cost rates, the funding agency will, prior to the time the rates are negotiated, notify the cognizant Federal agency.

2. The use of predetermined rates, if allowed, is encouraged where the cognizant agency has reasonable assurance based on past experience and reliable projection of the grantee agency's costs, that the rate is not likely to exceed a rate based on actual costs. Long-term agreements utilizing predetermined rates extending over two or more years are encouraged, where appropriate.

3. The results of each negotiation shall be formalized in a written agreement between the cognizant agency and the governmental unit. This agreement will be subject to re-opening if the agreement is subsequently found to violate a statute, or the information upon which the plan was negotiated is later found to be materially incomplete or inaccurate. The agreed upon rates shall be made available to all Federal agencies for their use.

4. Refunds shall be made if proposals are later found to have included costs that are unallowable as specified by law or regulation, as identified in Appendix B to this part, or by the terms and conditions of Federal awards, or are unallowable because they are clearly not allocable to Federal awards. These adjustments or refunds will be made regardless of the type of rate negotiated (predetermined, final, fixed, or provisional).

F. *Other Policies.*

1. Fringe benefit rates. If overall fringe benefit rates are not approved for the governmental unit as part of the central service cost allocation plan, these rates will be reviewed, negotiated and approved for individual grantee agencies during the indirect cost negotiation process. In these cases, a proposed fringe benefit rate computation should accompany the indirect cost proposal. If fringe benefit rates are not used at the grantee agency level (*i.e.*, the agency specifically identifies fringe benefit costs to individual employees), the governmental unit should so advise the cognizant agency.

2. Billed services provided by the grantee agency. In some cases, governmental units provide and bill for services similar to those covered by central service cost allocation plans (*e.g.*, computer centers). Where this

occurs, the governmental unit should be guided by the requirements in Appendix C to this part relating to the development of billing rates and documentation requirements, and should advise the cognizant agency of any billed services. Reviews of these types of services (including reviews of costing/billing methodology, profits or losses, etc.) will be made on a case-by-case basis as warranted by the circumstances involved.

3. Indirect cost allocations not using rates. In certain situations, a governmental unit, because of the nature of its awards, may be required to develop a cost allocation plan that distributes indirect (and, in some cases, direct) costs to the specific funding sources. In these cases, a narrative cost allocation methodology should be developed, documented, maintained for audit, or submitted, as appropriate, to the cognizant agency for review, negotiation, and approval.

4. Appeals. If a dispute arises in a negotiation of an indirect cost rate (or other rate) between the cognizant agency and the governmental unit, the dispute shall be resolved in accordance with the appeals procedures of the cognizant agency.

5. Collection of unallowable costs and erroneous payments. Costs specifically identified as unallowable and charged to Federal awards either directly or indirectly will be refunded (including interest chargeable in accordance with applicable Federal agency regulations).

6. OMB assistance. To the extent that problems are encountered among the Federal agencies and/or governmental units in connection with the negotiation and approval process, OMB will lend assistance, as required, to resolve such problems in a timely manner.

[FR Doc. 05–16649 Filed 8–30–05; 8:45 am]

BILLING CODE 3110–01–P

OFFICE OF MANAGEMENT AND BUDGET

2 CFR Part 230

Cost Principles for Non-Profit Organizations (OMB Circular A–122)

AGENCY: Office of Management and Budget.

ACTION: Relocation of policy guidance to 2 CFR chapter II.

SUMMARY: The Office of Management and Budget (OMB) is relocating Circular A–122, ''Cost Principles for Non-Profit Organizations,'' to Title 2 in the Code of Federal Regulations (CFR), subtitle A, chapter II, part 230. This relocation is part of our broader initiative to create 2 CFR as a single location where the public can find both OMB guidance for grants and agreements and the associated Federal agency implementing regulations. The broader initiative provides a good foundation for streamlining and simplifying the policy framework for grants and agreements, one objective of OMB and Federal agency efforts to implement the Federal Financial Assistance Management Improvement Act of 1999 (Pub. L. 106–107).

DATES: Part 230 is effective August 31, 2005. This document republishes the existing OMB Circular A–122, which already is in effect.

FOR FURTHER INFORMATION CONTACT: Gil Tran, Office of Federal Financial Management, Office of Management and Budget, telephone 202–395–3052 (direct) or 202–395–3993 (main office) and e-mail: *Hai_M._Tran@omb.eop.gov*.

SUPPLEMENTARY INFORMATION: On May 10, 2004 [69 FR 25970], we revised the three OMB circulars containing Federal cost principles. The purpose of those revisions was to simplify the cost principles by making the descriptions of similar cost items consistent across the circulars where possible, thereby reducing the possibility of misinterpretation. Those revisions, a result of OMB and Federal agency efforts to implement Public Law 106–107, were effective on June 9, 2004.

In this document, we relocate OMB Circular A–122 to the CFR, in Title 2 which was established on May 11, 2004 [69 FR 26276] as a central location for OMB and Federal agency policies on grants and agreements.

Our relocation of OMB Circular A–122 does not change the substance of the circular. Other than adjustments needed to conform to the formatting requirements of the CFR, this document relocates in 2 CFR the version of OMB Circular A–122 as revised by the May 10, 2004 notice.

List of Subjects in 2 CFR Part 230

Accounting, Grant programs, Grants administration, Non-profit organizations, Reporting and recordkeeping requirements.

Dated: August 8, 2005.

Joshua B. Bolten,

Director.

Authority and Issuance

■ For the reasons set forth above, the Office of Management and Budget amends 2 CFR Subtitle A, chapter II, by adding a part 230 as set forth below.

PART 230—COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS (OMB CIRCULAR A–122)

Sec.

230.5 Purpose.
230.10 Scope.
230.15 Policy.
230.20 Applicability.
230.25 Definitions
230.30 OMB responsibilities.
230.35 Federal agency responsibilities.
230.40 Effective date of changes.
230.45 Relationship to previous issuance.
230.50 Information Contact.
Appendix A to Part 230—General Principles
Appendix B to Part 230—Selected Items of Cost
Appendix C to Part 230—Non-Profit Organizations Not Subject to This Part

Authority: 31 U.S.C. 503; 31 U.S.C. 1111; 41 U.S.C. 405; Reorganization Plan No. 2 of 1970; E.O. 11541, 35 FR 10737, 3 CFR, 1966–1970, p. 939

§ 230.5 Purpose.

This part establishes principles for determining costs of grants, contracts and other agreements with non-profit organizations.

§ 230.10 Scope.

(a) This part does not apply to colleges and universities which are covered by 2 CFR part 220 Cost Principles for Educational Institutions (OMB Circular A–21); State, local, and federally-recognized Indian tribal governments which are covered by 2 CFR part 225 Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A–87); or hospitals.

(b) The principles deal with the subject of cost determination, and make no attempt to identify the circumstances or dictate the extent of agency and non-profit organization participation in the financing of a particular project. Provision for profit or other increment above cost is outside the scope of this part.

§ 230.15 Policy.

The principles are designed to provide that the Federal Government bear its fair share of costs except where restricted or prohibited by law. The principles do not attempt to prescribe the extent of cost sharing or matching on grants, contracts, or other agreements. However, such cost sharing or matching shall not be accomplished through arbitrary limitations on individual cost elements by Federal agencies.

§ 230.20 Applicability.

(a) These principles shall be used by all Federal agencies in determining the costs of work performed by non-profit organizations under grants, cooperative agreements, cost reimbursement contracts, and other contracts in which costs are used in pricing, administration, or settlement. All of these instruments are hereafter referred to as awards. The principles do not apply to awards under which an organization is not required to account to the Federal Government for actual costs incurred.

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 February 16, 2022, I served the:

- **Current Mailing List dated January 24, 2022**
- **Controller's Late Comments on the IRC filed February 16, 2022**

  Interagency Child Abuse and Neglect Investigation Reports (ICAN), 20-0022-I-02
  Penal Code Sections 11165.9, 11166, 11166.2, 11166.9[1], 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapters 1289 and 1496; Statutes 1987, Chapters 82, 531, and 1459; Statutes 1988, Chapters 269, 1497, and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapters 650, 1330, 1363, 1603; Statutes 1992, Chapters 163, 459, and 1338; Statutes 1993, Chapters 219 and 510; Statutes 1996, Chapters 1080 and 1081; Statutes 1997, Chapters 842, 843, and 844; Statutes 1999, Chapters 475 and 1012; and Statutes 2000, Chapter 916; California Code of Regulations, Title 11, Section 903 (Register 98, Number 29); "Child Abuse Investigation Report" Form SS 8583 (Rev. 3/91)
  Fiscal Years: 1999-2000, 2000-2001, 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2005-2006, 2006-2007, 2007-2008, 2008-2009, 2009-2010, 2010-2011, and 2011-2012
  City of South Lake Tahoe, 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 February 16, 2022 at Sacramento, California.

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

[1] Renumbered as Penal Code section 11174.34 (Stats. 2004, ch. 842 (SB 1313)).

COMMISSION ON STATE MANDATES

Mailing List

Last Updated: 1/24/22

Claim Number: 20-0022-I-02

Matter: Interagency Child Abuse and Neglect Reports (ICAN)

Claimant: City of South Lake Tahoe

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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STATE of CALIFORNIA
COMMISSION ON STATE MANDATES

Exhibit C

September 12, 2022

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

Ms. Natalie Sidarous
State Controller's Office
Local Government Programs and Services Division
3301 C Street, Suite 740
Sacramento, CA 95816

And Parties, Interested Parties, and Interested Persons (See Mailing List)

Re: Draft Proposed Decision, Schedule for Comments, and Notice of Hearing
Interagency Child Abuse and Neglect Investigation Reports (ICAN), 20-0022-I-02
Penal Code Sections 11165.9, 11166, 11166.2, 11166.9[1], 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapters 1289 and 1496; Statutes 1987, Chapters 82, 531, and 1459; Statutes 1988, Chapters 269, 1497, and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapters 650, 1330, 1363, 1603; Statutes 1992, Chapters 163, 459, and 1338; Statutes 1993, Chapters 219 and 510; Statutes 1996, Chapters 1080 and 1081; Statutes 1997, Chapters 842, 843, and 844; Statutes 1999, Chapters 475 and 1012; and Statutes 2000, Chapter 916; California Code of Regulations, Title 11, Section 903 (Register 98, Number 29);[2] "Child Abuse Investigation Report" Form SS 8583 (Rev. 3/91)
Fiscal Years: 1999-2000, 2000-2001, 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2005-2006, 2006-2007, 2007-2008, 2008-2009, 2009-2010, 2010-2011, and 2011-2012
City of South Lake Tahoe, Claimant

Dear Ms. Chinn and Ms. Sidarous:

The Draft Proposed Decision for the above-captioned matter is enclosed for your review and comment.

Written Comments

Written comments may be filed on the Draft Proposed Decision not later than **5:00 p.m. on October 3, 2022**. Please note that all representations of fact submitted to the Commission must be signed under penalty of perjury by persons who are authorized and competent to do so and must be based upon the declarant's personal knowledge, information, or belief. (Cal. Code Regs., tit. 2, § 1187.5.) Hearsay evidence may be used for the purpose of supplementing or explaining other evidence but shall not be sufficient in itself to support a finding unless it would

[1] Renumbered as Penal Code section 11174.34 (Stats. 2004, ch. 842 (SB 1313)).

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

be admissible over an objection in civil actions. (Cal. Code Regs., tit. 2, § 1187.5.) The Commission's ultimate findings of fact must be supported by substantial evidence in the record.[3]

The Commission's regulations require that written materials filed with the Commission be electronically filed (e-filed) in an unlocked legible and searchable PDF file, using the Commission's Dropbox. (Cal. Code Regs., tit. 2, 1181.3(c)(1).) Refer to https://www.csm.ca.gov/dropbox.php on the Commission's website for electronic filing instructions. If e-filing would cause the filer undue hardship or significant prejudice, filing may occur by first class mail, overnight delivery or personal service only upon approval of a written request to the executive director. (Cal. Code Regs., tit. 2, 1181.3(c)(2).)

If you would like to request an extension of time to file comments, please refer to section 1187.9(a) of the Commission's regulations.

Hearing

This matter is set for hearing on **Friday, December 2, 2022**, at 10:00 a.m. via Zoom. The Proposed Decision will be issued on or about November 18, 2022.

Please notify Commission staff not later than the Wednesday prior to the hearing that you or a witness you are bringing plan to testify and please specify the names and email addresses of the people who will be speaking for inclusion on the witness list and so that detailed instructions regarding how to participate as a witness in this meeting on Zoom can be provided to them. When calling or emailing, please identify the item you want to testify on and the entity you represent. The Commission Chairperson reserves the right to impose time limits on presentations as may be necessary to complete the agenda.

If you would like to request postponement of the hearing, please refer to section 1187.9(b) of the Commission's regulations.

Sincerely,

Heather Halsey
Executive Director

[3] Government Code section 17559(b), which provides that a claimant or the state may commence a proceeding in accordance with the provisions of section 1094.5 of the Code of Civil Procedure to set aside a decision of the Commission on the ground that the Commission's decision is not supported by substantial evidence in the record.

ITEM ___

INCORRECT REDUCTION CLAIM

DRAFT PROPOSED DECISION

Penal Code Sections 11165.9, 11166, 11166.2, 11166.9,[1] 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapters 1289 and 1496; Statutes 1987, Chapters 82, 531 and 1459; Statutes 1988, Chapters 269, 1497 and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapters 650, 1330, 1363 and 1603; Statutes 1992, Chapters 163, 459 and 1338; Statutes 1993, Chapters 219 and 510; Statutes 1996, Chapters 1080 and 1081; Statutes 1997, Chapters 842, 843 and 844; Statutes 1999, Chapters 475 and 1012; and Statutes 2000, Chapter 916

California Code of Regulations, Title 11, Section 903 (Register 98, No. 29)[2]

"Child Abuse Investigation Report" Form SS 8583 (Rev. 3/91)

Interagency Child Abuse and Neglect Investigation Reports

Fiscal Years 1999-2000 through 2011-2012

20-0022-I-02

City of South Lake Tahoe, Claimant

EXECUTIVE SUMMARY

Overview

This Incorrect Reduction Claim (IRC) challenges the State Controller's Office (Controller's) reduction of costs claimed by the City of South Lake Tahoe for the *Interagency Child Abuse and Neglect Investigation Reports* (*ICAN*) program for fiscal years 1999-2000 through 2011-2012. This IRC and Decision are limited to Findings 2 and 3 in the Controller's audit report.

At issue are the Controller's reductions to the number of Suspected Child Abuse Reports (SCARs) investigated by the claimant for purposes of reporting cases that are "not unfounded" to the State Department of Justice (DOJ) and reductions to indirect labor costs. Specifically, the claimant challenges the Controller's exclusion of all police department-generated SCARs, reduction of other agency-generated SCARs in which a full initial investigation was performed,

[1] Renumbered at Penal Code section 11174.34 (Stats. 2004, ch. 842 (SB 1313)).

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

and exclusion of the public safety dispatcher and evidence technician positions from the indirect cost pool.

Staff finds that the Controller's reductions are correct as a matter of law and are not arbitrary, capricious, or entirely lacking in evidentiary support and recommends that the Commission on State Mandates (Commission) deny this IRC.

Procedural History

The Commission adopted Parameters and Guidelines for the *Interagency Child Abuse and Neglect Investigation Reports* program on December 16, 2013. The claimant signed amended reimbursement claims for fiscal years 1999-2000 through 2011-2012 on July 6, 2015. The Controller commenced the audit in December 2017 and issued the final audit report on May 21, 2018. The claimant filed the IRC on May 13, 2021. The Controller filed late comments on the IRC on February 16, 2022. Commission staff issued the Draft Proposed Decision on September 12, 2022.[3]

Commission Responsibilities

Government Code section 17561(d) authorizes the Controller to audit the claims filed by local agencies and school districts and to reduce any claim for reimbursement of state-mandated costs if the Controller determines that the claim is excessive or unreasonable.

Government Code section 17551(d) requires the Commission to hear and decide a claim that the Controller has incorrectly reduced payments to the local agency or school district. If the Commission determines that a reimbursement claim has been incorrectly reduced, section 1185.9 of the Commission's regulations requires the Commission to send the decision to the Controller and request that the costs in the claim be reinstated.

The Commission must review questions of law, including interpretation of parameters and guidelines, de novo, without consideration of legal conclusions made by the Controller in the context of an audit. The Commission is vested with exclusive authority to adjudicate disputes over the existence of state-mandated programs within the meaning of article XIII B, section 6 of the California Constitution.[4] The Commission must also interpret the Government Code and implementing regulations in accordance with the broader constitution and statutory scheme. In making its decisions, the Commission must strictly construe article XIII B, section 6 and not apply it as an "equitable remedy to cure the perceived unfairness resulting from political decisions on funding priorities."[5]

[3] Exhibit C, Draft Proposed Decision, issued September 12, 2022.

[4] *Kinlaw v. State of California* (1991) 54 Cal.3d 326, 331-334; Government Code sections 17551, 17552.

[5] *County of Sonoma v. Commission on State Mandates* (2000), 84 Cal.App.4th 1264, 1281, citing *City of San Jose v. State of California* (1996) 45 Cal.App.4th 1802, 1817.

With regard to the Controller's audit decisions, the Commission must determine whether they were arbitrary, capricious, or entirely lacking in evidentiary support. This standard is similar to the standard used by the courts when reviewing an alleged abuse of discretion of a state agency.[6]

The Commission must also review the Controller's audit in light of the fact that the initial burden of providing evidence for a claim of reimbursement lies with the claimant.[7] In addition, section 1185.1(f)(3) and 1185.2(d) and (e) of the Commission's regulations requires that any assertions of fact by the parties to an IRC must be supported by documentary evidence. The Commission's ultimate findings of fact must be supported by substantial evidence in the record.[8]

Claims

The following chart provides a brief summary of the claims and issues raised and staff's recommendation.

Issue	Description	Staff Recommendation
Did the claimant timely file the IRC?	At the time of issuance of the final audit report, section 1185.1(c) of the Commission's regulations required an IRC to be filed no later than three years after the claimant first receives a final state audit report, letter, or other written notice of adjustment to a reimbursement claim, which complies with the notice requirements of Government Code section 17558.5(c).	*Timely filed* – The IRC was filed May 13, 2021, within three years of the final audit report and is therefore timely.
Is the Controller's reduction of investigation costs in Finding 2, based on the Controller's exclusion of the SCARs submitted by mandated reporters employed by the claimant's police	Under the Parameters and Guidelines, claimants are eligible for reimbursement to complete an investigation for purposes of preparing and submitting the Form SS 8583 to the Department of Justice	*Correct as a matter of law and not arbitrary, capricious, or entirely lacking in evidentiary support* – The Controller's determination, that "the level of investigation performed by

[6] *Johnston v. Sonoma County Agricultural Preservation and Open Space District* (2002) 100 Cal.App.4th 973, 983-984; *American Bd. of Cosmetic Surgery, Inc. v. Medical Bd. of California* (2008) 162 Cal.App.4th 534, 547.

[7] *Gilbert v. City of Sunnyvale* (2005) 130 Cal.App.4th 1264, 1274-1275.

[8] Government Code section 17559(b), which provides that a claimant or the state may commence a proceeding in accordance with the provisions of section 1094.5 of the Code of Civil Procedure to set aside a decision of the Commission on the ground that the Commission's decision is not supported by substantial evidence in the record.

Issue	Description	Staff Recommendation
department, correct as a matter of law and not arbitrary, capricious, or entirely lacking in evidentiary support?	(DOJ).[9] Submitting the Form SS 8583 to DOJ is required when a report of abuse is "not unfounded." However, as applied to cases in which the SCAR (Form SS 8572) is generated by a mandated reporter employed by a police department, where the mandated reporter determines "in his or her professional capacity or within the scope of his or her employment" that the report of suspected child abuse or severe neglect is "not unfounded," the mandated reporter, in most cases, has completed the requisite level of investigation necessary to trigger the DOJ reporting requirement (i.e., to prepare and submit the Form SS 8583 to DOJ), and no further investigation would be required.[10] The Parameters and Guidelines contemplate, however, that there may be some circumstances where receipt of a SCAR may require the police department to conduct additional interviews for the sole purpose of preparing and submitting the Form SS 8583 to DOJ ("Conducting initial interviews with parents,	the mandated reporter to gather the necessary information for completing the SS 8572 form *is frequently sufficient* to complete form SS 8583" when the mandated reporter is employed by the investigating agency, and that supporting documentation is required to determine if the investigation by the agency is performed for the purpose of preparing and submitting a report to DOJ, is correct as a matter of law.[12] The record shows that the Controller reviewed all available documentation provided by the claimant, and determined that the documentation did not establish that the level of investigation performed was limited to the mandate or exceeded that required of the mandated reporter employed by the police department when completing the SCAR. The claimant has not provided evidence to the contrary.

[9] Exhibit A, IRC, filed May 13, 2021, page 241 (Decision and Parameters and Guidelines, page 8).

[10] Exhibit A, IRC, filed May 13, 2021, page 197 (Decision and Parameters and Guidelines, page 41).

[12] Exhibit A, IRC, filed May 13, 2021, page 495 (Final Audit Report, page 30).

Issue	Description	Staff Recommendation
	victims, suspects, or witnesses, *where applicable*"), and if those costs are supported by documentation.[11]	
Is the Controller's reduction of investigation costs in Finding 2, based on the number of SCARs referred to the claimant's police department by other agencies for which the claimant alleges the police department completed a full initial investigation, correct as a matter of law and not arbitrary, capricious, or entirely lacking in evidentiary support?	The Controller determined that the police department completed a full initial investigation for only 10 percent of the SCARs referred by other agencies.[13] For the remaining 90 percent, the Controller allowed additional time increments for partial initial investigation activities, consistent with the Parameters and Guidelines, despite the fact that the claimant did not provide supporting documentation.[14] The claimant asserts that four additional investigative activities, though not expressly stated in the Parameters and Guidelines, should have been eligible for reimbursement for those 90 percent of cases that the Controller deemed not fully investigated, because without performing these additional investigative activities, "it would have been impossible to determine the disposition of the case: whether or not the allegations were founded and a SS 8583 report was required to be sent to the DOJ	*Correct as a matter of law and not arbitrary, capricious, or entirely lacking in evidentiary support* – None of the additional activities proposed by the claimant were approved by the Commission as reasonably necessary activities and therefore the claimant's proposed activities are not eligible for reimbursement. The record shows that the Controller reviewed all available documentation provided by the claimant and determined that the documentation established that some, but not all, of the other agency-generated SCARs were fully investigated by the police department. For the 90 percent of other agency-generated SCARs where the Controller determined that the police department did not complete a full initial investigation, the Controller found that certain preliminary investigative activities were reimbursable, despite the fact that the claimant did not

[11] Exhibit A, IRC, filed May 13, 2021, page 241 (Parameters and Guidelines), emphasis added.

[13] Exhibit A, IRC, filed May 13, 2021, page 483 (Final Audit Report).

[14] Exhibit A, IRC, filed May 13, 2021, page 485 (Final Audit Report).

Issue	Description	Staff Recommendation
	as required by State law and this mandate program."[15]	provide supporting documentation. The claimant has not submitted evidence showing otherwise.
Is the Controller's reduction of indirect costs in Finding 3, by excluding the public safety dispatcher and evidence technician classifications from the indirect cost pool, correct as a matter of law and not arbitrary, capricious, or entirely lacking in evidentiary support?	The Parameters and Guidelines require the claimant to choose between two methodologies when calculating an ICRP, one in which the cost objective is a department as a whole, and the other in which the cost objective is a group, such as a division or program, within the department.	*Correct as a matter of law and not arbitrary, capricious, or entirely lacking in evidentiary support* – The claimant's position is based on the incorrect premise that the cost objective here is the *ICAN* program, not the police department as a whole. Under the applicable ICRP methodology of classifying the police department's expenditures as a whole into direct and indirect costs, the degree to which the job duties performed by the public safety dispatcher and evidence technician are direct or indirect is based on the relationship of those duties to the police department's direct and indirect functions as a whole. The Controller analyzed the public safety dispatcher and evidence technician duty statements and did not identify any duties that were indirect in nature, or "not readily identifiable or assignable to one unit and [which] typically would benefit more than one department."[16] There is no evidence in the record that the Controller failed to explain its position

[15] Exhibit A, IRC, filed May 13, 2021, page 7.

[16] Exhibit A, IRC, filed May 13, 2021, page 501 (Final Audit Report, page 36), emphasis added.

Issue	Description	Staff Recommendation
		or consider the claimant's documentation.

Staff Analysis

A. The Claimant Timely Filed the IRC.

At the time the Controller issued the audit report, section 1185.1(c) of the Commission's regulations required an IRC to be filed no later than three years after the date the claimant receives a final state audit report, letter, or other written notice of adjustment to a reimbursement claim, which complies with Government Code section 17558.5(c). Under Government Code section 17558.5(c), the Controller is required to notify the claimant in writing within 30 days after issuance of a remittance advice of any adjustment to a reimbursement claim resulting from an audit or review. The notice must specify which claim components were adjusted and in what amount, as well as interest charges, and the reason for the adjustment.[17]

Here, the Controller issued the final audit report on May 21, 2018.[18] The audit report specifies the claim components and amounts adjusted, as well as the reasons for the adjustments and therefore complies with the notice requirements of section 17558.5(c).[19] The claimant filed the IRC on May 13, 2021.[20] The IRC was filed within three years of the date of the final audit report. Staff finds that the IRC was timely filed.

B. The Controller's Reduction in Finding 2 for the Costs Claimed to Complete an Investigation for Purposes of Preparing Form SS 8583, Based on the Exclusion of 10 Suspected Child Abuse Reports (SCARs) Received by the Claimant's Police Department, Is Correct as a Matter of Law and Is Not Arbitrary, Capricious, or Entirely Lacking in Evidentiary Support.

Staff finds that the Controller's reduction of investigation costs in Finding 2, based on the Controller's exclusion of the SCARs submitted by mandated reporters employed by the claimant's police department, is correct as a matter of law and is not arbitrary, capricious, or entirely lacking in evidentiary support. Under the Parameters and Guidelines, claimants are eligible for reimbursement to complete an investigation for purposes of preparing and submitting the Form SS 8583 to the Department of Justice (DOJ).[21] Submitting the Form SS 8583 to DOJ is required when a report of abuse is "not unfounded." However, as applied to cases in which the SCAR (Form SS 8572) is generated by a mandated reporter employed by a police department, where the mandated reporter determines "in his or her professional capacity or within the scope of his or her employment" that the report of suspected child abuse or severe neglect is "not unfounded," the mandated reporter, in most cases, has completed the requisite level of

[17] Government Code section 17558.5(c).

[18] Exhibit A, IRC, filed May 13, 2021, page 463 (Final Audit Report).

[19] Exhibit A, IRC, filed May 13, 2021, pages 463-508 (Final Audit Report).

[20] Exhibit A, IRC, filed May 13, 2021, page 1.

[21] Exhibit A, IRC, filed May 13, 2021, page 241 (Parameters and Guidelines).

investigation necessary to trigger the DOJ reporting requirement (i.e., to prepare and submit the Form SS 8583 to DOJ), and no further investigation would be required.[22] The Parameters and Guidelines contemplate, however, that there may be some circumstances where receipt of a SCAR may require the police department to conduct additional interviews for the sole purpose of preparing and submitting the Form SS 8583 to DOJ ("Conducting initial interviews with parents, victims, suspects, or witnesses, *where applicable*"), and if those costs are supported by documentation.[23]

Thus, the Controller's determination, that "the level of investigation performed by the mandated reporter to gather the necessary information for completing the SS 8572 form *is frequently sufficient* to complete form SS 8583" when the mandated reporter is employed by the investigating agency, and that supporting documentation is required to determine if the investigation by the agency is performed for the purpose of preparing and submitting a report to DOJ, is correct as a matter of law.[24]

The record shows that the Controller reviewed all available documentation provided by the claimant, and determined that the documentation did not establish that the level of investigation performed was limited to the mandate or exceeded that required of the mandated reporter employed by the police department when completing the SCAR. The claimant has not provided evidence to the contrary.

C. The Controller's Reduction in Finding 2 for the Costs Claimed to Complete an Investigation for Purposes of Preparing Form SS 8583, Based on the Reduction to the Number of Suspected Child Abuse Reports (SCARs) Referred to the Claimant's Police Department by Other Agencies, Is Correct as a Matter of Law and Is Not Arbitrary, Capricious, or Entirely Lacking in Evidentiary Support.

Staff finds that the Controller's reduction of investigation costs in Finding 2, based on the number of SCARs referred to the claimant's police department by other agencies for which the claimant alleges the police department completed a full initial investigation, is correct as a matter of law and is not arbitrary, capricious, or entirely lacking in evidentiary support. The Controller determined that the police department completed a full initial investigation for only 10 percent of the SCARs referred by other agencies.[25] For the remaining 90 percent, the Controller allowed additional time increments for partial initial investigation activities, consistent with the Parameters and Guidelines, despite the fact that the claimant did not provide supporting documentation.[26] The claimant asserts that four additional investigative activities, though not expressly stated in the Parameters and Guidelines, should have been eligible for reimbursement for those 90 percent of cases that the Controller deemed not fully investigated, because without performing these additional investigative activities, "it would have been impossible to determine

[22] Exhibit A, IRC, filed May 13, 2021, page 197 (Decision and Parameters and Guidelines).

[23] Exhibit A, IRC, filed May 13, 2021, page 241 (Decision and Parameters and Guidelines), emphasis added.

[24] Exhibit A, IRC, filed May 13, 2021, page 495 (Final Audit Report).

[25] Exhibit A, IRC, filed May 13, 2021, page 483 (Final Audit Report).

[26] Exhibit A, IRC, filed May 13, 2021, page 485 (Final Audit Report).

the disposition of the case: whether or not the allegations were founded and a SS 8583 report was required to be sent to the DOJ as required by State law and this mandate program."[27] None of the additional activities proposed by the claimant were approved by the Commission as reasonably necessary activities and therefore the claimant's proposed activities are not eligible for reimbursement.

The record shows that the Controller reviewed all available documentation provided by the claimant and determined that the documentation established that some, but not all, of the other agency-generated SCARs were fully investigated by the police department. For the 90 percent of other agency-generated SCARs where the Controller determined that the police department did not complete a full initial investigation, the Controller found that certain preliminary investigative activities were reimbursable, despite the fact that the claimant did not provide supporting documentation. The claimant has not submitted evidence showing otherwise.

D. The Controller's Reduction of Indirect Costs in Finding 3 Is Correct as a Matter of Law and Is Not Arbitrary, Capricious, or Entirely Lacking in Evidentiary Support.

Staff finds that the Controller's reduction of indirect costs in Finding 3, by excluding the public safety dispatcher and evidence technician classifications from the indirect cost pool, is correct as a matter of law and is not arbitrary, capricious, or entirely lacking in evidentiary support. The Parameters and Guidelines require the claimant to choose between two methodologies when calculating an ICRP, one in which the cost objective is a department as a whole, and the other in which the cost objective is a group, such as a division or program, within the department. The claimant's position is based on the incorrect premise that the cost objective here is the *ICAN* program, not the police department as a whole. Under the applicable ICRP methodology of classifying the police department's expenditures as a whole into direct and indirect costs, the degree to which the job duties performed by the public safety dispatcher and evidence technician are direct or indirect is based on the relationship of those duties to the police department's direct and indirect functions as a whole. The Controller analyzed the public safety dispatcher and evidence technician duty statements and did not identify any duties that were indirect in nature, or "not readily identifiable or assignable to one unit and [which] typically would benefit more than one department."[28] There is no evidence in the record that the Controller failed to explain its position or consider the claimant's documentation.

Conclusion

Based on the forgoing analysis, staff finds that:

- The Controller's reduction in Finding 2 for the costs claimed to complete an investigation for purposes of preparing Form SS 8583, based on the exclusion of 10 suspected child abuse reports (SCARs) received by the claimant's police department, is correct as a matter of law and is not arbitrary, capricious, or entirely lacking in evidentiary support;
- The Controller's reduction in Finding 2 for the costs claimed to complete an investigation for purposes of preparing Form SS 8583, based on the reduction to the number of

[27] Exhibit A, IRC, filed May 13, 2021, page 7.

[28] Exhibit A, IRC, filed May 13, 2021, page 501 (Final Audit Report), emphasis added.

suspected child abuse reports (SCARs) referred to the claimant's police department by other agencies, is correct as a matter of law and is not arbitrary, capricious, or entirely lacking in evidentiary support;

- The Controller's reduction of indirect costs in Finding 3 is correct as a matter of law and is not arbitrary, capricious, or entirely lacking in evidentiary support.

Staff Recommendation

Staff recommends that the Commission adopt the Proposed Decision to deny the IRC. Staff further recommends that the Commission authorize staff to make any technical, non-substantive changes to the Proposed Decision following the hearing.

BEFORE THE

COMMISSION ON STATE MANDATES

STATE OF CALIFORNIA

IN RE INCORRECT REDUCTION CLAIM Penal Code Sections 11165.9, 11166, 11166.2, 11166.9,[29] 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapters 1289 and 1496; Statutes 1987, Chapters 82, 531 and 1459; Statutes 1988, Chapters 269, 1497 and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapters 650, 1330, 1363 and 1603; Statutes 1992, Chapters 163, 459 and 1338; Statutes 1993, Chapters 219 and 510; Statutes 1996, Chapters 1080 and 1081; Statutes 1997, Chapters 842, 843 and 844; Statutes 1999, Chapters 475 and 1012; and Statutes 2000, Chapter 916 California Code of Regulations, Title 11, Section 903 (Register 98, No. 29)[30] "Child Abuse Investigation Report" Form SS 8583 (Rev. 3/91) Fiscal Years 1999-2000 through 2011-2012 Filed on May 13, 2021 City of South Lake Tahoe, Claimant	Case No.: 20-0022-I-02 *Interagency Child Abuse and Neglect Investigation Reports* DECISION PURSUANT TO GOVERNMENT CODE SECTION 17500 ET SEQ.; CALIFORNIA CODE OF REGULATIONS, TITLE 2, DIVISION 2, CHAPTER 2.5, ARTICLE 7. (*Adopted December 2, 2022*)

DECISION

The Commission on State Mandates (Commission) heard and decided this Incorrect Reduction Claim (IRC) during a regularly scheduled hearing on December 2, 2022. [Witness list will be included in the adopted Decision.]

[29] Renumbered at Penal Code section 11174.34 (Stats. 2004, ch. 842 (SB 1313)).

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

The law applicable to the Commission's determination of a reimbursable state-mandated program is article XIII B, section 6 of the California Constitution, Government Code sections 17500 et seq., and related case law.

The Commission [adopted/modified] the Proposed Decision to [approve/partially approve/deny] the IRC by a vote of [vote will be included in the adopted Decision], as follows:

Member	**Vote**
Lee Adams, County Supervisor	
Jeannie Lee, Representative of the Director of the Office of Planning and Research	
Gayle Miller, Representative of the Director of the Department of Finance, Chairperson	
Renee Nash, School District Board Member	
Sarah Olsen, Public Member	
Shawn Silva, Representative of the State Controller	
Spencer Walker, Representative of the State Treasurer, Vice Chairperson	

Summary of the Findings

This IRC addresses reductions made by the State Controller's Office (Controller) to costs claimed by the City of South Lake Tahoe (claimant) for fiscal years 1999-2000 through 2011-2012 (audit period) for the *Interagency Child Abuse and Neglect Investigation Reports* (*ICAN*) program. The *ICAN* program requires child protective agencies, including law enforcement agencies, to submit a report to the Department of Justice (DOJ, Form SS 8583), when the agency receives a report of suspected child abuse (SCARs, Form SS 8572) from a mandated reporter and the agency determines that the suspected child abuse is "not unfounded." The claimant disputes reductions totaling $638,346 for the audit period.

The Controller found that the claimant overstated the number of SCARs investigated for purposes of preparing and submitting Form SS 8583 to DOJ, on the basis that the claimant failed to exclude SCARs generated by mandated reporters employed by its own police department and included other agency-generated SCARs for which a full initial investigation was either not performed or documented (Finding 2). The Controller also found that the claimant overstated indirect costs based on its determination that the public safety dispatcher and evidence technician positions do not perform any indirect job duties and therefore the Controller excluded these positions from the indirect cost pool (Finding 3). The claimant disputes these findings.

As a preliminary matter, the Commission finds that the claimant timely filed the IRC.

The Commission finds that the Controller's reduction of investigation costs in Finding 2, based on the Controller's exclusion of the SCARs submitted by mandated reporters employed by the claimant's police department, is correct as a matter of law and is not arbitrary, capricious, or entirely lacking in evidentiary support. Under the Parameters and Guidelines, claimants are eligible for reimbursement to complete an investigation for purposes of preparing and submitting

the Form SS 8583 to the Department of Justice (DOJ).[31] Submitting the Form SS 8583 to DOJ is required when a report of abuse is "not unfounded." However, in cases where the SCAR (Form SS 8572) is generated by a mandated reporter employed by a police department, where the mandated reporter determines "in his or her professional capacity or within the scope of his or her employment" that the report of suspected child abuse or severe neglect is "not unfounded," the mandated reporter, in most cases, has completed the requisite level of investigation necessary to trigger the DOJ reporting requirement (i.e., to prepare and submit the Form SS 8583 to DOJ), and no further investigation would be required, and there is no evidence in the record in this case to the contrary.[32] Thus, this reduction is correct as a matter of law.[33]

The Commission further finds that the Controller's reduction of investigation costs in Finding 2, based on the number of SCARs referred to the claimant's police department by other agencies for which the claimant alleges the police department completed a full initial investigation, is correct as a matter of law and is not arbitrary, capricious, or entirely lacking in evidentiary support. The Controller determined that the police department completed a full initial investigation for only 10 percent of the SCARs referred by other agencies.[34] For the remaining 90 percent, the Controller allowed additional time increments for partial initial investigation activities, consistent with the Parameters and Guidelines, despite the fact that the claimant did not provide supporting documentation.[35] The claimant asserts that four additional investigative activities, though not expressly stated in the Parameters and Guidelines, should have been eligible for reimbursement for those 90 percent of cases that the Controller deemed not fully investigated, because without performing these additional investigative activities, it would have been impossible to determine case disposition.[36] None of the additional activities proposed by the claimant were approved by the Commission as reasonably necessary activities and therefore the claimant's proposed activities are not eligible for reimbursement.

The Commission finds that the Controller's reduction of indirect costs in Finding 3, which excluded the public safety dispatcher and evidence technician classifications from the indirect cost pool, is correct as a matter of law and is not arbitrary, capricious, or entirely lacking in evidentiary support. The Parameters and Guidelines require the claimant to choose between two methodologies when calculating an ICRP, one in which the cost objective is a department as a whole, and the other in which the cost objective is a group, such as a division or program, within the department. Under the applicable ICRP methodology of classifying the police department's expenditures as a whole into direct and indirect costs, the degree to which the job duties performed by the public safety dispatcher and evidence technician are direct or indirect is based on the relationship of those duties to the police department's direct and indirect functions as a whole. The Controller analyzed the public safety dispatcher and evidence technician duty

[31] Exhibit A, IRC, filed May 13, 2021, page 241 (Decision and Parameters and Guidelines).

[32] Exhibit A, IRC, filed May 13, 2021, page 197 (Decision and Parameters and Guidelines).

[33] Exhibit A, IRC, filed May 13, 2021, page 495 (Final Audit Report).

[34] Exhibit A, IRC, filed May 13, 2021, page 483 (Final Audit Report).

[35] Exhibit A, IRC, filed May 13, 2021, page 485 (Final Audit Report).

[36] Exhibit A, IRC, filed May 13, 2021, pages 5-7, 10.

statements and did not identify any duties that were indirect in nature, or "not readily identifiable or assignable to one unit and [which] typically would benefit more than one department."[37] There is no evidence in the record that the Controller failed to explain its position or consider the claimant's documentation.

Therefore, the Commission denies this IRC.

COMMISSION FINDINGS

I. Chronology

12/06/2007	The Commission adopted the Test Claim Decision.
12/16/2013	The Commission adopted the Parameters and Guidelines.
03/07/2014	The Controller issued claiming instructions for costs incurred in fiscal years 1999-2000 through 2012-2013.
04/28/2014	The Controller issued revised claiming instructions for costs incurred in fiscal years 1999-2000 through 2012-2013.
07/06/2015	The claimant signed amended reimbursement claims for fiscal years 1999-2000, 2000-2001, 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2005-2006, 2006-2007, 2007-2008, 2008-2009, 2009-2010, 2010-2011, and 2011-2012.[38]
10/14/2016	The Controller commenced the audit.[39]
02/28/2018	The Controller issued the Draft Audit Report.[40]
03/07/2018	The claimant filed comments on the Draft Audit Report.[41]
05/21/2018	The Controller issued the Final Audit Report.[42]
05/13/2021	The claimant filed the IRC.[43]
02/16/2022	The Controller filed late comments on the IRC.[44]

[37] Exhibit A, IRC, filed May 13, 2021, page 501 (Final Audit Report), emphasis added.

[38] Exhibit A, IRC, filed May 13, 2021, pages 521, 531, 540, 548, 556, 565, 573, 580, 589, 598, 607, 616, 625 (dated reimbursement claims).

[39] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 5 (Declaration of Lisa Kurokawa).

[40] Exhibit A, IRC, filed May 13, 2021, page 470 (Final Audit Report).

[41] Exhibit A, IRC, filed May 13, 2021, page 470 (Final Audit Report).

[42] Exhibit A, IRC, filed May 13, 2021, page 463 (Final Audit Report).

[43] Exhibit A, IRC, filed May 13, 2021.

[44] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022.

09/12/2022 Commission staff issued the Draft Proposed Decision.[45]

II. Background

A. *Interagency Child Abuse and Neglect Investigation Reports* Program

The *Interagency Child Abuse and Neglect Investigation Reports* (*ICAN*) program addresses amendments to California's mandatory child abuse reporting laws under The Child Abuse and Neglect Reporting Act (CANRA). CANRA provides rules and procedures for child protective agencies, including law enforcement, when these agencies receive reports of suspected child abuse or neglect from a mandated reporter.[46] Mandated reporters are individuals identified by their profession as having frequent contact with children and include law enforcement personnel, physicians, teachers, social workers, and members of a number of other professions, who are required to report to "an agency specified in [Penal Code] section 11165.9," whenever the mandated reporter knows or reasonably suspects that a child has been the victim of abuse or severe neglect.[47] Once a child abuse reporting form (known as the "Suspected Child Abuse Report" Form SS 8572) is received, the Act requires cross-reporting among law enforcement and other child protective agencies, and to licensing agencies and district attorneys' offices.[48] The Act requires any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department to complete a "Child Abuse Investigation Report" (Form SS 8583) and submit it to DOJ, who maintains reports of child abuse statewide in the Child Abuse Central Index (CACI), when a report of suspected child abuse is "not unfounded."[49] The Act imposes additional cross-reporting and recordkeeping duties in the event of a child's death from abuse or neglect.[50] The Act requires agencies and DOJ to keep records of investigations for a minimum of 10 years, and to notify suspected child abusers that they have been listed in the CACI.[51] The Act also provides due process protections for persons listed in the index.[52]

On December 6, 2007, the Commission adopted the Test Claim Decision, finding that cities and counties, through their police and sheriff's departments, county welfare departments, county probation departments designated by the county to receive mandated reports, district attorney

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[45] Exhibit C, Draft Proposed Decision, issued September 12, 2022.

[46] Penal Code section 11164 et seq. The terms "Suspected Child Abuse Report," "SCAR," and "Form SS 8572" are used interchangeably to refer to the mandatory child abuse reporting form adopted by the Department of Justice.

[47] Penal Code section 11166.

[48] Exhibit A, IRC, filed May 13, 2021, page 237-241 (Parameters and Guidelines).

[49] Exhibit A, IRC, filed May 13, 2021, pages 241-244 (Parameters and Guidelines). Beginning January 1, 2012, law enforcement agencies are no longer required to report to DOJ. See Penal Code section 11169(b).

[50] Exhibit A, IRC, filed May 13, 2021, pages 240-241 (Decision and Parameters and Guidelines).

[51] Exhibit A, IRC, filed May 13, 2021, pages 244-246 (Decision and Parameters and Guidelines).

[52] Exhibit A, IRC, filed May 13, 2021, page 247 (Decision and Parameters and Guidelines).

offices, and county licensing agencies, are mandated to perform the following categories of reimbursable activities:[53]

- Distribute the child abuse reporting form adopted by the Department of Justice (currently known as the "Suspected Child Abuse Report" Form SS 8572) to mandated reporters;
- Receive reports from mandated reporters of suspected child abuse; refer those reports to the correct agency when the recipient agency lacks jurisdiction; cross-report to other local agencies with concurrent jurisdiction and to the district attorneys' offices; report to licensing agencies; and make additional reports in the case of a child's death from abuse or neglect;
- Investigate reports of suspected child abuse to determine whether to report to the Department of Justice (DOJ);
- Notify suspected abusers of listing in the Child Abuse Central Index;
- Retain records, as specified; and
- Provide due process procedures to those individuals reported to the Child Abuse Central Index.

On December 6, 2013, the Commission adopted the Parameters and Guidelines, with the period of reimbursement beginning fiscal year 1999-2000.[54]

At issue in this IRC is the scope of the investigative activities of suspected child abuse performed by the claimant's law enforcement agency necessary to determine whether to report to DOJ and to complete the report (SS Form 8583). As is discussed at length in the Parameters and Guidelines and Test Claim Decision, "reimbursement is not required for the full course of investigative activities performed by law enforcement agencies [when they receive a report of suspected child abuse], but only the investigative activities necessary to determine whether a report of suspected child abuse is unfounded, inconclusive, or substantiated, for purposes of preparing and submitting the Form SS 8583 to DOJ."[55] Accordingly, the Parameters and Guidelines define and specify the scope of the investigation activities necessary to satisfy the DOJ reporting requirement to include:

- Review the initial Suspected Child Abuse Report prepared by the mandated reporter (SCAR or Form SS 8572);
- Conduct initial interviews with parents, victims, suspects, or witnesses, where applicable; and
- Make a report of the findings of those interviews, which may be reviewed by a supervisor.[56]

[53] Exhibit A, IRC, filed May 13, 2021, pages 158-165 (Decision and Parameters and Guidelines).

[54] Exhibit A, IRC, filed May 13, 2021, page 234 (Decision and Parameters and Guidelines).

[55] Exhibit A, IRC, filed May 13, 2021, page 183 (Decision and Parameters and Guidelines).

[56] Exhibit A, IRC, filed May 13, 2021, page 241 (Decision and Parameters and Guidelines).

The Parameters and Guidelines further provide that reimbursement is *not* required in the following circumstances:

- Investigative activities conducted by a mandated reporter to complete the SCAR (Form SS 8572);
- In the event that the mandated reporter completing the SCAR is employed by the same agency investigating the report, reimbursement is not required if the investigation required to complete the SCAR is also sufficient to satisfy the DOJ reporting requirement; and
- Investigative activities undertaken subsequent to the determination whether the report is substantiated, inconclusive, or unfounded for purposes of preparing the report for DOJ (Form SS 8583), including the collection of physical evidence, the referral to a child abuse investigator, and the conduct of follow-up interviews.[57]

Section IV.B.5. of the Parameters and Guidelines authorizes reimbursement for the mandate to retain copies of the SCAR (Form SS 8572) and Form SS 8583, with the original investigative report, when a report is filed with DOJ:

> a. City and county police or sheriff's departments, and county probation departments if designated by the county to receive mandated reports shall:
>
> Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of eight years (a higher level of service above the two-year record retention requirement pursuant to Gov. Code §§ 26202 (cities) and 34090 (counties).) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years.[58]
>
> This activity includes retaining copies of the Suspected Child Abuse Report form SS 8572, received from a mandated reporter, and the Child Abuse Summary Report form SS 8583, with the original investigative report.
>
> ***Reimbursement is not required for the first two years of record retention required under prior law, but only for the eight years following.***[59]

Under the Parameters and Guidelines, "actual costs" may be claimed for reimbursement, supported by contemporaneous source documents. However, for task repetitive activities, time studies to support salary and benefit costs is allowed. Section IV. of the Parameters and Guidelines states the following:

> 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

[57] Exhibit A, IRC, filed May 13, 2021, page 242 (Decision and Parameters and Guidelines).

[58] Penal Code section 11169(h) (Stats. 1997, ch. 842 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2001, ch. 133(AB 102); Stats. 2004, ch. 842 (SB 1313); Stats. 2011, ch. 468 (AB 717)).

[59] Exhibit A, IRC, filed May 13, 2021, page 245 (Parameters and Guidelines).

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. Activities that require varying levels of effort are not appropriate for time studies. Claimants wishing to use time studies to support salary and benefit costs are required to comply with the State Controller's Time-Study Guidelines before a time study is conducted. 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 below. Increased cost is limited to the cost of an activity that the claimant is required to incur as a result of the mandate.[60]

Section V.B. addresses indirect costs:

B. Indirect Cost Rates

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

Compensation for indirect costs is eligible for reimbursement utilizing the procedure provided in 2 CFR Part 225 (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, Appendix A and B (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, Appendix A

[60] Exhibit A, IRC, filed May 13, 2021, page 236 (Parameters and Guidelines).

and B (OMB Circular A-87 Attachments A and B). However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable. The distribution base may be: (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.); (2) direct salaries and wages; or (3) another base which results in an equitable distribution.

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

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

2. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by: (1) separating a department into groups, such as divisions or sections, and then classifying the division's or section's total costs for the base period as either direct or indirect; and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate that is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount of allowable indirect costs bears to the base selected.[61]

All documents used to support reimbursable activities must be retained during the period subject to an audit by the Controller.[62]

Beginning January 1, 2012, law enforcement agencies are no longer required to report to DOJ.[63]

B. <u>The Controller's Audit and Summary of the Issues</u>

The reimbursement claims for fiscal years 1999-2000 through 2011-2012 totaled $1,505,262. The Controller found that $239,395 is allowable and $1,265,867 is unallowable.[64] The following two findings are in dispute:

[61] Exhibit A, IRC, filed May 13, 2021, pages 248-249 (Parameters and Guidelines).

[62] Exhibit A, IRC, filed May 13, 2021, page 249 (Parameters and Guidelines).

[63] Exhibit A, IRC, filed May 13, 2021, page 241 (Parameters and Guidelines [citing Penal Code section 11169(b)]).

[64] Exhibit A, IRC, filed May 13, 2021, page 463 (Final Audit Report).

1. **Finding 2: Unallowable salaries and benefits – Reporting to the State Department of Justice: Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component**

The claimant computed claimed costs based on estimated average time increments. For each fiscal year of the audit period, the claimant estimated that it took, on average, four hours and 18 minutes (4.3 hours) to perform the initial investigation activities for each SCAR (Form SS 8572) received for purposes of preparing the SS 8583 Report Form for DOJ. The claimant multiplied the estimated average time increments for different employee classifications by the total number of SCARs to calculate the claimed hours. The claimant then used the productive hourly rates for each classification, and department-wide benefit rates to calculate the claimed salaries and benefits for this component.[65]

In Finding 2, the Controller found that of the claimed total of $883,519 in salaries and benefits for the Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component, $146,055 is allowable and $737,464 is unallowable.[66] The Controller determined that the claimant's misinterpretation of the Parameters and Guidelines resulted in the claimant overstating the number of SCARS investigated, estimating time increments, and misstating productive hourly rates.[67] The claimant's challenge to Finding 2 in this IRC is limited to the adjusted total number of SCARS investigated for purposes of preparing the SS 8583 for DOJ.

The claimant provided the Controller with revised SCAR statistics during the audit, which included a total of 3,802 SCARs investigated for the audit period.[68] The Controller determined that the claimant failed to exclude: (1) SCARs generated by the claimant's police department, and (2) other agency-generated SCARS that were cross-reported to, but not investigated by, the claimant's police department.[69] These two determinations comprise the first two issues raised by the claimant in the IRC.

The Controller reasoned that under the Parameters and Guidelines, the reimbursable activities for completing an initial investigation for purposes of preparing the Form SS 8583 include: reviewing the initial SCAR (Form SS 8572); conducting initial interviews with involved parties; and making a written report of those interviews which may be reviewed by a supervisor.[70] The Controller excluded all SCARs generated by the claimant's police department when calculating the total number of initial investigations, based on its finding that the case file documentation did not support that reimbursable investigative activities were performed by the claimant's police department.[71] The Controller calculated the weighted average number of SCARs generated by

[65] Exhibit A, IRC, filed May 13, 2021, page 480 (Final Audit Report).

[66] Exhibit A, IRC, filed May 13, 2021, page 480 (Final Audit Report).

[67] Exhibit A, IRC, filed May 13, 2021, page 480 (Final Audit Report).

[68] Exhibit A, IRC, filed May 13, 2021, page 481 (Final Audit Report).

[69] Exhibit A, IRC, filed May 13, 2021, page 481 (Final Audit Report).

[70] Exhibit A, IRC, filed May 13, 2021, page 480 (Final Audit Report).

[71] Exhibit A, IRC, filed May 13, 2021, pages 482-483, 494-496 (Final Audit Report).

other agencies at 81.76 percent (3,107), meaning that 18.24 percent (693) were excluded on the basis that they were initiated by claimant's police department.[72]

Based on a review of a random sampling of case files, the Controller concluded that "contrary to what the city had claimed, the police department investigated very few of the other agency-generated SCARs that had been cross-reported to them, as no additional follow-up was deemed necessary."[73] Specifically, the Controller reviewed 148 case files for three years of the audit period (fiscal years 2008-2009 through 2010-2011) and determined that "a vast majority" of the other agency-generated SCARs were referred from Child Protective Services (CPS) and "very few came from other mandated reporters."[74]

> The files showed that CPS regularly and systematically cross-reported SCARs to the Police Department. The Police Department received these CPS referrals and made notes of the referrals in their files, but typically did not perform an investigation on these cases before closing the files. For the vast majority of SCARs referred from CPS, the Police Department identified CPS as the investigating agency and closed the cases if no further investigation was deemed necessary.
>
> For the few cases in which the Police Department did in fact perform an investigation, the SCAR files contained clear evidence and support that an investigation had been performed. For these SCARs, the files contained very detailed written narratives of the investigation(s) performed and of the interviews conducted. These narratives identified the officers involved, the type of investigative work performed, the type of crimes committed, any follow-up investigations needed, who had been interviewed, and dates and times of the interviews, etc.[75]

The Controller found that of the 81.76 percent of total SCARS generated by other agencies, a weighted average of 10 percent (311) had complete and documented initial investigations performed by the police department.[76] In describing the methodology employed, the Controller stated as follows:

> Reviewed and analyzed the city's listing of SCARs investigated for FY 1999-2000 through FY 2011-12. To confirm the validity of the number of SCARs investigated, we performed random non-statistical case sampling for the three most recent fiscal years of the audit period (FY 2008-09, FY 2009-10, and FY 2010-11). The three years sampled were representative of all fiscal years, as the investigation process had not changed throughout the audit period. We sampled and reviewed 148 cases (32 out of 163 in FY 2008-09, 66 out of 654 in FY 2009-

[72] Exhibit A, IRC, filed May 13, 2021, page 482 (Final Audit Report).

[73] Exhibit A, IRC, filed May 13, 2021, page 481 (Final Audit Report).

[74] Exhibit A, IRC, filed May 13, 2021, page 482 (Final Audit Report).

[75] Exhibit A, IRC, filed May 13, 2021, page 482 (Final Audit Report).

[76] Exhibit A, IRC, filed May 13, 2021, page 482 (Final Audit Report).

> 10, and 50 out of 456 in FY 2010-11). Our review of these 148 cases yielded an identical common deviation with identical nature and cause of the error. Our sampling results indicated that only 10% of the SCAR cases in the city's listing had actually been investigated. Consistent with the American Institute of Certified Public Accountants (AICPA) Audit Sampling Guide, we projected the error to the population of all SCAR cases claimed as investigated for the audit period (see Finding 2).[77]

Based on discussions with claimant's police department during the audit, the Controller revised these numbers to include additional cases where the claimant asserted that some preliminary investigative activities had occurred but a full initial investigation was not performed, and no investigative activities were documented in the SCAR case files.[78] The Controller explained that while the Parameters and Guidelines authorize reimbursement for the Complete an Investigation cost component for reviewing the initial SCAR, conducting initial interviews, and making a report of the findings of those interviews, "[r]eimbursement for these activities is allowable only to the extent that the city obtains information required to prepare and submit the SS 8583 report form to the DOJ."[79] Nonetheless, the Controller determined that "preliminary activities might have helped to corroborate the information reported by CPS, make a determination if the cases were unfounded, and then close the cases."[80]

Specifically, the Controller found that a review of the initial SCAR is a necessary and reimbursable activity for every other agency-generated SCAR referred to the police department, regardless of whether a full initial investigation is completed.[81] The Controller also found that closing and documenting the other agency-generated SCAR cases are also reasonable activities, but only for those cases that were not fully investigated.[82] Partial initial investigations were calculated by subtracting allowable SCARS that were fully investigated from the total number of other agency-generated SCARs for each fiscal year in the audit period, despite a lack of supporting documentation.[83]

2. Finding 3: Unallowable indirect costs

In Finding 3, the Controller found that of the $589,348 in indirect costs claimed by the claimant for the audit period, $68,134 is allowable and $521,214 is unallowable.[84] The Controller summarized the claimed and allowable indirect costs as follows:

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[77] Exhibit A, IRC, filed May 13, 2021, page 469 (Final Audit Report).

[78] Exhibit A, IRC, filed May 13, 2021, page 483 (Final Audit Report).

[79] Exhibit A, IRC, filed May 13, 2021, page 483 (Final Audit Report).

[80] Exhibit A, IRC, filed May 13, 2021, page 483 (Final Audit Report).

[81] Exhibit A, IRC, filed May 13, 2021, page 484 (Final Audit Report).

[82] Exhibit A, IRC, filed May 13, 2021, page 484 (Final Audit Report).

[83] Exhibit A, IRC, filed May 13, 2021, page 484 (Final Audit Report).

[84] Exhibit A, IRC, filed May 13, 2021, page 499 (Final Audit Report).

Fiscal Year	Claimed Indirect Costs	Allowable Indirect Costs	Audit Adjustment
1999-2000	$ 10,967	$ 1,317	$ (9,650)
2000-2001	15,401	1,991	(13,410)
2001-2002	18,241	2,900	(15,341)
2002-2003	29,653	3,969	(25,684)
2003-2004	32,331	3,368	(28,963)
2004-2005	36,433	4,678	(31,755)
2005-2006	41,922	5,204	(36,718)
2006-2007	48,886	5,250	(43,636)
2007-2008	48,966	5,599	(43,367)
2008-2009	68,206	3,563	(64,643)
2009-2010	110,850	16,186	(94,664)
2010-2011	91,644	9,025	(82,619)
2011-2012	35,848	5,084	(30,764)
Total	$ 589,348	$ 68,134	$ 521,214

The Controller determined that the indirect costs were unallowable because the claimant overstated its indirect cost rates for the audit period and then applied those overstated indirect cost rates to overstated salaries.[85]

The claimant determined its indirect costs by calculating an Indirect Cost Rate Proposal (ICRP) for each fiscal year of the audit period.[86] The claimant calculated the ICRP by combining expenditures from five accounts within its police department: administration, operations, certified training, joint dispatch center, and support and then allocated the total salaries, benefits, and services and supplies for these accounts between direct and indirect cost categories and added overhead costs to the indirect cost pool.[87] The claimant then divided total indirect costs by direct salaries and overtime to get indirect cost rates.[88]

The Controller found that the claimant incorrectly included overtime when calculating indirect costs, and should have used only direct salaries as the base.[89] The claimant does not dispute the reduction of indirect costs on this basis.

However, the claimant classified 21 positions as 100 percent indirect at some point during the audit period and allocated the related salary and benefit costs to the indirect cost pool.[90] The Controller determined that 13 of these 21 job classifications "are support roles or are mostly

[85] Exhibit A, IRC, filed May 13, 2021, page 499 (Final Audit Report).

[86] Exhibit A, IRC, filed May 13, 2021, page 499 (Final Audit Report).

[87] Exhibit A, IRC, filed May 13, 2021, page 499 (Final Audit Report).

[88] Exhibit A, IRC, filed May 13, 2021, page 499 (Final Audit Report).

[89] Exhibit A, IRC, filed May 13, 2021, page 500 (Final Audit Report).

[90] Exhibit A, IRC, filed May 13, 2021, page 500 (Final Audit Report).

administrative in nature" and accepted the claimant's assessment.[91] But the Controller flagged the eight remaining positions as unlikely to be 100 percent indirect, due to the nature of the positions and the duties performed.[92]

The Controller then reviewed duty statements to determine the extent to which each classification's respective duties related to the police department's direct functions versus administration or support roles.[93] The Controller reasoned that generally, "any classification involved in providing specific, identifiable, and direct services should be considered as direct labor costs," whereas "indirect labor costs are those which are not readily identifiable or assignable to one unit and typically would benefit more than one department."[94] The Controller analyzed the representative duties for the eight positions in order to calculate the fractional percentages of indirect labor for each, and determined that the public safety dispatcher and evidence technician positions did not perform any indirect duties.[95] The Controller recalculated allowable indirect costs by applying the audited indirect cost rates to the allowable salaries.[96]

III. Positions of the Parties

A. City of South Lake Tahoe

The claimant's submitted claims for fiscal years 1999-2000 through 2011-2012 total $1,505,262.[97] The claimant seeks reinstatement of $638,346.[98] The claimant alleges that the Controller's reductions as a result of Findings 2 and 3 are incorrect. First, the claimant challenges the Controller's exclusion of SCARs generated by the police department from the total number of SCARs used to determine the claimant's time spent performing an initial investigation to prepare and submit the Form SS 8583 to DOJ.[99] Second, the claimant asserts that the Controller erred in finding that the police department did not fully investigate most of the SCARs reported to it by other agencies.[100] Lastly, the claimant argues that the Controller incorrectly reduced indirect costs by excluding the public safety dispatcher and evidence technician positions when calculating the Indirect Cost Rate Proposal (ICRP).[101]

The claimant submitted the following supporting documentation with the IRC:

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[91] Exhibit A, IRC, filed May 13, 2021, page 500 (Final Audit Report).

[92] Exhibit A, IRC, filed May 13, 2021, page 500 (Final Audit Report).

[93] Exhibit A, IRC, filed May 13, 2021, page 501 (Final Audit Report).

[94] Exhibit A, IRC, filed May 13, 2021, page 501 (Final Audit Report).

[95] Exhibit A, IRC, filed May 13, 2021, page 501 (Final Audit Report).

[96] Exhibit A, IRC, filed May 13, 2021, page 502 (Final Audit Report).

[97] Exhibit A, IRC, filed May 13, 2021, page 466 (Final Audit Report).

[98] Exhibit A, IRC, filed May 13, 2021, page 1.

[99] Exhibit A, IRC, filed May 13, 2021, page 3.

[100] Exhibit A, IRC, filed May 13, 2021, page 5.

[101] Exhibit A, IRC, filed May 13, 2021, page 11.

- A declaration by South Lake Tahoe Police Department Lieutenant Shannon Laney, stating that he oversees child abuse and neglect investigations, is responsible for assisting with recovery of state-mandated costs, and was directly involved in the audit at issue. Mr. Laney also declares the authenticity of claimant's Exhibits A and B (2015 crime analysis report, time studies), E (child abuse reports), and G (job descriptions) to the IRC;[102]
- A declaration by claimant representative Annette Chinn, describing the exhibits submitted with the IRC;[103]
- Time studies, police department-generated time reports, time analysis, and correspondence related to the computation of time for the reimbursement claims, all of which were provided to the Controller during the audit (claimant's Exhibits A and B);[104]
- Spreadsheets provided by the Controller to the claimant showing how the Controller determined child abuse case eligibility and the percentage of allowable cases (claimant's Exhibit C);[105]
- A 2005 DOJ guide on reporting child abuse (claimant's Exhibit D);[106]
- Copies of child abuse reports and supporting documents provided by the claimant to the Controller during the audit (claimant's Exhibit E);[107]
- Job descriptions for the Public Safety Dispatcher and Property/Evidence Technician positions (claimant's Exhibit G);[108]
- A list of "common clerical duties" from the website indeed.com (claimant's Exhibit H);[109]
- Excerpts from the July 2015 edition of the State of California Local Agencies Mandated Cost Manual (claimant's Exhibit I);[110] and
- U.S. Office of Management and Budget Uniform Guidance (2 CFR Part 200) (claimant's Exhibit J).[111]

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[102] Exhibit A, IRC, filed May 13, 2021, page 17 (Declaration of Shannon Laney).

[103] Exhibit A, IRC, filed May 13, 2021, pages 18-19 (Declaration of Annette Chinn).

[104] Exhibit A, IRC, filed May 13, 2021, pages 20-38; 39-59.

[105] Exhibit A, IRC, filed May 13, 2021, pages 20-38; 60-70.

[106] Exhibit A, IRC, filed May 13, 2021, pages 71-95.

[107] Exhibit A, IRC, filed May 13, 2021, pages 96-154.

[108] Exhibit A, IRC, filed May 13, 2021, pages 251-256.

[109] Exhibit A, IRC, filed May 13, 2021, pages 257-261.

[110] Exhibit A, IRC, filed May 13, 2021, pages 262-282.

[111] Exhibit A, IRC, filed May 13, 2021, pages 282-428.

The claimant states that time claimed "was based on a sampling analysis of actual police department records (claimant's Exhibit A) as well as by using results from a time study conducted in 2015 (claimant's Exhibit B)," documentation which the claimant states it provided to the Controller at the beginning of the audit.[112]

1. Reduction of initial investigation time (Audit Finding 2)

a. Exclusion of police department-generated Suspected Child Abuse Reports (Form SS 8572) from the number of reports investigated

The claimant asserts that the Controller incorrectly interpreted the Parameters and Guidelines in determining that all investigative time spent on suspected child abuse cases reported directly to the claimant's police department was not eligible for reimbursement.[113] The claimant asserts that for "a number of cases," in order to make the determination required to complete the Form SS 8583, the police department was required to perform a level of investigation beyond that necessary for the mandated reporter employed by the police department to complete the Form SS 8572.[114]

The claimant challenges the Controller's determination that "[t]here is no correlation between the severity of a case and the scope of information needed" and asserts that while the Form SS 8572 only requires interviewing one reporting party, completing the Form SS 8583 requires interviewing victims, witnesses, and suspects to determine whether the case is substantiated, unfounded, or inconclusive.[115] The claimant cites to a 2015 DOJ guide as support (claimant's Exhibit D).[116] According to the claimant, police department personnel can complete the Form SS 8572 in 15 minutes by interviewing one reporting party.[117] The claimant contends that during the audit, it provided the Controller with police department-generated suspected child abuse case files wherein "it was shown that multiple officers had to interview multiple parties (victims, witnesses, suspects) to determine if the case was unfounded, substantiated, or inconclusive."[118] The claimant points to Exhibit A of the IRC, which consists of time studies, police department-generated time reports, time analysis, and related correspondence as showing the number of

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[112] Exhibit A, IRC, filed May 13, 2021, page 3. While the IRC states that claimant calculated time claimed based in part upon a 2015 time study, supporting documentation submitted by the claimant contradicts this statement in at least two other places: "2015 time studies not used in claim[,] done for verification in case of audit" (page 27 [claimant's Exhibit A]) and "Please clarify that the 2015 time study, while not used in developing the time in the claim, has all the info needed to show all the eligible time and activities pertinent to the claim in detail" (page 41 [claimant's Exhibit B]). The audit report does not mention a 2015 time study as the basis for the claimant's computation of time claimed to perform investigative activities.

[113] Exhibit A, IRC, filed May 13, 2021, page 3.

[114] Exhibit A, IRC, filed May 13, 2021, page 4.

[115] Exhibit A, IRC, filed May 13, 2021, page 4.

[116] Exhibit A, IRC, filed May 13, 2021, page 4.

[117] Exhibit A, IRC, filed May 13, 2021, page 4.

[118] Exhibit A, IRC, filed May 13, 2021, page 4.

eligible interviews conducted per case, all of which were provided to the Controller during the audit, and argues that the 2015 time study should be used to calculate the time performing reimbursable interviews (36 minutes per interview), which are those interviews above and beyond interviewing one party and completing the Form SS 8572 (15 minutes).[119]

The claimant also contests the Controller's determination that of the 10 police department-generated cases cited by the claimant as requiring additional investigative activities beyond those needed to complete the Form SS 8572, only one case file contained a completed Form SS 8572 and none had a completed Form SS 8583.[120] The claimant argues that the Form SS 8583 is only prepared when a case is determined to be "not unfounded" *and the suspect is contacted*, again pointing to a 2015 DOJ guide as support (claimant's Exhibit D).[121] The claimant further asserts that the police department's child abuse case files do not always retain copies of the Form SS 8572 and Form SS 8583; and because approximately 10 years passed from the date the cases occurred and the audit was conducted, with no prior notice that reimbursement would be conditioned upon retention of the forms, it would violate due process to retroactively require so at this late date.[122]

The claimant therefore requests that the total number of allowable cases be revised to include police department-generated cases in which the case file documentation shows that more than one party (victims, witnesses, suspects) was interviewed.[123]

b. Reduction of other agency-generated SCARs

The claimant disputes the Controller's finding that the police department "investigated very few of the other agency-generated SCARs that had been cross-reported to them, as no additional follow-up was deemed necessary."[124] Specifically, the claimant challenges the Controller's determination that claimant's police department either did not investigate or only partially investigated 90 percent of the total SCARs claimed.[125] The claimant asserts that additional preliminary investigative activities, though not expressly stated in the Parameters and Guidelines, should have been eligible for reimbursement for those 90 percent of cases that the Controller deemed not fully investigated.[126]

The claimant cites to a time study it performed in 2015 to show the steps taken when a SCAR report is forwarded to the police department for investigation, with corresponding times and whether the Controller allowed the claimed activities:

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[119] Exhibit A, IRC, filed May 13, 2021, page 4.

[120] Exhibit A, IRC, filed May 13, 2021, page 4.

[121] Exhibit A, IRC, filed May 13, 2021, page 4.

[122] Exhibit A, IRC, filed May 13, 2021, page 5.

[123] Exhibit A, IRC, filed May 13, 2021, page 5.

[124] Exhibit A, IRC, filed May 13, 2021, page 5.

[125] Exhibit A, IRC, filed May 13, 2021, page 5.

[126] Exhibit A, IRC, filed May 13, 2021, page 10.

1) Detective reads and reviews SCAR and attached documentation (allowed by Controller at 18 minutes per case).
2) Detective verifies if a report was previously prepared (not allowed by Controller, proposed at six minutes per case).
3) Records technician verifies if a report was previously prepared (not allowed by Controller, proposed at six minutes per case).
4) Detective checks prior case history to determine if the case is within agency's jurisdiction and not duplicate (not allowed by Controller, proposed at 36 minutes per case).
5) Detective or Sergeant contacts the reporting agency or at least one adult with information regarding the allegations to obtain more details in order to determine if in-person interviews are necessary and how to proceed on the case (not allowed by Controller, proposed at 26-36 minutes per case).
6) Sergeant approves and closes case (allowed by Controller at 10 minutes per case).
7) Records technician documents and closes case (allowed by Controller at six minutes per case).[127]

The claimant concedes that the Controller allowed time spent performing preliminary investigative activities even where a full initial investigation was not done, but disputes the Controller's determination regarding which proposed investigative activities constitute preliminary investigative activities.[128] The Controller allowed time spent performing the following preliminary activities:

1) Read and review SCAR.
6) Approve closing the case.
7) Document and file the closed case.[129]

The Controller did not allow time for verifying if a report was previously prepared (Activities 2 and 3 above), checking prior case history (Activity 4), or contacting the reporting agency or a person with information about the allegations to determine if in-person interviews are necessary (Activity 5).[130]

The claimant challenges the Controllers assessment that the additional preliminary investigative activities proposed by the claimant are outside the scope of the Parameters and Guidelines.[131] The claimant asserts that contacting the reporting agency or a person with information about the case to determine whether to conduct in-person interviews falls under the eligible investigative activity of "conduct initial interview with involved parties," as listed in the Parameters and

[127] Exhibit A, IRC, filed May 13, 2021, pages 5-6.

[128] Exhibit A, IRC, filed May 13, 2021, page 6.

[129] Exhibit A, IRC, filed May 13, 2021, page 6.

[130] Exhibit A, IRC, filed May 13, 2021, page 6.

[131] Exhibit A, IRC, filed May 13, 2021, page 6.

Guidelines.[132] Furthermore, the claimant argues, these additional activities are reasonably necessary to determine whether the allegations are unfounded (and thus, to close the case) or whether to proceed with the investigation by conducting in-person interviews.[133] The claimant alleges that without performing these additional activities, it would be unable to determine "whether or not the allegations were founded and a SS 8583 report was required to be sent to DOJ."[134]

The claimant cites to the Department of Social Services' (CDSS) position, as summarized in the Decision and Parameters and Guidelines, to support its argument that prior to actual interviews, it is necessary to first determine whether an in-person investigation is required.[135] The claimant alleges that its proposed additional preliminary activities (Activities 2 through 5 above) are nearly identical to the activities the Department of Social Services stated it performs before determining whether to find the SCAR unfounded and close the case or conduct an in-person investigation.[136] The claimant asserts that, similarly, the police department must perform these additional preliminary activities to determine whether a SCAR is founded, unfounded, or inconclusive.[137]

The claimant argues that the Controller has erred by strictly interpreting the Claiming Instructions, despite the fact that they function as general guidelines, not an exclusive and exhaustive list of every eligible task that might occur during the preliminary investigative process.[138] To assume otherwise, the claimant contends, would violate the intent of state mandate statutes, which ensure reimbursement of actual costs incurred to comply with the program.[139] Specifically, the claimant alleges that the Controller erred by interpreting the Claiming Instructions as limiting eligible investigative activities to "conducting initial interviews with parents, victims, witnesses, or suspects" and concluding that if the case file did not contain a detailed narrative report of those interviews, then an investigation did not occur.[140]

The claimant contends that the Controller's requirement that the case file contain a written narrative report showing all interviews and investigative activities is not supported by the Parameters and Guidelines.[141] According to the claimant, police department procedures do not

[132] Exhibit A, IRC, filed May 13, 2021, page 6.

[133] Exhibit A, IRC, filed May 13, 2021, page 7.

[134] Exhibit A, IRC, filed May 13, 2021, pages 6-7.

[135] Exhibit A, IRC, filed May 13, 2021, page 7.

[136] Exhibit A, IRC, filed May 13, 2021, page 8.

[137] Exhibit A, IRC, filed May 13, 2021, page 8.

[138] Exhibit A, IRC, filed May 13, 2021, page 8.

[139] Exhibit A, IRC, filed May 13, 2021, page 8.

[140] Exhibit A, IRC, filed May 13, 2021, page 9.

[141] Exhibit A, IRC, filed May 13, 2021, page 9.

require detailed narrative reports for cases that are deemed unfounded or inconclusive.[142] Instead, the reports contain brief descriptions and identification of the officer who reviewed the report, demonstrating that investigative activities took place in order to make a determination of unfounded or inconclusive and close the case.[143] While the reports are in short form, the claimant argues that this alone is insufficient to disallow the claimant's valid and eligible investigation costs, particularly when viewed in tandem with the SCAR, time studies, and command staff assertions that the short report format is standard practice for unfounded or inconclusive cases.[144] The claimant offers as evidence the 2015 time study submitted to the Controller during the audit, which it claims documents the time and process for reviewing other-agency generated SCARs and shows that interviews and preliminary investigative activities occurred, even when no detailed narrative was prepared.[145] The claimant also points to redacted copies of child abuse reports and supporting documents submitted to the Controller during the audit (claimant's Exhibit E), namely the South Lake Tahoe Police Department 11166 PC Referral Form, as showing through brief descriptions in the "comments" section, in combination with the identification of the assigned officer as the reviewing party, that investigative activities occurred: "A case could not be signed of [sic] as 'not substantiated' without some review and action" by the police department.[146]

The claimant further argues that the Controller's request for detailed investigation reports violates due process.[147] The claimant cites to *Clovis Unified School Dist. v. Chiang* (2010) 188 Cal.App.4th 794 in support, where the court declined to apply the Controller's Contemporaneous Source Documentation Rule (CSDR) to the portion of an audit period that preceded inclusion of the CSDR in the parameters and guidelines, finding that the claimant in that case did not have sufficient notice of the rule.[148]

Because the detailed investigation report requirement was not enumerated in the Parameters and Guidelines, the claimant was given no advance notice that reimbursement would be contingent upon maintaining such documentation.[149] Furthermore, the reimbursement period began in 1999 but the Claiming Instructions were not released until 2014.[150] The claimant argues that it therefore would have been impossible to track the eligible investigative activities in the manner now required by the Controller.[151]

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[142] Exhibit A, IRC, filed May 13, 2021, page 9.

[143] Exhibit A, IRC, filed May 13, 2021, page 9.

[144] Exhibit A, IRC, filed May 13, 2021, page 9.

[145] Exhibit A, IRC, filed May 13, 2021, pages 9, 20-38, 39-59.

[146] Exhibit A, IRC, filed May 13, 2021, pages 7, 9, 97-154.

[147] Exhibit A, IRC, filed May 13, 2021, page 9.

[148] Exhibit A, IRC, filed May 13, 2021, page 10.

[149] Exhibit A, IRC, filed May 13, 2021, page 9.

[150] Exhibit A, IRC, filed May 13, 2021, page 9.

[151] Exhibit A, IRC, filed May 13, 2021, page 9.

2. Reduction of indirect costs (Audit Finding 3)

The claimant challenges the Controller's determination that the public safety dispatcher and evidence technician classifications do not perform any indirect duties and therefore do not account for any indirect costs incurred by the claimant.[152]

The claimant argues that the Controller erred in finding that the duties performed by the public safety dispatcher and evidence technician are not administrative or clerical in nature.[153] Asserting that the dispatcher's primary duty is to serve as a receptionist to the police department, which "clearly is a clerical function," the claimant cites to a "List of Common Clerical Duties" from the hiring website Indeed.com (claimant's Exhibit H) and the public safety dispatcher job description (claimant's Exhibit G) to show that "eight of the twelve 'clerical' tasks listed are performed by Police Department Dispatchers."[154] The claimant argues that the evidence technician similarly performs "standard" clerical duties, including: compiling, tracking transactions, and filing important company records.[155] The claimant further argues that excluding these classifications from indirect costs contradicts the Controller's claiming instructions manual (claimant's Exhibit I), which specifically identifies "communications" costs as an allowable expense in an example of how to calculate an Indirect Cost Rate Proposal (ICRP) rate.[156]

The claimant disagrees with the Controller's determination that indirect duties are limited to administrative and clerical duties.[157] The claimant points out that the police maintenance worker, a janitorial classification, and the police department's information technology classifications were claimed and allowed as indirect positions and included in the ICRP rate despite the fact that these classifications do not perform administrative or clerical functions.[158]

According to the claimant, the Controller's definitions of direct and indirect costs do not adhere to either state or federal guidelines.[159] In the audit report, the Controller defines direct costs as "those which can be identified specifically with particular unit or function (cost objective) and accounted for separately."[160] In contrast, the claimant maintains, the Claiming Instructions define direct costs as "those costs incurred specifically for the reimbursable activities."[161] The

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[152] Exhibit A, IRC, filed May 13, 2021, page 11.

[153] Exhibit A, IRC, filed May 13, 2021, page 11.

[154] Exhibit A, IRC, filed May 13, 2021, pages 11, 252-253, 257-261.

[155] Exhibit A, IRC, filed May 13, 2021, page 12.

[156] Exhibit A, IRC, filed May 13, 2021, pages 12, 275.

[157] Exhibit A, IRC, filed May 13, 2021, page 12.

[158] Exhibit A, IRC, filed May 13, 2021, page 12.

[159] Exhibit A, IRC, filed May 13, 2021, pages 13-14, citing to pages 414-416 (U.S. Office of Management and Budget Uniform Guidance (2 CFR Part 200)), 450 (Claiming Instructions).

[160] Exhibit A, IRC, filed May 13, 2021, page 13.

[161] Exhibit A, IRC, filed May 13, 2021, page 13.

claimant challenges the Controller's determination that indirect costs are not attributable to a specific unit, arguing that such an interpretation is unsupported by federal guidelines and directly contradicts the Claiming Instructions, which permit computation of the ICRP costs by division or section.[162] The claimant further asserts that what constitutes an eligible indirect cost "is based on the function or benefit that unit performs or provides to the eligible direct 'cost objective.'"[163]

The claimant challenges the Controller's reasoning that direct costs are those which can be specifically identified with a unit or function,[164] and alleges that neither the dispatcher nor evidence technician positions are direct costs of the *Interagency Child Abuse and Neglect Investigation Reports* program or "cost objective" because they do not directly perform any of the mandated program activities and their costs cannot be specifically identified as part of the mandated program.[165]

Furthermore, the claimant argues that according to the Controller's claiming instructions manual (claimant's Exhibit I), costs from outside departments that provide indirect services can constitute eligible indirect costs,[166] which it argues the Controller allowed here as part of the claimant's city-wide overhead costs when calculating the ICRP rates.[167]

B. State Controller's Office

The Controller filed late comments on the IRC, which reiterates the Controller's position as stated in the final audit report and provides a more detailed explanation of Findings 2 and 3.[168]

1. Finding 2 – Unallowable salaries and benefits – Reporting to the State Department of Justice: Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component

The Controller maintains its determination, as stated in the audit report, that $737,464 in claimed costs for the Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component is unallowable because the claimant overstated the number of SCARs investigated, estimated time increments, and misstated the productive hourly rates for this cost component.[169]

a. Ineligibility of all law enforcement agency-generated cases

In stating its disagreement with the claimant's position that 10 police department-generated SCARs should have been included in the total number of allowable cases, the Controller provides detailed information pertaining to each case to show why those SCARs were not

[162] Exhibit A, IRC, filed May 13, 2021, pages 13-14, citing to pages 414-416 (U.S. Office of Management and Budget Uniform Guidance (2 CFR Part 200)), 450 (Claiming Instructions).

[163] Exhibit A, IRC, filed May 13, 2021, page 13.

[164] Exhibit A, IRC, filed May 13, 2021, page 15.

[165] Exhibit A, IRC, filed May 13, 2021, page 13.

[166] Exhibit A, IRC, filed May 13, 2021, pages 14, 272.

[167] Exhibit A, IRC, filed May 13, 2021, pages 14, 519-633.

[168] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, pages 7-43.

[169] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 14.

allowed.[170] The Controller rejects the claimant's contention that documentation in these case files showing that multiple interviews were conducted indicates that the police officers involved were unable to obtain enough information to complete both the Form SS 8572 and Form SS 8583.[171] As the Commission's Test Claim Decision explains, a mandated reporter has a preexisting duty under Penal Code section 11166(a) to report suspected child abuse using the Form SS 8572.[172] This preexisting duty to investigate is frequently sufficient to also complete the Form SS 8583, as the "number of information items required to make the SS 8583 Report Form retainable is relatively low. Investigative work performed to identify suspects or gather proof for criminal charges is not necessary to complete the SS 8583 Report Form."[173]

The Controller reiterates that during the audit, the claimant failed to provide supporting documentation for all costs claimed, despite the requirement under the Parameters and Guidelines that all costs claimed be traceable to source documents that evidence the validity of such costs.[174] The claimant argues that requiring it to retain and provide contemporaneous source documentation would violate due process because more than 10 years has passed since the cases occurred and the audit was conducted and there was no prior notice that the claimant had to retain the Form SS 8572 and Form SS 8583 as a condition for reimbursement.[175] In challenging this assertion, the Controller points out that the SCAR case files reviewed during the course of the audit showed that, regardless of the fiscal year, the claimant consistently maintained the same documentation year after year and consistently failed to retain the Form SS 8572 and Form SS 8583 for the SCAR files.[176] Furthermore, the sample of SCAR cases selected by the Controller for testing purposes ended in fiscal year 2010-2011, which is only five years from the date the claimant filed its claims (July 15, 2015) and six years from the date the Controller initiated the audit (October 14, 2016).[177]

The claimant has failed to provide any additional documentation to show that allowable costs should be increased. Only one of the 10 SCAR case files included a completed Form SS 8572.[178] Furthermore, because that case file shows that the Form SS 8572 was completed the day *after* the occurrence date and the date of the initial interviews, the Controller was able to confirm that an investigation occurred *prior* to completion of the Form SS 8572, making those costs ineligible for reimbursement.[179] In other words, the documentation shows that the level of

[170] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, pages 15-16.

[171] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, pages 20-21.

[172] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 21.

[173] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 21.

[174] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 22.

[175] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 22.

[176] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 22.

[177] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 22.

[178] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 22.

[179] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 22.

investigation required to complete the Form SS 8572 was sufficient to complete the necessary information in the Form SS 8583.[180]

Because the remaining nine case files do not contain a Form SS 8572, the Controller is unable to confirm that the Forms SS 8572 were completed and cross-reported to CPS and the District Attorney's Office, or whether an investigation occurred prior to the completion of the Form SS 8572, and therefore cannot determine whether the claimant obtained sufficient information to make a determination and complete the essential information items on Form SS 8583, or whether an investigation was conducted prior to completing the Form SS 8572.[181] As such, the claimant's argument that the fact that multiple interviews were conducted shows that additional investigatory work was necessary and is therefore reimbursable is irrelevant; "[r]egardless of the number of interviews conducted, if they occurred prior to the completion of the SCAR Form SS 8572 they are ineligible for reimbursement."[182]

Despite the fact that the reimbursable activity for this cost component is to "complete an investigation for purposes of preparing a SS 8583 Report form," only one case file had a completed Form SS 8583.[183] Thus, because the documentation does not show that the claimant prepared the required Forms SS 8583 for these 10 SCAR cases, they were correctly excluded from the sampling analysis, and investigative costs determined to be ineligible for reimbursement for police department-generated SCARs should remain unchanged.[184]

b. No investigation for vast majority of cases reported to police department by other agencies

The Controller rejected the claimant's position that four additional preliminary investigative activities, which are not included in the Parameters and Guidelines, are eligible for reimbursement for those SCAR cases referred to claimant's police department by other agencies.[185] The Controller states that as the Commission repeatedly made clear throughout the Decision and Parameters and Guidelines, reimbursement is limited to the activities listed in the Parameters and Guidelines.[186]

In conducting the audit, the Controller selected a non-statistical sample of 148 SCAR case files to review, and found that the contents of the files typically included: (1) a referral form completed by the police department, with a summary of the case and comments stating whether the case was inconclusive, unfounded, or closed; (2) a pre-disposition sheet completed by CPS, with general information about the case, included to which agency the case was cross-reported; (3) a disposition sheet completed by CPS, with the case status after CPS review or investigation,

[180] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 23.

[181] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 23.

[182] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 23.

[183] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 23.

[184] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 23.

[185] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 24.

[186] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 24.

to which agency the case was cross-reported, and the final case disposition (no immediate risk, situation stabilized, closed, opened service case, evaluated out); (4) a narrative report completed by the police department; (5) a person profile form completed by the police department, which lists the contact information of the suspected child abuser; (6) CPS investigative report completed by CPS when the SCAR case was investigated by CPS; (7) SCAR Form SS 8572 completed by CPS.[187] The Controller states that it thoroughly reviewed the contents of each file and recorded its findings in a detailed Excel spreadsheet. The claimant provided examples of these documents, as well as the Excel spreadsheet, in support of the IRC.[188]

The Controller found that the police department investigated very few of the other agency-generated cases, or if the police department did investigate, it failed to document such in the case files.[189] Based on the Controller's review, most of the referral forms for these SCAR cases showed that CPS was the investigating agency; the others stated that an investigation was unnecessary.[190] For those where CPS was the investigating agency, the documentation in the case files showed that CPS cross-reported to the police department, who then made a note of the referral in the file, but did not perform an investigation.[191] The Controller notes that in contrast, for the few cases where the Controller found that the police department performed an investigation, the case files contained detailed written narratives of the investigative activities, including the interviews conducted.[192]

The Controller rejects the claimant's assertion that the Controller denied all preliminary investigative time for the 90 percent (2,796) of other agency-generated cases that were found not fully investigated.[193] The Controller notes that in contrast, the cases in which it found that a full investigation was performed by the claimant's police department, the Controller accepted the claimant's time increments without adjustment and worked with the claimant during the audit to allow time increments for the three partial investigative activities, despite no documentation in the case files.[194] The Controller asserts, as it did in the audit report, that it worked with the claimant's detective to find that three preliminary investigative activities may have taken place to confirm the information reported by CPS in order to determine whether a case was unfounded, and allowed 28 minutes per case for those preliminary investigative activities based on the detective's proposal.[195] The other preliminary investigative activities proposed by the claimant were also discussed with claimant officials but were found to be outside the scope of the

[187] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 31.

[188] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 31.

[189] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 31.

[190] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, pages 31-32.

[191] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 32.

[192] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 32.

[193] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 33.

[194] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 35.

[195] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 33.

Parameters and Guidelines and therefore not reimbursable.[196] Therefore, the claimant's 2015 time study is irrelevant; the purpose of a time study is to approximate the average time needed to perform a specific activity, not whether certain activities are reimbursable under the Parameters and Guidelines.[197]

In response to the claimant's contention that detailed narrative reports are not necessary for those other agency-generated cases determined to be unfounded or inconclusive, the Controller cites to Section IV.B.3.a.1 of the Parameters and Guidelines. Section IV.B.3.a.1 states that for the complete an investigation cost component, the reimbursable activities are limited to (1) reviewing the initial SCAR (Form SS 8572); (2) conducting initial interviews, where applicable; and (3) making a report of the findings of those interviews, which may be reviewed by a supervisor.[198] The Controller disputes that the documentation maintained in the SCAR case files at issue, or the claimant's 2015 time studies and assertions by command staff, are sufficient to show that the claimant conducted initial interviews or prepared written reports to document those interviews. The Controller asserts that "although it may not be the City's procedure to write a report to document an interview, doing so is a condition for reimbursement under the mandate," or, put differently, "conducting in-person interviews and writing a report of the findings are necessary to comply with the mandate."[199] Furthermore, the claimant has failed to provide any additional documentation to support its position that the number of other agency-generated SCARs was improperly reduced or that the time spent performing the investigative activities should be changed.[200]

2. Finding 3: Unallowable indirect costs

In response to the claimant's position that the Controller erred in disallowing the Public Safety Dispatcher and Evidence Technician classifications from the indirect cost rate proposal (ICRP) calculation and that those positions should be allowed at 100 percent indirect labor costs, the Controller notes that of the 21 job classifications the claimant included as 100 percent indirect in its ICRPs, Controller accepted 13 and questioned 8 as potentially not 100 percent indirect.[201] The Controller states that it then worked with the claimant "to determine a reasonable allocation of direct and indirect labor for these eight classifications" by analyzing duty statements, holding discussions with claimant officials, and considering their input to determine reasonable allocations, such that six of the eight classifications were ultimately found to be varying combinations of both direct and indirect duties.[202]

The distinction between the Dispatcher and Evidence Technician classifications and the six classifications determined to be a combination of direct and indirect duties is that the Controller

[196] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 33.

[197] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 33.

[198] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 35.

[199] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 35.

[200] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 36.

[201] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 40.

[202] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 41.

found that the Dispatcher and Evidence Technician classification did not perform *any* indirect duties: the duty statements for these two positions do not identify general duties benefiting the entire police department, but rather identify duties that benefit a particular unit or function within the police department.[203] For example, the Public Safety Dispatcher position may serve as a receptionist to a specific unit within the police department but does not provide receptionist services to the *entire* police department.[204] The claimant appears to be confused on this point, as it interchangeably identifies the cost objective as the "child abuse program" and "child abuse investigations," arguing that the Dispatcher and Evidence Technician positions benefit more than one cost objective (child abuse investigation, missing persons, theft, DUI, etc.), despite the fact that both the claimant's claimed rates and the Controller's audited rates were based on the police department's expenditures as a whole, meaning that the cost objective is the *entire* police department, not the ICAN program.[205] Under this rubric, direct labor includes "the overall functions of the Police Department assignable to specific units and functions" and indirect cost rates are department-wide rates.[206] The Controller contends the claimant has not provided any additional documentation to show otherwise.[207]

The Controller asserts that the Commission should find that its reductions to the claimant's reimbursement claims are correct.

IV. Discussion

Government Code section 17561(d) authorizes the Controller to audit the claims filed by local agencies and school districts and to reduce any claim for reimbursement of state-mandated costs if the Controller determines that the claim is excessive or unreasonable.

Government Code section 17551(d) requires the Commission to hear and decide a claim that the Controller has incorrectly reduced payments to the local agency or school district. If the Commission determines that a reimbursement claim has been incorrectly reduced, section 1185.9 of the Commission's regulations requires the Commission to send the decision to the Controller and request that the costs in the claim be reinstated.

The Commission must review questions of law, including interpretation of the parameters and guidelines, de novo, without consideration of legal conclusions made by the Controller in the context of an audit. The Commission is vested with exclusive authority to adjudicate disputes over the existence of state-mandated programs within the meaning of article XIII B, section 6 of the California Constitution.[208] The Commission must also interpret the Government Code and implementing regulations in accordance with the broader constitutional and statutory scheme. In making its decisions, the Commission must strictly construe article XIII B, section 6 and not

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[203] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 41.

[204] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 41.

[205] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, pages 41-42.

[206] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 42.

[207] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 42.

[208] *Kinlaw v. State of California* (1991) 54 Cal.3d 326, 331-334; Government Code sections 17551, 17552.

apply it as an "equitable remedy to cure the perceived unfairness resulting from political decisions on funding priorities."[209]

With regard to the Controller's audit decisions, the Commission must determine whether they were arbitrary, capricious, or entirely lacking in evidentiary support. This standard is similar to the standard used by the courts when reviewing an alleged abuse of discretion of a state agency.[210] Under this standard, the courts have found that:

> When reviewing the exercise of discretion, "[t]he scope of review is limited, out of deference to the agency's authority and presumed expertise: 'The court may not reweigh the evidence or substitute its judgement for that of the agency. [Citation.]'" … "In general … the inquiry is limited to whether the decision was arbitrary, capricious, or entirely lacking in evidentiary support…." [Citations.] When making that inquiry, the " ' "court must ensure that an agency has adequately considered all relevant factors, and has demonstrated a rational connection between those factors, the choice made, and the purposes of the enabling statute." [Citation.]' "[211]

The Commission must review the Controller's audit in light of the fact that the initial burden of providing evidence for a claim of reimbursement lies with the claimant.[212] In addition, sections 1185.1(f)(3) and 1185.2(d) and (e) of the Commission's regulations require that any assertions of fact by the parties to an IRC must be supported by documentary evidence. The Commission's ultimate findings of fact must be supported by substantial evidence in the record.[213]

A. The Claimant Timely Filed the IRC.

At the time the Controller issued the audit report, section 1185.1(c) of the Commission's regulations required an IRC to be filed no later than three years after the date the claimant receives a final state audit report, letter, or other written notice of adjustment to a reimbursement claim, which complies with Government Code section 17558.5(c). Under Government Code section 17558.5(c), the Controller is required to notify the claimant in writing within 30 days after issuance of a remittance advice of any adjustment to a reimbursement claim resulting from

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[209] *County of Sonoma v. Commission on State Mandates* (2000) 84 Cal.App.4th 1264, 1281, citing *City of San Jose v. State of California* (1996) 45 Cal.App.4th 1802, 1817.

[210] *Johnson v. Sonoma County Agricultural Preservation and Open Space Dist.* (2002) 100 Cal.App.4th 973, 983-984. See also *American Bd. of Cosmetic Surgery, Inc. v. Medical Bd. of California* (2008) 162 Cal.App.4th 534, 547.

[211] *American Bd. of Cosmetic Surgery, Inc. v. Medical Bd. of California* (2008) 162 Cal.App.4th 534, 547-548.

[212] *Gilbert v. City of Sunnyvale* (2005) 130 Cal.App.4th 1264, 1274-1275.

[213] Government Code section 17559(b), which provides that a claimant or the state may commence a proceeding in accordance with the provisions of section 1094.5 of the Code of Civil Procedure to set aside a decision of the Commission on the ground that the Commission's decision is not supported by substantial evidence in the record.

an audit or review. The notice must specify which claim components were adjusted and in what amount, as well as interest charges, and the reason for the adjustment.[214]

Here, the Controller issued the final audit report on May 21, 2018.[215] The audit report specifies the claim components and amounts adjusted, as well as the reasons for the adjustments, and therefore complies with the section 17558.5(c) notice requirements.[216] The claimant filed the IRC on May 13, 2021, within three years of the final audit report.[217] The Commission finds that the IRC was timely filed.

B. The Controller's Reduction in Finding 2 of Costs Claimed to Complete an Investigation for Purposes of Preparing Form SS 8583, Based on the Exclusion of 10 Suspected Child Abuse Reports (SCARs) Received by the Claimant's Police Department, Is Correct as a Matter of Law and Is Not Arbitrary, Capricious, or Entirely Lacking in Evidentiary Support.

The claimant alleges that the Controller erred by excluding the suspected child abuse reports (SCAR or Form SS 8572) prepared by mandated reporters in the claimant's police department from the total number of SCARs investigated during the audit period.[218] According to the audit report, the claimant initially claimed 3,952 total SCARs that were investigated for purposes of preparing the SS 8583 Form, but revised that number to 3,802 during the audit.[219] Based on a sampling of 148 SCAR cases,[220] the Controller found that the claimant misinterpreted the program's Parameters and Guidelines and as a result, overstated the number of SCARs investigated for purposes of preparing the SS 8583 Form.[221] The Controller concluded, in part, that "time spent performing an initial investigation of a SCAR is only reimbursable for those SCARs which were *not* initiated by the Police Department."[222]

In response, the claimant provided the Controller with a list of 10 police department-generated cases from the three sampled fiscal years and argued, as it does again here, that those cases should have been included as eligible cases in the sampling analysis.[223] The claimant argues that the files for those cases show that there were often multiple officers on the scene and multiple parties interviewed to determine whether the cases were unfounded, substantiated, or

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[214] Government Code section 17558.5(c).

[215] Exhibit A, IRC, filed May 13, 2021, page 463 (Final Audit Report).

[216] Exhibit A, IRC, filed May 13, 2021, pages 463-508 (Final Audit Report).

[217] Exhibit A, IRC, filed May 13, 2021, page 1.

[218] Exhibit A, IRC, filed May 13, 2021, page 3.

[219] Exhibit A, IRC, filed May 13, 2021, page 480 (Final Audit Report).

[220] 32 of 163 for fiscal year 2008-2009, 66 of 654 for fiscal year 2009-2010, and 50 of 457 for fiscal year 2010-2011.

[221] Exhibit A, IRC, filed May 13, 2021, page 480 (Final Audit Report).

[222] Exhibit A, IRC, filed May 13, 2021, pages 481-482 (Final Audit Report).

[223] Exhibit A, IRC, filed May 13, 2021, page 495 (Final Audit Report

inconclusive. The claimant contends that this "level of effort" shows that the officers were not able to obtain enough information from completing the SCAR (Form SS 8572) to also complete the Form SS 8583.[224] Thus, the claimant requests that the total number of allowable cases be revised to include the 10 police department-generated cases in which the case file documentation shows that more than one eligible party (victims, witnesses, suspects) was interviewed.[225]

The Controller reviewed the documentation provided by the claimant and determined that the documents do not support the claim that the investigation was conducted for purposes of preparing the Form SS 8583 for DOJ.[226]

Based on the following analysis, the Commission finds that the Controller's exclusion of the 10 SCARs prepared by mandated reporters employed by claimant's police department from the total number of SCARs investigated during the audit period for purposes of preparing the Form SS 8583 is correct as a matter of law and not arbitrary, capricious, or entirely lacking in evidentiary support.

1. **The Controller's interpretation and application of the Parameters and Guidelines is correct as a matter of law.**

    a. The Parameters and Guidelines authorize reimbursement for investigation only after the SCAR (Form SS 8572) is prepared and only to determine whether a case of child abuse is "not unfounded" and a report (Form SS 8583) is required to be forwarded to DOJ.

When the SCAR (Form SS 8572) is generated by a mandated reporter employed by a police department, and the mandated reporter determines "in his or her professional capacity or within the scope of his or her employment" that the report of suspected child abuse or severe neglect is "not unfounded," the mandated reporter, in most cases, has completed the requisite level of investigation necessary to trigger the DOJ reporting requirement. Additional interviews may be reimbursable if conducted before evidence is being gathered for criminal prosecution and solely for the purpose of preparing and submitting Form SS 8583 to DOJ, and if those costs are supported by documentation.

The Parameters and Guidelines authorize reimbursement to "complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state-issued 'Child Abuse Investigation Report' Form SS 8583" to DOJ, which includes the following investigative activities:

- Reviewing the initial Suspected Child Abuse Report (SCAR or Form 8572);
- Conducting initial interviews with parents, victims, suspects, or witnesses, where applicable; and

[224] Exhibit A, IRC, filed May 13, 2021, page 495 (Final Audit Report).

[225] Exhibit A, IRC, filed May 13, 2021, page 5.

[226] Exhibit A, IRC, filed May 13, 2021, page 496 (Final Audit Report).

- Making a report of the findings of those interviews, which may be reviewed by a supervisor.[227]

The Parameters and Guidelines also specify when reimbursement is *not* required, including:

- Investigative activities conducted by a mandated reporter to complete the SCAR;
- In the event that the mandated reporter completing the SCAR is employed by the same agency investigating the report, reimbursement is not required if the investigation required to complete the SCAR is also sufficient to satisfy the DOJ reporting requirement; and
- Investigative activities undertaken subsequent to the determination whether the report is substantiated, inconclusive, or unfounded for purposes of preparing the report for DOJ (Form SS 8583), including the collection of physical evidence, the referral to a child abuse investigator, and the conduct of follow-up interviews.[228]

The scope of reimbursement for investigative activities performed by an agency for purposes of preparing and submitting a child abuse investigation report to DOJ is discussed at length in the Decision and Parameters and Guidelines and the Test Claim Decision.[229] The SCAR is the suspected child abuse reporting form adopted by DOJ for use by mandated reporters. Mandated reporters are required to report to "an agency specified in [Penal Code] section 11165.9," whenever they know or reasonably suspect that a child has been the victim of abuse or severe neglect.[230] This duty is triggered whenever a mandated reporter, in his or her professional capacity or within the scope of his or her employment, has knowledge of or observes a child whom the mandated reporter knows or reasonably suspects has been the victim of child abuse or neglect.[231] "Reasonable suspicion" means "that it is objectively reasonable for a person to entertain a suspicion, based upon facts that could cause a reasonable person in a like position, drawing, when appropriate, on the person's training and experience, to suspect child abuse or neglect."[232]

Notably, the investigative activities conducted by a mandated reporter to complete the SCAR are *not* reimbursable: Only those investigative activities conducted by an agency after receipt of a SCAR to determine whether the Form SS 8583 is required to be submitted to DOJ are

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[227] Exhibit A, IRC, filed May 13, 2021, page 241 (Parameters and Guidelines).

[228] Exhibit A, IRC, filed May 13, 2021, page 242 (Parameters and Guidelines).

[229] Exhibit A, IRC, filed May 13, 2021, pages 180-203 (Decision and Parameters and Guidelines); Exhibit X, Test Claim Decision, pages 29-32.

[230] Penal Code section 11166(a).

[231] Penal Code section 11166(a)

[232] Penal Code section 11166(a) (Stats. 1990, ch. 1603). The definition was later amended to clarify that "reasonable suspicion" "does not require certainty that child abuse or neglect has occurred nor does it require a specific medical indication of child abuse or neglect; any 'reasonable suspicion' is sufficient." (Pen. Code, § 11166(a)(1), as last amended by Stats. 2013, ch. 76).

reimbursable.[233] Furthermore, investigation by law enforcement beyond what is required for all child protective agencies (which include county probation departments, county welfare departments, CPS, and district attorney offices), is not reimbursable.

> [R]eimbursement is not required for the *full course of investigative activities* performed by law enforcement agencies [when they receive a SCAR], but only the investigative activities necessary to determine whether a report of suspected child abuse is unfounded, inconclusive, or substantiated, for purposes of preparing and submitting the Form SS 8583 to DOJ."[234]

The Commission also recognized that when the mandated reporter is an employee of a child protective agency (i.e., a law enforcement officer), some of the same information obtained in the course of the mandated reporter's duties, may also satisfy the agency's requirements to report to DOJ:

> [A] mandated reporter's duty to investigate under section 11166(a) pursuant to the holding in *Alejo* is not reimbursable. The precise scope of this investigative duty is not specified, but all mandated reporters are expected to employ the Form SS 8572 to report suspected child abuse to one of the identified child protective agencies. This duty is triggered whenever the mandated reporter, in his or her professional capacity or within the scope of his or her employment, has knowledge of or observes a child whom the mandated reporter knows or reasonably suspects has been the victim of child abuse or neglect.[235] Given that the scope of employment within a law enforcement agency, county probation department, or county welfare agency generally includes investigation and observation for crime prevention, law enforcement and child protection purposes, information may be obtained by an employee which triggers the requirements of section 11166(a), and ultimately leads to an investigation and report to DOJ under section 11169(a). *Ultimately, some of the same information necessary to satisfy the reporting requirements of section 11169 and the DOJ regulations may be obtained in the course of completing a mandated reporter's (non-reimbursable) duties under section 11166(a)* (as discussed above, section 11169 requires a determination whether a report is unfounded, inconclusive, or substantiated, and Code of Regulations, title 11, section 903, as amended by Register 98, No. 29, requires certain information items in order to complete a "retainable report").[236]

The Commission found that a mandated reporter who is an employee of a child protective agency necessarily has a greater responsibility to investigate when he or she has reasonable suspicion of child abuse and, therefore, in these cases, the test claim statutes "impose a very low

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[233] Exhibit A, IRC, filed May 13, 2021, page 196 (Decision and Parameters and Guidelines).

[234] Exhibit A, IRC, filed May 13, 2021, page 183 (Decision and Parameters and Guidelines).

[235] Penal Code section 11166(a) (Stats. 2000, ch. 916).

[236] Exhibit A, IRC, filed May 13, 2021, page 197 (Decision and Parameters and Guidelines), emphasis added.

standard of investigation for reporting to DOJ regarding instances of known or suspected child abuse."[237]

> Because… a mandated reporter is expected to do what is reasonable within the scope of his or her experience and employment, *a mandated reporter who is an employee of a child protective agency necessarily has a greater responsibility to investigate when he or she has reasonable suspicion of child abuse*.[238] *Therefore the regulations and statutes approved in the test claim statement of decision impose very little beyond what would otherwise be expected of a mandated reporter in the employ of a child protective agency*, and therefore reimbursement must be limited to only such investigative activity as is necessary to satisfy the mandate of section 11169, but not mandated on the individual employee under section 11166.
>
> Therefore, any investigation conducted by an employee of a county law enforcement agency, county welfare department, or county probation department, prior to the completion of a Form SS 8572 under section 11166(a), is not reimbursable under this mandated program. And, if the Form SS 8572 is completed by an employee of the same agency, and the information contained in the Form SS 8572 is sufficient to make the determination and complete the essential information items required by section 11169 and the regulations, no further investigation is reimbursable.[239]

As noted in the Decision and Parameters and Guidelines, while more recent amendments to the regulatory sections pled in the Test Claim require completion of *all* information items in the Form SS 8583, the Test Claim Decision approved California Code of Regulations, title 11, section 903, as added by Register 98, No. 29, which adopted the Form SS 8583, and required that only "*certain* information items… be completed."[240] California Code of Regulations, title 11, section 903, as approved in the Test Claim Decision, states as follows:

> All information items on the standard report form SS 8583 *should* be completed by the investigating CPA [child protective agency]. Certain information items on the SS 8583 *must* be completed by the CPA in order for it to be considered a "retainable report" by DOJ and entered into [the index]. Reports without these items will be returned to the contributor. These information items are:
>
> (1) The complete name of the investigating agency and type of agency.
>
> (2) The agency's report number or case name.

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[237] Exhibit A, IRC, filed May 13, 2021, page 198 (Decision and Parameters and Guidelines).

[238] See *Alejo v. City of Alhambra* (1999) 75 Cal.App.4th 1180 ("duty to investigate and report child abuse is mandatory under section 11166, subdivision (a) if a reasonable person in Officer Doe's position would have suspected such abuse").

[239] Exhibit A, IRC, filed May 13, 2021, page 198 (Decision and Parameters and Guidelines), emphasis added.

[240] Exhibit A, IRC, filed May 13, 2021, page 197 (Decision and Parameters and Guidelines).

(3) The action taken by the investigating agency.[241]

(4) The specific type of abuse.

(5) The victim(s) name, birth date or approximate age, and gender.

(6) Either the suspect(s) name or the notation "unknown."[242]

While the Form SS 8583 guidelines specify the other information items that "should be completed" on the Form SS 8583, including the name of the investigating party, the date and location of the incident, the suspect's address and relationship to the victim, and the victim's present location, among other items, "the investigation approved in the test claim statement of decision is only that required to comply with Penal Code section 11169 and to complete the Form 8583, as those authorities existed at the time of the test claim decision."[243]

Thus, under the Decision and Parameters and Guidelines, when a mandated reporter is employed by the same agency required to investigate and submit the Form SS 8583 to DOJ, reimbursement is *not* required if the investigation necessary to complete the Form SS 8572 is also sufficient to complete the required information items in Form SS 8583. The Decision and Parameters and Guidelines expressly state that:

> In the event that the mandated reporter completing the SCAR is employed by the same agency investigating the report, reimbursement is not required if the investigation required to complete the SCAR is also sufficient to satisfy the DOJ reporting requirement.[244]

The Decision and Parameters and Guidelines also reasoned that the test claim statutes were not focused on criminal investigation and prosecution, but were instead focused on the protection of children and early intervention in abusive or neglectful situations, and that the investigation mandate specifically arises in the context of early reporting requirements.[245] Thus, reimbursement is only allowed for the investigation activities if they are conducted for the sole purpose of determining whether a case is "not unfounded" and a report forwarded to DOJ. "[O]nce evidence is being gathered for *criminal prosecution*, the determination that a report is

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[241] The Form SS 8583 and accompanying DOJ guidelines explain that "the action taken by the investigating agency" refers to whether the suspected child abuse was substantiated, unsubstantiated, or unfounded. See Exhibit X, Form 8583, pages 1-2.

[242] California Code of Regulations, title 11, section 903 (Register 98, No. 29), emphasis added. The Form SS 8583 guidelines state that while all shaded information blocks must be completed, exceptions are "victim" and "suspect" blocks, at least one of which must be entered on the form. See Exhibit X, Form 8583, page 2.

[243] Exhibit A, IRC, filed May 13, 2021, pages 185-186 (Decision and Parameters and Guidelines [citing Penal Code section 11169 (Stats. 2000, ch. 916); California Code of Regulations, title 11, section 903 (Register 98, No. 29)]).

[244] Exhibit A, IRC, filed May 13, 2021, page 242 (Decision and Parameters and Guidelines).

[245] Exhibit A, IRC, filed May 13, 2021, pages 190-191 (Decision and Parameters and Guidelines).

'not unfounded' has been made, and the investigative mandate approved in the Test Claim Decision has been satisfied."[246] In this respect, the Commission rejected the test claimant's argument "that a complete report filed with DOJ requires a more extensive investigation than that provided for in the test claim decision."[247] Thus, reimbursement is *not* required for any investigation conducted for purposes of criminal prosecution. The Commission reasoned as follows:

> The point at which the decision is made to close the case (an unfounded report), or continue the investigation (an inconclusive or substantiated report), *is the point at which a determination sufficient to control whether a report will be forwarded to DOJ has been made*. The claimant's evidence demonstrates that an investigation that results in a finding of no child abuse will conclude with the patrol officer's interviews and the filing of a closure report, which must be approved by a supervisor.[248]

As indicated above, a mandated reporter, in his or her professional capacity or within the scope of his or her employment, has a duty to complete a SCAR (Form 8572) when he or she has knowledge of or observes a child whom the mandated reporter knows or reasonably suspects has been the victim of child abuse or neglect.[249] "Reasonable suspicion" means "that it is objectively reasonable for a person to entertain a suspicion, based upon facts that could cause a reasonable person in a like position, drawing, when appropriate, on the person's training and experience, to suspect child abuse or neglect."[250]

Therefore, as applied to cases in which the SCAR (Form SS 8572) is generated by a mandated reporter employed by a police department, and the mandated reporter determines "in his or her professional capacity or within the scope of his or her employment" that the report of suspected child abuse or severe neglect is "not unfounded," the mandated reporter has completed the requisite level of investigation necessary to trigger the DOJ reporting requirement (i.e., to complete the Form SS 8583 and submit it to DOJ), and no further investigation is required. Since a mandated reporter is expected to do what is reasonable within the scope of employment and experience, a mandated reporter employed by a police department necessarily has a greater responsibility to investigate when child abuse or severe neglect is reasonably suspected.[251]

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[246] Exhibit A, IRC, filed May 13, 2021, page 193 (Decision and Parameters and Guidelines).

[247] Exhibit A, IRC, filed May 13, 2021, page 193 (Decision and Parameters and Guidelines).

[248] Exhibit A, IRC, filed May 13, 2021, page 192 (Decision and Parameters and Guidelines), emphasis added.

[249] Penal Code section 11166(a).

[250] Penal Code section 11166(a) (Stats. 1990, ch. 1603). The definition was later amended to clarify that "reasonable suspicion" "does not require certainty that child abuse or neglect has occurred nor does it require a specific medical indication of child abuse or neglect; any 'reasonable suspicion' is sufficient." (Pen. Code, § 11166(a)(1), as last amended by Stats. 2013, ch. 76).

[251] Exhibit A, IRC, filed May 13, 2021, page 198 (Decision and Parameters and Guidelines, page 42, footnote 152 (citing *Alejo v. City of Alhambra* (1999) 75 Cal.App.4th 1180, 1187 ["duty to

The Decision and Parameters and Guidelines contemplate, however, that there may be a few circumstances where the receipt of the SCAR may require the police department to conduct additional interviews for the sole purpose of preparing and submitting a retainable report to DOJ ("Conducting initial interviews with parents, victims, suspects, or witnesses, *where applicable*").[252] However, once evidence is being gathered for purposes of *criminal prosecution,* the mandate to investigate ends.

> Therefore, because in-person interviews and writing a report of the findings are the last step taken by law enforcement before determining whether to proceed with a criminal investigation or close the investigation, and the last step that county welfare departments take before determining whether to forward the report to DOJ and possibly refer the matter to law enforcement, that degree of investigative effort must be the last step that is necessary to comply with the mandate. All further investigative activities are not reimbursable under the mandate, because, in a very practical sense, once evidence is being gathered for criminal prosecution, the determination that a report is "not unfounded" has been made, and the investigative mandate approved in the test claim statement of decision has been satisfied.[253]

The Decision and Parameters and Guidelines require documentation to support the costs claimed for investigation after the receipt of the SCAR (Form SS 8572) and before evidence is being gathered for criminal prosecution, and solely for the purpose of preparing and submitting a retainable Form SS 8583 to DOJ when a report of child abuse is not unfounded.[254]

b. <u>The Controller's interpretation of the Decision and Parameters and Guidelines is correct as a matter of law.</u>

The claimant alleges that the Controller misinterpreted the Decision and Parameters and Guidelines in finding that *all* cases in which an employee of the police department generated the SCAR, or Form SS 8572, are ineligible for reimbursement.[255] While some of the language used in the audit report initially appears to categorically reject all police department-generated SCARS ("time spent performing an initial investigation of a SCAR is only reimbursable for those SCARs which were not initiated by the Police Department"),[256] the Controller did *not*, in fact, automatically exclude police department-generated SCARs. Rather, the Controller reasoned that a police department's investigation when completing the SCAR is often enough to

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investigate and report child abuse is mandatory under section 11166, subdivision (a) if a reasonable person in Officer Doe's position would have suspected such abuse"]).

[252] Exhibit A, IRC, filed May 13, 2021, page 241 (Decision and Parameters and Guidelines), emphasis added.

[253] Exhibit A, IRC, filed May 13, 2021, page 193 (Decision and Parameters and Guidelines).

[254] Exhibit A, IRC, filed May 13, 2021, pages 236, 249 (Decision and Parameters and Guidelines).

[255] Exhibit A, IRC, filed May 13, 2021, page 3.

[256] Exhibit A, IRC, filed May 13, 2021, page 481 (Final Audit Report).

also determine whether the report of child abuse is not unfounded and to complete the Form SS 8583.

> Per PC section 11166(a), a mandated reporter is already compelled by the nature of his/her duty to report instances of suspected child abuse via the SS 8572 form. There is no higher level of service mandated, and therefore, the duty to investigate under PC section 11166(a) is not reimbursable. Furthermore, the level of investigation performed by the mandated reporter to gather the necessary information for completing the SS 8572 form *is frequently sufficient* to complete form SS 8583.[257]

Furthermore, in comments on the IRC, the Controller cites extensively to the Decision and Parameters and Guidelines for the point that the mandate imposes very little investigation beyond what a mandated reporter is already required to do under preexisting law because the number of information items required to make the Form SS 8583 retainable impose a "very low standard of investigation" and in fact the "level of information for completing the SS 8572 form is *frequently sufficient* to complete form SS 8583 Report Form."[258] Thus, the Controller's comments make clear that it did not incorrectly interpret the Parameters and Guidelines as *never* permitting reimbursement when the mandated reporter completing the Form SS 8572 is employed by the same child protective agency required to investigate and submit the Form SS 8583, but rather, in such a situation, as is the case with claimant's police department, the mandated reporter's investigation preceding completion of the Form SS 8572 is "frequently sufficient" to complete the Form SS 8583, given the low number of information items required for completing the Form SS 8583.

The Controller instead based the reduction on its finding that the claimant provided no documentation showing that police department personnel performed investigative activities "for purposes of" completing the Form SS 8583.

> The city's claim that the 10 cases cited should be included as eligible in the sampling analysis is unsupported. For these 10 cases, only one completed SCAR (form SS 8572) was documented in the file, and none of the cases had completed SS 8583 forms documented in the files. For this particular component, the reimbursable activity is to complete an investigation "*for purposes of"* [emphasis added] preparing an SS 8583 report form. The documentation in the case files does not support that the city prepared the required SS 8583 forms.[259]

The Controller further explains that because the remaining nine case files do not contain a Form SS 8572, the Controller is unable to confirm that the Forms SS 8572 were completed and cross-reported to CPS and the District Attorney's Office, or whether an investigation occurred prior to the completion of the Form SS 8572, and therefore cannot determine whether the claimant

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[257] Exhibit A, IRC, filed May 13, 2021, page 495 (Final Audit Report), emphasis added.

[258] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, pages 21-22, emphasis added.

[259] Exhibit A, IRC, filed May 13, 2021, page 496 (Final Audit Report).

obtained sufficient information to make a determination whether a Form SS 8583 had to be prepared and completed with the essential information items on the form.[260]

The claimant nevertheless argues the investigation is reimbursable for the 10 cases because there is a direct correlation between the severity of a case and the scope of investigation required to determine whether the suspected child abuse is "not unfounded" and the Form SS 8583 has to be prepared and submitted to DOJ.[261] Specifically, the claimant asserts that while completing the Form SS 8572 requires interviewing one reporting party and takes approximately 15 minutes, completing the Form SS 8583 requires multiple interviews, including "the interviews of 'victim(s), any known suspects, and witnesses' to determine case disposition (substantiated, unfounded or inconclusive)."[262]

However, there is nothing in the plain language of the Decision and Parameters and Guidelines that requires the investigating agency to conduct multiple interviews to complete the Form SS 8583. In contrast, the Parameters and Guidelines state that "[c]onducting initial interviews with parents, victims, suspects, or witnesses, *where applicable*" in order "to satisfy the DOJ reporting requirement" when a case of child abuse is not unfounded is a reimbursable activity.[263] Furthermore, as the Decision and Parameters and Guidelines make clear, "the mandate *only required enough information to determine whether to file a Form 8583*, . . . and enough information to render the Form 8583 a "retainable report" under [California Code of Regulations, title 11,] section 903 [(Register 98, No. 29)]."[264]

> [T]he scope of reimbursable investigative activities is limited by the plain language of the statute, which requires an investigation to determine whether a report of suspected child abuse is unfounded, inconclusive, or substantiated. In addition, the scope of investigation is limited to the degree of investigation that DOJ has allowed to constitute a "retainable report;" in other words, the *minimum* degree of investigation that is sufficient to complete the reporting requirement is the *maximum* degree of investigation reimbursable under the test claim statute.[265]

As stated above, when the SCAR (Form SS 8572) is generated by a mandated reporter employed by a police department, and the mandated reporter determines "in his or her professional capacity or within the scope of his or her employment" that the report of suspected child abuse or severe neglect is "not unfounded," the mandated reporter, in most cases, has completed the requisite level of investigation necessary to trigger the DOJ reporting requirement. Additional interviews after the receipt of the SCAR (From SS 8572) may be reimbursable if conducted before evidence

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[260] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 23.

[261] Exhibit A, IRC, filed May 13, 2021, page 496 (Final Audit Report).

[262] Exhibit A, IRC, filed May 13, 2021, page 4.

[263] Exhibit A, IRC, filed May 13, 2021, page 241 (Decision and Parameters and Guidelines), emphasis added.

[264] Exhibit A, IRC, filed May 13, 2021, page 185 (Decision and Parameters and Guidelines).

[265] Exhibit A, IRC, filed May 13, 2021, page 189 (Decision and Parameters and Guidelines), emphasis in original.

is being gathered for criminal prosecution and solely for the purpose of determining if the report of child abuse is not unfounded, which triggers the requirement to prepare and submit Form SS 8583 to DOJ. As the Controller correctly notes:

> The Commission, when crafting the Statement of Decision, was aware of the potential of over-claiming when a mandated reporter is also the investigating agency. Page 40 of the Statement of Decision states, "the parameters and guidelines must be crafted to avoid over-claiming when the mandated reporter in a particular case is also an employee of the child protective agency that will complete the investigation under section 11169."[266]

Therefore, the Commission finds that the Controller correctly interpreted the Parameters and Guidelines and did not, as a matter of law, wholly exclude police department-generated SCARs from the sample pool. Consistent with the Commission's Decision and Parameters and Guidelines, the Controller understood that "the level of investigation performed by the mandated reporter [who is an employee of the police department] to gather the necessary information for completing the SS 8572 form *is frequently sufficient* to complete form SS 8583" and that supporting documentation is required to determine if additional investigation conducted by the police department is reimbursable and conducted solely for the purpose of preparing and submitting Form SS 8583 to DOJ.[267]

Thus, the issue becomes whether the Controller's review of the audit records and reduction of the total number of SCARs by disallowing those generated by the claimant's police department is arbitrary, capricious, or entirely lacking in evidentiary support.

2. The Controller's reduction in Finding 2 for the costs claimed to complete an investigation for purposes of preparing Form SS 8583, based on the exclusion of 10 Suspected Child Abuse Reports (SCARs, Form SS 8572) generated by mandated reporters employed by the claimant's police department, is not arbitrary, capricious, or entirely lacking in evidentiary support.

When reviewing an audit decision of the Controller, the Commission's scope of review is limited to whether the decision was arbitrary, capricious or entirely lacking in evidentiary support.[268]

> "[T]he scope of review is limited, out of deference to the agency's authority and presumed expertise: 'The court may not reweigh the evidence or substitute its judgement for that of the agency. [Citation.]'" … "In general … the inquiry is limited to whether the decision was arbitrary, capricious, or entirely lacking in evidentiary support…." [Citations.]" When making that inquiry, the " ' "court must ensure that an agency has adequately considered all relevant factors, and has

[266] Exhibit A, IRC, filed May 13, 2021, page 496 (Final Audit Report).

[267] Exhibit A, IRC, filed May 13, 2021, page 495 (Final Audit Report).

[268] *American Bd. of Cosmetic Surgery, Inc. v. Medical Bd. of California* (2008) 162 Cal.App.4th 534, 547-548.

> demonstrated a rational connection between those factors, the choice made, and the purposes of the enabling statute." [Citation.]'"[269]

The Commission may *not* reweigh the evidence or substitute its own judgment for that of the Controller. Instead, the Commission's inquiry is limited to whether the Controller adequately considered the claimant's documentation, all relevant factors, and demonstrated a rational connection between those factors and the adjustments made.[270] Furthermore, the claimant bears the initial burden of providing evidence for a reimbursement claim, and any assertions of fact by the claimant must be supported by documentary evidence.[271]

Based on the evidence in the record, the Commission finds that the Controller adequately considered the claimant's documentation, all relevant factors, and demonstrated a rational connection between those factors and the adjustments made and, thus, the reduction of costs in Finding 2 based on the exclusion of the 10 SCARs (Form SS 8572) generated by the claimant's police department is not arbitrary, capricious, or entirely lacking in evidentiary support.

The audit report states that the claimant computed claimed costs based on estimated average time increments. For each fiscal year of the audit period, the city estimated that it took, on average, four hours and 18 minutes (4.3 hours) to perform the initial investigation activities for each SCAR received. The city multiplied the estimated average time increments for different employee classifications by the total number of SCARs to calculate the claimed hours.[272] The claimant initially claimed 3,952 SCARs investigated during the audit period, which it revised to 3,802 during the audit fieldwork.[273] The claimant did not exclude SCARs initiated by mandated reporters employed by its police department, nor did the claimant exclude the SCARs that had not been investigated.[274]

The Controller then requested a representative sample of 148 cases for the three-year period, from fiscal year 2008-2009 through fiscal year 2010-2011, to review.[275]

> We sampled and thoroughly reviewed the contents of 148 cases (32 out of 163 in FY 2008-09; 66 out of 654 in FY 2009-10; and 50 out of 457 in FY 2010-11). In reviewing the case files, we made note of those SCARs generated by another

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[269] *American Bd. of Cosmetic Surgery, Inc. v. Medical Bd. of California* (2008) 162 Cal.App.4th 534, 547-548.

[270] See *American Bd. of Cosmetic Surgery, Inc. v. Medical Bd. of California* (2008) 162 Cal.App.4th 534, 547-548.

[271] *Gilbert v. City of Sunnyvale* (2005) 130 Cal.App.4th 1264, 1274-1275; Government Code section 17559; California Code of Regulations, title 2, sections 1185.1(f)(3) and 1185.2(d), (e).

[272] Exhibit A, IRC, filed May 13, 2021, page 480 (Final Audit Report).

[273] Exhibit A, IRC, filed May 13, 2021, page 481 (Final Audit Report).

[274] Exhibit A, IRC, filed May 13, 2021, page 481 (Final Audit Report).

[275] Exhibit A, IRC, filed May 13, 2021, pages 481-482 (Final Audit Report).

mandated reporter (other agency-generated) and those generated by the Police Department (LEA-generated).[276]

Following the Controller's initial determination to exclude all SCARs generated by the claimant's police department from the sample pool, the claimant asserted that for 10 police department-generated cases,[277] "the reports and call histories show that there were often multiple officers on the scene and multiple parties being interviewed" to determine whether the cases were unfounded, substantiated, or inconclusive, evidencing that a higher level of effort beyond that needed to complete the Form SS 8572 was necessary for purposes of preparing Form SS 8583 and requested that the cases be reassessed and included in the percentage of eligible SCAR cases.[278]

The Controller reexamined the case file documentation for each of the 10 cases and summarized the documentation as follows:

> **FY 2008-09 . . .**
>
> • Case Number 0810-0181: LEA [Law Enforcement Agency]-generated SCAR case. *No SCAR on file*. Father accused of hitting his daughter. The LEA spoke with victim, mother, and suspect. Allegations of child abuse was unfounded.
>
> • Case Number 0810-1766 (Case Number 0801-1766 was transposed in the auditee's response identified in the final audit report and should be as noted): LEA-generated SCAR case. *No SCAR on file*. Father accused of beating his son. The LEA spoke with victim, suspect, and witness. Allegations of child abuse were unfounded.
>
> • Case Number 0904-0493: LEA-generated SCAR case. *No SCAR on file*. Father accused of child abuse. The LEA spoke to the victim, suspect, victim's mother, and victim's sister. Supplemental report written at the request of the DA's Office. Allegations of child abuse were not confirmed.
>
> • Case Number 1003-1190: LEA-generated SCAR case. *No SCAR on file*. Grandfather touched granddaughter's private parts. The LEA spoke with a Women's Center Advocate, mother, victim, and suspect. Allegations of sexual abuse were substantiated. *The SS 8583 Report Form was on file*.
>
> **FY 2009-10 . . .**
>
> • Case Number 0907-2506: LEA-generated SCAR case. *No SCAR on file*. Male accused of hitting stepsons. The LEA spoke to mother, victim (1 and 2), siblings, and suspect. Arrest made. *The SS 8583 Report Form was not on file*.

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[276] Exhibit A, IRC, filed May 13, 2021, page 482 (Final Audit Report).

[277] Four cases from fiscal year 2008-2009, two cases from fiscal year 2009-2010, and four cases from fiscal year 2010-2011. Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 15.

[278] Exhibit A, IRC, filed May 13, 2021, pages 491-492 (Final Audit Report).

• Case Number 0909-2714: LEA-generated SCAR case. *No SCAR on file*. A father reported that his daughter and a female cousin may have been sexually abused by a male cousin. LEA spoke to mother, mother's sister, father, victim (1 and 2), and suspect. Allegations of sexual abuse substantiated. *The SS 8583 Report Form was not on file*.

FY 2010-11 . . .

• Case Number 1009-1848: LEA-generated SCAR case. *No SCAR on file*. Father who lives out of jurisdiction requests welfare check on his children. LEA checks residence and school and children are not located. Case is forwarded to CPS for follow up.

• Case Number 1010-0549: LEA-generated SCAR case occurrence date October 7, 2010. *SCAR on file* completed on October 8, 2010. Older brother sexually assaulted younger brother. The LEA spoke to the mother, father, victim, suspect, and older sister. Allegations of sexual abuse substantiated. *No SS 8583 Report Form on file*.

• Case Number 1104-1560: LEA-generated SCAR case. *No SCAR on file*. Father reported that mother physically abused son. Allegations of child abuse were substantiated. *No SS 8583 Report Form on file*.

• Case Number 1106-2117: LEA-generated SCAR case. *No SCAR on file*. Mother reported daughter was victim of sexual abuse by daughter's boyfriend. The LEA spoke to victim, mother, father, and suspect. Allegations of sexual abuse were unfounded.[279]

The Controller found that one out of the 10 LEA-generated SCAR cases listed above, Case Number 1010-0549 (FY 2010-2011), included a completed SCAR Form SS 8572.[280] As the Controller found, the SCAR for Case Number 1010-0549 is dated October 8, 2010, and was prepared by the same officer that initially responded to the report of child abuse on October 7, 2010 ("Date time and day of occurrence, 10/07/10 21:25 Thursday").[281] Interviews with the mother, the victim, the brother, the father, and the suspect were conducted by the police on October 7, 2010,[282] and beginning at 12:50 a.m. on October 8, 2010,[283] and the suspect was arrested and booked into juvenile hall on October 8, 2010.[284] The SCAR was completed on

[279] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 16; Exhibit A, IRC, filed May 13, 2021, page 496 (Final Audit Report).

[280] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, pages 22-23.

[281] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, pages 156, 175.

[282] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, pages 156-161.

[283] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 161 ("At approximately 0050 (12.50 a.m.) we returned and I interviewed …The interview took place in his room.")

[284] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 174.

October 8, 2010.[285] Thus, the evidence in the record supports the Controller's review of this case and finding that the interviews occurred before the completion of the SCAR and, therefore, reimbursement for the investigation alleged for Case Number 1010-0549 is not reimbursable. Under the Parameters and Guidelines, the investigative activities conducted by a mandated reporter to complete the SCAR are *not* reimbursable: only those investigative activities conducted by an agency *after* receipt of a SCAR to determine whether the Form SS 8583 is required to be submitted to DOJ are reimbursable.[286]

For the remaining nine cases summarized above, the Controller states that no SCAR Forms SS 8572 were on file.[287] In addition, only one case file contained a Form SS 8583: Case Number 1003-1190 from fiscal year 2008-2009.[288] And the claimant only provided the Commission with documentation pertaining to one of these 10 cases, Case Number 1003-1190, which is the same case that the Controller determined had a Form SS 8583 was on file. The documentation provided with the IRC for Case Number 1003-1190 consists of one, one-page document: the revised Form SS 8583 (BCIA 8583).[289] The Controller's review of the case file documentation found as follows:

> • Case Number 1003-1190: LEA-generated SCAR case. No SCAR on file. Grandfather touched granddaughter's private parts. The LEA spoke with a Women's Center Advocate, mother, victim, and suspect. Allegations of sexual abuse were substantiated. The SS 8583 Report Form was on file.[290]

The revised Form SS 8583 in Case Number 1003-1190 is not sufficient to support the finding that the claimant was required to perform additional investigative activities for purposes of completing Form SS 8583 beyond those necessary to complete the Form SS 8572. For example, there is no indication in the record when the interviews were conducted, or when the SS 8572 and SS 8583 were prepared, or what information was available to the officer when preparing the SS 8583, or whether the interviews were conducted within the limited scope of the mandate (i.e., solely for purpose of preparing the SS 8583 for DOJ).

Furthermore, there is no mention by either the claimant or the Controller as to whether any of these 10 files contained original investigative reports, beyond the Controller's detailed descriptions of the case file documentation as quoted above. The descriptions of the case files show that for at least seven of the nine cases, police department personnel conducted interviews with more than one party.[291] However, there is no evidence to show that the interviews in these

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[285] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, pages 156-160.

[286] Exhibit A, IRC, filed May 13, 2021, page 196 (Decision and Parameters and Guidelines).

[287] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 23.

[288] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 16; Exhibit A, IRC, filed May 13, 2021, page 102.

[289] Exhibit A, IRC, filed May 13, 2021, page 102.

[290] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 16.

[291] Case numbers 0810-0181; 0810-1766; 0904-0493; 0907-2506; 0909-2714; 1010-0549; and 1106-2117.

seven cases took place *as a result of* the police department being unable to obtain enough information when completing the SCAR (Form SS 8572) to also complete the Form SS 8583.

Additionally, the claimant's contention that "[a]ctual documentation (See Exhibit A) showed the number of eligible interviews performed per case as required by SS 8583" is puzzling.[292] Claimant's Exhibit A consists of time studies, police department-generated time reports, time analysis, and correspondence related to the computation of time for the reimbursement claims, all of which were provided to the Controller during the audit.[293] The claimant does not point to which of these documents show that eligible interviews were conducted, nor do the documents speak for themselves. The only documents in claimant's Exhibit A that make any reference to interviews are police department detective time logs from 2015, with a handwritten note stating "2015 time studies not used in claim[,] done for verification in case of audit."[294] While six of the 12 pages of time logs contain entries showing that interviews were conducted, they do not "show the number of eligible interviews performed per case": the time logs simply state the date that an interview was performed and on occasion, who was interviewed, along with the time spent on the activity. The time logs do not consistently reference case numbers, making it impossible to know whether multiple interviews were conducted in the same case, or whether the interviews listed were conducted prior to completion of the Form SS 8572.[295]

Therefore, the claimant has not satisfied its initial burden of providing evidence that the Controller's exclusion of police-department generated cases from the total number of SCARs for which an investigation was completed for purposes of filing the Form SS 8583 is wrong, or arbitrary, capricious, or entirely lacking in evidentiary support.

In response, the claimant argues that the Form SS 8572 and Form SS 8583 are not available because the Form SS 8572 was not always retained for each suspected child abuse case, and no Form SS 8583 was prepared if a case was determined to be unfounded. The claimant also argues that because approximately 10 years passed between when the cases occurred and the audit was conducted, with no prior notice that reimbursement would be conditioned upon retention of these forms, it would violate due process to retroactively require so now.[296]

The Parameters and Guidelines, adopted in 2013, require that claims for actual costs be traceable and supported by contemporaneous source documentation (i.e., documents created at or near the same time the actual cost was incurred) that show the validity of such costs, when they were incurred, and their relationship to reimbursable activities.[297] Source documents include

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[292] Exhibit A, IRC, filed May 13, 2021, page 4.

[293] See Exhibit A, IRC, filed May 13, 2021, pages 18-19 (Declaration of Annette Chinn), pages 20-38.

[294] Exhibit A, IRC, filed May 13, 2021, page 27.

[295] Only two time logs contain some case numbers, and none of the interviews listed therein pertain to the same case number. Exhibit A, IRC, filed May 13, 2021, pages 28, 32.

[296] Exhibit A, IRC, filed May 13, 2021, page 5.

[297] Exhibit A, IRC, filed May 13, 2021, page 236 (Parameters and Guidelines).

employee time records or time logs, sign-in sheets, invoices, and receipts.[298] Although the Parameters and Guidelines are regulatory in nature, due process requires that a claimant have reasonable notice of any law that affects their substantive rights and liabilities.[299] Here, the claimant was not on notice of the contemporaneous source document rule (CSDR) when costs were incurred in fiscal years 1999-2000 through 2011-2012 because the Parameters and Guidelines were not adopted until December 2013.

The Controller, however, is *not* strictly enforcing the CSDR. The Controller did not reduce costs because contemporaneous documents were not provided or reduce the salaries and benefits for the Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component to $0. Instead, the Controller found that the documentation provided by the claimant to support the inclusion of 10 police department-generated cases from the sample pool as eligible SCAR cases investigated was insufficient to support the claimant's position that extensive investigative work was performed by the agency for purposes of Form SS 8583 beyond that required of the mandated reporter to complete the initial Form SS 8572. Government Code section 17561(d) authorizes the Controller to audit the records of any local agency or school district to verify the actual amount of mandated costs and under Section VI. of the Parameters and Guidelines, the claimant is responsible for maintaining documentation for the time period during which the claims were subject to audit.[300]

Moreover, regardless of the CSDR, the claimant was on notice of the legal requirement in Penal Code sections 11169 and 11170 to retain Form SS 8572 and Form SS 8583 with the initial investigative reports for a 10-year period, whenever a Form SS 8583 is filed with DOJ. Statutes 1997, chapter 842 added the 10-year minimum records retention requirement to Penal Code sections 11169 and 11170,[301] meaning the claimant was required to maintain the specified documentation for all cases determined "not unfounded" (and thus, reported to DOJ), and was on notice of that requirement long before the Parameters and Guidelines were adopted in 2013. The Commission found that the costs for the last eight years of retention of those records were new state-mandated costs and thus eligible for reimbursement.[302] This is reflected in Section IV.B.5. of the Parameters and Guidelines, which provides as follows:

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[298] Exhibit A, IRC, filed May 13, 2021, page 236 (Parameters and Guidelines).

[299] *In re Cindy B.* (1987) 192 Cal.App.3d 771, 783-784; *Clovis Unified School Dist. v. Chiang* (2010) 188 Cal.App.4th 794, 804-805.

[300] Exhibit A, IRC, filed May 13, 2021, page 249 (Decision and Parameters and Guidelines). See also, *Tirapelle v. Davis* (1993) 20 Cal.App.4th 1317, 1335, and Government Code section 12410, which states: "The Controller shall superintend the fiscal concerns of the state. The Controller shall audit all claims against the state, and may audit the disbursement of any state money, for correctness, legality, and for sufficient provisions of law for payment."

[301] Exhibit X, Test Claim Decision, page 38.

[302] Exhibit A, IRC, filed May 13, 2021, pages 208-209 (Decision and Parameters and Guidelines [discussing the Test Claim Decision's approval of reimbursement for record retention by law enforcement agencies, pursuant to Penal Code sections 11169 and 11170, Statutes 1997, chapter 842]).

City and county police or sheriff's departments, and county probation departments if designated by the county to receive mandated reports shall:

> Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice *for a minimum of eight years (a higher level of service above the two-year record retention requirement* pursuant to Gov. Code §§ 26202 (cities) and 34090 (counties).) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years.[303]
>
> This activity includes retaining copies of the Suspected Child Abuse Report form SS 8572, received from a mandated reporter, and the Child Abuse Summary Report form SS 8583, with the original investigative report.
>
> ***Reimbursement is not required for the first two years of record retention required under prior law, but only for the eight years following.***[304]

As such, the claimant's duty to retain the suspected child abuse case forms (Form SS 8572 and Form SS 8583) and original investigative reports for all cases reported to DOJ exists irrespective of the enforceability of the CSDR. Given that the 10 cases the claimant seeks to add occurred during fiscal years 2008-2009 through 2010-2011, and the Controller initiated the audit in December 2017 and issued the final audit report in May 2018, the claimant was required to retain the two state-issued forms and the original investigative report for any of these cases determined to be "not unfounded."

The documentation provided by the claimant shows that the claimant retained the Form SS 8583 for only one of the ten cases (Case Number 1003-1190). Because the allegations of child abuse were determined to be "substantiated," the claimant retained the Form SS 8583 as required. Therefore, since the claimant did not retain a completed Form SS 8583 for the other nine cases, and it is presumed the claimant complied with the retention requirements imposed by the Penal Code,[305] then it must be presumed that the nine remaining cases of suspected child abuse for which the claimant seeks reimbursement for "extensive investigative work," were *all* determined to be unfounded, even though the cases were reported by the claimant's law enforcement employees, who have a duty to investigate and must have had "knowledge of or observed a child whom the mandated reporter knows or reasonably suspects has been the victim of child abuse or neglect."[306] Yet the case file documentation shows that of these nine remaining cases, only three

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[303] Penal Code section 11169(h) (Stats. 1997, ch. 842 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2001, ch. 133(AB 102); Stats. 2004, ch. 842 (SB 1313); Stats. 2011, ch. 468 (AB 717)).

[304] Exhibit A, IRC, filed May 13, 2021, page 246 (Decision and Parameters and Guidelines), emphasis in original.

[305] Evidence Code section 664 states that "It is presumed that official duty has been regularly performed."

[306] Penal Code section 11166(a).

were unfounded.[307] Therefore, for the six remaining cases that were determined to be "not unfounded," the claimant was required to report to DOJ and was required to retain the Form SS 8572 and Form SS 8583 with the original investigation report. As stated above, the claimant was on notice of this records retention requirement long before the adoption of the Parameters and Guidelines in 2013.

The claimant also cites to a 2005 version of the DOJ's child abuse reporting guidelines, which includes discussion of the regulations and requirements that were amended *after* the Test Claim was filed, to assert that even where a case was determined to be "not unfounded," the Form SS 8583 was only prepared if a suspect was contacted.[308] The claimant refers to the following language in the 2005 guidelines:

> What Not to Report
>
> 11169(a) PC identifies what may not be reported to DOJ.
>
> [¶]…[¶]
>
> If you have not contacted the suspect
>
> This does not apply if you were unable to locate the suspect or another agency (i.e., law enforcement) has asked you not to notify the suspect. Please use the Comment field to identify the reason suspect was not contacted.[309]

However, neither the test claim statutes nor the 2005 guidelines and later versions of the Form SS 8583 and DOJ regulations add an additional requirement that the suspect be contacted before the Form SS 8583 is required to be filed. While the test claim statutes require written notice to a suspect when the suspect has been reported to the Child Abuse Central Index (CACI), filing the Form SS 8583 does not require the identification of the suspect.[310] The Test Claim Decision approved only California Code of Regulations, title 11, section 903, as amended by Register 98, No. 29, which adopted the Form SS 8583, and required that only "certain information items...must be completed,"[311] including – as is relevant here – either the suspect's name *or the notation "unknown."*[312] Furthermore, Section IV.B.3.a. of the Parameters and Guidelines, which enumerates the reimbursable activities for reporting to DOJ, makes clear that the investigating agency is required to file the Form SS 8583 with DOJ once it has determined that the allegations of child abuse are "not unfounded."[313] There is no additional requirement that the suspect also

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[307] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 16 (case numbers 1106-2117; 0810-0181; and 0810-1766).

[308] Exhibit A, IRC, filed May 13, 2021, page 4.

[309] Exhibit A, IRC, filed May 13, 2021, page 84 (Department of Justice, A Guide to Reporting Child Abuse to the California Department of Justice).

[310] Exhibit X, Test Claim Decision, pages 32-33.

[311] Exhibit A, IRC, filed May 13, 2021, page 197 (Decision and Parameters and Guidelines).

[312] California Code of Regulations, title 11, section 903 (Register 98, No. 29), emphasis added.

[313] Exhibit A, IRC, filed May 13, 2021, page 242 (Decision and Parameters and Guidelines).

be contacted for the Form SS 8583 to be filed. In contrast, the Parameters and Guidelines expressly state that completing an investigation for purposes of preparing the Form SS 8583 "includes review of the initial Suspected Child Abuse Report (Form 8572), conducting initial interviews with parents, victims, suspects, or witnesses, *where applicable*, and making a report of the findings of those interviews, which may be reviewed by a supervisor."[314] Even under the 2005 guidelines, there is no requirement to first contact the suspect before submitting Form SS 8583 if the agency is "unable to locate the suspect or another agency (i.e., law enforcement) has asked you not to notify the suspect."[315]

Accordingly, the claimant's assertion that the requirement to complete the Form SS 8583 is contingent upon making contact with a suspect is at odds with the requirements of the test claim statutes and regulations, and is inconsistent with the Parameters and Guidelines.

The claimant also argues that because each of the 10 cases at issue required multiple police officers to conduct multiple interviews with various parties before a determination could be made whether the cases were "not unfounded," they are necessarily reimbursable.[316] At the core of the claimant's argument is the *assumption* that evidence of multiple interviews is alone sufficient to show that the investigative effort required of the police department exceeded that needed for a mandated reporter, employed by the police department, to complete the Form SS 8572. That assumption is not legally correct. As indicated above, when a SCAR (Form SS 8572) is generated by a mandated reporter employed by a police department, and the reporter determines "in his or her professional capacity or within the scope of his or her employment" that the report of suspected child abuse or severe neglect is "not unfounded," the reporter has completed the requisite level of investigation necessary to trigger the DOJ reporting requirement (i.e., to complete the Form SS 8583 and submit to DOJ), and no further investigation is required. A mandated reporter employed by a police department has a "greater responsibility to investigate" when child abuse or severe neglect is reasonably suspected.[317] The Parameters and Guidelines contemplate that there *may* be some circumstances where the receipt of the SCAR may require the police department to conduct additional interviews for the sole purpose of preparing and submitting a retainable report to DOJ ("Conducting initial interviews with parents, victims, suspects, or witnesses, *where applicable*").[318] However, documents or evidence

[314] Exhibit A, IRC, filed May 13, 2021, page 241 (Decision and Parameters and Guidelines), emphasis added.

[315] Exhibit A, IRC, filed May 13, 2021, page 84 (Department of Justice, A Guide to Reporting Child Abuse to the California Department of Justice).

[316] Exhibit A, IRC, filed May 13, 2021, page 4.

[317] Exhibit A, IRC, filed May 13, 2021, page 198 (Decision and Parameters and Guidelines, footnote 152 (citing *Alejo v. City of Alhambra* (1999) 75 Cal.App.4th 1180, 1187 ["duty to investigate and report child abuse is mandatory under section 11166, subdivision (a) if a reasonable person in Officer Doe's position would have suspected such abuse"]).

[318] Exhibit A, IRC, filed May 13, 2021, page 241 (Decision and Parameters and Guidelines), emphasis added.

supporting that claim are required to be provided by the claimant to show that the costs incurred were within the scope of reimbursement.[319]

The record shows that the Controller reviewed all available documentation provided by the claimant, and determined that it did not support a finding that the claimant performed extensive investigative work for the purpose of completing the Form SS 8583. The claimant has not submitted any additional documentation with this IRC beyond what it provided to the Controller during the audit.[320]

Based on this record, the Commission finds that the Controller's reduction and recalculation in Finding 2 of the total number of SCARs investigated for fiscal years 1999-2000 through 2011-2012, based on its exclusion of the claimant's police department-generated cases, is not arbitrary, capricious, or entirely lacking in evidentiary support.

C. <u>The Controller's Reduction in Finding 2 for the Costs Claimed to Complete an Investigation for Purposes of Preparing Form SS 8583, Based on the Reduction to the Number of Suspected Child Abuse Reports (SCARs) Referred to the Claimant's Police Department by Other Agencies, Is Correct as a Matter of Law and Is Not Arbitrary, Capricious, or Entirely Lacking in Evidentiary Support.</u>

As discussed above, when auditing the costs claimed to complete an investigation for purposes of preparing Form SS 8583, the Controller performed a sampling analysis of 148 randomly selected cases from fiscal years 2008-2009 through 2010-2011.[321] The Controller determined based on the documentation provided that the claimant investigated very few of the other agency generated SCARs that had been cross-reported to them, as no additional follow-up was deemed necessary"[322] and that a full initial investigation was not performed by the police department for 90 percent of other agency-generated cases.[323]

> A vast majority of other agency-generated SCARs were referred from Child Protective Services (CPS), and very few came from other mandated reporters. For other agency-generated SCARs, we searched for documentation supporting that the Police Department had conducted an initial investigation. *Our review of the 148 sampled cases revealed that very few other agency-generated SCARs were investigated by the Police Department or no investigation was documented in these cases.*
>
> The files showed that CPS regularly and systematically cross-reported SCARs to the Police Department. The Police Department received these CPS referrals and made notes of the referrals in their files, but typically did not perform an

[319] Exhibit A, IRC, filed May 13, 2021, page 236 (Decision and Parameters and Guidelines); Government Code section 17561(d); California Code of Regulations, title 2, sections 1185.1(f)(3), 1185.2(d), (e).

[320] See Exhibit A, IRC, filed May 13, 2021, pages 18-19 (Declaration of Annette Chinn).

[321] Exhibit A, IRC, filed May 13, 2021, pages 481-482 (Final Audit Report).

[322] Exhibit A, IRC, filed May 13, 2021, page 481 (Final Audit Report).

[323] Exhibit A, IRC, filed May 13, 2021, page 483 (Final Audit Report).

> investigation on these cases before closing the files. For the vast majority of SCARs referred from CPS, *the Police Department identified CPS as the investigating agency* and closed the cases if no further investigation was deemed necessary.
>
> *For the few cases in which the Police Department did in fact perform an investigation, the SCAR files contained clear evidence and support that an investigation had been performed.* For these SCARs, the files contained very detailed written narratives of the investigation(s) performed and of the interviews conducted. These narratives identified the officers involved, the type of investigative work performed, the type of crimes committed, any follow-up investigations needed, who had been interviewed, and dates and times of the interviews, etc.[324]

Nonetheless, during the course of the audit, the Controller accepted the claimant's position that for cases where a full initial investigation was not completed, initial investigative activities may have been performed but not documented in the case files in order to corroborate information reported by CPS.[325] The Controller determined, with input from the claimant, that the following activities comprised a partial initial investigation, despite the claimant's lack of supporting evidence, and were reimbursable for all the 90 percent of the cases not fully investigated by the claimant: (1) review the initial SCAR; (2) approve closing the case; and (3) document and file the closed case.[326]

The claimant proposes here, as it did during the audit, that the time to conduct the following four investigative activities, which takes an additional 74-84 minutes per case, should also be reimbursable:

1. For a Detective to verify if a report was already written (6 minutes)
2. For a Records Technician to verify if a report was already written (6 minutes)
3. For a Detective to check prior history and "determine if the case is actually in the agencies [sic] jurisdiction and determine that the case is not a duplicate and has not already been investigated by the department. This often requires phone calls to other involved agencies and also may work with internal staff such as records and dispatch to determine the history of the case to determine what action is required" (36 minutes)
4. "Then the Detective and/or Sergeant must contact the Department of Social Services, reporting agency, or involved individuals (at least one adult who has information regarding allegations) to obtain more details of the case to

[324] Exhibit A, IRC, filed May 13, 2021, page 482 (Final Audit Report), emphasis added.

[325] Exhibit A, IRC, filed May 13, 2021, pages 483, 497 (Final Audit Report).

[326] Exhibit A, IRC, filed May 13, 2021, pages 484, 497 (Final Audit Report).

determine if in-person interviews are necessary. Detective and/or Lieutenant must decide on how to proceed on each case" (26-36 minutes).[327]

The claimant also alleges that the Controller erred in its finding that a full initial investigation was not performed by the police department for 90 percent of other agency-generated cases since the Controller conditioned reimbursement on whether a case file contained a detailed narrative in the police report.[328]

Based on the following analysis, the Commission finds that the Controller's reduction of costs claimed to complete an investigation for purposes of preparing Form SS 8583, based on the number of SCARs referred to the claimant's police department by other agencies, is correct as a matter of law and not arbitrary, capricious, or entirely lacking in evidentiary support.

1. The Controller's reduction of costs for the additional investigation activities proposed by the claimant is correct as a matter of law since the activities were not approved by the Commission as eligible for reimbursement.

Under the Parameters and Guidelines, reimbursement for the Complete an Investigation cost component is limited to three activities: (1) review the initial SCAR; (2) conduct initial interviews with parents, victims, suspects, or witnesses, where applicable; and (3) make a report of the findings of those interviews, which may be reviewed by a supervisor.[329]

The claimant proposes, however, that four additional investigative activities be included for the 90 percent of other agency-generated cases in which the police department did not complete a full initial investigation: (1) detective to verify if a report was already written; (2) records technician to verify if a report was already written; (3) detective to check prior history and determine jurisdiction and whether case is a duplicate; and (4) detective to contact at least one adult with information regarding the allegations to obtain more details to determine if in-person interviews are necessary.[330]

The claimant asserts that contacting the reporting agency or a person with information about the case to determine whether to conduct in-person interviews, falls under the eligible investigative activity of "conduct initial interview with involved parties," as listed in the Parameters and Guidelines.[331] Furthermore, the claimant argues these additional activities are reasonably necessary to determine whether the allegations are unfounded (and thus, to close the case) or whether to proceed with the investigation by conducting in-person interviews.[332] The claimant alleges that without performing these additional activities, it would be unable to determine

[327] Exhibit A, IRC, filed May 13, 2021, pages 5-6, 498 (Final Audit Report).

[328] Exhibit A, IRC, filed May 13, 2021, page 9.

[329] Exhibit A, IRC, filed May 13, 2021, page 241 (Parameters and Guidelines).

[330] Exhibit A, IRC, filed May 13, 2021, pages 5-6.

[331] Exhibit A, IRC, filed May 13, 2021, pages 6-7.

[332] Exhibit A, IRC, filed May 13, 2021, page 7.

"whether or not the allegations were founded and a SS 8583 report was required to be sent to DOJ."[333]

The claimant cites to the California Department of Social Services' (CDSS) position, as summarized in the Decision and Parameters and Guidelines, to support its argument that prior to actual interviews, it is necessary to first determine whether an in-person investigation is required.[334] The claimant alleges that its proposed additional preliminary activities are nearly identical to the activities CDSS stated it performs before determining whether to find the SCAR unfounded and close the case or conduct an in-person investigation.[335] The claimant asserts that, similarly, the police department must perform these additional preliminary activities to determine whether a SCAR is founded, unfounded, or inconclusive.[336]

The Controller denied the claimant's request because the proposed activities are not identified as reimbursable in the Parameters and Guidelines:

> During the audit, the city proposed that it also be allowed to claim additional time for the four activities listed above. At that time, we discussed the matter, at length, with city officials and informed them that these activities are not reimbursable per the parameters and guidelines. We agree that Detectives and other staff perform many activities necessary to complete child abuse investigations. However, not all activities within the investigation process (whether for partial or full initial investigations) are reimbursable, even when they appear reasonably necessary. For example, items 1 and 2 above [detective and records technician to verify if a report was already written] can be described as overlapping internal procedures. Although the department may view these activities as necessary, they do not qualify as preliminary investigative activities and are not mandated. As explained, Section IV.B.3.1 of the program's parameters and guidelines allow reimbursement of the actual costs incurred to 1) review the initial SCARs, 2) conduct initial interviews with involved parties, and 3) make a report of the findings of those interviews.[337]

The Commission finds that the Controller's reduction of costs based on its finding that reimbursement is not required for these activities is correct as a matter of law.

Whether additional activities beyond those approved in the Test Claim Decision are reasonably necessary to comply with the mandate is a determination that must be made by the Commission when adopting the Decision and Parameters and Guidelines.[338] The Commission's regulations define "reasonably necessary activities" as "activities necessary to comply with the statutes,

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[333] Exhibit A, IRC, filed May 13, 2021, pages 6-7.

[334] Exhibit A, IRC, filed May 13, 2021, page 7.

[335] Exhibit A, IRC, filed May 13, 2021, page 8.

[336] Exhibit A, IRC, filed May 13, 2021, page 8.

[337] Exhibit A, IRC, filed May 13, 2021, page 498 (Final Audit Report).

[338] Government Code section 17557(a); California Code of Regulations, title 2, section 1183.7(d).

regulations and other executive orders found to impose a state-mandated program" and specifies that "[a]ctivities required by statutes, regulations and other executive orders that were not pled in the test claim may only be used to define reasonably necessary activities to the extent that compliance with the approved state-mandated activities would not otherwise be possible."[339] It is up to the claimant or other interested parties to propose the inclusion of reasonably necessary activities, and the proposal "shall be supported by documentary evidence in accordance with section 1187.5 of these regulations."[340] The Commission's decision on whether proposed reasonably necessary activities are eligible for reimbursement must be based on substantial evidence in the record.[341] The Commission's parameters and guidelines are regulatory in nature and once adopted, are binding on the parties.[342]

In this case, the activities proposed by the claimant were *not* requested as reasonably necessary activities during the parameters and guidelines phase, and were not approved as reimbursable by the Commission. The proposed activity to contact the reporting agency or a person with information about the case to determine whether to conduct in-person interviews is *not* the same as what the Commission approved: "conduct initial interviews with parents, victims, suspects, or witnesses, where applicable." In addition, although the claimant alleges that the proposed activities are consistent with activities performed by CDSS when complying with the test claim statutes, CDSS did not request that the Commission approve reimbursement for any activity. Instead, it urged the Commission to not adopt the parameters and guidelines proposed by the test claimant, and provided comments to clarify the scope of the mandate for all child protective agencies. As summarized by the Commission, the CDSS' position was as follows:

> CDSS urges the Commission to reject claimant's proposed parameters and guidelines, including the proposed law enforcement RRM, "because the activities described in it are not related to or required by CANRA." CDSS argues at length that CANRA does not give rise to any affirmative duty to investigate child abuse, and that in any event the investigative activities called for in the claimant's revised proposed parameters and guidelines reach deep into the realm of criminal investigative activities. CDSS argues that local law enforcement has a responsibility to investigate suspected child abuse, but that responsibility is not grounded in the provisions of CANRA.[343]

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[339] California Code of Regulations, title 2, section 1183.7.

[340] California Code of Regulations, title 2, sections 1183.7(d), 1183.8(a), 1183.9(a).

[341] Government Code section 17559(b).

[342] *California School Boards Association v. State of California* (2009) 171 Cal.App.4th 1183, 1201; *Clovis Unified School Dist. v. Chiang* (2010) 188 Cal.App.4th 794, 798; Government Code sections 17561(d)(1), 17564(b), and 17571.

[343] Exhibit A, IRC, filed May 13, 2021, page 170 (Decision and Parameters and Guidelines).

Furthermore, CDSS made clear that many activities required in its Manual of Policies and Procedures are not required by the test claim statutes, but instead are required by the Welfare and Institutions Code.[344]

Therefore, the Controller's reduction of costs related to the additional activities proposed by the claimant, which have not been approved by the Commission as reimbursable, is correct as a matter of law.

2. The Controller's reduction in Finding 2 for the costs claimed to complete an investigation for purposes of preparing Form SS 8583, based on of the total number of Suspected Child Abuse Reports (SCARs) for fiscal years 1999-2000 through 2011-2012 referred to the claimant's police department by other agencies, is not arbitrary, capricious, or entirely lacking in evidentiary support.

As indicated above, the Controller determined based on the documentation provided that the claimant investigated very few of the other agency generated SCARs that had been cross-reported to them, as no additional follow-up was deemed necessary"[345] and that a full initial investigation was not performed by the police department for 90 percent of other agency-generated cases.[346]

The claimant alleges that the Controller has erroneously conditioned reimbursement on whether a case file contains a detailed narrative report, a position which the claimant contends is unsupported by the Decision and Parameters and Guidelines and violates due process because the claimant was not given prior notice of such a requirement at or near the time costs were incurred.[347] As concluded in the section above, the claimant was not on notice of the contemporaneous source document rule (CSDR) when costs were incurred in fiscal years 1999-2000 through 2011-2012 because the Parameters and Guidelines were not adopted until December 2013.

The Controller, however, is *not* strictly enforcing the CSDR because the Controller is not requiring contemporaneous source documentation and did not reduce the salaries and benefits for the Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component to $0. Instead, the Controller exercised its audit authority and found that the documentation provided by the claimant established that some (about 10 percent) of the other agency-generated SCARs were fully investigated by the police department. Furthermore, the Controller worked with the claimant to determine that partial initial investigation activities were also reimbursable *for the remaining 90 percent of other agency-generated cases*, despite a lack of supporting documentation.[348]

The claimant argues that because the police department's procedures do not require detailed written reports for cases that are deemed unfounded or inconclusive, the fact that the claimant

[344] Exhibit A, IRC, filed May 13, 2021, page 190 (Decision and Parameters and Guidelines).

[345] Exhibit A, IRC, filed May 13, 2021, page 481 (Final Audit Report).

[346] Exhibit A, IRC, filed May 13, 2021, page 483 (Final Audit Report).

[347] Exhibit A, IRC, filed May 13, 2021, page 9.

[348] Exhibit A, IRC, filed May 13, 2021, pages 483, 497 (Final Audit Report).

maintained "short form" reports rather than detailed narrative reports for those cases should not preclude reimbursement.[349]

As described below, the Commission finds that the Controller's reduction in Finding 2 for the costs claimed to complete an investigation for purposes of preparing Form SS 8583, based on of the total number of Suspected Child Abuse Reports (SCARs) for fiscal years 1999-2000 through 2011-2012 referred to the claimant's police department by other agencies, is not arbitrary, capricious, or entirely lacking in evidentiary support.

The Controller requested and reviewed a sample selection of 148 case files for fiscal years 2008-2009 through 2010-2011.[350] The Controller reviewed each case file and recorded its findings in a detailed spreadsheet, which the claimant submitted with the IRC (claimant's Exhibit C).[351] According to the Controller, the case files identified in the spreadsheet typically consisted of the following seven documents and contained the following information:

1. **South Lake Tahoe Police Department 11166 PC Referral Form.** This form was completed by the Police Department; it provided a summary of the case that was referred, using check boxes, with the following information: type of abuse, investigating agency, type of investigation, assigned social worker, case status, and comments…

   Most of the referral forms identified that CPS was the investigating agency. Those that did not identify CPS as the investigating agency, stated that an investigation was not necessary. "Type of investigation" refers to the type of investigation performed by CPS. The comments on the referral forms included: inconclusive, unfounded, or closed.

2. **Pre-Disposition Sheet.** This sheet was completed by CPS; it provided general information about a newly opened case, including date, assigned social worker, and to which agency who the case was cross-reported.…

3. **Disposition Sheet.** This sheet was completed by CPS. It provided a status of the case after CPS performed a review or investigation. Information on this sheet included date, name of social worker, which agency the social worker cross-reported to, and the final disposition of the case (no immediate risk, situation stabilized, closed, opened service case, evaluated out)…

4. **Narrative Report.** This was completed by the Police Department; it stated: "See PC 11166 in file," which is the referral form completed by [the Police Department][352] (see item 1 above)….

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[349] Exhibit A, IRC, filed May 13, 2021, page 9.

[350] Exhibit A, IRC, filed May 13, 2021, pages 481-482 (Final Audit Report).

[351] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 31; Exhibit A, IRC, filed May 13, 2021, pages 60-70.

[352] The Controller's description of the Narrative Report states that Item 1, the South Lake Police Department 11166 PC Referral Form, was completed by CPS, which is incorrect. The

5. **Person Profile.** This form was completed by the Police Department; it lists the contact information of the suspected child abuser….

6. **CPS Investigative Report.** This report was completed by CPS when the SCAR case was investigated by CPS.

7. **SCAR Form SS 8572.** This form was completed by CPS….[353]

Based on these documents, the Controller found that for most case files, the South Lake Tahoe Police Department 11166 PC Referral Form either identified CPS as the investigating agency or stated that CPS determined no investigation was necessary.[354]

> The case files also showed that CPS regularly cross-reported SCARs to the Police Department. The Police Department received the CPS referrals and, made notes of the referral in the files, but did not perform an investigation on the referrals received from CPS.[355]

In contrast, the few case files where the Controller determined that claimant's police department conducted an investigation "contained detailed written narratives of the investigations performed and the interviews conducted" and "identified the officers involved, type of investigative work performed, type of crime committed, whether a follow-up investigation was needed, who was interviewed, date of interviews, and time of interviews."[356]

The claimant asserts that investigative activities occurred in the unfounded and inconclusive cases even where it was not the claimant's practice to prepare detailed written reports.[357]

> South Lake Tahoe Police Department procedures do not require detailed narrative write ups for cases that were deemed unfounded or inconclusive. The narrative in the "Comments" section of these reports might simply state, "Inconclusive. Unable to contract/locate family", or "Case closed by CPS" or "Situation stabilized". These brief descriptions and the identification of the assigned officer shown in the "Reviewed By" section of the report indicates investigative activities took place in order for the officer to make those assessments and close the case. (see South Lake Tahoe Police Department 11166 PC Referral Form in Exhibit E).

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description of the 11166 PC Referral Form states that it was completed by the claimant's police department.

[353] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 31.

[354] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 32; Exhibit A, IRC, filed May 13, 2021, page 482 (Final Audit Report).

[355] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 32.

[356] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 32; Exhibit A, IRC, filed May 13, 2021, page 482 (Final Audit Report).

[357] Exhibit A, IRC, filed May 13, 2021, page 9.

All of the documentation submitted by the claimant with the IRC was previously provided to the Controller during the course of the audit.[358] Nonetheless, the claimant points to the South Lake Tahoe Police Department 11166 PC Referral Forms in Exhibit E to the IRC to show that reimbursable investigative activities were performed in those cases referred to the police department by other agencies which the police department determined to be either unfounded or inconclusive.[359] Exhibit E to the IRC consists of redacted child abuse reports (Form SS 8583 or BCIA 8583) and supporting documents provided to the Controller during the audit.[360] While the redaction and photocopy quality of some of these documents make them difficult to decipher, the records appear to pertain to approximately 20 suspected child abuse cases, with varying degrees of supporting documentation: Some of the cases contain only one document, usually the Form SS 8583, while others contain variations on the seven documents described above (i.e., 11166 PC referral form, pre-disposition sheet, disposition sheet, narrative report, person profile, CPS investigative report, SCAR (Form SS 8572).[361] Notably, however, only six of the cases have the 11166 PC Referral Form cited by the claimant to show an investigation was performed by the claimant's police department.[362] Furthermore, each of these six cases lists CPS as the investigating agency on the referral form, meaning that CPS, *not the police department*, would have performed the investigation necessary to make the determination whether the case was unfounded, substantiated, or inconclusive, and whether to file the Form SS 8583. Exhibit C to the IRC, which consists of a spreadsheet prepared by the Controller during the audit, detailing the contents of each case file, includes notes for these six cases,[363] which show that all of these cases were closed by CPS, not the police department.[364]

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[358] Exhibit A, IRC, filed May 13, 2021, pages 18-19 (Declaration of Annette Chinn).

[359] Exhibit A, IRC, filed May 13, 2021, page 9.

[360] Exhibit A, IRC, filed May 13, 2021, pages 96-154.

[361] Exhibit A, IRC, filed May 13, 2021, pages 96-154. Excluding pages 110 and 111, for which the case numbers are unknown, there appear to 20 cases.

[362] Exhibit A, IRC, filed May 13, 2021, pages 115 (Case Number 0811-0952), 119 (Case Number 0811-0940), 129 (Case Number 0810-1398), 136 (Case Number 0810-1386), 145 (Case Number 0809-2434), 150 (Case Number 0809-2463).

[363] Exhibit A, IRC, filed May 13, 2021, pages 18-19 (Declaration of Annette Chinn ["Attached hereto as Exhibit C are true and correct copies of the reports from State Controller auditors provided to the City to explain how they determined Child Abuse case eligibility and to determine the percentage of allowable of cases"]), 60-70; Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 31 ("During audit fieldwork, we judgmentally selected a non-statistical sample of 148 SCAR case files (32 out of 163 in FY 2008-09; 66 out of 654 in FY 2009-10; and 50 out of 457 in FY 2010-11) to review. We thoroughly reviewed the contents of each file, and recorded our findings in detail in an Excel spreadsheet").

[364] Exhibit A, IRC, filed May 13, 2021, page 62 (Case Number 0811-0952, "evaluated out to Washoe County"; Case Number 0811-0940, "Unfounded. Closed by CPS"; Case Number 0810-1398, "Closed by CPS. Evaluated out to family court"; Case Number 0810-1386,

The test claim statutes require county welfare departments to cross report to the police department any time CPS received a SCAR (Form 8572), even if CPS closed the case as unfounded.[365] Under Section IV.B.2.b.2. of the Parameters and Guidelines, county welfare departments shall:

> i. Report by telephone immediately, or as soon as practically possible, to the agency given the responsibility for investigation of cases under Section 300 of the Welfare and Institutions Code [such as a child protective services department],[366] and to the district attorney's office every known or suspected instance of child abuse, as defined in Penal Code section 11165.6, except acts or omissions coming within subdivision (b) of section 11165.2, or reports made pursuant to section 11165.13 based on risk to a child which relates solely to the inability of the parent to provide the child with regular care due to the parent's substance abuse, which shall be reported only to the county welfare department.
>
> ***Reimbursement is not required for making an initial report of child abuse and neglect from a county welfare department to the law enforcement agency having jurisdiction over the case, which was required under prior law to be made "without delay."***
>
> ii. Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency, including the law enforcement agency having jurisdiction over the case, to which it is required to make a telephone report under Penal Code section 11166. As of January 1, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours.[367]

As discussed in the Test Claim Decision, *Planned Parenthood Affiliates v. Van de Kamp* (1986) 181 Cal.App.3d 245, 258-260 provides an overview of the Child Abuse and Neglect Reporting Act and states in relevant part:

> The child protective agency receiving the initial report must share the report with all its counterpart child protective agencies by means of a system of cross-reporting. An initial report to a probation or welfare department is shared with the

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"Inconclusive/stabilized. Closed by CPS"; Case Number 0809-2434, "Inconclusive. Closed by CPS"; Case Number 0809-2463, "Unfounded. Closed by CPS).

[365] Exhibit, X, Test Claim Decision, pages 24-25; Penal Code section 11166(h), now subdivision (j), as added by Statutes 1980, chapter 1071; amended by Statutes 1981, chapter 435, Statutes 1982, chapter 905, Statutes 1984, chapter 1423, Statutes 1986, chapter 1289, Statutes 1987, chapter 1459, Statutes 1988, chapters 269 and 1580, Statutes 1990, chapter 1603, Statutes 1992, chapter 459, Statutes 1993, chapter 510, Statutes 1996, chapters 1080 and 1081, and Statutes 2000, chapter 916.

[366] Exhibit X, Test Claim Decision, page 23.

[367] Exhibit A, IRC, filed May 13, 2021, pages 238-239 (Parameters and Guidelines).

> local police or sheriff's department, and vice versa. Reports are cross-reported in almost all cases to the office of the district attorney. (§ 11166, subd. (g).)[368]

Thus, CPS was required to cross-report cases to the police department any time CPS received a SCAR (Form 8572), even if CPS closed the case as unfounded. All six of the cases containing the 11166 PC Referral Form are cases that CPS was required under the test claim statutes to cross-report to the police department, not cases where CPS referred a SCAR to the police department for further investigation.[369] In contrast, the other agency-generated cases where the Controller found that a full investigation was completed by the police department all list the police department, not CPS, as the investigating agency.[370]

Because these cases were evaluated for inclusion in the sampling of cases for the Complete an Investigation cost component, the Controller had to assess whether the claimant's documentation showed that the police department: (1) reviewed the initial SCAR; (2) conducted initial interviews with parents, victims, suspects, or witnesses, where applicable; and (3) made a report of the findings of those interviews, which may be reviewed by a supervisor.[371]

> For this cost component, the reimbursable activity is to complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive, for purposes of preparing and submitting a SS 8583 Report Form to the DOJ. Reimbursable activities are limited to reviewing the SCAR, conducting initial interviews, and writing a report about the interviews that may be reviewed by a supervisor. The documentation maintained in the SCAR case files, as well as the documentation the City references, including the 11166 PC Report Form prepared and maintained by the LEA, the SCAR Form SS 8572, the City's 2015 time studies, and assertions by command staff [that short form reports] are standard LEA practice for these types of cases do not support that the City prepared a written report nor do they support that the LEA conducted initial interviews with parents, victims, suspects, or witnesses, where applicable. Therefore, although it may not be the City's procedure to write a report to document an interview, doing so is a condition for reimbursement under the mandate.[372]

While the Controller is incorrect in stating that writing a report to document an interview is a condition for reimbursement under the test claim statutes,[373] the Controller did *not* in fact condition reimbursement on whether a detailed written narrative report was completed. Rather, the Controller pointed to the presence of detailed written narrative reports to constitute "clear

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[368] Exhibit X, Test Claim Decision, page 9.

[369] Exhibit A, IRC, filed May 13, 2021, pages 60-70, 96-154.

[370] Exhibit A, IRC, filed May 13, 2021, pages 62-70.

[371] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 35.

[372] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 35.

[373] Exhibit A, IRC, filed May 13, 2021, page 482 (Final Audit Report); Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 35.

evidence and support" of a *full* initial investigation, meaning that the evidence established that all three reimbursable activities comprising the Conduct an Investigation cost component were completed in those cases: (1) reviewing the initial SCAR; (2) conducting initial interviews with parents, victims, suspects, or witnesses, where applicable; and (3) making a report of the findings of those interviews, which may be reviewed by a supervisor.[374]

In the Decision and Parameters and Guidelines, the Commission acknowledged that where the mandated reporter is not employed by the investigating agency, the investigating agency may need to verify the information contained in the SCAR (Form SS 8572).

> [T]he agency maintains an independent and reimbursable duty to investigate in order to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583. *If necessary, the investigating agency may need to verify the information reported on the Form SS 8572*.[375]

For the 90 percent of other agency-generated SCARs where the Controller determined that the evidence did not support that the police department completed all three reimbursable activities (reviewing the SCAR, conducting initial interviews, and making a report of the findings of those interviews, which may be reviewed by a supervisor), the Controller accepted the claimant's position that "some preliminary activities might have taken place," despite the fact that they were not documented in the case files, and found that certain investigative activities were reimbursable for *all* 2,796 cases in which a full initial investigation was not completed.[376]

> We agreed with the city that the review of the initial SCAR is a necessary and reimbursable activity. Not all cases reported by CPS had an initial SCAR documented on file, but the majority did. Therefore, we concluded that it was reasonable to expect a review of the initial SCAR as part of the necessary process to determining whether the case was unfounded. Additionally, the time it took a supervisor to approve closing a case, and the time a records technician spent documenting the case in the system, might be reimbursable as part of an initial investigation.[377]

The record shows that the Controller adequately considered the claimant's documentation, all relevant factors, and demonstrated a rational connection between those factors and the adjustments made to the number of other agency-generated SCARs investigated by the police department as claimed. The Controller reviewed all available documentation provided by the claimant, and determined that the documentation established that some, but not all, of the other agency-generated SCARs were fully investigated by the police department. The Controller also determined that certain partial initial investigation activities were reimbursable, despite the lack

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[374] Exhibit A, IRC, filed May 13, 2021, page 482 (Final Audit Report).

[375] Exhibit A, IRC, filed May 13, 2021, pages 198-199 (Decision and Parameters and Guidelines), emphasis added.

[376] Exhibit A, IRC, filed May 13, 2021, pages 483, 498 (Final Audit Report).

[377] Exhibit A, IRC, filed May 13, 2021, pages 484 (Final Audit Report).

of supporting documentation.[378] The claimant has not satisfied its initial burden of providing evidence that the Controller's reduction to the number of other agency-generated SCARs with a full investigation by the police department, is wrong, arbitrary, or capricious.

Based on this record, the Commission finds that the Controller's reduction in Finding 2 for the costs claimed to complete an investigation for purposes of preparing Form SS 8583, based on of the total number of Suspected Child Abuse Reports (SCARs) for fiscal years 1999-2000 through 2011-2012 referred to the claimant's police department by other agencies, is not arbitrary, capricious, or entirely lacking in evidentiary support.

D. The Controller's Reduction of Indirect Costs in Finding 3 Is Correct as a Matter of Law and Is Not Arbitrary, Capricious, or Entirely Lacking in Evidentiary Support.

In Finding 3, the Controller determined that the claimant overstated its indirect cost rates for the audit period and then applied those overstated rates to overstated salaries.[379] The claimant's challenge to Finding 3 is limited to the Controller's determination that the public safety dispatcher and evidence technician positions do not perform any indirect job duties and the resulting exclusion of the salaries and related benefits for these positions from indirect costs.[380] The claimant argues that the Controller is incorrect in finding that the duties performed by these two classifications are not administrative or clerical in nature and asserts that the Controller is wrong in concluding that duties must be administrative or clerical in nature to qualify as indirect.[381]

The Commission finds that the Controller's reduction of indirect costs in Finding 3 is correct as a matter of law and, based on this record, is not arbitrary, capricious, or entirely lacking in evidentiary support.

Under the Parameters and Guidelines, 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."[382] A claimant has the option of preparing an Indirect Cost Rate Proposal (ICRP) if the indirect cost rate claimed exceeds 10 percent.[383]

The crux of the issue here is whether the claimant's interpretation of allowable indirect costs is consistent with the methodology used to calculate the ICRP. The Parameters and Guidelines provide that the claimant shall choose one of the following methodologies when calculating an ICRP:

1. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by: (1)

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[378] Exhibit A, IRC, filed May 13, 2021, pages 483, 497 (Final Audit Report).

[379] Exhibit A, IRC, filed May 13, 2021, page 499 (Final Audit Report).

[380] Exhibit A, IRC, filed May 13, 2021, page 11.

[381] Exhibit A, IRC, filed May 13, 2021, page 11.

[382] Exhibit A, IRC, filed May 13, 2021, page 248 (Parameters and Guidelines).

[383] Exhibit A, IRC, filed May 13, 2021, page 248 (Parameters and Guidelines).

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 of allowable indirect costs bears to the base selected; or

2. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by: (1) *separating a department into groups, such as divisions or sections, and then classifying the division's or section's total costs for the base period as either direct or indirect*; and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate that is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount of allowable indirect costs bears to the base selected.[384]

According to the audit report, the claimant calculated an ICRP for each fiscal year in the audit period under the first methodology described above.

> [T]he city combined expenditure amounts from the following five key accounts within the Police Department: Administration, Operations, Certified Training, Joint Dispatch Center, and Support. The city allocated the totals for salaries, benefits, and services and supplies between direct and indirect cost categories. The city then added the city-wide overhead costs to the indirect cost pool. The city computed its rates by dividing total indirect costs by direct salaries and overtime. The city claimed indirect cost rates ranging from 47.3% to 138.8% for the audit period.[385]

The Controller found that the claimant's position regarding indirect versus direct duties relied on the erroneous assumption that indirect costs rates were calculated based on a specific activity or program within the police department (i.e., the *ICAN* program), rather than department-wide expenditures.[386]

> The city interchangeably identifies the *cost objective* as the "child abuse program" and "child abuse investigations." The city argues that the Public Safety Dispatcher and the Evidence Technician classifications benefit more than one *cost objective* (child abuse investigation, missing persons, theft, DUI, etc.). For this reason, the city concludes that these positions are indirect. We disagree.
>
> The indirect cost rate is typically computed as an arithmetical calculation that allocates expenses between direct and indirect. The pool of expenses (numerator)

[384] Exhibit A, IRC, filed May 13, 2021, pages 248-249 (Parameters and Guidelines), emphasis added.

[385] Exhibit A, IRC, filed May 13, 2021, page 499 (Final Audit Report).

[386] Exhibit A, IRC, filed May 13, 2021, page 507 (Final Audit Report).

> identified as indirect is then divided by an allocation base (denominator), which in most cases is direct labor. Generally speaking, direct costs are those which can be identified specifically with particular unit or function ("cost objective") and accounted for separately. Indirect costs, on the other hand, are those costs incurred in support of general business functions and which are not attributable to a specific project or unit. *Both the city's claimed rates (as shown in its ICRPs) and our audited rates were based on Police Department expenditures as a whole. Therefore, the cost objective is the entire Police Department and not the ICAN program.* As such, direct labor includes the overall functions of the Police Department assignable to specific units and functions; and the calculated indirect cost rates are considered to be department-wide rates.[387]

The claimant does not challenge the Controller's assertion that it calculated an ICRP for each fiscal year in the audit period using the methodology listed in Section V.B.1. of the Parameters and Guidelines, in which *total department costs* for the base period are classified as either direct or indirect, as opposed to the alternative approach of separating a department into groups and classifying each group's total costs as either direct or indirect.[388]

The claimant is, however, incorrectly applying the Parameters and Guidelines. The claimant defines the *ICAN* program as the "cost objective," arguing that neither the public safety dispatcher nor evidence technician positions are direct costs of the *ICAN* program because they do not directly perform any of the *ICAN* program activities and their costs cannot be specifically identified as part of the *ICAN* program "or any other activity or award."[389] Yet under the chosen methodology of classifying the police department's expenditures as a whole into direct and indirect costs, the degree to which job duties performed by the public safety dispatcher and evidence technician are direct or indirect is based on the relationship of those duties to the police department's direct and indirect functions as a whole.

The claimant categorized 21 positions within the police department as performing 100 percent direct duties, 13 of which the Controller accepted, six of which the Controller determined performed varying combinations of direct and indirect duties, and two of which (the public safety dispatcher and evidence technician positions) the Controller determined did not perform any indirect duties.[390] In reaching this conclusion, the Controller "analyzed the representative duties listed in the city's duty statements, held multiple discussions with city officials, and considered their input to determine a reasonable allocation."[391] The Controller identified indirect duties as either administrative or clerical in nature and reasoned because the public safety

[387] Exhibit A, IRC, filed May 13, 2021, pages 507-508 (Final Audit Report), emphasis added.

[388] Exhibit A, IRC, filed May 13, 2021, pages 248-249 (Decision and Parameters and Guidelines).

[389] Exhibit A, IRC, filed May 13, 2021, page 13.

[390] Exhibit A, IRC, filed May 13, 2021, page 507 (Final Audit Report).

[391] Exhibit A, IRC, filed May 13, 2021, page 507 (Final Audit Report).

dispatcher and evidence technician duty statements did not identify any duties that were administrative or clerical in nature, these positions did not perform any indirect duties.[392]

> Of the eight classifications [questioned as not being 100% indirect due to the nature of the positions], we determined that six performed a combination of both direct and indirect duties to different extents.
>
> The duties that we identified as indirect were either administrative or clerical in nature. The duties that we identified as direct were readily assignable to a specific function and benefited the direct functions of the police department. The city is not contesting our assessment of these six classifications. Rather, the city is contesting the two classifications that we determined do not perform any indirect duties and are therefore 0% indirect: Public Safety Dispatcher and Evidence Technician. The respective duty statements do not identify any duties that are administrative or clerical in nature.[393]

The claimant challenges the Controller's position that indirect duties are limited to administrative or clerical duties and cites to a list of "common clerical duties" from the hiring website Indeed.com to show that both the public safety dispatcher and evidence technician perform many commonly-accepted clerical duties.[394] The claimant argues that the public safety dispatcher and evidence technician positions provide indirect support to not "only one cost objective – but a multitude of programs including Drunk Driving, Domestic Violence, Homicides, Sexual Assaults, Missing Persons, etc."[395] In response, the Controller states:

> Employees in the Public Safety Dispatcher classification may serve as receptionists; however, *they do not provide receptionist services to the entire Police Department. Employees in the Public Safety Dispatcher classification serve as receptionists that benefit specific units within the Police Department*. Therefore, we believe that this classification should be classified as direct. In addition, costs for communications are allowable, as documented in the OMB guidelines (Tab 7 – page 5). In computing an ICRP rate, communication expenses are costs incurred for telephone services, local and long distant calls, telegrams, postage, messenger, electronic or computer transmittal services and the like. Consequently, there is no correlation between communication expenses and the Public Safety Dispatcher classifications costs, as the City suggests.[396]

Again, the claimant's position is based on the incorrect premise that the cost objective here is the *ICAN* program, not the police department as a whole. As the audit report correctly states, because the police department, not the *ICAN* program, is the applicable cost objective, direct duties are those which are "specifically identified with a particular unit or function," and "benefited the

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[392] Exhibit A, IRC, filed May 13, 2021, page 507 (Final Audit Report).

[393] Exhibit A, IRC, filed May 13, 2021, page 507 (Final Audit Report).

[394] Exhibit A, IRC, filed May 13, 2021, page 11.

[395] Exhibit A, IRC, filed May 13, 2021, page 505 (Final Audit Report).

[396] Exhibit B, Controller's Late Comments on the IRC, filed February 16, 2022, page 41.

direct functions of the police department."[397] Therefore, the claimant is erroneously comparing how the duties performed by the public safety dispatcher and evidence technician positions are allocated amongst groups within the police department instead of within the department as a whole. As such, the additional documentation provided by the claimant – job descriptions for the Public Safety Dispatcher and Property/Evidence Technician positions (claimant's Exhibit G);[398] a list of "common clerical duties" from the website indeed.com (claimant's Exhibit H);[399] excerpts from the Controller's claiming instructions manual (claimant's Exhibit I);[400] and federal OMB guidance (Exhibit J)[401] does not change the manner in which direct and indirect costs were required to be calculated under the claimant's chosen methodology.

The Controller's interpretation of the Parameters and Guidelines is correct as a matter of law. In addition, the record shows that the Controller adequately considered the claimant's documentation, all relevant factors, and demonstrated a rational connection between those factors and the adjustments made to indirect costs as claimed. The claimant has not satisfied its initial burden of providing evidence that the Controller's determination, that the public safety dispatcher and evidence technician positions do not perform indirect duties, is wrong, arbitrary, or capricious.

Accordingly, the Commission finds that the Controller's reduction of indirect costs in Finding 3 is correct as a matter of law and, based on this record, is not arbitrary, capricious, or entirely lacking in evidentiary support.

V. Conclusion

Based on the forgoing analysis, the Commission finds that the IRC was timely filed.

The Commission concludes:

- The Controller's reduction in Finding 2 for the costs claimed to complete an investigation for purposes of preparing Form SS 8583, based on the exclusion of 10 suspected child abuse reports (SCARs) received by the claimant's police department, is correct as a matter of law and is not arbitrary, capricious, or entirely lacking in evidentiary support;
- The Controller's reduction in Finding 2 for the costs claimed to complete an investigation for purposes of preparing Form SS 8583, based on the reduction to the number of suspected child abuse reports (SCARs) referred to the claimant's police department by other agencies, is correct as a matter of law and is not arbitrary, capricious, or entirely lacking in evidentiary support;
- The Controller's reduction of indirect costs in Finding 3 is correct as a matter of law and is not arbitrary, capricious, or entirely lacking in evidentiary support.

[397] Exhibit A, IRC, filed May 13, 2021, pages 507-508 (Final Audit Report).

[398] Exhibit A, IRC, filed May 13, 2021, pages 251-256.

[399] Exhibit A, IRC, filed May 13, 2021, pages 257-261.

[400] Exhibit A, IRC, filed May 13, 2021, pages 262-282.

[401] Exhibit A, IRC, filed May 13, 2021, pages 282-428.

Accordingly, the Commission denies this IRC.

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 12, 2022, I served the:

- **Draft Proposed Decision, Schedule for Comments, and Notice of Hearing issued September 12, 2022**

  Interagency Child Abuse and Neglect Investigation Reports (ICAN), 20-0022-I-02
  Penal Code Sections 11165.9, 11166, 11166.2, 11166.9[1], 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapters 1289 and 1496; Statutes 1987, Chapters 82, 531, and 1459; Statutes 1988, Chapters 269, 1497, and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapters 650, 1330, 1363, 1603; Statutes 1992, Chapters 163, 459, and 1338; Statutes 1993, Chapters 219 and 510; Statutes 1996, Chapters 1080 and 1081; Statutes 1997, Chapters 842, 843, and 844; Statutes 1999, Chapters 475 and 1012; and Statutes 2000, Chapter 916; California Code of Regulations, Title 11, Section 903 (Register 98, Number 29);[2] "Child Abuse Investigation Report" Form SS 8583 (Rev. 3/91)
  Fiscal Years: 1999-2000, 2000-2001, 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2005-2006, 2006-2007, 2007-2008, 2008-2009, 2009-2010, 2010-2011, and 2011-2012
  City of South Lake Tahoe, 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 12, 2022 at Sacramento, California.

Jill L. Magee
Commission on State Mandates
980 Ninth Street, Suite 300
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(916) 323-3562

[1] Renumbered as Penal Code section 11174.34 (Stats. 2004, ch. 842 (SB 1313)).

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

COMMISSION ON STATE MANDATES

Mailing List

Last Updated: 9/9/22

Claim Number: 20-0022-I-02

Matter: Interagency Child Abuse and Neglect Reports (ICAN)

Claimant: City of South Lake Tahoe

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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Exhibit D

RECEIVED
September 14, 2022
Commission on
State Mandates

BETTY T. YEE
California State Controller

September 14, 2022

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

Re: **Draft Proposed Decision**
Interagency Child Abuse and Neglect Investigation Reports (ICAN), 20-0022-I-02
Penal Code Sections 11165.9, 11166, 11166.2, 11166.9[1], 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapters 1289 and 1496; Statutes 1987, Chapters 82, 531, and 1459; Statutes 1988, Chapters 269, 1497, and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapters 650, 1330, 1363, 1603; Statutes 1992, Chapters 163, 459, and 1338; Statutes 1993, Chapters 219 and 510; Statutes 1996, Chapters 1080 and 1081; Statutes 1997, Chapters 842, 843, and 844; Statutes 1999, Chapters 475 and 1012; and Statutes 2000, Chapter 916; California Code of Regulations, Title 11, Section 903 (Register 98, Number 29);[2] "Child Abuse Investigation Report" Form SS 8583 (Rev. 3/91)
Fiscal Years: 1999-2000, 2000-2001, 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2005-2006, 2006-2007, 2007-2008, 2008-2009, 2009-2010, 2010-2011, and 2011-2012
City of South Lake Tahoe, Claimant

Dear Ms. Halsey:

The State Controller's Office has reviewed the Commission on State Mandates' draft proposed decision dated September 12, 2022, for the above incorrect reduction claim filed by the City of South Lake Tahoe. We agree with the Commission on State Mandates' conclusion to support our reduction of costs claimed for the audit period.

I declare under penalty of perjury that the foregoing is true and correct to the best of my personal knowledge, information, or belief.

[1] Renumbered as Penal Code section 11174.34 (Stats. 2004, ch. 842 (SB 1313)).

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

If you have any questions, please contact me by telephone at (916) 327-3138 or by email at lkurokawa@sco.ca.gov.

Sincerely,

LISA KUROKAWA, Bureau Chief
Compliance Audits Bureau
Division of Audits

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 14, 2022, I served the:

- **Controller's Comments on the Draft Proposed Decision filed September 14, 2022**

  Interagency Child Abuse and Neglect Investigation Reports (ICAN), 20-0022-I-02
  Penal Code Sections 11165.9, 11166, 11166.2, 11166.9[1], 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapters 1289 and 1496; Statutes 1987, Chapters 82, 531, and 1459; Statutes 1988, Chapters 269, 1497, and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapters 650, 1330, 1363, 1603; Statutes 1992, Chapters 163, 459, and 1338; Statutes 1993, Chapters 219 and 510; Statutes 1996, Chapters 1080 and 1081; Statutes 1997, Chapters 842, 843, and 844; Statutes 1999, Chapters 475 and 1012; and Statutes 2000, Chapter 916; California Code of Regulations, Title 11, Section 903 (Register 98, Number 29);[2] "Child Abuse Investigation Report" Form SS 8583 (Rev. 3/91)
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  City of South Lake Tahoe, 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 14, 2022 at Sacramento, California.

Jill L. Magee
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[1] Renumbered as Penal Code section 11174.34 (Stats. 2004, ch. 842 (SB 1313)).

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

COMMISSION ON STATE MANDATES

Mailing List

Last Updated: 9/9/22

Claim Number: 20-0022-I-02

Matter: Interagency Child Abuse and Neglect Reports (ICAN)

Claimant: City of South Lake Tahoe

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Olga Tikhomirova, Acting Finance Director, *City of South Lake Tahoe*
Claimant Contact
1901 Lisa Maloff Way, Suite 210, South Lake Tahoe, CA 96150
Phone: (530) 542-7431
otikhomirova@cityofslt.us

Jacqueline Wong-Hernandez, Deputy Executive Director for Legislative Affairs, *California State Association of Counties (CSAC)*
1100 K Street, Sacramento, CA 95814
Phone: (916) 650-8104
jwong-hernandez@counties.org

Exhibit E

RECEIVED
October 04, 2022
Commission on State Mandates

LATE FILING

CITY OF SOUTH LAKE TAHOE

October 3, 2022

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

Response to Commission Draft Findings: CITY OF SOUTH LAKE TAHOE: INTERAGENCY CHILD ABUSE AND NEGLECT INVESTIGATION REPORT (ICAN) INCORRECT REDUCTION CLAIM (IRC), 20-0022-I-02

Dear Ms. Halsey,

Thank you for your time and assistance in reviewing our Incorrect Reduction Claim. While we disagree with many of the preliminary findings in your Draft Proposed Decisions, we only wish to address one item of reduction in this correspondence: the Reduction to Indirect Costs (Indirect Cost Rate Proposal/ICRP computations).

CSM staff states: "the crux of the issue [reduction of indirect costs] here is whether the claimant's interpretation of allowable indirect costs is consistent with the methodology used to calculate the ICRP." (page 71 of Draft Proposed Decision (DPD)) and that the "Controller found that the claimant's position regarding indirect versus direct duties relied on the erroneous assumption that indirect costs rates were calculated based on a specific program within the police department (i.e., the *ICAN* program) rather than department wide expenditures." (page 71 of DPD)

Both of these statement and assumptions are erroneous and we would like to provide further clarification on this point.

CSM and SCO staff acknowledges that (page 73 of DPD), the City of South Lake Tahoe (City) calculated an ICRP for each fiscal year using the "total departmental costs" (method listed in Section V.B.1 of instructions). We agree. ICRPs in City's claims were Departmental ICRPs showing total allowable indirect costs incurred divided by an equitable distribution base (total allowable direct salaries).

We included Dispatchers and Evidence staff in computation of allowable indirect cost because we believed those positions provided benefit and support to the entire department. The rates were not

1901 Lisa Maloff Way, Ste. 210 | South Lake Tahoe, CA 96150 | (530) 542-7431 | www.cityofslt.us

calculated based on a specific program – in fact, those same rates were also use to claim indirect costs for all other law enforcement State Mandate claims submitted to the State for reimbursement.

Attached as an example (see Exhibit D) are all the other the other law enforcement claims submitted by the City of South Lake Tahoe to the State for reimbursement in 2012 for their FY 2011-12 costs including Administrative License Suspension, Crime Statistics Reports, Domestic Violence Arrest Polices, Domestic Violence Arrests and Victim Assistance and Identity Theft (the program at issue in this IRC). This shows that ALL law enforcement claims used the same, uniformly prepared, departmental ICRP rate of 93.4%. There was no "methodological" difference or erroneous preparation of a rate based on a specific program.

We believe the "crux" of the matter is: did the SCO follow the State and Federal Guidelines in determining eligible indirect costs when removed Dispatcher and Evidence Technician positions from the ICRPS claimed by the City? Did they comply with the definitions of what constituted and indirect cost and did they treat these costs consistently and not arbitrarily?

The Controller states (see page 73 of Draft Proposed Analysis), "Indirect costs... are those costs incurred in support of the general business functions and are not attributable to a specific project or unit."

Claiming Instructions state:

> **"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."

We agree with the definitions above and maintain that dispatcher and evidence technician positions meet the above definitions of an indirect cost.

The dispatcher is the integral communication link between the public and the officers. The public is not calling to obtain service from a dispatcher – they are calling to contact and obtain service from other members of its staff, typically its sworn staff. Therefore, the dispatchers service as a calling center or central reception function for the entire body of officers and are necessary support of the general business function of the department.

The State Controller here however disagreed: (see page 74 of the Draft Proposed Decision), SCO auditor states, "Employees in the Public Safety Dispatcher classification may serve as receptionist; however, they do not provide receptionist services to the entire police department."

We disagree with the SCO. According to the City's job descriptions which were provided to the auditors and are included in our IRC: "Dispatchers... receive(s) and process(es) incoming 911 calls, non-emergency calls, and voice radios calls." Further they "log ***all*** calls for service, both for emergency and non-emergencies" (see Public Safety Dispatcher job description, item number 5 included in our IRC).

Therefore, we believe it has been shown that the dispatcher does in fact provide necessary support/services to the entire police department as well as to the staff performing the direct activities of the mandate and the SCO was incorrect in the complete removal of those position from the City's indirect costs in the overhead/ICRP rate computations.

According the record (See Exhibit A and material below) the City did indeed claim indirect costs properly by computing a department wide ICRPS with costs necessary to necessary support to the **entire police Department:**

a) February 15, 2017 email from then Finance Director (Debbie McIntyre) to SCO Auditor (Amy Arghestani). Ms. McIntyre states, "We have reviewed the job descriptions in detail and feel that the other positions we have claimed are correctly identified as indirect or **department support** to the sworn staff who are conducting the direct activities of the claimed program **and of the department**." "This is a **support** function to **all** sworn staff and is necessary for the commission of law enforcement duties and necessary **departmental** overhead."

b) February 1, 2017 email from SCO auditor (Amy Arghestani) to then Finance Director, Debbie McIntyre. Ms. Arghestani states, "The duty statements can help determine to what extent a classification's daily duties are directly related to police department functions and to what extent they are not directly related (more of an administrative or support role)."

c) January 24, 2017 email from Annette Chinn (Consultant) to Debbie McIntyre and Brian Williams, Lieutenant). Annette Chinn explains to SLT staff, "All the other staff is there purely to support the direct role of the **department**, which is to support sworn staff."

d) January 13, 2017 email from SCO auditor (Amy Arghestani) to then Finance Director, Debbie McIntyre. Ms. Arghestani states, "We understand that identifying which classifications are/aren't indirect and to what extent, is not always clear-cut, as every entity is structured differently....Other positions such as Evidence Technician and Police Records Technician are clearly direct [*later SCO acknowledged that Records Technicians were indeed partially indirect cost*], as they provide a direct function to the police department." [*Ms. Arghestani's definition of direct vs indirect costs "providing a direct function to the department", is not found in instructions or federal guidelines.*]

e) October 20, 2017 email from Annette Chinn (Consultant) to Debbie McIntyre (Finance Director) with document "Overhead Staff Positions.docx" attachment to be sent to auditor. Explanations show that the activities listed were to benefit "all personnel in the Police Department, cost objectives, units, and not a specific program."
"Public Safety Dispatcher...is necessary support **for all Police Officers working on all types of programs and cases.** They do not support one specific program or activity, but provide benefit to **all** cost objectives."

f) October 27, 2017 email from Annette Chinn (Consultant) to Debbie McIntyre (Finance Director) with document "SLT Comments to Preliminary Finding.pdf" attachment to be sent to auditor. Explanations show that the activities listed were to benefit all personnel in the Police Department, cost objectives, units, and not a specific program.

g) City's Audit Response on Pages 6-7, "PUBLIC SAFETY DISPATCHERS: Dispatch staff is a support/clerical division – functioning primarily as the **receptionists for all the sworn staff of the department and they benefit more than one 'cost-objective'**. They answer for all types of calls for service."

h) Patrol Lieutenant Lanney's Declaration in our original IRC filing states: "Dispatch staff/division is the communications center for **the entire police department** and provide necessary support to the officers working on child abuse investigations as well as to the entire sworn staff **for all departmental matters**. Dispatch staff take all calls from the public, assign and track the case, and monitor officers in the field. The officer would not be able to obtain the call for assistance or initiate the case without the efforts of the dispatch staff."

"Similarly, Evidence staff must collect, store, maintain and process evidence from child abuse cases, as well as from **all** other cases that the police department responds to. Both dispatch and evidence staff provide benefit and necessary support to the sworn staff working on the activities of the child abuse mandate program, as well on all types of cases."

The dispatcher's duties (See attached Job Description), ranging from answering, logging, relaying information from **all** incoming calls (911) and non-emergency calls from the public to the officers pertain to a variety of the department's programs and cost objectives. These include Child Abuse calls for assistance and providing support to Detectives and Officers working on Child Abuse cases.

Therefore – we believe these positions are "reasonable and necessary for the proper and efficient administration of the mandate".

ICPR methodology was in accordance with instructions and guidelines, inclusion of Dispatch and Evidence staff complied with guidelines and were allowable indirect costs. Therefore, the SCO should not have 100% removed of those costs from our ICPR rates and doing so was "not correct as a matter of law" as it violated the principals of the Parameters and Guidelines, Claiming Instructions, and Federal 2 CRF Guidelines.

Was SCO removal of Dispatch and Evidence staff from the City's Police Department ICRP rates "Arbitrary and Capricious?"

Based on our consultant experience and examination of all the audits she had examined and been involved in, every other claimant WAS allowed to include at least some percentage of the cost of dispatch, evidence, and records/admin support staff in their Police Department ICRP/overhead rate computations. All except the City of South Lake Tahoe.

Below are a few examples of other audits our consultant has been involved in and has direct personal knowledge of:

CITY OF FRESNO:

In the audits of the City of Fresno: (5 audits conducted by the SCO from 2004 through 2017 spanning costs covering FY 1999-00 through FY 2016-17); all five audits allowed approximately 100% costs for the dispatch and evidence personnel in the computation of their indirect costs (see attached audits):

- Admin License Suspension Program covering July 1, 2013 through June 30, 2017, released in 2009

- Crime Stat Reports for the Department of Justice covering July 1, 2001, through June 30, 2012, released 2016
- Domestic Violence Arrest Policies and Standards, covering July 1, 1999, through June 30, 2003, released 2005
- Domestic Violence Arrest Policies and Standards, covering July 1, 2008 through June 30, 2012, released 2015
- Peace Officer Procedural Bill of Rights, covering July 1, 2003 through June 30, 2006, released 2008

CITY OF RIALTO:

- Interagency Child Abuse and Neglect Investigation Reports covering July 1, 1999-June 30, 2012, Released in 2019. 80%-94% of all the dispatch and evidence staff positions salaries were allowed to be claimed as indirect costs in their ICRP.

Based on this analysis, every other claimant WAS allowed to include the cost of dispatch and evidence support staff in their Police Department ICRP/overhead rate computations. All, except the City of South Lake Tahoe. We contend that that shows South Lake Tahoe was treated arbitrarily and capriciously in denial of "like" costs.

CFR-2012-title2-vol1-part225.pdf (govinfo.gov)

> "§ 225.20 Policy. This part establishes principles and standards to provide a uniform approach for determining costs."

The purpose of having uniform standards, guidelines and instructions is so that claimants are treated consistently in the recovery of costs and in the conduct of audits.

The City of South Lake Tahoe would not have embarked upon the costly and time-consuming process of filing an Incorrect Reduction Claim (IRC) with the State unless the they strongly believed that they had been treated unfair and inconsistent by the SCO in their audit.

Under any ICRP computation methodology or metric, dispatch and evidence staff personnel costs should have been considered an eligible support cost to the entire Police Department, as was claimed by the City originally. All law enforcement agencies operate similarly – all have a dispatch personnel that serve as the department's central communication unit; all have evidence staff that maintain evidence for all department cases.

Dispatchers and Evidence staff provide necessary support to direct staff (officers) who do provide the law enforcement services to the public. Their positions exist to support the function of the department. Since all law enforcement departments are organized and function similarly and all have records and dispatch personnel performing the same function from agency to agency, those similar costs should have been treated consistently as 2 CRF and claiming instructions require. (See Exhibit C which shows The City of South Lake Tahoe's Police Department Organization chart as well as job descriptions from City of Fresno and Rialto (other audited agencies our consultant worked with) so you can compare duty statements).

South Lake Tahoe's dispatchers and records clerks perform primarily the same function as they do in other law enforcement agencies, therefore the City should have been allowed to include those positions in their overhead rate just as other agencies were allowed to include those costs in their ICPR rates.

If the State of California submitted a Federal Grant and discovered that other States were permitted to include the same support staff in their overhead rates while California was not, we are sure the State of California would similarly feel they were not treated fairly and consistently.

The Claiming Instructions and Federal Guidelines exist specifically to ensure that like costs are treated consistently from agency to agency and that arbitrary decisions are not made regarding their applications for funding.

The City of South Lake Tahoe seeks remedy to the exclusion of dispatch and evidence support staff that should have been allowed in the computation of their Police departmental overhead rates and respectfully requests that Commission staff and Commissioners consideration of this information.

Please feel free to contact me at (530)542-7431 or Ms. Chinn at (916) 939-7901 with any questions or if additional information is required.

ATTACHMENTS:
Exhibits A: Correspondence
Exhibit B: Examples of allowed ICRPs from other similar audits of Police Department
Exhibit C: South Lake Tahoe Police Department Org Chart and Job Descriptions from other PDs
Exhibit D: South Lake Tahoe FY 2011-12 law enforcement related State Reimbursement claims

By my signature below, I hereby declare, under penalty of perjury under the laws of the State of California that the foregoing information in this submission is true and correct to the best of my own knowledge, information, and belief.

Executed on October 3rd, 2022 at South Lake Tahoe, California.

O. Tikhomirova

Olga Tikhomirova
Finance Director
City of South Lake Tahoe

By my signature below, I hereby declare, under penalty of perjury under the laws of the State of California that the foregoing information in this submission is true and correct to the best of my own knowledge, information, and belief.

Executed on October 3, 2022 at South Lake Tahoe, California.

Jeff Roberson
Police Lieutenant
City of South Lake Tahoe

DECLARATION OF ANNETTE S. CHINN

I, Annette S. Chinn, do hereby declare as follows:

1) I am a consultant of Cost Recovery Systems, Inc. and representative to the City of South Lake Tahoe for this Incorrect Reduction Claim. I have been involved in the preparation of the city's Claims for State Reimbursement since 2004, including the preparation of the Interagency Child Abuse and Neglect Reporting claims (ICAN) including the preparation of their Indirect Cost Rate Proposals (ICRPs).

2) I have personal knowledge of the facts stated in this Declaration and if called as a witness, I could and would testify to the statements made herein.

3) I have been preparing State Mandate Reimbursement claims since 1992 and have personal knowledge and experience in the preparation of Indirect Costs Proposal Rate Proposals (ICRPs) and have prepared thousands of ICRPs for hundreds of local agencies, including the indirect cost rates for law enforcement agencies.

   ICRPs I have prepared over this time frame for law enforcement claims routinely included the costs of police dispatch, records, and evidence staff costs, as those costs have uniformly been found to support the general business function of the law enforcement agencies.

   I have been involved in and have provided assistance to my clients with at least a dozen State audits related to law enforcement mandated programs and ICRP rate computations and in every case the State Controller's Office has allowed the cost of dispatch, records/clerical, and evidence staff in the computation of overhead rates for those law enforcement claims in the past.

   During my career as a State Mandate Cost Claims Consultant, I have participated in and taught course/seminars offered to local agencies regarding the preparation of claims and overhead rate, which were often attended by State Controller's Office staff over the years. These courses included sessions on the preparation of ICRP rates.

4) Attached hereto as Exhibit A are true and correct copies of various correspondences related to this ICAN audit for the City of South Lake Tahoe.

5) Attached hereto as Exhibit B are true and correct copies of the State Controller Audits and supporting documents showing ICRP computations reviewed and approved by the SCO in those audits.

6) Attached hereto as Exhibit C is a true and correct copies of the City of South Lake Tahoe Organization chart downloaded from the city website and copies of job descriptions for the "Dispatcher" position. The South Lake Tahoe description was provided by the city to the auditor during the audit. The job descriptions from the City of Fresno and the City of Rialto were downloaded from their respective city websites this September 2022.

7) Attached hereto as Exhibit D are true and correct copies the City of South Lake Tahoe's FY 2011-12 law enforcement related claims for State Reimbursement.

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 October 3, 2022 in El Dorado Hills, California.

Annette S. Chinn 10-3-22

Annette S. Chinn
President, Cost Recovery Systems, Inc.

EXHIBIT A

From: dmcintyre@cityofslt.us,
To: AChinnCRS@aol.com, bwilliams@cityofslt.us,
Subject: RE: Auditor ICRP Questions
Date: Wed, Feb 15, 2017 4:32 pm
Attachments:

Annette,

Looks great, thank you for your help. I am sending this to Amy right now. I'll let you know what she has to say.

Debbie McIntyre, C.P.A.

Director of Finance

City of South Lake Tahoe

(530) 542-7402

dmcintyre@cityofslt.us

We will be closed November 24-25 and December 23-January 2

From: AChinnCRS@aol.com [mailto:AChinnCRS@aol.com]
Sent: Friday, February 10, 2017 11:57 AM
To: Debbie McIntyre; Brian Williams
Subject: Auditor ICRP Questions

Hi Debbie and Lieutenant,

I have prepared an email for you to send to Amy regarding her ICRP/Overhead rate questions and attached some evidence for you to send along to her that shows that most of the positions that Amy is questioning should be classified as indirect.

Please review and let me know if you have any changes you'd like made.

If it looks good to you, you send the message and attached file to Amy.

Thanks,

Annette

Hi Amy,

We are still in the process of responding to your request to have PD determine an allocation of direct vs indirect for the following positions: Sergeant and Community Services Officer.

The Records Tech position's direct costs are clearly identified in the claims already prepared. The balance of their time should properly be included as indirect costs as their entire function is to support to sworn staff clerically by receiving calls and visits from the public, typing, filing and maintaining the reports and paperwork generated by sworn staff in the commission of their law enforcement duties on various types of cases. Since their time per exact type of case or program they are working on is not readily assignable, their costs should properly be included in the indirect cost pool.

We have reviewed the job descriptions in detail and feel that the other positions we have claimed are correctly identified as indirect or department support to the sworn staff who are conducting the direct activities of the claimed program and of the department.

We think you are confusing a direct position with job classes that have somewhat single faceted job duties. For example, you said you felt an Evidence Technician is "clearly direct". We disagree. The Evidence staff is responsible for processing, collecting, and storing evidence and fingerprints collected for all types of crimes and cases. This is a support function to all sworn staff and is necessary in the commission of law enforcement duties and necessary departmental overhead. The evidence they process is collected for Child Abuse and all types of other cases and cannot be readily identified as a direct cost to each unique type of case/program without significant expenditure of time and resources. As such, these support positions belong in the overhead or indirect cost pool.

Please see the attached document extracted from one of the other SCO audits conducted that supports our position.

If you have further questions, please feel free to contact us or our consultant directly, as she has extensive experience in preparing ICRP rates.

We will continue to review the two positions listed above and get back to you as soon as possible with the results of that analysis.

Thank you,

Debbie

From: dmcintyre@cityofslt.us,
To: slaney@cityofslt.us, bwilliams@cityofslt.us,
Cc: AChinnCRS@aol.com,
Subject: FW: FW: Follow-up: Indirect Costs - Indirect Salaries Claimed
Date: Mon, Mar 27, 2017 4:11 pm
Attachments: Partially Direct Positions (Sgt, CSO, Maint Worker).pdf (3223K),

---

Can you guys look at these three positions and let us know what portion would be direct working on these types of cases, and then the remaining portion would be indirect and I can forward this information to Amy. Since you would know better than I how much time these positions would spend on a claim like this I need your input.

Thanks for your help.

Debbie McIntyre, C.P.A.

Director of Finance

City of South Lake Tahoe

(530) 542-7402

dmcintyre@cityofslt.us

From: AChinnCRS@aol.com [mailto:AChinnCRS@aol.com]
Sent: Monday, March 27, 2017 1:31 PM
To: Debbie McIntyre
Subject: Re: FW: Follow-up: Indirect Costs - Indirect Salaries Claimed

Hi Debbie,

Here are the positions that we thought were partially direct. Maybe the Lieutenant is also a small % direct - like working on high profile crime cases? I highlighted the portions of their job descriptions I thought were direct activities, but I thought the Lieutenant was going to determine what % of their time was spent doing those direct tasks, Don't think either you or I could answer that as well as they can.

All the other positions I thought were fully INDIRECT and as you recall I already sent my explanation as well as evidence from prior State Audits that they allowed those positions as Indirect costs for the City of Fresno Audits on other law enforcement programs.

If they keep insisting we back down on these other positions, then I would ask them why they allowed it for Fresno and are not allowing it for you.

Thank you,

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

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

In a message dated 3/27/2017 10:55:37 A.M. Pacific Daylight Time, dmcintyre@cityofslt.us writes:

> Annette,
>
> Hopefully you can help me with the response for this one also. I'm a bit confused on their interpretation of indirect vs. direct, so I'm not sure how to categorize. Maybe we can discuss this when you get a chance.
>
> **Debbie McIntyre, C.P.A.**
>
> **Director of Finance**
>
> **City of South Lake Tahoe**
>
> **(530) 542-7402**
>
> **dmcintyre@cityofslt.us**
>
> ---
>
> **From:** AArghestani@sco.ca.gov [mailto:AArghestani@sco.ca.gov]
> **Sent:** Thursday, March 23, 2017 3:33 PM
> **To:** Debbie McIntyre

Cc: MVorobyova@sco.ca.gov
Subject: Follow-up: Indirect Costs - Indirect Salaries Claimed

Hello Debbie,

I am following up with our telephone conversation on the 14th. Part of that conversation had to do with the salaries claimed as indirect costs. We agreed to forward you previous correspondence regarding this topic and again summarize the classifications/positions where we are requesting the city to provide a fractional percent of direct/indirect. The following are the positions needing this clarification:

- *Community Services Officer*
- *Community Services Officer (Senior)*
- *Dispatch Supervisor*
- *Evidence Technician*
- *Lieutenant*
- *Police Maintenance Worker*
- *Police Operation Worker*
- *Police Records Tech (Senior)*
- *Public Safety Dispatcher*
- *Records Supervisor*
- *Sergeant*

Below you will find forwarded copies of previous correspondence. The attachments mentioned in that correspondence are attached here. Thank you.

Amy Arghestani | Auditor

Office of the State Controller Betty T. Yee

Division of Audits, Mandated Cost Audits Bureau

3301 C Street, Suite 725A

Sacramento, CA 95816 | (916) 327-0490

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From: Arghestani, Amy
Sent: Wednesday, February 01, 2017 11:52 AM
To: 'Debbie McIntyre' <dmcintyre@cityofslt.us>
Cc: Brian Williams <bwilliams@cityofslt.us>
Subject: FW: Indirect Costs - Indirect Salaries Claimed

Good morning Debbie,

I am following up on the email below as well as the subsequent telephone conversation we had on the 18th. Our conversation was regarding indirect costs and the unusually high amount of salaries that were claimed as being 100% indirect in the city's ICRPs. The claimed indirect cost rates for the 13-year audit period range from 47.3 percent to 138.8 percent. For nine of the 13 fiscal years, the rate was near or over 100%. The high amount of salaries claimed as 100% indirect is what is inflating the indirect cost rates. To better understand some of the classifications' duties within the police department (those noted in red in the Excel spreadsheet), we requested duty statements. The duty statements can help determine to what extent a classification's daily duties are directly related to police department functions and to what extent they are not directly related (more of an administrative or support role). You had indicated the police department would know more about the duties of certain classifications. I suggested that maybe you could work with the police department, use the duty statements as guidance, and propose what percent of these classifications' duties are truly indirect (or not).

Please advise. Thank you.

Amy Arghestani

Auditor

State Controller's Office

Division of Audits / Mandated Cost Audits Bureau

Office: (916) 327-0490 / Fax: (916) 324-7223

AArghestani@sco.ca.gov

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disclosure is prohibited and may violate applicable laws including the Electronic Communications Privacy Act. If you are not the intended recipient, please contact the sender and destroy all copies of the communication.

From: Arghestani, Amy
Sent: Friday, January 13, 2017 11:36 AM
To: Debbie McIntyre <dmcintyre@cityofslt.us>
Subject: Indirect Costs - Indirect Salaries Claimed

Good morning Debbie,

We are in the process of reviewing the indirect costs claimed for the audit period. In each fiscal year's Indirect Cost Rate Proposal (ICRP) compiled by the consultant, the amount of salaries and wages claimed as Indirect appears large. In the support provided for each fiscal year, there is a worksheet that lists the classifications/positions considered to be "100% Admin. or Support Staff" along with an annual salary (attached here as one pdf file for your reference). The total at the bottom of the worksheets is what was claimed as indirect salaries. In looking at the classifications, many stand out as not being 100% indirect. As an example, in FY 2011-12 the following classifications (with exception of Police Chief) were claimed as 100% indirect:

- Admin Assistant
- Dispatch Supervisor
- Evidence Tech
- Lieutenant
- Police Chief (50% this year, 100% some of the other years)
- Public Safety Dispatcher
- Records Supervisor
- Senior Police Records Tech
- Sergeant
- Senior Community Services Officer

We understand that identifying which classifications are/aren't indirect and to what extent, is not always clear-cut, as every entity is structured differently. However, some basic generalizations can be made. For example, it is reasonable to say that the Admin. Assistant is a support role and can be claimed as 100% indirect. For the higher ranking positions such as Police Chief, Commander, and Captain, it can be argued that a lot of their duties are more administrative in nature and mostly indirect. Moving down to Lieutenant and Sergeant, the duties might be more of a mix of administrative (indirect) duties and direct duties. Other positions such as Evidence Technician and Police Records Technician are clearly direct, as they provide a direct function to the police department. Because there are 12 fiscal years to

consider, I have attached an Excel spreadsheet that lists which classifications were claimed as indirect and for which fiscal years. Those classifications in red font are the ones identified as likely NOT being indirect (at least not 100%). One way to better assess this would be to read the duty statements for those classifications in question. Would it be possible to provide the duty statements for those classifications appearing in red font?

Please feel free to contact me with any questions. Thank you for your assistance.

Amy Arghestani

Auditor

State Controller's Office

Division of Audits / Mandated Cost Audits Bureau

Office: (916) 327-0490 / Fax: (916) 324-7223

AArghestani@sco.ca.gov

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From: dmcintyre@cityofslt.us,
To: AChinnCRS@aol.com,
Subject: FW: Follow-up: Indirect Costs - Indirect Salaries Claimed
Date: Wed, May 10, 2017 12:02 pm
Attachments:

Here is what I sent to Amy.

Debbie McIntyre, C.P.A.

Director of Finance

City of South Lake Tahoe

(530) 542-7402

dmcintyre@cityofslt.us

From: Shannon Laney
Sent: Tuesday, April 04, 2017 8:51 AM
To: Debbie McIntyre
Subject: RE: Follow-up: Indirect Costs - Indirect Salaries Claimed

Looks good to me.

Thank you,

Shannon

From: Debbie McIntyre
Sent: Monday, April 03, 2017 4:28 PM
To: Shannon Laney
Subject: FW: Follow-up: Indirect Costs - Indirect Salaries Claimed

Shannon,

Sorry to bother you again about this, but here is what I am going to send to Amy and I just wanted to make sure you agree. We didn't talk about a few of the positions that were still outstanding.

Police Maintenance Worker and Police Operations Worker are the same position and they are 100% indirect

CSO Principal and CSO Senior are the same position with more seniority, and they are 100% indirect

Dispatch Supervisor	80% indirect
Dispatcher	80% indirect
Evidence Technician	80% indirect
Lieutenant	90% indirect
Sergeant	90% indirect
Records Technician	80% indirect
Records Supervisor	80% indirect

Do these look reasonable to you. If you agree I will forward to Amy, and hopefully we can be done. ☺

Debbie McIntyre, C.P.A.

Director of Finance

City of South Lake Tahoe

(530) 542-7402

dmcintyre@cityofslt.us

From: AArghestani@sco.ca.gov [mailto:AArghestani@sco.ca.gov]
Sent: Thursday, March 23, 2017 3:33 PM

To: Debbie McIntyre
Cc: MVorobyova@sco.ca.gov
Subject: Follow-up: Indirect Costs - Indirect Salaries Claimed

Hello Debbie,

I am following up with our telephone conversation on the 14th. Part of that conversation had to do with the salaries claimed as indirect costs. We agreed to forward you previous correspondence regarding this topic and again summarize the classifications/positions where we are requesting the city to provide a fractional percent of direct/indirect. The following are the positions needing this clarification:

- *Community Services Officer*
- *Community Services Officer (Senior)*
- *Dispatch Supervisor*
- *Evidence Technician*
- *Lieutenant*
- *Police Maintenance Worker*
- *Police Operation Worker*
- *Police Records Tech (Senior)*
- *Public Safety Dispatcher*
- *Records Supervisor*
- *Sergeant*

Below you will find forwarded copies of previous correspondence. The attachments mentioned in that correspondence are attached here. Thank you.

Amy Arghestani | Auditor

Office of the State Controller Betty T. Yee

Division of Audits, Mandated Cost Audits Bureau

3301 C Street, Suite 725A

Sacramento, CA 95816 | (916) 327-0490

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From: Arghestani, Amy
Sent: Wednesday, February 01, 2017 11:52 AM
To: 'Debbie McIntyre' <dmcintyre@cityofslt.us>
Cc: Brian Williams <bwilliams@cityofslt.us>
Subject: FW: Indirect Costs - Indirect Salaries Claimed

Good morning Debbie,

I am following up on the email below as well as the subsequent telephone conversation we had on the 18th. Our conversation was regarding indirect costs and the unusually high amount of salaries that were claimed as being 100% indirect in the city's ICRPs. The claimed indirect cost rates for the 13-year audit period range from 47.3 percent to 138.8 percent. For nine of the 13 fiscal years, the rate was near or over 100%. The high amount of salaries claimed as 100% indirect is what is inflating the indirect cost rates. To better understand some of the classifications' duties within the police department (those noted in red in the Excel spreadsheet), we requested duty statements. The duty statements can help determine to what extent a classification's daily duties are directly related to police department functions and to what extent they are not directly related (more of an administrative or support role). You had indicated the police department would know more about the duties of certain classifications. I suggested that maybe you could work with the police department, use the duty statements as guidance, and propose what percent of these classifications' duties are truly indirect (or not).

Please advise. Thank you.

Amy Arghestani

Auditor

State Controller's Office

Division of Audits / Mandated Cost Audits Bureau

Office: (916) 327-0490 / Fax: (916) 324-7223

AArghestani@sco.ca.gov

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From: dmcintyre@cityofslt.us,
To: AChinnCRS@aol.com, bwilliams@cityofslt.us,
Cc: dougherty@cityofslt.us,
Subject: RE: Conference call
Date: Tue, Jan 24, 2017 7:39 am
Attachments: Police Records Technician.pdf (117K), Police Sergeant.pdf (123K), Property-Evidence Technician.pdf (93K), Public Safety Dispatch Supervisor.pdf (102K), Public Safety Dispatcher.pdf (114K), Community Service Officer.pdf (111K), Police Lieutenant.pdf (118K), Police Maintenance Worker.pdf (101K), Police Records Supervisor.pdf (113K),

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I will need to talk to everybody about changing some of the 100% indirect positions to a portion direct. Amy's explanation was that although they may not be direct for this claim (they don't work on these types of cases), they are direct positions to police operations. I have eight positions we need to review. They are:

Community Service Officer

Dispatch Supervisor

Evidence Technician

Police Maintenance Worker

Police Records Technician

Public Safety Dispatcher

Records Supervisor

Sergeant

I asked Amy for her suggestions, and what the state would or wouldn't recommend based on the job descriptions that she reviewed, but she wouldn't make a recommendation. I figure we will change the percentages, and then they will argue over the percentages that we changed, and then we will have to go round and round, but she wouldn't make it easier on us.

So Brian I need you to review the job descriptions and determine what percentage of these positions should be classified as direct costs to the P.D. and what percentage are indirect costs. I have attached a direct quote from her e-mail regarding direct vs. indirect to help you classify.

For example, it is reasonable to say that the Admin. Assistant is a support role and can be claimed as 100% indirect. For the higher ranking positions such as Police Chief, Commander, and Captain, it can be argued that a lot of their duties are more administrative in nature and mostly indirect. Moving down to Lieutenant and Sergeant, the duties might be more of a mix of administrative (indirect) duties and direct duties. Other positions such as Evidence Technician and Police Records Technician are clearly direct, as they provide a direct function to the police department.

Thanks, and let me know if I can help.

Debbie McIntyre, C.P.A.

Deputy Director, Financial Services

City of South Lake Tahoe

(530) 542-7402

dmcintyre@cityofslt.us

We will be closed November 24-25 and December 23-January 2

From: AChinnCRS@aol.com [mailto:AChinnCRS@aol.com]
Sent: Monday, January 23, 2017 12:10 PM
To: Brian Williams
Cc: Debbie McIntyre; Kathleen Dougherty
Subject: Re: Conference call

Hi Lieutenant and Kathleen,

Here's an example of a brief statement you can use to transmit the big stack of CPS forms we discussed last Friday to the auditor.

- - - - - - - -

Hi Amy,

Attached is a report we requested from CPS that shows each individual Child Abuse referral they sent to our department for investigation for the audit period.

You'll note that we often get multiple referrals per day.

Each of these cases require our department to respond and engage in the State Mandated activity of "conducting a preliminary investigation to determine if the cases is founded, unfounded, or inconclusive" and to report our findings back to them.

We hope that this will help justify the number of cases we claimed for these preliminary investigative activities.

Thank you,

Lt. Williams

- - - - - - -

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

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

In a message dated 1/20/2017 11:04:42 A.M. Pacific Standard Time, bwilliams@cityofslt.us writes:

> Sorry…. Late. Too much stuff happening. Give me 5 more minutes.
>
> bw
>
> ---
>
> **From:** AChinnCRS@aol.com [mailto:AChinnCRS@aol.com]
> **Sent:** Friday, January 20, 2017 11:03 AM
> **To:** Kathleen Dougherty; Brian Williams
> **Subject:** Conference call
>
> Hi - I'm hear and waiting for your call!
>
> Thank you,

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

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

From: AChinnCRS@aol.com,
To: dmcintyre@cityofslt.us, bwilliams@cityofslt.us,
Cc: dougherty@cityofslt.us,
Subject: Re: Conference call
Date: Tue, Jan 24, 2017 11:13 am
Attachments: image003.jpg (3K)

I've gone over the job descriptions and identified 3 positions that are partially direct. (see attached)

The CSO - as that person is working on certain tasks that are really more code enforcement related and not directly offering support to the Sworn staff. I highlighted in GREEN for the things I think are ok to include as indirect or support to the department and YELLOW, for direct functions that do not support the sworn staff.

Sergeants may work directly in the field for part of their time, so I highlighted again the duties that I think are indirect (GREEN) direct (YELLOW). I'll need PD to make this determination or split between the two. You may want to identify the duties by specific Sergeant.

Maintenance Worker - their whole role, except perhaps taking bikes and writing reports I thought was support to the department. They are pretty much there as a service and maintenance role to support the facilities of sworn staff. 99% direct would be my guess.

All the other staff is there purely to support the direct role of the department, which is to support the sworn staff. They are NOT DIRECT positions to police operations. No one in the public is interested in talking to a dispatcher when they call 911, they are interested in contacting an officer.

I think Amy is way off on her directions on what is and is not a direct vs allowable indirect cost. I stay we stick to our guns, give her the percentages for these positions and I will plan and scheduling a conference with their supervisor to dispute their interpretation.

Be prepared for an Incorrect Reduction Claim filing - or appeal.

Thank you,

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

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

In a message dated 1/24/2017 7:39:25 A.M. Pacific Standard Time, dmcintyre@cityofslt.us writes:

> I will need to talk to everybody about changing some of the 100% indirect positions to a portion direct. Amy's explanation was that although they may not be direct for this claim (they don't work on these types of cases), they are direct positions to police operations. I have eight positions we need to review. They are:
>
> Community Service Officer
>
> Dispatch Supervisor
>
> Evidence Technician

Police Maintenance Worker

Police Records Technician

Public Safety Dispatcher

Records Supervisor

Sergeant

I asked Amy for her suggestions, and what the state would or wouldn't recommend based on the job descriptions that she reviewed, but she wouldn't make a recommendation. I figure we will change the percentages, and then they will argue over the percentages that we changed, and then we will have to go round and round, but she wouldn't make it easier on us.

So Brian I need you to review the job descriptions and determine what percentage of these positions should be classified as direct costs to the P.D. and what percentage are indirect costs. I have attached a direct quote from her e-mail regarding direct vs. indirect to help you classify.

For example, it is reasonable to say that the Admin. Assistant is a support role and can be claimed as 100% indirect. For the higher ranking positions such as Police Chief, Commander, and Captain, it can be argued that a lot of their duties are more administrative in nature and mostly indirect. Moving down to Lieutenant and Sergeant, the duties might be more of a mix of administrative (indirect) duties and direct duties. Other positions such as Evidence Technician and Police Records Technician are clearly direct, as they provide a direct function to the police department.

Thanks, and let me know if I can help.

Debbie McIntyre, C.P.A.

Deputy Director, Financial Services

City of South Lake Tahoe

(530) 542-7402

dmcintyre@cityofslt.us

We will be closed November 24-25 and December 23-January 2

From: Arghestani, Amy
Sent: Friday, January 13, 2017 11:36 AM
To: Debbie McIntyre <dmcintyre@cityofslt.us>
Subject: Indirect Costs - Indirect Salaries Claimed

Good morning Debbie,

We are in the process of reviewing the indirect costs claimed for the audit period. In each fiscal year's Indirect Cost Rate Proposal (ICRP) compiled by the consultant, the amount of salaries and wages claimed as Indirect appears large. In the support provided for each fiscal year, there is a worksheet that lists the classifications/positions considered to be "100% Admin. or Support Staff" along with an annual salary (attached here as one pdf file for your reference). The total at the bottom of the worksheets is what was claimed as indirect salaries. In looking at the classifications, many stand out as not being 100% indirect. As an example, in FY 2011-12 the following classifications (with exception of Police Chief) were claimed as 100% indirect:

- Admin Assistant
- Dispatch Supervisor
- Evidence Tech
- Lieutenant
- Police Chief (50% this year, 100% some of the other years)
- Public Safety Dispatcher
- Records Supervisor
- Senior Police Records Tech
- Sergeant
- Senior Community Services Officer

We understand that identifying which classifications are/aren't indirect and to what extent, is not always clear-cut, as every entity is structured differently. However, some basic generalizations can be made. For example, it is reasonable to say that the Admin. Assistant is a support role and can be claimed as 100% indirect. For the higher ranking positions such as Police Chief, Commander, and Captain, it can be argued that a lot of their duties are more administrative in nature and mostly indirect. Moving down to Lieutenant and Sergeant, the duties might be more of a mix of administrative (indirect) duties and direct duties. Other positions such as Evidence Technician and Police Records Technician are clearly direct, as they provide a direct function to the police department. Because there are 12 fiscal years to consider, I have attached an Excel spreadsheet that lists which classifications were claimed as indirect and for which fiscal years. Those classifications in red font are the ones identified as likely NOT being indirect (at least not 100%). One way to better assess this would be to read the duty statements for those classifications in question. Would it be possible to provide the duty statements for those classifications appearing in red font?

Please feel free to contact me with any questions. Thank you for your assistance.

Amy Arghestani

Auditor

State Controller's Office

Division of Audits / Mandated Cost Audits Bureau

Office: (916) 327-0490 / Fax: (916) 324-7223

AArghestani@sco.ca.gov

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From: AChinnCRS@aol.com,
To: dmcintyre@cityofslt.us,
Cc: slaney@cityofslt.us,
Subject: Re: FW: Salary Information
Date: Fri, Oct 20, 2017 12:55 pm
Attachments: Overhead Staff Positions.docx (19K), image002.jpg (3K), image001.jpg (3K)

Hi Debbie & Lieutenant,

Here's some additional info I wanted you to send to the Auditor regarding the ICRP rates and allocation of activities for disputed positions.

I think their highlighted activities they deemed to be eligible overhead did not include many activities we believe are administrative or general support to all officers, and not one specific unit or program area.

I have provided a three page document with justification for additional items to be considered as indirect costs.

This weekend I will review the other files, such as the cases they disallowed to see if I have any objections with their classification of allowable cases.

But in the meantime, this is a good start.

Thank you,

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

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

In a message dated 10/18/2017 5:00:29 P.M. Pacific Daylight Time, dmcintyre@cityofslt.us writes:

> Annette,
>
> Just checking to make sure you received this. Please let me know if you feel comfortable with me sending this information to the State. It is due October 24th.
>
> **Debbie McIntyre, C.P.A.**
>
> **Director of Finance**
>
> **City of South Lake Tahoe**
>
> **(530) 542-7402**
>
> **dmcintyre@cityofslt.us**

From: Debbie McIntyre
Sent: Friday, October 13, 2017 4:44 PM
To: AChinnCRS@aol.com
Subject: Salary Information

Annette,

I put together some salary information. Please take a look and let me know if you think this is adequate for the State. The rates are much higher, and I only included detectives since they would be the employees working on the cases.

Debbie McIntyre, C.P.A.

Director of Finance

City of South Lake Tahoe

(530) 542-7402

dmcintyre@cityofslt.us

2 Attached Images

overhead staff positions.doc

Hi Amy and Masha,

Here are some items we believe are incorrect in the draft findings and request that you please consider.

For all ICRP rates from prior years, please include all the staff found to be allowable Indirect costs to make the rates all consistent throughout the FY 99-00 -- FY11-12 period auditor. The rates we used were computed from various fiscal years, from different consultants, and also for different programs where Indirect costs were taken out of the rate because much was being claimed in the direct costs (such as Police Chief and other command staff for POBORs claims). (For example, in all years, Chief should be 100% indirect)

Per OMB A-87 a "cost objective" means a function, organizational subdivision, contract, grant, or other activity for which cost data are needed and for which costs are incurred.

The Cost Objective in this case is the "Child Abuse" program. The direct activities are performed primarily by the sworn officers – Police Officer and Detective class.

"Indirect Costs" are defined as those costs that 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 benefitted without effort disproportionate to the results achieved." "... To achieve equitable distribution of indirect expenses to the cost objectives served, it may be necessary to establish a number of pools of indirect costs...to produce an equitable result in consideration of the relative benefits derived."

Designation of Indirect Activities. (We believe the activities listed below should have been highlighted as indirect activities on the 8 job descriptions being reviewed.)

1) Lieutenant –
    i) With the exception of "participating in investigative work, responding to emergency situations and investigations, participating in case investigations, and coordinating response to complaints"; we believe all of the other activities listed in Duty #2 should be allowed indirect as they are incurred for a common or joint purpose benefiting more than one cost objective. "Planning, coordinating, and reviewing; prioritizing, coordinating, supervising the work plan for areas of assigned responsibility", "allocating and assigning personnel, and administrative issues are all administrative functions and benefit all law enforcement divisions and function and are not "readily assignable". The beneficiaries of these activities performed are not traceable to a specific cost objective.

       The "Child Abuse" program does benefit from the described activities performed by the Lieutenant's supervisory and administrative duties listed above, as do all the other programs or cost objectives performed by the Police Department – be they the Patrol Unit, which responds to all types of programs ranging from Domestic Violence, Homicide, Rape, Burglary, Theft, Assault... types of calls for assistance; the Gang Unit; the Detective Unit; the Internal Affairs Unit etc.

ii) Activity 7 – should be considered an indirect costs so long as the response is not "readily assignable" to a direct investigations or specific identifiable cases. General calls for information and response not traceable to a specific investigation should be allowed as indirect.

iii) Activity 8 – "monitoring Police Facility security" benefits all personnel in the Police Department, cost objectives, and units and not a specific program, and thus should be an allowable indirect cost.

iv) Activity 13 – May serve as Acting Police Chief should be considered an indirect administrative activity as this position is administrative and was found to be a 100% allowable indirect position.

2) Sergeant

i) Activities 2,3, & 4 are all management and supervisory activities that benefit all facets of police operations. The Child Abuse Program is also a program area that benefits the "Indirect Costs" are defined as those costs that 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 benefitted without effort disproportionate to the results achieved."

ii) Activities 23 & 24 are general support functions that benefits all cost objectives and units, and not a specific program, and thus should be an allowed indirect cost.

3) Police Records Technician-

i) The records division maintains police records (Activity 1) and types and proofreads reports etc. (Activity 4) for all cost objectives – be they Domestic Violence, Child Abuse, Homicide, Identity Theft, Vehicle Theft, Missing Persons, or a host of other types of reports. To identify the exact benefit by program is not readily assignable – though it would be possible to determine an allocation per program if we looked at all the total number of reports produced by the department and assign a percentage or an allocation of their costs based on the percentage child abuse reports represents of the total. However, this methodology would be cumbersome and is "not readily assignable to the cost objectives specifically benefitted without effort disproportionate to the results achieved." Therefore it should be allowed as an indirect cost.

ii) Similarly, the position also answers phone calls from employees and other individuals seeking assistance (Activity 2 & 3) and receives and screens visitors to the police department (Activity 5). These activities benefits all cost objectives and units (including the Child Abuse Investigative program witnesses, victims, parents, and internal staff). Their duties to answer phone and screen visitors is not related to any one specific program, and thus should be an allowed indirect cost.

4) Property/Evidence Technician

Similar to the Records Technicians, the Evidence staff maintains and processes evidence related to all types of law enforcement programs, including processing and maintaining evidence related to Child Abuse Investigations. These activities provided benefit all cost objectives.

i) While it would be possible theoretically to determine the percentage of evidence is related to Child Abuse Cases, however, this methodology would be cumbersome and is "not readily assignable to the cost objectives specifically benefitted without effort disproportionate to the results achieved." Therefore it should be allowed as an indirect cost shared among all PD programs and activities.

5) Public Safety Dispatcher - The Dispatcher is necessary support for all Police Officers working on all types of programs and cases. They do not support any one specific program or activity, but provided benefit to all cost objectives. All their duties (Activities 1-11), ranging from answering, logging, relaying information from all incoming calls (911) and non-emergency calls from the public to the officers pertain to a variety of the department's programs and cost objectives. These include Child Abuse calls for assistance and providing support to Detectives and Officers working on Child Abuse cases.

   While it would be possible theoretically to determine the percentage of calls related to Child Abuse cases, however, this methodology would be cumbersome and is "not readily assignable to the cost objectives specifically benefitted without effort disproportionate to the results achieved." Therefore it should be allowed as an indirect cost shared among all PD programs and activities.

6) Police Records Supervisor & Dispatch Supervisor – These positions are supervisors of two support division – Record and Dispatch, which provide support to all Direct Law Enforcement activities and programs, including Child Abuse program.

   i) Activities 1, 2, & 6 - Supervising, scheduling and coordinating activities of the section; developing and implementing policies and procedures; training new personnel are all administrative and supervisory functions, not direct time spent on any specific cost objective or activity/program.
   ii) Activity 7 – Prepares a variety of statistical and written reports should be indirect if the reports are not assignable to a specific program or cost objective and the effort to assign the costs are "not readily assignable without disproportionate effort." If the reports are assignable – they should be direct to those functions.
   iii) Activity 10 – Acts as backup support person over computer system is a task that benefits the entire Police operations and not a specific unit of cost objective as all divisions require the use of the computer system.

   All the activities listed above benefit all PD programs, including the Child Abuse program.

7) Community Services Officer –
   i) Activity 12 – Transportation of evidence to crime labs for analysis, delivers court documents.

   These activities should be indirect because it is difficult to determine which programs should be allocated these costs support as they pertain to all PD programs, including Child Abuse.

From: dmcintyre@cityofslt.us,
To: AArghestani@sco.ca.gov,
Cc: slaney@cityofslt.us, bhannink@cityofslt.us, dougherty@cityofslt.us, AChinnCRS@aol.com, MVorobyova@sco.ca.gov,
Subject: RE: ICAN Audit - Status Conference Follow-up
Date: Mon, Oct 23, 2017 10:10 am
Attachments: Overhead Staff Positions.docx (19K), 2009-2010 Salary Information.pdf (1163K), 2010-2011 Salary Information.pdf (1007K), 2011-2012 Salary Information.pdf (974K),

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Attached is the productive hourly rates and some additional information about indirect costs. The additional information regarding the duty statement responsibilities will be coming from the Police Department.

Thanks,

Debbie McIntyre, C.P.A.

Director of Finance

City of South Lake Tahoe

(530) 542-7402

dmcintyre@cityofslt.us

From: AArghestani@sco.ca.gov [mailto:AArghestani@sco.ca.gov]
Sent: Wednesday, October 11, 2017 2:11 PM
To: Debbie McIntyre
Cc: Shannon Laney; Brian Hannink; Kathleen Dougherty; AChinnCRS@aol.com; MVorobyova@sco.ca.gov
Subject: ICAN Audit - Status Conference Follow-up

Good afternoon,

Thank you again for meeting with us yesterday to discuss the preliminary findings for this audit. We feel the meeting was productive.

To recap, the following is what the city will provide within the next two weeks (on or before October 24, 2017):

Productive Hourly Rates

Additional documentation to consider upwardly adjusting the productive hourly rates for the Officer/Detective classification. Specifically, for the three most recent years of the audit period, provide payroll records documenting the actual salary amounts paid to the Officers/Detectives performing the mandated activities.

Indirect Costs

A proposal to upwardly adjust the percent allocation of certain classifications' salaries as being indirect. There are a total of 8 classifications in question – these are listed on page 22 of the status conference handout.

The following is what the SCO will provide:

Indirect Costs

PDF copies of the duty statements for the 8 classifications in question. The copies will show our recalculations of percent indirect. These will be provided later today.

Complete an Investigation Cost Component

A consideration of the additional time increments discussed during the status meeting in relation to the "partial initial investigation" for those cases in which a full investigation was not conducted. We will review our audit criteria and will discuss additional time increments proposed by the Detective during our meeting. We will notify the city as soon as we conclude our analysis. ***Please Note: We cannot provide the completed analysis until we receive additional information from the Finance Department to support upwardly adjusting the PHR for the Officer/Detective classification, as revising PHRs will affect recomputing all costs accordingly.***

If I am missing something, please let me know. Please contact me with any questions.

Amy Arghestani | Auditor

Office of the State Controller Betty T. Yee

Division of Audits, Mandated Cost Audits Bureau

3301 C Street, Suite 725A

Sacramento, CA 95816 | (916) 327-0490

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From: AChinnCRS@aol.com,
To: dmcintyre@cityofslt.us,
Cc: slaney@cityofslt.us,
Subject: Response to SCO Auditors
Date: Fri, Oct 27, 2017 11:47 am
Attachments: SLT Comments to Preliminary Findings.pdf (14698K)

Hi Debbie,

Here is the information I have prepared to address the ICRP issues brought up by the Auditor. Also one page addresses allowable cases - I thought some cases were disallowed that should have been allowed.

Lt. Laney has had three classifications reviewed and corrected based on actual time allocated per task. This should increase allowed overhead for these positions. The other 4 positions remained the same (no comments) - though I'm not sure if that's because all the job descriptions in fact do all take equal amounts of their time, or that he thought they were not reviewing as most were completely disallowed as being eligible overhead costs.

Please let me know if you have any questions, then please send this to Masha and Amy today.

Thank you,

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

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

Masha and Amy,

Claiming instructions on pages 8 and 9 under section 3.a,1),ii – States that in some situations the investigation required to complete the form SS 8572 is also sufficient to make the determination required under section 11169(a).

We agree that in some instances, such as a DUI stop, or a straightforward DV case, this is true,

However, this is not true in all cases and we believe the following cases that were disallowed in the computation of allowable cases incorrectly. While South Lake Tahoe PD (SLTPD) was the mandated reporter, the records demonstrates that time to simply fill out a mandate reporter form (SS 8572) was not sufficient to make the determination required under section 11169(a) (determine if the case is founded, unfounded, or inconclusive). This is demonstrated by the narrative of the case showing the complexity of the circumstances and by the multiple interviews conducted. In many instances, more than one deputy was present on the scene to conduct these investigations, which further proves our point that a simple completion of the mandated reporter form was necessary in these instances:

FY 2008-09	FY 2009-10	FY 2010-11
1003-1190	0907-2506	1009-1848
0801-1766	0908-3050	1106-2117
1811-0181	0909-2714	1007-0857
0904-0493	1002-1571	1009-1784
		1104-1560

Also, we believe the following cases should not have been disallowed and that they qualify as legitimate Child Abuse investigations required to make determinations under section 11169(a).

FY 2008-09	FY 2009-10	FY 2010-11
0811-0478	1006-1336	1009-1115
	1004-2466	1008-1005
		1007-2551
		1007-3424

Finally, you said during our meeting a couple weeks ago that the CPS statistics we provided were not relevant to this audit.

We disagree because the Police Department is required to at least review each and every CPS referral and this is an eligible activity. While some turn out to be duplicates or are forwarded to another jurisdiction, the minimum cursory review by the Detective (approx. 15 minutes) is required for each and every case.

We request that this time for all the CPS cases referred to our agency be granted this minimum amount of time for initial review of all these cases. By our estimates, there were at least an additional 8% of cases that were not granted any time in your analysis for the unaccounted for CPS referrals.

INDIRECT COSTS COMMENTS

Here are some items we believe are incorrect in the draft findings and request that you please consider.

For all ICRP rates from prior years, please include all the staff found to be allowable Indirect costs to make the rates all consistent throughout the FY 99-00 -- FY11-12 period audited. The rates we used were computed from various fiscal years, from different consultants, and also for different programs where Indirect costs were taken out of the rate because much was being claimed in the direct costs (such as Police Chief and other command staff for POBORs claims). (For example, in all years, Chief should be 100% indirect)

Regarding ICRPs and indirect/support staff:

According to 2 CFR Part 200, Direct Costs are "those costs that can be identified specifically with a particular final cost objective, such as a Federal Award or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy."

According to the OMB A-87:

"E. **Direct Costs**

1. General. Direct Costs are those that can be identified specifically with a particular final cost objective."

2. Application. Typical direct costs chargable to Federal awards are:

a, Compensation of employees for the time devoted and identified specifically to the performance of those awards.

b. Cost of materials acquired, consumed, or expended specifically for the purpose of those awards.

c. Equipment and other approved capital expenditures.

d. Travel expenses incurred specifically to carry out the award.

e. Minor items. Any direct costs of a minor amount may be treated as an indirect cost for reasons of practicality where such accounting treatment for that item of cost is consistently applied to all cost objectives."

F. Indirect Costs

General. Indirect costs are those: (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."

A "final cost objective" is defined by 2 CFR Part 200 (page 210) "g. Cost Objective means a function, organizational subdivision, contract, Federal award, or other work unit **for which cost data are desired and for which provision is made to accumulate and measure the cost of processes, projects, jobs, and capitalized projects**."

The Cost Objective in this claim for the Child Abuse program or project is the costs of the Child Abuse Investigative program.

In this case/claim, the COST OBJECTIVE OR DIRECT costs are the mandated activities related primarily to the Child Abuse Investigative process to determine if the case was founded, unfounded or inconclusive.

The Indirect costs, are according to the instructions, "costs incurred for a common or joint purpose, benefiting more than one cost objective and not readily assignable to the cost objectives without effort disproportionate to the results achieved."

SCO preliminary findings incorrectly identify RECORDS, DISPATCH, and PROPERTY/EVIDENCE staff as direct, rather than indirect or support divisions. These groups of employees do not directly perform the cost objective of this program, which is to conduct Child Abuse Investigations. However, they do support/benefit the Child Abuse COST OBJECTIVE by providing clerical assistance to this program, as well as other programs performed by sworn staff. Their activities do not benefit only one cost objective.

2 CFR Part 200 (on page 136) Sect. 200.413 (c) The salaries of administrative and **clerical** staff should normally be treated as indirect costs."

Records staff are clerical staff preparing and maintaining reports generated by all sworn staff on more than one direct cost objective or program. Similarly, Dispatch staff is also clerical – functioning primarily as receptionists for all the sworn staff of the department and they benefit more than one "cost objective".

DISPATCH: Dispatchers (Communication Division) provides necessary support to the Officers who are the direct labor of the cost objective /mandate (Child Abuse Investigations). The Officer would not be able to obtain the call for service or the case without the efforts of the Dispatch staff as noted by Lieutenant Laney in our October 10th meeting. They assign and track the case number and monitor the officers in the field in their commission of their all their direct duties – investigations, including Child Abuse Investigations.

During Child Abuse Investigations, the Officer is in constant contact with the Dispatch staff – receiving the information/case from Dispatch, notifying Dispatch of their location, arrival time, departure time from the call and notifying them of the status of the investigation or if any additional assistance is needed. The Dispatchers – or Communications Division – is not there to provide a direct service to the public (the Public does not call Dispatch to talk to a Dispatcher or to obtain a direct service from Dispatch, but to get in touch with a Police Officer. Their job is to act as the interface – receptionists receiving calls/requests for service. The division exists only to support the Patrol Officers, who are performing the direct programs activities.

RECORDS: The same is true for the Records Division staff – they are the clerical support for the officers and sworn staff. Records staff process and store the paperwork that is generate from the direct law enforcement programs performed by the officers. They log, prepare and file all crime reports and statistics (including Child Abuse cases). They are the clerical branch of the department, only there to process the direct work and programs performed by the Officers. They are support only – not managing an independent program or performing a direct function to the public.

EVIDENCE: The Evidence staff benefits our COST OBJECTIVE – or Child Abuse Investigation program as well as other law enforcement programs such as Missing Persons, Theft, DUI, murder cases, rape, drugs and other types of cases/programs. They provide evidence storage, processing and inventorying for ALL types of programs and cases. Again – costing out exactly how much time the evidence it taken in by case and how much time staff spends on each type of program (evidence collected specifically for Child Abuse Cases) is onerous and therefore appropriately included in the overhead calculation.

The positions in these divisions are the support staff to the Officer or Patrol Division. Determining the exact amount of time the support staff spends on the Direct Program (in this Case Child Abuse and Neglect Investigations) would be excessively onerous or "level of effort disproportionate to the results achieved". Thus these support costs are included into the ICRP or overhead rate as permitted by the instructions, OMB A-87, and 2 CFR Part 200.

If the City decided to contract for law enforcement services, the need for these three divisions (Records, Dispatch, and Evidence) would no longer be needed. These positions that are only there to support the direct staff – Police Officers and thus they are overhead or SUPPORT .

Designation of Indirect Activities. (We believe the activities listed below should have been highlighted as indirect activities on the 8 job descriptions being reviewed.)

1) Lieutenant –
    i) With the exception of "participating in investigative work, responding to emergency situations and investigations, participating in case investigations, and coordinating response to complaints"; we believe all of the other activities listed in Duty #2 should be allowed indirect as they are incurred for a common or joint purpose benefiting more than one cost objective. "Planning, coordinating, and reviewing; prioritizing, coordinating, supervising the work plan for areas of assigned responsibility", "allocating and assigning personnel, and administrative issues are all administrative functions and benefit all law enforcement divisions and function and are not "readily assignable". The beneficiaries of these activities performed are not traceable to a specific cost objective.

The "Child Abuse" program does benefit from the described activities performed by the Lieutenant's supervisory and administrative duties listed above, as do all the other programs or cost objectives performed by the Police Department – be they the Patrol Unit, which responds to all types of programs ranging from Domestic Violence, Homicide, Rape, Burglary, Theft, Assault... types of calls for assistance; the Gang Unit; the Detective Unit; the Internal Affairs Unit etc.

    ii) Activity 7 – should be considered an indirect costs so long as the response is not "readily assignable" to a direct investigations or specific identifiable cases. General calls for information and response not traceable to a specific investigation should be allowed as indirect.
    iii) Activity 8 – "monitoring Police Facility security" benefits all personnel in the Police Department, cost objectives, and units and not a specific program, and thus should be an allowable indirect cost.
    iv) Activity 13 – May serve as Acting Police Chief should be considered an indirect administrative activity as this position is administrative and was found to be a 100% allowable indirect position.

2) Sergeant
    i) Activities 2,3, & 4 are all management and supervisory activities that benefit all facets of police operations. The Child Abuse Program is also a program area that benefits the "Indirect Costs" are defined as those costs that 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 benefitted without effort disproportionate to the results achieved."
    ii) Activities 23 & 24 are general support functions that benefits all cost objectives and units, and not a specific program, and thus should be an allowed indirect cost.

3) Police Records Technician-
    i) The records division maintains police records (Activity 1) and types and proofreads reports etc. (Activity 4) for all cost objectives – be they Domestic Violence, Child Abuse, Homicide, Identity Theft, Vehicle Theft, Missing Persons, or a host of other types of reports. To identify the exact benefit by program is not readily assignable – though it would be possible to determine an allocation per program if we looked at all the total number of reports produced by the department and assign a percentage or an allocation of their costs based on the percentage child abuse reports represents of the total. However, this methodology would be cumbersome and is "not readily assignable to the cost objectives specifically benefitted without effort disproportionate to the results achieved." Therefore it should be allowed as an indirect cost.

    ii) Similarly, the position also answers phone calls from employees and other individuals seeking assistance (Activity 2 & 3) and receives and screens visitors to the police department (Activity 5). These activities benefits all cost objectives and units (including the Child Abuse

Investigative program witnesses, victims, parents, and internal staff). Their duties to answer phone and screen visitors is not related to any one specific program, and thus should be an allowed indirect cost.

4) Property/Evidence Technician

Similar to the Records Technicians, the Evidence staff maintains and processes evidence related to all types of law enforcement programs, including processing and maintaining evidence related to Child Abuse Investigations. These activities provided benefit all cost objectives.

i) While it would be possible theoretically to determine the percentage of evidence is related to Child Abuse Cases, however, this methodology would be cumbersome and is "not readily assignable to the cost objectives specifically benefitted without effort disproportionate to the results achieved." Therefore it should be allowed as an indirect cost shared among all PD programs and activities.

5) Public Safety Dispatcher - The Dispatcher is necessary support for all Police Officers working on all types of programs and cases. They do not support any one specific program or activity, but provided benefit to all cost objectives. All their duties (Activities 1-11), ranging from answering, logging, relaying information from all incoming calls (911) and non-emergency calls from the public to the officers pertain to a variety of the department's programs and cost objectives. These include Child Abuse calls for assistance and providing support to Detectives and Officers working on Child Abuse cases.

While it would be possible theoretically to determine the percentage of calls related to Child Abuse cases, however, this methodology would be cumbersome and is "not readily assignable to the cost objectives specifically benefitted without effort disproportionate to the results achieved." Therefore it should be allowed as an indirect cost shared among all PD programs and activities.

6) Police Records Supervisor & Dispatch Supervisor – These positions are supervisors of two support division – Record and Dispatch, which provide support to all Direct Law Enforcement activities and programs, including Child Abuse program.

i) Activities 1, 2, & 6 - Supervising, scheduling and coordinating activities of the section; developing and implementing policies and procedures; training new personnel are all administrative and supervisory functions, not direct time spent on any specific cost objective or activity/program.
ii) Activity 7 – Prepares a variety of statistical and written reports should be indirect if the reports are not assignable to a specific program or cost objective and the effort to assign the costs are "not readily assignable without disproportionate effort." If the reports are assignable – they should be direct to those functions.
iii) Activity 10 – Acts as backup support person over computer system is a task that benefits the entire Police operations and not a specific unit of cost objective as all divisions require the use of the computer system.

All the activities listed above benefit all PD programs, including the Child Abuse program.

7) Community Services Officer –
   i) Activity 12 – Transportation of evidence to crime labs for analysis, delivers court documents.

These activities should be indirect because it benefits all Cost Objectives including the Child Abuse Mandate program.

Revised 9/0

55% indirect (see below) I.1.30

POLICE LIEUTENANT

Class Code: 2595

Bargaining Unit: Police Supervisors' Committee

CITY OF SOUTH LAKE TAHOE
Revision Date: Aug 2, 2013

SALARY RANGE

$47.34 - $57.55 Hourly
$3,787.38 - $4,604.31 Biweekly
$8,206.00 - $9,976.00 Monthly
$98,472.00 - $119,712.00 Annually

SUMMARY DESCRIPTION:

*Class specifications are intended to present a descriptive list of the range of duties performed by employees in the class. Specifications are **not** intended to reflect all duties performed within the job.*

Under administrative direction of the Chief of Police, the Police Lieutenant directs, manages, supervises, and coordinates the activities and operations of a division, watch or unit of the Police Department including patrol, crime prevention, investigative and assigned administrative services and functions; coordinates activities with other divisions, watches, City departments, outside agencies and organizations; performs more difficult and responsible law enforcement and crime prevention supervision and planning; and provides highly responsible and complex administrative support to the Chief of Police.

Identifying Characteristics

The Police Lieutenant is considered a Division Manager with responsibility for the management of a Division, watch, or unit of the Police Department that includes several line areas/sections or functional work groups of significant depth and complexity. Responsibilities include overall administration and implementation of the Division, watch, or unit including development of objectives and design and implementation of supporting units, programs, processes, policies, and/or procedures to successfully achieve those objectives. Incumbents at this level exercise discretion in applying general goals and policy statements and in resolving organizational and service delivery problems. Incumbents organize and direct the work of subordinate staff, assume significant responsibility for a variety of personnel activities in such areas as selection, training, and disciplinary actions, and assume significant responsibility for the preparation and administration of the assigned budget.

REPRESENTATIVE DUTIES: 7/13 total representative duties are indirect =

The following duties are typical for this classification. Incumbents may not perform all of the listed duties and/or may be required to perform additional or different duties from those set forth below to address business needs and changing business practices.

40%

1. Accepts management responsibility for activities, operations and services of an assigned program area including field operations, traffic, administration and criminal investigations; participates in the development and implementation of Departmental polices and procedures; works directly with sworn and non-sworn personnel in the interpretation of City and department policies; coordinates activities with other divisions, watches, City departments, outside agencies and organizations.
2. Plans, coordinates and reviews the work plan for areas of assigned responsibility; supervises and participates in investigative work; receives, prioritizes and coordinates response to complaints, emergency situations and investigations; supervises and coordinates the allocation of assigned personnel and equipment to calls for service, case investigations and administrative issues ; inspects departmental equipment and ensures that deficiencies are corrected.
3. Monitors and evaluates assigned activities; establishes standards and performance for division personnel and programs.

See more duties next

4. Reviews and evaluates work methods and procedures for improving organizational performance; assists in the training and evaluation of Department personnel; conducts and participates in investigations involving department personnel; receives and reviews reports from subordinate staff; participates in the preparation and maintenance of reports and records.
5. Participates in conferences and meetings with other law enforcement services, other City departments and civic groups on matters of mutual interest.
6. Monitors federal and state legislation and ensures Departmental compliance.
7. Responds to difficult inquiries and complaints; represents the Department with other law enforcement services and allied agencies, other City departments, civic groups and the public.
8. Monitors Police facility security; deploys personnel to handle emergency problems and assumes overall command of critical incidents.
9. Establishes positive working relationships with representatives of community organizations, state/local agencies and associations, City management and staff and the public.
10. Assists in writing and evaluating the department budget; manages assigned division budget.
11. Has administrative control of SWAT< CNT, Reserves, K-9 programs, FTO and Defensive Tactics.
12. Develops, prepares and monitors various criminal justice grant projects.
13. May serve as Acting Chief of Police in the absence of the Chief of Police.
    Performs related duties as required.

QUALIFICATION:

The following generally describes the knowledge and ability required to enter the job and/or be learned within a short period of time in order to successfully perform the assigned duties.

Knowledge of:

Modern principles, practices and techniques of police administration, organization and operation.
Methods and techniques of supervision, training and motivation.
Principles and practices of program development, administration and evaluation.
Administrative and technical aspects of crime prevention and law enforcement activities including investigation and identification, patrol, traffic control, juvenile programs, record keeping, automated records systems, search and seizure, code violations and care and custody of persons and property.
Applicable Federal, State and local laws, codes and regulations.
Principles of law enforcement information systems, including a computer and applicable software.
Occupational hazards and standard safety practices.
Departmental organization, policies and regulations.
Rules of arrest and evidence and court procedures.

Ability to:

Plan, organize, direct and evaluate the work of subordinate staff.
Gather and analyze complex law enforcement issues, evaluate alternative facts and reach sound conclusions.
Make adjustments to standard operating procedures as necessary to improve organizational effectiveness.
Supervise, train and motivate assigned staff.
Act quickly and calmly in emergency situations.
Facilitate group participation and consensus building.
Apply applicable laws, codes and regulations.
Prepare clear and accurate reports.
Deal tactfully and courteously with the public.
Analyze budget and technical reports.
Communicate clearly and concisely, both orally and in writing.
Establish and maintain effective working relationships with those contacted in the course of work.

Education and Experience Guidelines - *Any combination of education and experience that would likely provide the required knowledge and abilities is qualifying. A typical way to obtain the knowledge and abilities would be:*

Education/Training:

Equivalent to an Associate's degree from an accredited college or university with major course work in criminal justice, public administration, or a related field. A Bachelor's degree is desirable.

Experience:

Five years of increasingly responsible experience in a sworn capacity in law enforcement including two years of responsible administrative and supervisory experience at the Police Sergeant level.

License or Certificate:

Possession of a valid California or Nevada driver's license
Possession of a P.O.S.T. Advanced Certificate.

PHYSICAL DEMANDS-WORKING CONDITIONS:
The conditions herein are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential job functions.
Environment: Standard office setting, reactive emergency, natural or man-made disaster, and routine peace keeping environments with travel to various locations to attend meetings or respond to major crime scenes, disasters or critical incidents; the employee is occasionally exposed to outside weather conditions; occasionally exposed to fumes or airborne particles, toxic or caustic chemicals, extreme cold, extreme heat, risk of electrical shock, risk of radiation, and vibration; the noise level in the work environment is usually moderate; however, the noise level is occasionally very loud due to sirens, firearm training, etc.; incumbents may be required to work extended hours including evenings and weekends and may be required to travel outside City boundaries to attend meetings.
Physical: Primary functions require sufficient physical ability to work in an office setting; walk, stand, or sit for prolonged periods of time; occasionally stoop, bend, kneel, crouch, reach, and twist; occasionally climb and balance; regularly push, pull, lift, and/or carry light to moderate weights; frequently lift and/or move moderate to heavy weights; occasionally lift and/or move heavy weights; operate office equipment including use of computer keyboard; requires a sense of touch, finger dexterity, and gripping with hands and fingers; ability to speak and hear to exchange information; ability to operate a vehicle to travel to various locations; ability to operate and use specialized law enforcement tools and equipment including guns and handcuffs.
Vision: See in the normal visual range with or without correction.
Hearing: Hear in the normal audio range with or without correction.
FLSA Designation: Exempt

Revise %

45% indirect (see below) I.1.30

POLICE SERGEANT

Class Code: 3800

Bargaining Unit: Police Supervisors' Committee

CITY OF SOUTH LAKE TAHOE
Revision Date: Feb 21, 2014

SALARY RANGE

$38.60 - $46.92 Hourly
$3,088.15 - $3,753.23 Biweekly
$6,691.00 - $8,132.00 Monthly
$80,292.00 - $97,584.00 Annually

SUMMARY DESCRIPTION:
*Class specifications are intended to present a descriptive list of the range of duties performed by employees in the class. Specifications are **not** intended to reflect all duties performed within the job.*

Summary Description

Under general direction of assigned Police Lieutenant, the Police Sergeant plans, directs, supervises and coordinates the activities of an assigned patrol shift and/or of designated assignment(s) within the Police Department or other City related activity, and participates as a member of the department's management team effort.

Identifying characteristics

The Police Sergeant is the first supervisory level within the Police Department. This class level recognizes supervisory positions that plan, assign, and evaluate the work of subordinates and are responsible for a major departmental work unit or section. Incumbents at this level typically participate in the more complex functions of the work unit, including administrative and technical duties, in addition to having direct supervisory responsibility over both sworn and non-sworn personnel.

REPRESENTATIVE DUTIES: 11/25 representative duties are indirect =

The following duties are typical for this classification. Incumbents may not perform all of the listed duties and/or may be required to perform additional or different duties from those set forth below to address business needs and changing business practices.

20%

1. Participates in the planning, organizing and development of operational procedures.
2. Supervises the activities of assigned personnel and/or day-to-day operations as a shift Watch Commander; inspects equipment and personnel at roll call, takes roll call, assigns equipment, briefly watches personnel on the status of crimes and other important events that should be called to their attention, and assigns police officers to their beats.
3. Supervises police officers assigned to patrol; organizes shift schedules and assignments of responsibility; assigns special traffic details, and personally supervises control of traffic in emergency situations; assists in the organization of, and supervises, radar and selective enforcement squads; patrols assigned area to supervise police officers in performance of their duties; gives advice and assistance when necessary and may assume command in the more serious offenses.
4. Plans, coordinates, and reviews the work plan for areas of responsibility assigned to subordinates; receives, prioritizes, and coordinates responses to complaints, emergency situations, and investigations; supervises and coordinates the allocation of assigned personnel and equipment to calls for services, case investigations, and administrative issues; inspects departmental vehicles and other equipment to ensure that deficiencies are corrected.
5. Assumes responsibility for the public information needs of the department; works with the press to explain and highlight department activities.
6. Supervises and participates in the investigation of all routine/complex extended investigations, including crimes against property, persons, narcotics and vice-related crimes in the City and tasks

See more duties next

appropriate enforcement action when violations are found; cooperates with law enforcement officers from adjacent municipal, county and State jurisdictions; is responsible for intelligence activities including gathering evidence, locating and questioning witnesses; supervises surveillance of suspected criminal activity.
7. Responds to inquiries and complaints.
8. Directs and assists in the training development of subordinate personnel.
9. Reviews and evaluates work methods and procedures for improving organizational performance; assists in the training and evaluation of Department personnel; conducts and participates in investigations involving departmental personnel; receives and reviews reports for subordinate staff; participates in the preparation and maintenance of reports and records.
10. Assumes responsibility for specialized assignments, as directed, such as Police Reserves, Community Services Officers, SWAT, crime prevention, training, etc; participates in and supervises the activities of team members.
11. Prepares recommendations for budget and personnel needs.
12. Assists in the recruitment, selection and hiring of new personnel.
13. Coordinates police activities with other units in the Police Department, City departments and divisions.
14. Coordinates functions of the unit with other law enforcement agencies.
15. Supervises, trains and evaluates subordinate personnel.
16. May exercise field supervision over investigating personnel on an assigned watch.
17. Supervises and participates in investigating the background of applicants for police department vacancies.
18. Assists motorists, especially during snow conditions.
19. Conducts a continuing review of division activities to identify problems and develop recommendations for improving services.
20. Conducts investigations of internal affairs and citizen complaints, as necessary.
21. Personally conducts investigations and special studies requiring a high level of discretion.
22. Speaks before groups and represents the Department and City at meetings and conferences.
23. Maintains statistical records for the unit.
24. Checks and monitors the safe operation of all Police vehicles and other equipment.
25. Responds to emergencies when off duty.
26. Performs related duties as required.

QUALIFICATION:

Knowledge of:

Modern police practices, techniques and methods.
Principles and practices of organization and personnel management.
Principles of supervision, training, and motivation.
Technical and administrative aspects and phases of crime prevention and law enforcement including investigation and identification, patrol, traffic control, juvenile programs, record keeping, automated records systems, search and seizure, code violations, and care and custody of persons and property.
Operating characteristics of law enforcement information systems.
Pertinent federal, state and local laws and ordinances, particularly with reference to apprehension, attest, search and seizure, traffic and evidence.
Police department organization, rules, regulations, policies, and procedures.
Functions and objectives of the police department and other local, state and federal agencies.
Use and care of firearms and other modern police equipment.
First aid and CPR techniques.
Occupational hazards and standard safety practices.

Ability to:

Supervise, train and evaluate assigned staff.
Know and understand all aspects of a sworn Police Officer's job.
Analyze work papers, reports and special projects.
Remember accounts given by witnesses.
Identify crime suspects.
Interpret and apply the law to field situations.
Conduct surveillance.
Solve crime situation problems.

Problem solve crime situations.
Explain the law to the public.
Obtain information through interview and interrogation and to deal firmly and courteously with the public.
Analyze crime and service patterns and to develop effective, tactical responses.
Meet and maintain required peace officer employment standards to safely and effectively perform assigned duties.
Meet and maintain departmental firearms qualifications standards.
Analyze situations quickly and objectively and determine proper course of action.
Effectively use a variety of departmental computer and computer-related equipment.
Properly interpret and make decisions in accordance with laws, regulations and policies.
Recommend improvements in unit and departmental operations and in the rules, regulations and policies.
Undertake and satisfactorily complete required and assigned in-service training programs.
Be sensitive to various cultural and ethnic groups present in the community.
Communicate clearly and concisely, both orally and in writing.
Establish and maintain effective working relationships with those contacted in the course of work.

Education and Experience -

Required minimum qualifications to be eligible for promotion to the rank of Police Sergeant:

Experience:

- Three years of full-time experience as a designated peace officer, as defined by California Penal Code section 830.1.
- Successful completion of probation as a Police Officer with the City of South Lake Tahoe.

License or Certificate:

- Possession of California P.O.S.T. Intermediate Certificate (or higher California POST certification).
- Possession of a valid California or Nevada driver's license.

Required minimum qualifications to be eligible to test for the position of Police Sergeant:

Experience*:

One year of full-time experience as a designated peace officer with the City of South Lake Tahoe.
*Applicants successfully passing the initial testing process (which may include a written exam or other practical examination) who are expected to meet the full promotional minimum qualifications within 12 months of the final filing date, will be allowed to move forward to the interview panel process. Upon full verifiable attainment of the promotional minimum qualifications, candidate names will be included in the "certified list of eligible candidates" to the department to be considered for promotional opportunities.

Open Recruitment Process

At the discretion of the Chief of Police, if a recruitment/testing process conducted internally does not result in a sufficiently broad candidate pool, a follow-up recruitment/testing process may be conducted open to external candidates. If this process is conducted within three months of the internal promotional process, all successful internal candidates will not need to apply or test again but will be merged into the new certified eligibility list based on overall test score. In the event of equal test scores, an SLTPD incumbent candidate shall be given preference.
Relative to external candidates, the following minimum requirements are required to apply:

Experience:

- Applicants must be currently employed by, or within two years of separated service from, a California law enforcement agency.
- Three years of full-time experience as a sworn peace officer, as defined in California Penal Code section 830.1.
- Minimum of one year experience at the rank of sergeant or above with a California law enforcement agency.

License or Certificate:

- Possession of an active California P.O.S.T. Intermediate Certificate (or higher California POST certification), which will still be active 12 months beyond date of application.
- Possession of a valid California or Nevada driver's license (or possession of a valid driver's license from another State, must obtain a California or Nevada driver's license prior to appointment).

PHYSICAL DEMANDS-WORKING CONDITIONS:

The conditions herein are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential job functions.

Environment: Reactive emergency, natural or man-made disaster, and routine peace keeping environments with travel from site to site; the employee is regularly exposed to outside weather conditions; occasionally exposed to fumes or airborne particles, toxic or caustic chemicals, extreme cold, extreme heat, risk of electrical shock, risk of radiation, and vibration; exposed to potentially hostile environments; extensive public contact; the noise level in the work environment is usually moderate; however, the noise level is occasionally very loud due to sirens, firearm training, etc.; incumbents required to work various shifts, including evenings and weekends, and may be required to travel outside City boundaries to attend meetings.
Physical: Primary functions require sufficient physical ability to work in a law enforcement setting; an office setting; restrain or subdue individuals; walk, stand, sit, or run for prolonged periods of time; occasionally stoop, bend, kneel, crouch, reach, and twist; occasionally climb and balance; regularly push, pull, lift, and/or carry light to moderate weights; frequently lift and/or move moderate to heavy weights; occasionally lift and/or move heavy weights; operate office equipment including use of computer keyboard; requires a sense of touch, finger dexterity, and gripping with hands and fingers; ability to speak and hear to exchange information; ability to operate a vehicle to travel to various locations; ability to operate and use specialized law enforcement tools and equipment including guns and handcuffs.
Vision: See in the normal visual range with or without correction.
Hearing: Hear in the normal audio range with or without correction.
FLSA Designation: Non-Exempt

Revise 5/0

COMMUNITY SERVICE OFFICER

5% indirect (see below) I.1.30

Class Code: 5601

Bargaining Unit: Police Employees' Association

CITY OF SOUTH LAKE TAHOE
Revision Date: Nov 15, 2007

SALARY RANGE

$21.69 - $26.36 Hourly
$1,734.92 - $2,108.77 Biweekly
$3,759.00 - $4,569.00 Monthly
$45,108.00 - $54,828.00 Annually

SUMMARY DESCRIPTION:
Class specifications are intended to present a descriptive list of the range of duties performed by employees in the class. Specifications are not intended to reflect all duties performed within the job.

Summary Description
Under supervision of assigned supervisory or management staff, performs a wide variety of non-sworn police work related to enforcement of City ordinances, codes, laws, regulations and validation programs affecting the esthetic health & welfare and public peace and safety of the City of South Lake Tahoe. Areas of responsibility include on-street and off-street parking including interpretation and enforcement of protocols related to parking enforcement; vacation home rentals, nuisance abatement, abandoned vehicle abatement and other public service areas; administrative, clerical and paraprofessional non-sworn police work involving the processing and maintenance of departmental reports, records and files; greets and responds to citizens' requests at the department's reception counter; and performs a variety of traffic control, and other duties not requiring Peace Officer status.

Identifying characteristics
Community Services Officer is a journey level position assigned a full range of enforcement duties with minimal assistance or direction; work independently and exercise sound judgment in the application of policies and procedures related to issuing notice of violations to code enforcement and citations, towing, traffic control, and recordkeeping responsibilities related to parking and code enforcement. Incumbent is expected to become increasingly knowledgeable of state and city laws, ordinances, procedures and practices pertaining to code enforcement, vehicles, and parking enforcement. Performs technical and paraprofessional non-sworn duties in support of Police Department operations.

REPRESENTATIVE DUTIES: 1/17 total representative duties is indirect = 5%

The following duties are typical for this classification. Incumbents may not perform all of the listed duties and/or may be required to perform additional or different duties from those set forth below to address business needs and changing business practices.

50%

1. Performs a variety of record keeping, filing, indexing and other general clerical work.
2. Take photos of identified violations and submit Notice of Violation
3. Directs removal of parked vehicles that pose a hazard.
4. May provide traffic control.
5. Learns to take statements, prepares criminal and traffic reports and makes court appearances as required.
6. Assists in snow removal activities including traffic control.
7. Assists the general public at the counter by accepting fees for a variety of items, such as vehicle impound releases, booking fees and processing receipts and explaining police procedures.
8. Operates a computer data entry terminal.

Reduce all other categories

See more duties next page

9. May assist in training new employees in the processing of records, as required.
10. Performs parking enforcement, follows up on abandoned vehicles or assists in traffic control at vehicle accident scenes.
11. Responds to traffic accident scenes, assists with traffic control and with name exchanges.
12. Transports evidence to designated crime labs for analysis, as necessary; delivers court documents and serves subpoenas as assigned.
13. Patrols assigned areas (both walking and motorized patrol), identify parking and code violations and issue overtime parking citations.
14. May perform other non-criminal enforcement activities, such as enforcing City Code and zoning enforcement activities.
15. Assists at public counter in taking fingerprints and/or taking reports of crimes.
16. Issues administrative citations.
17. Collects meter funds
18. Performs related duties as required.

QUALIFICATION:
The following generally describes the knowledge and ability required to enter the job and/or be learned within a short period of time in order to successfully perform the assigned duties.

Knowledge of:
Office methods and procedures, telephone and receptionist techniques.
Correct English usage, spelling, punctuation and grammar.
Public records acts and penal code sections.
City ordinances
Criteria that determines an emergency or non-emergency situation.
Computerized records system.
Geographic features and streets of South Lake Tahoe.
Positive telephone technique.
Principles of customer service, including conflict resolution principles
Techniques for interacting effectively with a variety of individuals from various socio-economic, cultural and ethnic backgrounds.

Ability to:
Know and understand all aspects of police operations.
Intermittently analyze work papers, reports and special projects.
Remember accounts given by witnesses.
Identify crime suspects.
Interpret and apply the operational procedures and the law to field situations.
Observe while in the field and problem solve field situations.
Explain law to the public.
Understand and follow both oral and written instructions.
Speak clearly and precisely.
Work under pressure, exercise good judgment and make sound decisions in emergency situations.
Work irregular hours and shift work, as necessary.
Effectively communicate with and elicit information from upset and irate citizens.
Operate the computerized records system.
Exercise independent judgment and work with a minimum of supervision.
Enforce the laws, regulations and ordinances governing parking in a tactful, firm and impartial manner.
Operate a motor vehicle safely.
Work independently in carrying out assigned duties in a variety of weather conditions.
Operate office equipment quickly, accurately, and, at times, concurrently.
Communicate clearly and concisely, both orally and in writing.
Establish and maintain effective working relationships with those contacted in the course of work.

Education and Experience Guidelines - *Any combination of education and experience that would likely provide the required knowledge and abilities is qualifying. A typical way to obtain the knowledge and abilities would be:*

Community Services Officer
Education/Training:
Equivalent to the completion of the twelfth grade.
Experience:
One year experience in a position with substantial public contact, police clerical positions, or a related field.

License or Certificate:
Possession of a California or Nevada driver's license.

PHYSICAL DEMANDS-WORKING CONDITIONS:
The conditions herein are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential job functions.

Environment: Work is performed primarily in an office and field environment; travel to different sites; exposure to inclement weather conditions; exposure to irate and abusive individuals; exposure to mechanical hazards and to hazardous traffic conditions; limited exposure to hazardous materials; work and/or walk on various types of surfaces including slippery or uneven surfaces and rough terrain.

Physical: Primary functions require sufficient physical ability and mobility to work in an office and field setting; to walk or sit for prolonged periods of time; to lift, carry, push, and/or pull light to moderate amounts of weight; to operate office equipment requiring repetitive hand movement and fine coordination including use of a computer keyboard; to operate assigned equipment and vehicle; and to verbally communicate to exchange information.

Vision: See in the normal visual range with or without correction.

Hearing: Hear in the normal audio range with or without correction.

FLSA Designation: Non-Exempt

CITY OF SOUTH LAKE TAHOE

Audit Report

INTERAGENCY CHILD ABUSE AND NEGLECT INVESTIGATION REPORTS PROGRAM

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

July 1, 1999, through June 30, 2012

BETTY T. YEE
California State Controller

May 2018

a, Compensation of employees for the time devoted and identified specifically to the performance of those awards.

b. Cost of materials acquired, consumed, or expended specifically for the purpose of those awards.

c. Equipment and other approved capital expenditures.

d. Travel expenses incurred specifically to carry out the award.

e. Minor items. Any direct costs of a minor amount may be treated as an indirect cost for reasons of practicality where such accounting treatment for that item of cost is consistently applied to all cost objectives."

The Cost Objective in this claim for the Child Abuse program or project is the costs of the Child Abuse Investigative program: primarily to determine if the case was founded, unfounded or inconclusive.

The SCO determined the direct costs were performed by the Officer/Detective, the Sergeant and Records staff. We agree.

INDIRECT COSTS:

According to the OMB A-87/2 CFR Part 200:

F. Indirect Costs

General. Indirect costs are those: (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."

A "final cost objective" is defined by 2 CFR Part 200 (page 210) "g. Cost Objective means a function, organizational subdivision, contract, Federal award, or other work unit **for which cost data are desired and for which provision is made to accumulate and measure the cost of processes, projects, jobs, and capitalized projects**."

The Indirect Costs, are according to the instructions, "costs incurred for a common or joint purpose, benefiting more than one cost objective and not readily assignable to the cost objectives without effort disproportionate to the results achieved."

DISPATCH/COMMUNICATIONS and PROPERTY/EVIDENCE staff do not directly perform the cost objective of this program, which is primarily to conduct Child Abuse Investigations. However, they do support/benefit the Child Abuse COST OBJECTIVE and DIRECT COSTS by providing reception and clerical assistance/evidence storage and processing necessary for this program. Their activities do not benefit only one cost objective – but a multitude of programs including Drunk Driving, Domestic Violence, Homicides, Sexual Assaults, Missing Persons, etc.

2 CFR Part 200 (on page 136) Sect. 200.413 (c) The salaries of administrative and **clerical** staff should normally be treated as indirect costs."

PUBLIC SAFETY DISPATCHERS: Dispatch staff is a support/clerical division – functioning primarily as receptionists for all the sworn staff of the department and they benefit more than one "cost objective". They answer for all types of calls for service.

Dispatchers (Communication Division) provides necessary support to the Officers who are the direct labor of the cost objective /mandate (Child Abuse Investigations). The Officer would not be able to obtain the call for service or initiate the case without the efforts of the dispatch staff as noted by Lieutenant Laney in our October 10, 2017 meeting. They assign and track the case number and monitor the officers in the field in their commission of their direct duties and investigations, including Child Abuse Investigations.

During Child Abuse Investigations, the officer is in constant contact with the dispatch staff – receiving the information and request for service from dispatch, notifying dispatch of their location, arrival time, departure time from the call and notifying them of the status of the investigation or if any additional assistance is needed. The Dispatchers – or Communications Division – is the liaison between the public and the sworn officer, as well the sworn officer and command/support staff. They are not the ones providing the direct service – the sworn officers are.

Public Safety Dispatcher - The Dispatcher is necessary support for all Police Officers working on all types of programs and cases. They do not support any one specific program or activity, but provide benefit to all cost objectives. All their duties (See attached Job Description Activities 1-11), ranging from answering, logging, relaying information from all incoming calls (911) and non-emergency calls from the public pertain to a variety of the department's programs and cost objectives. These include Child Abuse calls for assistance and providing support to Detectives and Officers working on Child Abuse cases.

While it would be possible theoretically to determine the percentage of calls processed that were generated by Child Abuse cases and to develop a percentage developed to allocate their costs, the level of effort to embark on such a project would be "disproportionate to the results achieved." Therefore, it should be allowed as an indirect cost shared among all direct PD programs.

EVIDENCE TECHNICIANS: The Evidence department is also similarly a support division. The Evidence Technicians store, maintain, and process evidence for all types of cases and programs, including the Child Abuse program. Their mission is to provide support to all the sworn staff of the department and their work benefits more than one "cost objective".

The Evidence staff benefits the Child Abuse Investigation program COST OBJECTIVE as well as other law enforcement programs such as Missing Persons, Theft, DUI, murder, rape, drugs and other types of cases/programs. They provide evidence storage, processing and inventorying for ALL types of programs and cases.

While it would be theoretically possible to determine what percentage of evidence is generated by Child Abuse Cases, this methodology would be cumbersome and is "not readily assignable to the cost objectives specifically benefitted without effort disproportionate to the results achieved." Therefore, these positions, like the Public Safety Dispatcher staff, should be allowed as an indirect cost shared among all PD programs and activities.

Thank you for taking our comments into consideration. Please let us know if there is any additional documentation or support you require to approve these requests.

Please feel free to contact me at (530) 542-7402 or our consultant Annette Chinn at (916) 939-7901 with any questions.

Sincerely,

Debbie McIntyre
Finance Director

EXHIBIT B

CITY OF FRESNO

Audit Report

DOMESTIC VIOLENCE ARREST POLICIES AND STANDARDS PROGRAM

Chapter 246, Statutes of 1995

July 1, 2008, through June 30, 2012

BETTY T. YEE
California State Controller

May 2015

The following table summarizes the audit adjustments:

	Fiscal Year				
	2008-09	2009-10	2010-11	2010-11	Total
Allowable indirect cost rate	71.25%	73.60%	104.00%	89.20%	
Less claimed indirect cost rate	(75.90)%	(82.40)%	(120.60)%	(102.50)%	
Unallowable indirect cost rate	(4.65)%	(8.80)%	(16.60)%	(13.30)%	
Allowable salaries	x $ 71,412	x $ 80,131	x $ 80,237	x $ 93,901	
Audit adjustment	$ (3,321)	$ (7,052)	$ (13,319)	$ (12,489)	$ (36,181)

The parameters and guidelines state, "Actual costs must be traceable and supported by source documents that show the validity of such costs. . . ." The parameters and guidelines also state that counties may claim indirect costs using the procedures provided in OMB Circular A-87.

Recommendation

We recommend that the city prepare ICRPs that are supported by its expenditure ledgers and inclusive of all departmental costs. We also recommend that the city allocate costs consistently between fiscal years in accordance with OMB Circular A-87.

City's Response

The city has no changes to the finding.

INDIRECT COST RATE PROPOSAL
City of Fresno
Police (SCO AUDITED RATE)
Fiscal Year
2008-09

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$87,426,761		$23,730,270	$71,178,258
Overtime		$3,117,879	$3,117,879		
Benefits	24.2%	$21,144,695		$5,739,310	$15,405,385
Total		$111,689,335	$3,117,879	$29,469,580	$86,583,643
Services & Supplies					
Prof Svcs/Consulting - Outs		$36,100			$36,100
Prof Svcs (Non-Consulting)		$710,128		$710,128	
Outside Legal Services		$188,934		$188,934	
Hazardous Waste Managem		$24,235		$24,235	
Specialized Services /Tech		$247,777		$247,777	
Utilities		$188,143		$188,143	
Landscaping & Grounds Mi		$7,680		$7,680	
O/S Repair & Maint-Other I		$64,530		$64,530	
Service Contracts-Office Eq		$566,819		$566,819	
O/S Repair & Maint.--Vehi		$13,486		$13,486	
O/S Repair & Maint.--Equi		$17,171		$17,171	
Space Rentals		$598,975		$598,975	
Equipment Rentals--Ex Offi		$120		$120	
Buildings & Improvements		$13,128	$12,865	$263	$0
Communications		$4,851		$4,851	
Printing & Binding--O/S Ve		$3,412		$3,412	
Training		$92,275		$92,275	
Travel & Conference		$79,236		$79,236	
Misc. Subsistence Expense		$2,286		$2,286	
Mileage Reimbursement-Nc		$9,082		$9,082	
Clothing & Personal Suppli		$53,688		$53,688	
Office Equipment--Under 3		$10,600	$9,893	$707	$0
Copiers		$43,080	$34,464	$8,616	$0
Freight		$334		$334	
Small Tools For Field Oper		$2,480		$2,480	
Postage		$22,338		$22,338	
Office Supplies		$231,976		$231,976	
Photographic Supplies & Pr		$30,803		$30,803	
Office Equipment Rentals		$3,638		$3,638	
Computer Software		$11,630	$9,304	$2,326	
Spec Operating Materials		$54,192		$54,192	
Cleaning & Janitorial Suppl		$1,300		$1,300	
Specialty Chemicals & Gas		$13,872		$13,872	
Materials & Parts--Vehicles		$64,691		$64,691	
Materials & Parts--Equipme		$95,252		$95,252	
Provisions & Forage		$13,602		$13,602	
Ammunition		$89,673		$89,673	
Athletic & Recreation		$15,308			$15,308
Laboratory & Medical Supp		$7,685		$7,685	
Oils & Lubricants		$1,316		$1,316	
Gasoline		$78,738		$78,738	
New Machinery & Equipme		$206,448	$192,684	$13,763	
Equipment		$4,900	$4,573	$327	$0
Furniture & Fixtures		$5,819	$5,431	$388	$0
Contract Construction					
County Jail Booking Fees		$133,344			$133,344
Outside Agency Support		$117,333			$117,333
Miscellaneous Expenditures		$166			$166
Taxes & Bond Premiums		$1,918			$1,918
Petty Cash--Initial/Increase		$164,549			$164,549
Membership & Dues		$3,749	$3,749		
Subscriptions & Publication		$7,782		$7,782	
Water Purchases		$778		$778	
Interdepartmental Charges		$17,624,306		$17,624,306	
Total		$21,985,678	$272,965	$21,243,973	$468,741
Capital Expenditures					
Total					
Total Expenditures		**$133,675,013**	**$3,390,844**	**$50,713,553**	**$87,052,383**
Cost Plan Costs					
Total					
Total Alloc. Indirect Costs		**$133,675,013**	**$3,390,844**	**$50,713,553**	**$87,052,383**

ICRP RATE = 71.25%
(Rate is Based on Salaries)

$50,713,553 = Total Allowable Indirect Costs
$71,178,258 Total Direct Salaries

City of Fresno
Police (SCO AUDITED RATE)
Fiscal Year
2008-09

Name/Position	100% Admin. or Support Staff Annual Salary
Account Clerk II	$32,604
Accountant Auditor II (2)	$103,080
Accounting Techician	$39,324
Admin Clerk II (43)	$1,295,160
Administrative Manager	$70,044
Community Coordinator (2)	$140,088
Community Services Officer II (41)	$1,541,436
Computer Systems Specialist II (3)	$168,948
Computer Systems Specialist III (2)	$126,696
Criminalist	$65,148
Data Base Administrator	$73,584
Deputy Police Chief (5)	$477,330
Emergency Services Comm. Supr. (6)	$347,400
Emergency Services Dispatcher 1/II (75)	$3,276,900
Emergency Services Dispatcher III (18)	$881,064
Executive Assist to Director (2)	$95,676
Grant Writer	$70,044
Helicopter Mechanic	$47,112
Helicopter Mechanic Ldwrkr	$51,948
Identification Technician II (17)	$834,156
Identification Technician III (4)	$205,776
Information Services Manager	$70,044
Laborer (11)	$354,288
Life Skills Instructor (15)	$709,740
Maintenance & Service Worker (2)	$55,752
Management Analyst II (6)	$310,104
Management Analyst III (3)	$210,132
Networks Systems Specialist	$63,348
Phlebotomist	$35,604
Police Captain (7)	$810,012
Police Chief	$161,616
Police Data Transcriptionist (5)	$181,740
Police Lieutenant (20)	$2,009,520
Police Sergeant (32)	$2,613,120
Police Specialist (21)	$1,422,288
Police Tech Services Manager	$70,044
Programmer/Analyst II (4)	$225,264
Programmer/Analyst III	$63,348
Programmer/Analyst IV	$68,028
Property & Evidence Tech (4)	$165,744
Public Affairs Officer (2)	$140,088
Rangemaster (3)	$154,332
Records Supervisor (9)	$496,692
Secretary	$36,348
Senior Account Clerk (5)	$178,860
Senior Accountant-Auditor	$58,236
Senior Admin Clerk (43)	$1,423,644
Senior Secretary (4)	$159,744
Senior Storeskeeper	$41,436
Senior Comm. Services Officer (21)	$848,988
Senior Property & Evidence Tech. (2)	$91,104
Staff Assistant (7)	$274,512
Supervising Identification Tech (3)	$170,676
Utility Leadworker (3)	$112,356
TOTAL INDIRECT SALARIES	**$23,730,270**

# per position authorizaiton rp	Status	Position	full/ pt
1	A	Account Clerk II	F
2	A	Accountant-Auditor II	F
1	A	Accounting Technician	F
45	A	Administrative Clerk II	P
1	A	Administrative Manager	F
2	A	Code Enforcement Specialist	F
2	A	Community Coordinator	F
1	A	Community Sanitation Manager	F
1	A	Community Sanitation Sup I	F
43	A	Community Services Officer II	F
3	A	Computer Systems Spec III	F
2	A	Computer Systems Specialist II	F
1	A	Criminalist	F
1	A	Database Administrator	F
5	A	Deputy Police Chief	F
6	A	Emergency Svcs Comm Sup	F
77	A	Emergency Svcs Dispatcher II	F
18	A	Emergency Svcs Dispatcher III	F
2	A	Executive Asst to Dept Dir	F
1	A	Grant Writer	F
1	A	Helicopter Mechanic	F
1	A	Helicopter Mechanic Ldwrkr	F
18	A	Identification Technician II	F
4	A	Identification Technician III	F
1	A	Information Services Manager	F
11	A	Laborer	P
15	A	Life Skills Instructor	F
2	A	Maintenance & Service Worker	F
6	A	Management Analyst I/II	F
3	A	Management Analyst III	F
1	A	Network Systems Specialist	F
1	A	PAR Program Specialist	F
1	A	Phlebotomist	F
71	A	Police Cadet I	F
6	A	Police Cadet II	F
8	A	Police Captain	F
1	A	Police Chief	F
6	A	Police Data Transcriptionist	F
22	A	Police Lieutenant	F
674	A	Police Officer	F
20	A	Police Officer Recruit	F
98	A	Police Sergeant	F
21	A	Police Specialist	F
1	A	Police Technical Services Mgr	F
4	A	Programmer/Analyst II	F
1	A	Programmer/Analyst III	F
1	A	Programmer/Analyst IV	F
4	A	Property and Evidence Tech	F
2		Public Affairs Officer	F
3	A	Rangemaster/Armorer	F
9	A	Records Supervisor	F
1	A	Secretary	F
5	A	Senior Account Clerk	F
1	A	Senior Accountant-Auditor	F
45	A	Senior Administrative Clerk	F
5	A	Senior Secretary	F
1	A	Senior Storeskeeper	F
21	A	Sr Community Services Officer	F
2	A	Sr. Property and Evidence Tech	F
7	A	Staff Assistant	F
3	A	Supervising Ident Technician	
3	A	Utility Leadworker	

INDIRECT COST RATE PROPOSAL
City of Fresno
Police (SCO AUDITED RATE)
Fiscal Year
2009-10

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$79,650,431		$24,358,786	$65,430,050
Overtime		$3,144,811	$3,144,811		
Benefits	29.0%	$23,093,976		$7,062,626	$16,031,350
Total		$105,889,218	$3,144,811	$31,421,412	$81,461,400
Services & Supplies					
Prof Svcs (Non-Consulting)		$736,339		$368,169	$368,169
Outside Legal Services		$195,270		$195,270	
Hazardous Waste Managem		$1,390		$1,390	
Specialized Services /Tech		$252,459		$252,459	
Utilities		$183,654		$183,654	
Landscaping & Grounds Ma		$13,929		$13,929	
O/S Repair, Maint & Serv-		$74,325		$74,325	
O/S Repair & Maint-Other		$522		$522	
Service Contracts-Office Eq		$437,561		$437,561	
O/S Repair & Maint.--Vehic		$5,394		$5,394	
O/S Repair & Maint.--Equip		$14,312		$14,312	
Space Rentals		$642,426		$642,426	
Equipment Rentals--Ex Offi		$502		$502	
Buildings & Improvements		$5,314	$5,208	$106	$0
Communications		$4,593		$4,593	
Printing & Binding--O/S Ve		$7,468		$7,468	
Training		$41,058		$41,058	
Travel & Conference		$28,820		$28,820	
Misc. Subsistence Expense		$878		$878	
Mileage Reimbursement-Ne		$4,587		$4,587	
Clothing & Personal Suppli		$19,292		$19,292	
Office Equipment--Under 3		$1,152	$922	$230	$0
Copiers		$37,263	$29,810	$7,453	
Freight		$42		$42	
Small Tools For Field Oper		$1,004		$1,004	
Postage		$49,690		$49,690	
Office Supplies		$172,276		$172,276	
Photographic Supplies & Pr		$152		$152	
Office Equipment Rentals		$4,844		$4,844	
Computer Software		$1,230	$984	$246	
Spec Operating Materials		$777		$777	
Cleaning & Janitorial Suppl		$1,224		$1,224	
Specialty Chemicals & Gas		$1,893		$1,893	
Materials & Parts--Vehicles		$8,164		$8,164	
Materials & Parts--Equipme		$2,210		$2,210	
Provisions & Forage		$4,744		$4,744	
Laboratory & Medical Supp		$12,906		$12,906	
Gasoline		$20		$20	
New Machinery & Equipme		$1,665	$1,554	$111	$0
Equipment		$581	$542	$39	
Furniture & Fixtures		$1,471	$1,373	$98	$0
Contract Construction					
County Jail Booking Fees		$151,988			$151,988
Miscellaneous Expenditures		$48		$48	
Taxes & Bond Premiums		$2,099			$2,099
Petty Cash--Initial/Increase		$28,793			$28,793
Membership & Dues		$5,676	$5,676		
Subscriptions & Publication		$2,613		$2,613	
Water Purchases		$616		$616	
Interdepartmental Charges		$14,151,618		$14,151,618	
Total		$17,316,851	$46,069	$16,719,734	$551,049
Capital Expenditures					
Total					
Total Expenditures		**$123,206,069**	**$3,190,879**	**$48,141,146**	**$82,012,449**
Cost Plan Costs					
Total					
Total Alloc. Indirect Costs		**$123,206,069**	**$3,190,879**	**$48,141,146**	**$82,012,449**

ICRP RATE = **73.6%**
(Rate is Based on Salaries)

$48,141,146 = Total Allowable Indirect Costs
$65,430,050 Total Direct Salaries

City of Fresno
Police (SCO AUDITED RATE)

Fiscal Year
2009-10

Name/Position	100% Admin. or Support Staff Annual Salary
Accountant Auditor II (2)	$104,512
Accounting Techician	$44,874
Admin Clerk II (15)	$552,517
Administrative Manager	$99,440
Community Coordinator	$60,189
Community Services Officer II (8)	$343,239
Computer Systems Specialist II (2)	$132,974
Computer Systems Specialist III (2)	$136,422
Data Base Administrator	$84,090
Deputy Police Chief (4)	$587,688
Emergency Services Comm. Supr. (5)	$325,070
Emergency Services Dispatcher II (57)	$2,704,687
Emergency Services Dispatcher III (15)	$823,211
Executive Assist to Director	$62,989
Grant Writer	$63,674
Helicopter Mechanic	$53,946
Helicopter Mechanic Ldwrkr	$59,491
Identification Technician II (12)	$603,355
Identification Technician III (4)	$173,483
Information Services Manager	$110,508
Laborer (8)	$284,983
Management Analyst II (5)	$279,513
Management Analyst III (3)	$240,674
Networks Systems Specialist	$72,389
Phlebotomist	$40,637
Police Captain (7)	$917,772
Police Chief	$176,228
Police Data Transcriptionist (2)	$82,944
Police Lieutenant (17)	$1,934,890
Police Sergeant (86)	$8,003,192
Police Specialist (13)	$1,006,885
Police Tech Services Manager	$109,026
Programmer/Analyst II (2)	$167,394
Programmer/Analyst III (2)	$144,778
Programmer/Analyst IV	$77,710
Property & Evidence Tech (3)	$141,912
Public Affairs Officer	$100,140
Rangemaster (2)	$113,512
Records Supervisor (7)	$435,757
Senior Account Clerk (4)	$161,023
Senior Accountant-Auditor	$66,532
Senior Admin Clerk (33)	$1,240,158
Senior Secretary (5)	$227,098
Senior Storeskeeper	$47,304
Senior Comm. Services Officer (14)	$645,653
Senior Property & Evidence Tech. (2)	$101,325
Staff Assistant (3)	$133,872
Supervising Identification Tech (3)	$193,914
Utility Leadworker (2)	$85,212
TOTAL INDIRECT SALARIES	**$24,358,786**

Police

Accountant-Auditor II	$	52,816
Accountant-Auditor II	$	51,696
2	$	**104,512**
Accounting Technician	$	44,874
Administrative Clerk II	$	34,381
Administrative Clerk II	$	34,381
Administrative Clerk II	$	34,381
Administrative Clerk II	$	33,792
Administrative Clerk II	$	34,381
Administrative Clerk II	$	33,049
Administrative Clerk II	$	34,381
Administrative Clerk II	$	34,381
Administrative Clerk II	$	34,381
Administrative Clerk II	$	34,381
Administrative Clerk II	$	34,381
Administrative Clerk II	$	34,381
Administrative Clerk II	$	34,151
Administrative Clerk II	$	31,507
Administrative Clerk II	$	31,334
15	$	**552,517**
Administrative Manager	$	99,440
Code Enforcement Specialist	$	44,778
Community Coordinator	$	60,189
Community Sanitation Manager	$	76,776
Community Sanitation Supervisor I	$	64,366
Community Services Officer II	$	42,729
Community Services Officer II	$	42,930
Community Services Officer II	$	42,930
Community Services Officer II	$	42,930
Community Services Officer II	$	42,930
Community Services Officer II	$	42,930
Community Services Officer II	$	42,930
Community Services Officer II	$	42,930
8	$	**343,239**
Computer Systems Specialist II	$	72,389
Computer Systems Specialist II	$	60,585
2	$	**132,974**
Computer Systems Specialist III	$	72,389
Computer Systems Specialist III	$	64,033
2	$	**136,422**
Database Administrator	$	84,090
Deputy Police Chief	$	147,705
Deputy Police Chief	$	147,713
Deputy Police Chief	$	146,463
Deputy Police Chief	$	145,807
4	$	**587,688**
Emergency Services Communications Supervisor	$	66,171
Emergency Services Communications Supervisor	$	62,739
Emergency Services Communications Supervisor	$	66,171
Emergency Services Communications Supervisor	$	66,171
Emergency Services Communications Supervisor	$	63,818
5	$	**325,070**
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,477
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,437
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,747
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,353
Police Officer Recruit	$	40,569
Police Officer Recruit	$	40,011
Police Officer Recruit	$	40,056
Police Officer Recruit	$	39,748
Police Officer Recruit	$	39,913
Police Officer Recruit	$	39,054
Police Officer Recruit	$	38,993
Police Officer Recruit	$	37,446
Police Officer Recruit	$	37,344
Police Officer Recruit	$	37,344
Police Officer Recruit	$	37,446
Police Officer Recruit	$	37,344
Police Officer Recruit	$	37,344
Police Officer Recruit	$	37,446
Police Officer Recruit	$	37,344
Police Officer Recruit	$	37,271
Police Officer Recruit	$	37,344
Police Officer Recruit	$	37,344
Police Officer Recruit	$	37,344
Police Officer Recruit	$	27,924
Police Officer Recruit	$	27,536
Police Officer Recruit	$	26,539
Police Officer Recruit	$	26,504
Police Officer Recruit	$	24,380
Police Officer Recruit	$	23,761
25	$	**883,349**
Police Sergeant	$	93,499
Police Sergeant	$	93,499
Police Sergeant	$	92,277
Police Sergeant	$	93,499
Police Sergeant	$	93,499
Police Sergeant	$	93,499
Police Sergeant	$	93,499
Police Sergeant	$	93,499
Police Sergeant	$	93,499
Police Sergeant	$	93,499
Police Sergeant	$	92,277
Police Sergeant	$	92,318
Police Sergeant	$	93,499
Police Sergeant	$	93,499
Police Sergeant	$	93,499
Police Sergeant	$	93,499
Police Sergeant	$	93,499
Police Sergeant	$	92,544
Police Sergeant	$	94,472
Police Sergeant	$	92,277
Police Sergeant	$	93,499
Police Sergeant	$	93,990
Police Sergeant	$	93,499
Police Sergeant	$	93,499
Police Sergeant	$	93,499
Police Sergeant	$	93,434
Police Sergeant	$	93,499
Police Sergeant	$	92,081
Police Sergeant	$	92,583
Police Sergeant	$	93,483
Police Sergeant	$	92,563
Police Sergeant	$	93,499
Police Sergeant	$	93,499
Police Sergeant	$	93,499
Police Sergeant	$	93,499
Police Sergeant	$	93,499
Police Sergeant	$	93,499
Police Sergeant	$	92,563
Police Sergeant	$	92,298
Police Sergeant	$	93,499
Police Sergeant	$	93,499
Police Sergeant	$	93,499
Police Sergeant	$	93,499
Police Sergeant	$	92,551

Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,569
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,186
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,207
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	47,262
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	48,363
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	48,700
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,753
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	49,809
Emergency Services Dispatcher II	$	47,017
Emergency Services Dispatcher II	$	46,271
Emergency Services Dispatcher II	$	48,453
Emergency Services Dispatcher II	$	46,397
Emergency Services Dispatcher II	$	45,372
Emergency Services Dispatcher II	$	44,663
Emergency Services Dispatcher II	$	46,378
Emergency Services Dispatcher II	$	44,307
Emergency Services Dispatcher II	$	43,889
Emergency Services Dispatcher II	$	42,749
Emergency Services Dispatcher II	$	42,822
Emergency Services Dispatcher II	$	42,849
Emergency Services Dispatcher II	$	42,424
Emergency Services Dispatcher II	$	41,960
Emergency Services Dispatcher II	$	44,828
Emergency Services Dispatcher II	$	42,220
Emergency Services Dispatcher II	$	41,161
Emergency Services Dispatcher II	$	41,950
Emergency Services Dispatcher II	$	24,080
58	**$**	**2,754,496**
Emergency Services Dispatcher III	$	55,828
Emergency Services Dispatcher III	$	51,701
Emergency Services Dispatcher III	$	49,809
Emergency Services Dispatcher III	$	55,828
Emergency Services Dispatcher III	$	55,828
Emergency Services Dispatcher III	$	55,828
Emergency Services Dispatcher III	$	55,828
Emergency Services Dispatcher III	$	55,802
Emergency Services Dispatcher III	$	55,828
Emergency Services Dispatcher III	$	55,828
Emergency Services Dispatcher III	$	55,828
Emergency Services Dispatcher III	$	53,296
Emergency Services Dispatcher III	$	55,828
Emergency Services Dispatcher III	$	54,323
Emergency Services Dispatcher III	$	55,828
15	**$**	**823,211**
Executive Assistant to Department Director	$	62,989
Grant Writer	$	63,674
Helicopter Mechanic	$	53,946
Helicopter Mechanic Leadworker	$	59,491
Identification Technician II	$	56,039
Identification Technician II	$	56,039
Identification Technician II	$	56,040
Identification Technician II	$	53,762
Identification Technician II	$	49,443
Identification Technician II	$	53,194
Identification Technician II	$	47,416
Identification Technician II	$	50,385
Identification Technician II	$	47,342
Identification Technician II	$	45,497
Identification Technician II	$	47,131
Identification Technician II	$	41,067

Police Sergeant	$	93,499	
Police Sergeant	$	93,499	
Police Sergeant	$	93,499	
Police Sergeant	$	92,298	
Police Sergeant	$	92,256	
Police Sergeant	$	93,499	
Police Sergeant	$	93,499	
Police Sergeant	$	93,499	
Police Sergeant	$	93,499	
Police Sergeant	$	92,590	
Police Sergeant	$	93,956	
Police Sergeant	$	93,499	
Police Sergeant	$	93,304	
Police Sergeant	$	93,499	
Police Sergeant	$	92,298	
Police Sergeant	$	93,499	
Police Sergeant	$	93,499	
Police Sergeant	$	93,499	
Police Sergeant	$	93,379	
Police Sergeant	$	93,499	
Police Sergeant	$	92,563	
Police Sergeant	$	93,499	
Police Sergeant	$	93,499	
Police Sergeant	$	93,499	
Police Sergeant	$	93,499	
Police Sergeant	$	93,499	
Police Sergeant	$	93,499	
Police Sergeant	$	90,954	
Police Sergeant	$	93,499	
Police Sergeant	$	93,499	
Police Sergeant	$	92,915	
Police Sergeant	$	93,499	
Police Sergeant	$	93,499	
Police Sergeant	$	93,499	
Police Sergeant	$	93,499	
Police Sergeant	$	92,277	
Police Sergeant	$	93,499	
Police Sergeant	$	92,590	
Police Sergeant	$	93,499	
Police Sergeant	$	92,277	
Police Sergeant	$	93,499	
Police Sergeant	$	93,499	
Police Sergeant	$	92,850	
Police Sergeant	$	86,097	
Police Sergeant	$	85,210	
90	**$**	**8,003,192**	$ 93,060.37
Police Specialist	$	77,494	
Police Specialist	$	77,548	
Police Specialist	$	77,548	
Police Specialist	$	76,363	
Police Specialist	$	77,548	
Police Specialist	$	77,548	
Police Specialist	$	77,548	
Police Specialist	$	77,548	
Police Specialist	$	77,548	
Police Specialist	$	77,548	
Police Specialist	$	77,548	
Police Specialist	$	77,548	
Police Specialist	$	77,548	
13	**$**	**1,006,885**	
Police Technical Services Manager	$	109,026	
Programmer/Analyst II	$	63,067	
Programmer/Analyst II	$	59,021	
Programmer/Analyst II	$	45,306	
3	**$**	**167,394**	
Programmer/Analyst III	$	72,389	
Programmer/Analyst III	$	72,389	
2	**$**	**144,778**	
Programmer/Analyst IV	$	77,710	
Property and Evidence Technician	$	47,304	
Property and Evidence Technician	$	47,304	
Property and Evidence Technician	$	47,304	
3	**$**	**141,912**	

12	**$**	**603,355**	
Identification Technician III	$	55,921	
Identification Technician III	$	58,781	
Identification Technician III	$	58,781	
3	**$**	**173,483**	
Information Services Manager	$	110,508	
Laborer	$	36,612	
Laborer	$	36,612	
Laborer	$	36,612	
Laborer	$	36,612	
Laborer	$	35,715	
Laborer	$	35,357	
Laborer	$	34,246	
Laborer	$	33,217	
8	**$**	**284,983**	
Management Analyst II	$	59,043	
Management Analyst II	$	58,537	
Management Analyst II	$	56,504	
Management Analyst II	$	56,504	
Management Analyst II	$	48,925	
5	**$**	**279,513**	
Management Analyst III	$	81,725	
Management Analyst III	$	76,448	
Management Analyst III	$	82,501	
3	**$**	**240,674**	
Network Systems Specialist	$	72,389	
Phlebotomist	$	40,637	
Police Cadet II	$	26,640	
Police Cadet II	$	25,811	
Police Cadet II	$	26,040	
Police Cadet II	$	25,804	
Police Cadet II	$	26,040	
Police Cadet II	$	25,717	
6	**$**	**156,052**	
Police Captain	$	131,569	
Police Captain	$	131,180	
Police Captain	$	131,569	
Police Captain	$	131,569	
Police Captain	$	131,569	
Police Captain	$	131,569	
Police Captain	$	131,180	
Police Captain	$	129,136	
8	**$**	**917,772**	
Police Chief	$	176,228	
Police Data Transcriptionist	$	41,472	
Police Data Transcriptionist	$	41,472	
2	**$**	**82,944**	
Police Lieutenant	$	114,249	
Police Lieutenant	$	114,249	
Police Lieutenant	$	114,249	
Police Lieutenant	$	114,248	
Police Lieutenant	$	114,255	
Police Lieutenant	$	114,248	
Police Lieutenant	$	113,683	
Police Lieutenant	$	114,248	
Police Lieutenant	$	114,250	
Police Lieutenant	$	114,248	
Police Lieutenant	$	114,249	
Police Lieutenant	$	114,249	
Police Lieutenant	$	114,247	
Police Lieutenant	$	114,248	
Police Lieutenant	$	111,992	
Police Lieutenant	$	111,986	
Police Lieutenant	$	114,249	
Police Lieutenant	$	111,992	
18	**$**	**1,934,890**	$113,817.06
Public Affairs Officer	$	100,140	
Rangemaster/Armorer	$	58,781	
Rangemaster/Armorer	$	54,731	
2	**$**	**113,512**	
Records Supervisor	$	63,055	
Records Supervisor	$	63,055	
Records Supervisor	$	63,055	
Records Supervisor	$	63,055	
Records Supervisor	$	63,055	
Records Supervisor	$	57,427	
Records Supervisor	$	63,055	
7	**$**	**435,757**	
Senior Account Clerk	$	40,836	
Senior Account Clerk	$	40,837	
Senior Account Clerk	$	40,837	
Senior Account Clerk	$	38,513	
4	**$**	**161,023**	
Senior Accountant-Auditor	$	66,532	
Senior Administrative Clerk	$	47,134	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	33,302	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,323	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,729	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,746	
Senior Administrative Clerk	$	37,608	
Senior Administrative Clerk	$	34,933	
Senior Administrative Clerk	$	34,299	
Senior Administrative Clerk	$	34,180	
33	**$**	**1,240,158**	
Senior Community Services Officer	$	46,145	
Senior Community Services Officer	$	46,139	
Senior Community Services Officer	$	46,145	
Senior Community Services Officer	$	46,145	
Senior Community Services Officer	$	46,102	
Senior Community Services Officer	$	46,145	
Senior Community Services Officer	$	46,145	
Senior Community Services Officer	$	46,145	
Senior Community Services Officer	$	46,145	
Senior Community Services Officer	$	46,145	
Senior Community Services Officer	$	46,145	
Senior Community Services Officer	$	45,817	
Senior Community Services Officer	$	46,145	
Senior Community Services Officer	$	46,145	
14	**$**	**645,653**	
Senior Property and Evidence Techr	$	52,027	
Senior Property and Evidence Techr	$	49,298	
2	**$**	**101,325**	
Senior Secretary	$	45,597	
Senior Secretary	$	45,597	
Senior Secretary	$	45,597	

Senior Secretary	$	45,597
Senior Secretary	$	44,710
5	**$**	**227,098**
Senior Storeskeeper	$	47,304
Staff Assistant	$	44,675
Staff Assistant	$	44,675
Staff Assistant	$	44,522
3	**$**	**133,872**
Supervising Identification Technicia	$	64,638
Supervising Identification Technicia	$	64,638
Supervising Identification Technicia	$	64,638
3	**$**	**193,914**
Utility Leadworker	$	42,606
Utility Leadworker	$	42,606
2	**$**	**85,212**

INDIRECT COST RATE PROPOSAL
City of Fresno
Police (SCO AUDITED RATE)
Fiscal Year
2010-11

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$73,148,050		$28,208,876	$54,941,936
Overtime		$2,466,266	$2,466,266		
Benefits	39.0%	$28,535,333		$11,004,390	$17,530,943
Total		$104,149,649	$2,466,266	$39,213,267	$72,472,879
Services & Supplies					
Prof Svcs/Consulting - Outs		$9,356		$4,678	$4,678
Public Relations & Informa		$2,500		$2,500	
Prof Svcs (Non-Consulting)		$627,724		$627,724	
Outside Legal Services		$549,260		$549,260	
Hazardous Waste Managem					
Specialized Services /Tech		$195,626		$195,626	
Utilities		$568,561		$568,561	
Landscaping & Grounds M		$17,408		$17,408	
O/S Repair, Maint & Serv-		$21,191		$21,191	
O/S Repair & Maint-Other		$195		$195	
Service Contracts-Office Eq		$326,451		$326,451	
O/S Repair & Maint.--Vehic		$15		$15	
O/S Repair & Maint.--Equi		$25,703		$25,703	
Space Rentals		$408,351		$408,351	
Equipment Rentals--Ex Offi		$622		$622	
Buildings & Improvements		$18,651	$18,278	$373	$0
Communications		$17,322		$17,322	
Printing & Binding--O/S Ve					
Training		$23,424		$23,424	
Travel & Conference		$31,697		$31,697	
Misc. Subsistence Expense		$188		$188	
Mileage Reimbursement-N		$3,807		$3,807	
Clothing & Personal Suppli		$51,114		$10,223	$40,891
Office Equipment--Under 3		$1,044	$835	$209	$0
Copiers		$32,281	$25,825	$6,456	$0
Small Tools For Field Oper		$2,828		$2,828	
Postage		$19,155		$19,155	
Office Supplies		$147,364		$147,364	
Office Equipment Rentals		$3,795		$3,795	
Computer Software		$10	$8	$2	
Spec Operating Materials		$303		$303	
Cleaning & Janitorial Suppl		$1,012		$1,012	
Specialty Chemicals & Gas		$51,741		$51,741	
Materials & Parts--Vehicles		$57		$57	
Materials & Parts--Equipme		$19,454		$19,454	
Provisions & Forage		$1,049		$1,049	
Inventory		$959		$959	
Laboratory & Medical Supp		$18,466		$18,466	
Materials & Parts - Bldg &		$114		$114	
Oils & Lubricants		$10		$10	
Gasoline		$352		$352	
New Machinery & Equipme		$91	$85	$6	$0
Replacement Machinery &		$3,419	$3,191	$228	$0
Equipment		$1,850	$1,727	$123	$0
Furniture & Fixtures		$1,872	$1,747	$125	$0
County Jail Booking Fees		$118,422			$118,422
Outside Agency Support		$18,784		$18,784	
Miscellaneous Expenditures					
Taxes & Bond Premiums		$2,094		$2,094	
Membership & Dues		$6,295	$6,295		
Subscriptions & Publication		$2,270		$2,270	
Water Purchases					
Loans Within City		$56,752			$56,752
Interdepartmental Charges		$14,812,500		$14,812,500	
Total		$18,223,505	$57,990	$17,944,771	$220,743
Capital Expenditures					
Total					
Total Expenditures		**$122,373,154**	**$2,524,256**	**$57,158,038**	**$72,693,622**
Cost Plan Costs					
Total					
Total Alloc. Indirect Costs		**$122,373,154**	**$2,524,256**	**$57,158,038**	**$72,693,622**

ICRP RATE = 104.0%
(Rate is Based on Salaries)

$57,158,038 = Total Allowable Indirect Costs
$54,941,936 Total Direct Salaries

City of Fresno
Police (SCO AUDITED RATE)
Fiscal Year
2010-11

Name/Position	100% Admin. or Support Staff Annual Salary
Accountant Auditor II (2)	$108,912
Accounting Techician	$42,800
Admin Clerk II (16)	$531,635
Administrative Manager	$105,769
Background Investigator (6)	$164,680
Community Coordinator	$57,968
Community Sanitation Manager	$67,544
Community Services Officer II (20)	$757,462
Computer Systems Specialist II (1)	$62,278
Computer Systems Specialist III (2)	$139,820
Contract Law Enf Svcs Coord	$704
Data Base Administrator	$79,417
Deputy Police Chief (4)	$616,134
Emergency Services Comm. Supr. (6)	$393,134
Emergency Services Dispatcher II (70)	$3,203,335
Emergency Services Dispatcher III (15)	$809,851
Executive Assist to Director (2)	$100,009
Grant Writer	$60,179
Helicopter Mechanic	$62,316
Helicopter Mechanic Ldwrkr	$64,963
Helicopter Pilot	$64,439
Identification Technician I (1)	$34,293
Identification Technician II (16)	$864,933
Identification Technician III (4)	$207,293
Information Services Manager	$106,104
Laborer (12)	$410,048
Law Enforcement Instructor	$48,713
Management Analyst II (4)	$226,910
Management Analyst III (3)	$240,194
Networks Systems Specialist	$70,730
PAR Program Specialist	$27,164
Phlebotomist (2)	$79,136
Police Captain (8)	$1,124,284
Police Chief	$184,551
Police Data Transcriptionist (2.5)	$98,990
Police Lieutenant (20)	$2,249,605
Police Officer Recruit (9)	$265,044
Police Sergeant (89)	$9,736,650
Police Specialist (19)	$1,506,444
Police Tech Services Manager	$111,382
Programmer/Analyst II (1)	$61,464
Programmer/Analyst III (2)	$145,023
Programmer/Analyst IV	$78,016
Property & Evidence Tech (1)	$46,512
Public Affairs Officer (2)	$126,007
Rangemaster (1)	$15,110
Records Supervisor (5)	$269,841
Senior Accountant-Auditor	$65,673
Senior Admin Clerk (28)	$978,488
Senior Secretary (4)	$180,915
Senior Storeskeeper	$42,383
Services Aide (2) (PT)	$9,807
Senior Comm. Services Officer (9)	$480,684
Senior Property & Evidence Tech. (2)	$111,149
Staff Assistant (7)	$208,764
Supervising Identification Tech (3)	$215,361
Utility Leadworker (2)	$87,866
TOTAL INDIRECT SALARIES	**$28,208,876**

Police

Accountant-Auditor II	$	54,055.34
Accountant-Auditor II	$	54,856.97
2	**$**	**108,912.31**
Accounting Technician	$	42,799.75
Administrative Clerk II	$	20,789.88
Administrative Clerk II	$	23,141.48
Administrative Clerk II	$	4,140.24
Administrative Clerk II	$	3,490.39
Administrative Clerk II	$	36,757.96
Administrative Clerk II	$	41,206.22
Administrative Clerk II	$	3,969.74
Administrative Clerk II	$	3,838.99
Administrative Clerk II	$	2,260.98
Administrative Clerk II	$	4,235.15
Administrative Clerk II	$	33,048.31
Administrative Clerk II	$	30,391.65
Administrative Clerk II	$	34,476.43
Administrative Clerk II	$	24,171.86
Administrative Clerk II	$	32,733.51
Administrative Clerk II	$	36,521.76
Administrative Clerk II	$	34,247.39
Administrative Clerk II	$	32,792.45
Administrative Clerk II	$	30,211.26
Administrative Clerk II	$	3,853.05
Administrative Clerk II	$	29,769.19
Administrative Clerk II	$	32,796.96
Administrative Clerk II	$	32,790.54
23	**$**	**531,635.39**
Administrative Manager	$	105,768.97
Background Investigator	$	25,247.20
Background Investigator	$	24,745.60
Background Investigator	$	28,006.00
Background Investigator	$	28,177.60
Background Investigator	$	28,006.00
Background Investigator	$	30,497.28
6	**$**	**164,679.68**
Community Coordinator	$	57,967.58
Community Sanitation Manager	$	67,543.90
Community Services Officer II	$	39,873.36
Community Services Officer II	$	34,278.44
Community Services Officer II	$	28,082.50
Community Services Officer II	$	13,068.54
Community Services Officer II	$	3,102.07
Community Services Officer II	$	10,081.65
Community Services Officer II	$	38,095.94
Community Services Officer II	$	48,268.70
Community Services Officer II	$	1,168.82
Community Services Officer II	$	5,444.66
Community Services Officer II	$	44,313.59
Community Services Officer II	$	32,256.09
Community Services Officer II	$	50,176.91
Community Services Officer II	$	9,127.93
Community Services Officer II	$	24,042.91
Community Services Officer II	$	10,061.86
Community Services Officer II	$	38,876.85
Community Services Officer II	$	22,563.71
Community Services Officer II	$	4,312.68
Community Services Officer II	$	48,513.10
Police Captain	$	142,451.73
Police Captain	$	141,939.32
Police Captain	$	139,912.29
Police Captain	$	141,836.20
Police Captain	$	142,886.03
Police Captain	$	149,420.32
Police Captain	$	124,122.22
Police Captain	$	141,715.64
Police Captain	$	142,457.66
9	**$**	**1,266,741.41**
Police Chief	$	184,550.56
Police Data Transcriptionist	$	4,005.48
Police Data Transcriptionist	$	39,793.42
Police Data Transcriptionist	$	7,331.79
Police Data Transcriptionist	$	3,672.01
Police Data Transcriptionist	$	43,086.37
Police Data Transcriptionist	$	4,286.94
Police Data Transcriptionist	$	4,145.35
7	**$**	**106,321.36**
Police Lieutenant	$	123,856.05
Police Lieutenant	$	124,282.36
Police Lieutenant	$	123,352.16
Police Lieutenant	$	123,556.82
Police Lieutenant	$	123,335.01
Police Lieutenant	$	123,852.56
Police Lieutenant	$	100,380.57
Police Lieutenant	$	94,060.76
Police Lieutenant	$	92,874.41
Police Lieutenant	$	124,926.70
Police Lieutenant	$	124,892.96
Police Lieutenant	$	121,783.66
Police Lieutenant	$	124,837.13
Police Lieutenant	$	118,725.79
Police Lieutenant	$	125,693.42
Police Lieutenant	$	113,309.44
Police Lieutenant	$	118,782.14
Police Lieutenant	$	124,038.09
Police Lieutenant	$	123,064.54
Police Lieutenant	$	125,014.76
20	**$**	**2,374,619.33**
Police Officer Recruit	$	50,043.03
Police Officer Recruit	$	47,962.91
Police Officer Recruit	$	55,547.66
Police Officer Recruit	$	130.43
Police Officer Recruit	$	148.84
Police Officer Recruit	$	11,422.03
Police Officer Recruit	$	45,046.08
Police Officer Recruit	$	54,486.68
Police Officer Recruit	$	256.45
9	**$**	**265,044.11**
Police Sergeant	$	5,710.06
Police Sergeant	$	110,243.49
Police Sergeant	$	102,700.28
Police Sergeant	$	117,973.16
Police Sergeant	$	99,887.95
Police Sergeant	$	106,438.39
Police Sergeant	$	91,052.80
Police Sergeant	$	117,625.40

Community Services Officer II	$	2,918.10	Police Sergeant	$	47,372.47
Community Services Officer II	$	27,135.63	Police Sergeant	$	105,538.70
Community Services Officer II	$	31,839.06	Police Sergeant	$	134,177.87
Community Services Officer II	$	15,273.19	Police Sergeant	$	104,227.83
Community Services Officer II	$	6,524.68	Police Sergeant	$	106,366.22
Community Services Officer II	$	31,798.90	Police Sergeant	$	103,642.58
Community Services Officer II	$	32,549.91	Police Sergeant	$	116,368.37
Community Services Officer II	$	23,752.90	Police Sergeant	$	101,697.86
Community Services Officer II	$	8,130.09	Police Sergeant	$	115,597.31
Community Services Officer II	$	7,598.63	Police Sergeant	$	84,885.48
Community Services Officer II	$	42,585.52	Police Sergeant	$	120,260.78
Community Services Officer II	$	8,953.00	Police Sergeant	$	108,289.16
Community Services Officer II	$	45,241.67	Police Sergeant	$	106,839.62
33	**$**	**790,011.59**	Police Sergeant	$	109,531.32
Computer Systems Spec III	$	70,785.10	Police Sergeant	$	107,918.68
Computer Systems Spec III	$	69,034.42	Police Sergeant	$	114,201.44
2	**$**	**139,819.52**	Police Sergeant	$	135,452.59
Computer Systems Specialist II	$	62,277.83	Police Sergeant	$	113,017.35
Contract Law Enf Svcs Coord	$	704.00	Police Sergeant	$	104,022.51
Database Administrator	$	79,417.34	Police Sergeant	$	96,244.41
Deputy Police Chief	$	139,458.25	Police Sergeant	$	116,522.99
Deputy Police Chief	$	159,144.47	Police Sergeant	$	104,878.68
Deputy Police Chief	$	160,238.01	Police Sergeant	$	109,064.34
Deputy Police Chief	$	157,292.95	Police Sergeant	$	106,402.66
Deputy Police Chief	$	158,020.68	Police Sergeant	$	94,670.77
5	**$**	**774,154.36**	Police Sergeant	$	102,828.42
Emergency Svcs Comm Sup	$	74,629.64	Police Sergeant	$	139,212.59
Emergency Svcs Comm Sup	$	71,885.95	Police Sergeant	$	109,512.28
Emergency Svcs Comm Sup	$	90,089.41	Police Sergeant	$	110,153.88
Emergency Svcs Comm Sup	$	21,859.51	Police Sergeant	$	103,587.28
Emergency Svcs Comm Sup	$	68,942.02	Police Sergeant	$	101,603.56
Emergency Svcs Comm Sup	$	65,726.98	Police Sergeant	$	97,375.88
6	**$**	**393,133.51**	Police Sergeant	$	103,029.17
Emergency Svcs Dispatcher II	$	55,403.24	Police Sergeant	$	99,912.62
Emergency Svcs Dispatcher II	$	49,882.74	Police Sergeant	$	131,751.25
Emergency Svcs Dispatcher II	$	49,822.70	Police Sergeant	$	101,049.84
Emergency Svcs Dispatcher II	$	55,113.88	Police Sergeant	$	137,202.22
Emergency Svcs Dispatcher II	$	48,075.47	Police Sergeant	$	126,296.41
Emergency Svcs Dispatcher II	$	54,508.50	Police Sergeant	$	108,946.72
Emergency Svcs Dispatcher II	$	56,179.16	Police Sergeant	$	111,411.71
Emergency Svcs Dispatcher II	$	55,289.15	Police Sergeant	$	106,195.83
Emergency Svcs Dispatcher II	$	4,913.60	Police Sergeant	$	102,428.29
Emergency Svcs Dispatcher II	$	1,967.45	Police Sergeant	$	106,166.40
Emergency Svcs Dispatcher II	$	53,462.13	Police Sergeant	$	97,439.68
Emergency Svcs Dispatcher II	$	51,679.27	Police Sergeant	$	111,345.75
Emergency Svcs Dispatcher II	$	53,109.71	Police Sergeant	$	100,344.48
Emergency Svcs Dispatcher II	$	46,447.52	Police Sergeant	$	103,143.27
Emergency Svcs Dispatcher II	$	37,083.81	Police Sergeant	$	107,868.55
Emergency Svcs Dispatcher II	$	52,845.89	Police Sergeant	$	102,877.24
Emergency Svcs Dispatcher II	$	52,274.57	Police Sergeant	$	95,741.25
Emergency Svcs Dispatcher II	$	51,502.33	Police Sergeant	$	104,332.91
Emergency Svcs Dispatcher II	$	56,744.78	Police Sergeant	$	101,024.53
Emergency Svcs Dispatcher II	$	50,236.01	Police Sergeant	$	60,805.85
Emergency Svcs Dispatcher II	$	42,158.61	Police Sergeant	$	132,630.64
Emergency Svcs Dispatcher II	$	58,763.06	Police Sergeant	$	133,622.89
Emergency Svcs Dispatcher II	$	51,745.79	Police Sergeant	$	132,077.53
Emergency Svcs Dispatcher II	$	53,632.25	Police Sergeant	$	160,933.48
Emergency Svcs Dispatcher II	$	56,082.33	Police Sergeant	$	140,165.92
Emergency Svcs Dispatcher II	$	56,934.19	Police Sergeant	$	99,415.29
Emergency Svcs Dispatcher II	$	47,162.60	Police Sergeant	$	104,948.81

Emergency Svcs Dispatcher II	$	43,512.21
Emergency Svcs Dispatcher II	$	50,478.26
Emergency Svcs Dispatcher II	$	51,088.90
Emergency Svcs Dispatcher II	$	7,004.62
Emergency Svcs Dispatcher II	$	28,162.61
Emergency Svcs Dispatcher II	$	34,303.05
Emergency Svcs Dispatcher II	$	20,648.07
Emergency Svcs Dispatcher II	$	51,462.08
Emergency Svcs Dispatcher II	$	43,850.24
Emergency Svcs Dispatcher II	$	50,152.76
Emergency Svcs Dispatcher II	$	57,401.53
Emergency Svcs Dispatcher II	$	27,748.28
Emergency Svcs Dispatcher II	$	61,701.25
Emergency Svcs Dispatcher II	$	42,952.18
Emergency Svcs Dispatcher II	$	49,870.70
Emergency Svcs Dispatcher II	$	54,788.10
Emergency Svcs Dispatcher II	$	52,853.04
Emergency Svcs Dispatcher II	$	52,334.87
Emergency Svcs Dispatcher II	$	47,836.09
Emergency Svcs Dispatcher II	$	40,875.57
Emergency Svcs Dispatcher II	$	50,685.54
Emergency Svcs Dispatcher II	$	51,025.38
Emergency Svcs Dispatcher II	$	53,406.97
Emergency Svcs Dispatcher II	$	50,578.34
Emergency Svcs Dispatcher II	$	48,896.13
Emergency Svcs Dispatcher II	$	48,059.49
Emergency Svcs Dispatcher II	$	48,705.40
Emergency Svcs Dispatcher II	$	52,796.91
Emergency Svcs Dispatcher II	$	50,490.60
Emergency Svcs Dispatcher II	$	50,935.75
Emergency Svcs Dispatcher II	$	51,380.86
Emergency Svcs Dispatcher II	$	50,488.64
Emergency Svcs Dispatcher II	$	46,540.61
Emergency Svcs Dispatcher II	$	54,895.27
Emergency Svcs Dispatcher II	$	54,330.81
Emergency Svcs Dispatcher II	$	49,967.42
Emergency Svcs Dispatcher II	$	55,120.11
Emergency Svcs Dispatcher II	$	52,225.17
Emergency Svcs Dispatcher II	$	42,163.42
Emergency Svcs Dispatcher II	$	52,475.50
Emergency Svcs Dispatcher II	$	6,900.15
Emergency Svcs Dispatcher II	$	36,925.27
Emergency Svcs Dispatcher II	$	5,317.20
Emergency Svcs Dispatcher II	$	19,454.71
71	**$**	**3,255,810.80**
Emergency Svcs Dispatcher III	$	54,597.67
Emergency Svcs Dispatcher III	$	53,474.48
Emergency Svcs Dispatcher III	$	29,056.85
Emergency Svcs Dispatcher III	$	54,108.47
Emergency Svcs Dispatcher III	$	55,424.63
Emergency Svcs Dispatcher III	$	58,179.92
Emergency Svcs Dispatcher III	$	40,646.41
Emergency Svcs Dispatcher III	$	62,856.19
Emergency Svcs Dispatcher III	$	61,283.44
Emergency Svcs Dispatcher III	$	56,324.82
Emergency Svcs Dispatcher III	$	57,147.83
Emergency Svcs Dispatcher III	$	56,715.28
Emergency Svcs Dispatcher III	$	57,441.11
Emergency Svcs Dispatcher III	$	57,908.07
Emergency Svcs Dispatcher III	$	54,685.77

Police Sergeant	$	100,613.91
Police Sergeant	$	106,231.80
Police Sergeant	$	106,042.44
Police Sergeant	$	100,314.71
Police Sergeant	$	112,831.16
Police Sergeant	$	99,545.67
Police Sergeant	$	100,186.55
Police Sergeant	$	103,423.84
Police Sergeant	$	96,331.10
Police Sergeant	$	113,372.65
Police Sergeant	$	115,216.16
Police Sergeant	$	129,538.33
Police Sergeant	$	104,004.52
Police Sergeant	$	119,864.19
Police Sergeant	$	104,735.21
Police Sergeant	$	101,044.95
Police Sergeant	$	99,778.13
Police Sergeant	$	108,142.63
Police Sergeant	$	110,261.85
Police Sergeant	$	109,754.03
Police Sergeant	$	107,344.39
Police Sergeant	$	109,925.44
Police Sergeant	$	108,072.47
Police Sergeant	$	107,607.36
Police Sergeant	$	107,009.33
Police Sergeant	$	75,433.24
Police Sergeant	$	104,661.17
Police Sergeant	$	102,550.58
Police Sergeant	$	108,932.43
$ 108,067.75	$	109,305.59
98	**$**	**10,488,281.77**
Police Specialist	$	96,970.32
Police Specialist	$	89,269.51
Police Specialist	$	5,717.05
Police Specialist	$	63,558.87
Police Specialist	$	99,564.77
Police Specialist	$	86,674.47
Police Specialist	$	92,401.71
Police Specialist	$	95,656.94
Police Specialist	$	1,031.48
Police Specialist	$	95,914.46
Police Specialist	$	89,853.75
Police Specialist	$	63,338.62
Police Specialist	$	93,424.66
Police Specialist	$	67,052.46
Police Specialist	$	97,234.80
Police Specialist	$	89,573.33
Police Specialist	$	95,487.73
Police Specialist	$	91,173.23
Police Specialist	$	92,546.07
19	**$**	**1,506,444.23**
Police Technical Services Mgr	$	111,382.44
Programmer/Analyst II	$	61,463.74
Programmer/Analyst III	$	68,657.43
Programmer/Analyst III	$	76,365.36
2	**$**	**145,022.79**
Programmer/Analyst IV	$	78,015.92
Property and Evidence Tech	$	46,512.11
Public Affairs Officer	$	94,459.17
Public Affairs Officer	$	31,547.87

15	**$**	**809,850.94**
Executive Asst to Dept Dir	$	62,207.35
Executive Asst to Dept Dir	$	37,801.53
2	**$**	**100,008.88**
Grant Writer	$	60,178.92
Helicopter Mechanic	$	62,315.91
Helicopter Mechanic Ldwrkr	$	64,962.71
Helicopter Pilot	$	64,439.36
Identification Technician I	$	34,292.57
Identification Technician II	$	65,102.79
Identification Technician II	$	62,990.18
Identification Technician II	$	58,339.88
Identification Technician II	$	55,398.95
Identification Technician II	$	56,927.04
Identification Technician II	$	63,922.13
Identification Technician II	$	65,069.13
Identification Technician II	$	34,003.49
Identification Technician II	$	57,701.87
Identification Technician II	$	32,927.18
Identification Technician II	$	54,734.41
Identification Technician II	$	60,104.70
Identification Technician II	$	57,857.12
Identification Technician II	$	33,297.56
Identification Technician II	$	66,608.91
Identification Technician II	$	39,947.90
16	**$**	**864,933.24**
Identification Technician III	$	63,753.10
Identification Technician III	$	68,163.14
Identification Technician III	$	75,338.73
Identification Technician III	$	38.10
4	**$**	**207,293.07**
Information Services Manager	$	106,103.81
Laborer	$	35,715.96
Laborer	$	37,137.94
Laborer	$	23,400.41
Laborer	$	21,381.51
Laborer	$	36,696.06
Laborer	$	35,244.28
Laborer	$	37,024.95
Laborer	$	37,315.37
Laborer	$	37,262.73
Laborer	$	35,923.41
Laborer	$	36,470.67
Laborer	$	36,474.95
12	**$**	**410,048.24**
Law Enforcement Instructor	$	17,220.00
Law Enforcement Instructor	$	31,493.00
2	**$**	**48,713.00**
Management Analyst II	$	56,038.09
Management Analyst II	$	55,761.44
Management Analyst II	$	58,029.04
Management Analyst II	$	57,081.03
4	**$**	**226,909.60**
Management Analyst III	$	78,889.77
Management Analyst III	$	79,997.07
Management Analyst III	$	81,307.08
3	**$**	**240,193.92**
Network Systems Specialist	$	70,730.05
PAR Program Specialist	$	27,163.53
Phlebotomist	$	62,419.19
2	**$**	**126,007.04**
Rangemaster/Armorer	$	15,109.64
Records Supervisor	$	60,143.49
Records Supervisor	$	65,341.73
Records Supervisor	$	19,822.26
Records Supervisor	$	63,113.58
Records Supervisor	$	61,420.07
5	**$**	**269,841.13**
Senior Accountant-Auditor	$	65,673.14
Senior Administrative Clerk	$	35,998.87
Senior Administrative Clerk	$	559.20
Senior Administrative Clerk	$	32,406.89
Senior Administrative Clerk	$	37,778.54
Senior Administrative Clerk	$	36,417.84
Senior Administrative Clerk	$	38,743.03
Senior Administrative Clerk	$	40,877.99
Senior Administrative Clerk	$	30,919.65
Senior Administrative Clerk	$	5,154.85
Senior Administrative Clerk	$	36,410.72
Senior Administrative Clerk	$	37,624.24
Senior Administrative Clerk	$	52,139.59
Senior Administrative Clerk	$	38,937.02
Senior Administrative Clerk	$	40,018.96
Senior Administrative Clerk	$	36,475.88
Senior Administrative Clerk	$	41,233.56
Senior Administrative Clerk	$	39,272.19
Senior Administrative Clerk	$	37,955.20
Senior Administrative Clerk	$	40,782.08
Senior Administrative Clerk	$	53,797.41
Senior Administrative Clerk	$	41,216.64
Senior Administrative Clerk	$	39,253.86
Senior Administrative Clerk	$	37,234.33
Senior Administrative Clerk	$	40,465.09
Senior Administrative Clerk	$	38,859.14
Senior Administrative Clerk	$	37,673.55
Senior Administrative Clerk	$	39,481.62
Senior Administrative Clerk	$	6,100.31
Senior Administrative Clerk	$	38,496.83
29	**$**	**1,032,285.08**
Senior Secretary	$	42,829.65
Senior Secretary	$	46,110.91
Senior Secretary	$	46,724.73
Senior Secretary	$	45,249.49
Senior Secretary	$	44,887.76
5	**$**	**225,802.54**
Senior Storeskeeper	$	42,382.95
Services Aide	$	5,455.35
Services Aide	$	4,352.00
2	**$**	**9,807.35**
Sr Community Services Officer	$	46,863.49
Sr Community Services Officer	$	47,817.64
Sr Community Services Officer	$	63,156.08
Sr Community Services Officer	$	40,269.89
Sr Community Services Officer	$	49,059.61
Sr Community Services Officer	$	79,267.41
Sr Community Services Officer	$	49,104.20
Sr Community Services Officer	$	47,239.87
Sr Community Services Officer	$	57,905.72
9	**$**	**480,683.91**
Sr Property and Evidence Tech	$	55,467.59

Phlebotomist		$	16,716.47
	2	**$**	**79,135.66**
Police Cadet I		$	16,818.58
Police Cadet I		$	13,055.46
Police Cadet I		$	714.24
Police Cadet I		$	500.66
Police Cadet I		$	3,647.41
Police Cadet I		$	609.57
Police Cadet I		$	651.30
Police Cadet I		$	952.32
Police Cadet I		$	493.72
Police Cadet I		$	2,137.42
Police Cadet I		$	3,102.88
Police Cadet I		$	3,171.29
Police Cadet I		$	451.87
Police Cadet I		$	759.43
Police Cadet I		$	922.15
Police Cadet I		$	483.87
Police Cadet I		$	458.10
Police Cadet I		$	1,250.62
Police Cadet I		$	894.46
Police Cadet I		$	1,047.00
	20	**$**	**52,122.35**
Police Cadet II		$	9,768.99
Police Cadet II		$	32,283.83
Police Cadet II		$	24,684.86
Police Cadet II		$	30,685.39
Police Cadet II		$	320.92
Police Cadet II		$	6,846.76
Police Cadet II		$	840.92
Police Cadet II		$	4,741.76
Police Cadet II		$	4,976.00
Police Cadet II		$	11,044.36
Police Cadet II		$	3,740.73
Police Cadet II		$	4,632.45
Police Cadet II		$	6,083.02
Police Cadet II		$	7,403.50
Police Cadet II		$	6,680.34
Police Cadet II		$	11,062.52
Police Cadet II		$	12,731.68
	17	**$**	**178,528.03**

Sr Property and Evidence Tech		$	55,681.58
	2	**$**	**111,149.17**
Staff Assistant		$	42,606.34
Staff Assistant		$	42,031.53
Staff Assistant		$	3,007.73
Staff Assistant		$	10,405.07
Staff Assistant		$	13,155.39
Staff Assistant		$	42,646.74
Staff Assistant		$	54,911.27
	7	**$**	**208,764.07**
Supervising Ident Technician		$	71,784.11
Supervising Ident Technician		$	73,756.31
Supervising Ident Technician		$	69,820.90
	3	**$**	**215,361.32**
Utility Leadworker		$	44,984.69
Utility Leadworker		$	42,881.60
	2	**$**	**87,866.29**

INDIRECT COST RATE PROPOSAL
City of Fresno
Police (SCO AUDITED RATE)
Fiscal Year
2011-12

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$74,097,688		$25,078,485	$59,537,311
Overtime		$2,798,758	$2,798,758		
Benefits	46.1%	$34,157,296		$11,560,593	$22,596,703
Total		$111,053,742	$2,798,758	$36,639,078	$82,134,014
Services & Supplies					
Prof Svcs/Consulting - Outs		$13,580			$13,580
Public Relations & Informa		$744		$744	
Prof Svcs (Non-Consulting)		$891,936		$891,936	
Outside Legal Services		$121,151		$121,151	
Hazardous Waste Managem		$13,324		$13,324	
Specialized Services /Tech		$160,217		$160,217	
Utilities		$508,618		$508,618	
Landscaping & Grounds M		$17,807		$17,807	
O/S Repair, Maint & Serv-		$22,152		$22,152	
Service Contracts-Office Eq		$446,970		$446,970	
O/S Repair & Maint.--Equi		$16,537		$16,537	
Space Rentals		$348,888		$348,888	
Equipment Rentals--Ex Offi		$5,552		$5,552	
Buildings & Improvements		$17,403	$17,055	$348	$0
Insurance Payments		$826		$826	
Communications		$11,608		$11,608	
Printing & Binding--O/S Ve					
Training		$50,258		$50,258	
Travel & Conference		$21,874		$21,874	
Misc. Subsistence Expense		$287		$287	
Mileage Reimbursement-Ne		$3,746		$3,746	
Clothing & Personal Suppli		$58,580		$58,580	
Office Equipment--Under 3		$19,596	$15,677	$3,919	
Copiers		$29,223	$23,378	$5,845	$0
Small Tools For Field Oper		$1,175	$940	$235	$0
Postage		$21,386		$21,386	
Office Supplies		$112,394		$112,394	
Photographic Supplies & Pr		$456		$456	
Office Equipment Rentals		$3,810		$3,810	
Computer Software		$999	$799	$200	$0
Spec Operating Materials					
Cleaning & Janitorial Suppl		$2,840		$2,840	
Specialty Chemicals & Gas		$55,999		$55,999	
Materials & Parts--Vehicles		$33,442		$33,442	
Materials & Parts--Equipme		$101,412		$101,412	
Provisions & Forage		$11,947		$11,947	
Ammunition		$43,259		$43,259	
Laboratory & Medical Supp		$27,175		$27,175	
Materials & Parts - Bldg &		$1,449		$1,449	
Oils & Lubricants		$19		$19	
Gasoline		$113,360		$113,360	
New Machinery & Equipme		$20,274	$18,923	$1,352	$0
Replacement Machinery &		$3,443	$3,214	$230	$0
Equipment		$350	$327	$23	$0
Furniture & Fixtures		$8,002	$7,468	$533	$0
Contract Construction					
County Jail Booking Fees		-$6,301			-$6,301
Outside Agency Support		$3,128			$3,128
Miscellaneous Expenditures		$24		$24	
Oral Board Reimbursement		$434		$434	
Petty Cash--Initial/Increase		-$500		-$500	
Membership & Dues		$6,980	$6,980		
Subscriptions & Publication		$3,936		$3,936	
Interdepartmental Charges		$13,232,477		$13,232,477	
Total		$16,584,246	$94,760	$16,479,079	$10,407
Capital Expenditures					
Total					
Total Expenditures		**$127,637,988**	**$2,893,518**	**$53,118,157**	**$82,144,421**
Cost Plan Costs					
Total					
Total Alloc. Indirect Costs		**$127,637,988**	**$2,893,518**	**$53,118,157**	**$82,144,421**

ICRP RATE = 89.2%
(Rate is Based on Salaries)

$53,118,157 = Total Allowable Indirect Costs
$59,537,311 Total Direct Salaries

City of Fresno
Police (SCO AUDITED RATE)
Fiscal Year
2011-12

Name/Position	100% Admin. or Support Staff Annual Salary
Accountant Auditor II	$ 56,270.00
Accounting Techician	$ 42,714.00
Admin Clerk II (13)	$ 413,076.68
Administrative Manager	$ 89,657.00
Background Investigator (7)	$ 117,035.60
Community Coordinator	$ 37,772.81
Community Sanitation Manager	$ 83,754.10
Community Services Officer II (8)	$ 334,315.59
Computer Systems Specialist II (1)	$ 69,091.13
Computer Systems Specialist III (2)	$ 70,371.18
Data Base Administrator	$ 79,417.36
Deputy Police Chief (4)	$ 522,038.42
Emergency Services Comm. Supr. (5)	$ 362,968.78
Emergency Services Dispatcher I (6)	$ 103,755.71
Emergency Services Dispatcher II (67)	$ 3,232,624.13
Emergency Services Dispatcher III (12)	$ 653,878.44
Executive Assist to Director (1)	$ 63,976.16
Grant Writer	$ 66,878.00
Helicopter Mechanic	$ 62,827.11
Helicopter Mechanic Ldwrkr	$ 68,770.52
Helicopter Pilot	$ 18,541.45
Identification Technician II (12)	$ 680,541.33
Identification Technician III (3)	$ 196,845.75
Information Services Manager	$ 103,477.71
Information Services Supervisor	$ 90,139.59
Laborer (10)	$ 378,462.78
Law Enforcement Instructor (2)	$ 26,656.00
Management Analyst II (2)	$ 157,196.00
Management Analyst III (2)	$ 168,641.88
Networks Systems Specialist	$ 79,700.34
PAR Program Specialist	$ 41,354.36
Phlebotomist (3)	$ 75,380.02
Police Captain (7)	$ 934,934.99
Police Chief	$ 192,573.03
Police Data Transcriptionist (2)	$ 83,149.75
Police Lieutenant (20)	$ 2,289,753.39
Police Officer Recruit (2)	$ 90,391.68
Police Sergeant (83)	$ 9,307,434.70
Police Specialist (11)	$ 887,477.72
Police Tech Services Manager	$ 21,701.17
Programmer/Analyst II (1)	$ 45,175.15
Programmer/Analyst III (3)	$ 220,835.00
Programmer/Analyst IV	$ 82,222.90
Property & Evidence Tech (1)	$ 50,215.57
Records Supervisor (4)	$ 244,548.31
Senior Accountant-Auditor	$ 62,834.00
Senior Admin Clerk (27)	$ 1,025,298.32
Senior Secretary (3)	$ 135,004.30
Senior Storeskeeper	$ 45,044.58
Services Aide (1) (PT)	$ 5,724.75
Senior Comm. Services Officer (6)	$ 338,795.33
Senior Property & Evidence Tech. (2)	$ 111,831.31
Staff Assistant (3)	$ 36,456.87
Supervising Identification Tech (4)	$ 230,014.63
Utility Leadworker (2)	$ 88,937.30
TOTAL INDIRECT SALARIES	**$25,078,485**

Fresno Salary Report 2011-2012

Position	Total 2011 Wages W-2 Grand Total
Administrative Clerk II	$ 33,602.96
Administrative Clerk II	$ 13,292.78
Administrative Clerk II	$ 32,554.76
Administrative Clerk II	$ 45,352.50
Administrative Clerk II	$ 33,129.72
Administrative Clerk II	$ 33,970.27
Administrative Clerk II	$ 33,633.15
Administrative Clerk II	$ 29,893.48
Administrative Clerk II	$ 14,277.46
Administrative Clerk II	$ 32,749.57
Administrative Clerk II	$ 33,642.73
Administrative Clerk II	$ 36,088.69
Administrative Clerk II	$ 40,888.61
13	**$ 413,076.68**
Background Investigator	$ 2,340.80
Background Investigator	$ 18,308.40
Background Investigator	$ 17,388.80
Background Investigator	$ 17,723.20
Background Investigator	$ 18,304.00
Background Investigator	$ 17,388.80
Background Investigator	$ 25,581.60
7	**$ 117,035.60**
Budget Technician	$ 44,929.55
Communications Manager	$ 122,799.27
Communications Technician II	$ 59,856.20
Community Coordinator	$ 37,772.81
Community Sanitation Manager	$ 83,754.10
Community Services Officer II	$ 21,460.11
Community Services Officer II	$ 56,809.10
Community Services Officer II	$ 45,336.92
Community Services Officer II	$ 49,496.65
Community Services Officer II	$ 49,362.05
Community Services Officer II	$ 22,725.77
Community Services Officer II	$ 42,651.05
Community Services Officer II	$ 46,473.94
8	**$ 334,315.59**
Computer Systems Spec III	$ 69,091.13
Deputy Police Chief	$ 165,864.81
Deputy Police Chief	$ 167,465.41
Deputy Police Chief	$ 168,750.12
Deputy Police Chief	$ 19,958.08
Deputy Police Chief	$ 166,933.39
5	**$ 688,971.81**
Emergency Svcs Comm Sup	$ 67,628.82
Emergency Svcs Comm Sup	$ 93,192.12
Emergency Svcs Comm Sup	$ 65,148.32
Emergency Svcs Comm Sup	$ 69,490.70
Emergency Svcs Comm Sup	$ 67,508.82
5	**$ 362,968.78**
Emergency Svcs Dispatcher I	$ 19,515.83
Emergency Svcs Dispatcher I	$ 18,776.22
Emergency Svcs Dispatcher I	$ 18,741.50
Emergency Svcs Dispatcher I	$ 18,032.65
Emergency Svcs Dispatcher I	$ 10,316.29
Emergency Svcs Dispatcher I	$ 18,373.22
6	**$ 103,755.71**
Emergency Svcs Dispatcher II	$ 54,629.74
Emergency Svcs Dispatcher II	$ 50,765.49
Emergency Svcs Dispatcher II	$ 51,164.12
Emergency Svcs Dispatcher II	$ 51,669.98

Position	Total 2011 Wages W-2 Grand Total
Police Captain	$ 150,809.19
Police Captain	$ 151,209.65
Police Captain	$ 28,303.13
Police Captain	$ 147,521.96
Police Captain	$ 156,173.96
Police Captain	$ 149,762.28
Police Captain	$ 151,154.82
Police Captain	$ 147,822.91
8	**$ 1,082,757.90**
Police Chief	$ 192,573.03
Police Data Transcriptionist	$ 41,329.07
Police Data Transcriptionist	$ 41,820.68
2	**$ 83,149.75**
Police Lieutenant	$ 131,778.06
Police Lieutenant	$ 128,654.11
Police Lieutenant	$ 130,704.27
Police Lieutenant	$ 128,618.94
Police Lieutenant	$ 129,658.90
Police Lieutenant	$ 130,259.17
Police Lieutenant	$ 133,156.38
Police Lieutenant	$ 29,208.08
Police Lieutenant	$ 131,060.41
Police Lieutenant	$ 16,533.08
Police Lieutenant	$ 126,540.17
Police Lieutenant	$ 25,082.48
Police Lieutenant	$ 126,953.88
Police Lieutenant	$ 135,375.41
Police Lieutenant	$ 128,618.95
Police Lieutenant	$ 136,750.29
Police Lieutenant	$ 135,344.36
Police Lieutenant	$ 128,418.77
Police Lieutenant	$ 128,418.77
Police Lieutenant	$ 128,618.91
Police Lieutenant	$ 128,618.93
21	**$ 2,418,372.32**
Police Officer Recruit	$ 44,799.58
Police Officer Recruit	$ 45,592.10
2	**$ 90,391.68**
Police Sergeant	$ 122,370.52
Police Sergeant	$ 106,998.16
Police Sergeant	$ 9,629.70
Police Sergeant	$ 105,017.04
Police Sergeant	$ 105,642.56
Police Sergeant	$ 100,103.64
Police Sergeant	$ 100,144.69
Police Sergeant	$ 81,927.26
Police Sergeant	$ 119,784.15
Police Sergeant	$ 103,233.63
Police Sergeant	$ 108,981.08
Police Sergeant	$ 112,927.14
Police Sergeant	$ 113,792.92
Police Sergeant	$ 107,863.23
Police Sergeant	$ 115,589.18
Police Sergeant	$ 107,158.11
Police Sergeant	$ 107,115.44
Police Sergeant	$ 125,744.79
Police Sergeant	$ 103,225.56
Police Sergeant	$ 105,857.99
Police Sergeant	$ 106,041.84
Police Sergeant	$ 110,469.43

Emergency Svcs Dispatcher II	$	51,713.10		Police Sergeant	$ 113,746.31
Emergency Svcs Dispatcher II	$	52,850.51		Police Sergeant	$ 127,312.11
Emergency Svcs Dispatcher II	$	49,725.60		Police Sergeant	$ 109,320.41
Emergency Svcs Dispatcher II	$	26,634.32		Police Sergeant	$ 117,747.26
Emergency Svcs Dispatcher II	$	12,315.25		Police Sergeant	$ 105,902.33
Emergency Svcs Dispatcher II	$	55,109.15		Police Sergeant	$ 104,800.52
Emergency Svcs Dispatcher II	$	53,576.85		Police Sergeant	$ 116,319.77
Emergency Svcs Dispatcher II	$	49,710.69		Police Sergeant	$ 109,346.93
Emergency Svcs Dispatcher II	$	48,786.18		Police Sergeant	$ 25,203.76
Emergency Svcs Dispatcher II	$	36,516.93		Police Sergeant	$ 128,532.21
Emergency Svcs Dispatcher II	$	53,607.28		Police Sergeant	$ 135,549.29
Emergency Svcs Dispatcher II	$	52,741.76		Police Sergeant	$ 112,107.35
Emergency Svcs Dispatcher II	$	50,835.48		Police Sergeant	$ 109,669.89
Emergency Svcs Dispatcher II	$	53,985.35		Police Sergeant	$ 25,109.94
Emergency Svcs Dispatcher II	$	49,176.61		Police Sergeant	$ 107,634.20
Emergency Svcs Dispatcher II	$	50,031.17		Police Sergeant	$ 134,798.12
Emergency Svcs Dispatcher II	$	49,910.46		Police Sergeant	$ 116,152.66
Emergency Svcs Dispatcher II	$	59,390.09		Police Sergeant	$ 42,077.32
Emergency Svcs Dispatcher II	$	50,774.53		Police Sergeant	$ 64,004.81
Emergency Svcs Dispatcher II	$	52,964.75		Police Sergeant	$ 122,614.46
Emergency Svcs Dispatcher II	$	52,229.99		Police Sergeant	$ 131,752.55
Emergency Svcs Dispatcher II	$	51,082.29		Police Sergeant	$ 108,801.23
Emergency Svcs Dispatcher II	$	49,951.96		Police Sergeant	$ 105,061.85
Emergency Svcs Dispatcher II	$	52,384.44		Police Sergeant	$ 102,524.09
Emergency Svcs Dispatcher II	$	52,275.54		Police Sergeant	$ 110,804.92
Emergency Svcs Dispatcher II	$	53,806.52		Police Sergeant	$ 107,709.68
Emergency Svcs Dispatcher II	$	49,232.62		Police Sergeant	$ 106,194.06
Emergency Svcs Dispatcher II	$	52,480.71		Police Sergeant	$ 105,500.61
Emergency Svcs Dispatcher II	$	53,276.85		Police Sergeant	$ 112,223.37
Emergency Svcs Dispatcher II	$	57,601.05		Police Sergeant	$ 126,527.72
Emergency Svcs Dispatcher II	$	55,608.73		Police Sergeant	$ 117,094.34
Emergency Svcs Dispatcher II	$	53,737.46		Police Sergeant	$ 108,267.54
Emergency Svcs Dispatcher II	$	56,895.10		Police Sergeant	$ 105,529.38
Emergency Svcs Dispatcher II	$	49,772.65		Police Sergeant	$ 106,571.09
Emergency Svcs Dispatcher II	$	53,705.17		Police Sergeant	$ 102,076.70
Emergency Svcs Dispatcher II	$	49,876.95		Police Sergeant	$ 113,459.58
Emergency Svcs Dispatcher II	$	56,312.85		Police Sergeant	$ 109,159.16
Emergency Svcs Dispatcher II	$	51,563.67		Police Sergeant	$ 109,583.00
Emergency Svcs Dispatcher II	$	49,337.06		Police Sergeant	$ 112,607.54
Emergency Svcs Dispatcher II	$	57,293.74		Police Sergeant	$ 105,494.25
Emergency Svcs Dispatcher II	$	53,309.67		Police Sergeant	$ 126,786.92
Emergency Svcs Dispatcher II	$	51,380.70		Police Sergeant	$ 120,624.36
Emergency Svcs Dispatcher II	$	52,541.59		Police Sergeant	$ 147,691.08
Emergency Svcs Dispatcher II	$	51,384.37		Police Sergeant	$ 118,172.31
Emergency Svcs Dispatcher II	$	48,552.51		Police Sergeant	$ 104,686.21
Emergency Svcs Dispatcher II	$	52,749.30		Police Sergeant	$ 132,213.45
Emergency Svcs Dispatcher II	$	53,661.01		Police Sergeant	$ 113,787.34
Emergency Svcs Dispatcher II	$	52,615.25		Police Sergeant	$ 122,512.33
Emergency Svcs Dispatcher II	$	53,072.71		Police Sergeant	$ 116,300.83
Emergency Svcs Dispatcher II	$	51,391.97		Police Sergeant	$ 114,727.49
Emergency Svcs Dispatcher II	$	53,974.43		Police Sergeant	$ 92,214.34
Emergency Svcs Dispatcher II	$	49,069.40		Police Sergeant	$ 108,714.99
Emergency Svcs Dispatcher II	$	48,852.15		Police Sergeant	$ 108,506.46
Emergency Svcs Dispatcher II	$	49,646.93		Police Sergeant	$ 123,891.10
Emergency Svcs Dispatcher II	$	49,692.34		Police Sergeant	$ 107,470.60
Emergency Svcs Dispatcher II	$	52,886.09		Police Sergeant	$ 109,992.48
Emergency Svcs Dispatcher II	$	37,002.27		Police Sergeant	$ 154,446.35
Emergency Svcs Dispatcher II	$	61.26		Police Sergeant	$ 129,851.76
Emergency Svcs Dispatcher II	$	44,975.43		Police Sergeant	$ 113,169.40
Emergency Svcs Dispatcher II	$	3,192.18		Police Sergeant	$ 127,366.30
Emergency Svcs Dispatcher II	$	31,344.88		Police Sergeant	$ 133,592.83
Emergency Svcs Dispatcher II	$	12,297.57		Police Sergeant	$ 130,094.63
Emergency Svcs Dispatcher II	$	51,959.38		Police Sergeant	$ 110,075.29
67	**$**	**3,232,624.13**	$ 51,616.83	Police Sergeant	$ 104,914.36
Emergency Svcs Dispatcher III	$	60,464.34		Police Sergeant	$ 110,807.10

Emergency Svcs Dispatcher III	$	57,518.98
Emergency Svcs Dispatcher III	$	58,848.66
Emergency Svcs Dispatcher III	$	55,813.35
Emergency Svcs Dispatcher III	$	38,061.17
Emergency Svcs Dispatcher III	$	55,780.23
Emergency Svcs Dispatcher III	$	53,345.64
Emergency Svcs Dispatcher III	$	56,287.54
Emergency Svcs Dispatcher III	$	58,307.49
Emergency Svcs Dispatcher III	$	58,454.09
Emergency Svcs Dispatcher III	$	55,899.16
Emergency Svcs Dispatcher III	$	45,097.79
12	**$**	**653,878.44**
Executive Asst to Dept Dir	$	63,976.16
Helicopter Mechanic	$	62,827.11
Helicopter Mechanic Ldwrkr	$	68,770.52
Helicopter Pilot	$	18,541.45
Identification Technician II	$	36,711.87
Identification Technician II	$	61,641.80
Identification Technician II	$	58,985.21
Identification Technician II	$	63,591.11
Identification Technician II	$	60,777.46
Identification Technician II	$	55,766.03
Identification Technician II	$	56,402.02
Identification Technician II	$	54,572.28
Identification Technician II	$	57,572.80
Identification Technician II	$	61,932.79
Identification Technician II	$	57,801.83
Identification Technician II	$	54,786.13
12	**$**	**680,541.33**
Identification Technician III	$	66,745.95
Identification Technician III	$	64,352.25
Identification Technician III	$	65,747.55
3	**$**	**196,845.75**
Information Services Sup	$	90,139.59
Laborer	$	37,292.68
Laborer	$	39,668.96
Laborer	$	39,469.43
Laborer	$	38,826.75
Laborer	$	36,670.73
Laborer	$	35,363.28
Laborer	$	36,968.32
Laborer	$	38,591.87
Laborer	$	37,060.71
Laborer	$	38,550.05
10	**$**	**378,462.78**
Law Enforcement Instructor	$	8,528.00
Law Enforcement Instructor	$	18,128.00
2	**$**	**26,656.00**
Management Analyst III	$	86,731.61
Management Analyst III	$	81,910.27
2	**$**	**168,641.88**
Network Systems Specialist	$	79,700.34
PAR Program Specialist	$	41,354.36
Phlebotomist	$	15,360.35
Phlebotomist	$	2,114.08
Phlebotomist	$	57,905.59
3	**$**	**75,380.02**
Police Cadet II	$	1,871.00
Police Cadet II	$	12,989.25
Police Cadet II	$	23,661.75
Police Cadet II	$	13,617.00
Police Cadet II	$	10,174.00
Police Cadet II	$	7,247.00
Police Cadet II	$	23,203.52
Police Cadet II	$	2,341.00
Police Sergeant	$	115,313.98
Police Sergeant	$	112,141.00
Police Sergeant	$	114,654.38
Police Sergeant	$	118,110.97
91	**$**	**9,957,341.01**
Police Specialist	$	92,272.54
Police Specialist	$	89,298.17
Police Specialist	$	60,616.10
Police Specialist	$	95,106.39
Police Specialist	$	87,900.72
Police Specialist	$	98,515.09
Police Specialist	$	89,135.00
Police Specialist	$	94,443.64
Police Specialist	$	56,252.46
Police Specialist	$	57,281.40
Police Specialist	$	66,656.21
11	**$**	**887,477.72**
Police Technical Services Mgr	$	21,701.17
Programmer/Analyst II	$	45,175.15
Property and Evidence Tech	$	50,215.57
Records Supervisor	$	60,991.00
Records Supervisor	$	63,170.80
Records Supervisor	$	59,083.98
Records Supervisor	$	61,302.53
4	**$**	**244,548.31**
Senior Account Clerk	$	39,508.32
Senior Administrative Clerk	$	32,922.09
Senior Administrative Clerk	$	43,196.38
Senior Administrative Clerk	$	40,637.59
Senior Administrative Clerk	$	41,732.02
Senior Administrative Clerk	$	44,004.71
Senior Administrative Clerk	$	41,736.94
Senior Administrative Clerk	$	39,524.12
Senior Administrative Clerk	$	35,202.86
Senior Administrative Clerk	$	35,949.79
Senior Administrative Clerk	$	35,987.49
Senior Administrative Clerk	$	30,281.20
Senior Administrative Clerk	$	41,995.77
Senior Administrative Clerk	$	40,698.45
Senior Administrative Clerk	$	38,947.73
Senior Administrative Clerk	$	39,998.04
Senior Administrative Clerk	$	20,793.92
Senior Administrative Clerk	$	38,433.77
Senior Administrative Clerk	$	40,824.28
Senior Administrative Clerk	$	39,281.35
Senior Administrative Clerk	$	42,341.85
Senior Administrative Clerk	$	37,954.84
Senior Administrative Clerk	$	40,606.18
Senior Administrative Clerk	$	19,928.93
Senior Administrative Clerk	$	38,310.15
Senior Administrative Clerk	$	39,592.86
Senior Administrative Clerk	$	41,680.88
Senior Administrative Clerk	$	42,734.13
27	**$**	**1,025,298.32**
Senior Secretary	$	46,273.75
Senior Secretary	$	45,027.49
Senior Secretary	$	43,703.06
Senior Secretary	$	45,856.25
4	**$**	**180,860.55**
Senior Storeskeeper	$	45,044.58
Services Aide	$	5,724.75
Sr Communications Technician	$	76,389.66
Sr Communications Technician	$	68,610.56
Sr Communications Technician	$	66,028.29
3	**$**	**211,028.51**

Police Cadet II	$	232.00	
Police Cadet II	$	525.00	
Police Cadet II	$	615.00	
Police Cadet II	$	936.00	
Police Cadet II	$	24,209.00	
Police Cadet II	$	23,586.75	
Police Cadet II	$	6,886.50	
Police Cadet II	$	23,541.35	
Police Cadet II	$	812.75	
Police Cadet II	$	2,982.00	
Police Cadet II	$	931.00	
19	**$**	**180,361.87**	

Sr Community Services Officer	$	53,589.72
Sr Community Services Officer	$	62,581.50
Sr Community Services Officer	$	46,602.33
Sr Community Services Officer	$	46,612.08
Sr Community Services Officer	$	79,897.53
Sr Community Services Officer	$	49,512.17
6	**$**	**338,795.33**
Sr Property and Evidence Tech	$	54,836.85
Sr Property and Evidence Tech	$	56,994.46
2	**$**	**111,831.31**
Staff Assistant	$	7,991.61
Staff Assistant	$	4,569.76
Staff Assistant	$	23,895.50

CITY OF RIALTO

Audit Report

INTERAGENCY CHILD ABUSE AND NEGLECT INVESTIGATION REPORTS PROGRAM

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

July 1, 1999, through June 30, 2012

BETTY T. YEE
California State Controller

March 2019

For these positions, we reviewed the tasks identified on the city's duty statements. The duty statements served as a tool for determining an allocation between direct and indirect duties based on the list of typical duties performed.

As a general rule, any classification involved in providing specific, identifiable, and direct services should be considered as a direct labor cost. Indirect labor costs are those which are not readily identifiable or assignable to one unit and would typically benefit more than one department.

Recalculation of Fractional Percentages for Indirect Cost Pool

We analyzed the duties listed on the duty statements for the 16 classifications that we determined to be not 100% indirect. For each classification, we calculated how many of the duties listed on the duty statements were indirect and how many were direct. The city requested that we re-evaluate the duties that were determined to be direct versus indirect for each of these classifications. The city provided a supplemental reassessment analysis document identifying 16 classifications and their associated tasks, with clarifying details of the duties performed. The supplemental reassessment analysis document was completed using input provided by the city's Administrative Support Services Captain, who is responsible for overseeing all administrative functions of the Rialto Police Department and who determines how frequently duties will be performed by personnel as well as assigning responsibilities that may be outside of the standard duty statement. In addition, the city recalculated the direct and indirect percentages based on the duty statement tasks identified on the supplemental reassessment analysis document. Based on our review of the city's supplemental reassessment analysis document and discussion with the city's Administrative Support Services Captain, we accepted the city's recalculated direct and indirect percentages for each of these 16 classifications.

We calculated fractional percentages of indirect labor for each of the 16 classifications. The final determination of the allocation of indirect labor is as follows:

- Crime Analyst – 85%
- Crime Analyst Assistant – 70%
- Emergency Dispatcher (Part-time) – 94%
- Emergency Dispatcher I/II – 94%
- Emergency Dispatch Supervisor – 90%
- Emergency Services Supervisor – 90%
- Law Enforcement Technician – 80%
- Lieutenant – 90%
- Police Cadet – 20%
- Police Corporal – 50%
- Police Sergeant – 60%
- Police Records Assistant II – 90%

- Property and Evidence Assistant – 80%
- Senior Community Services Officers – 80%
- Senior Police Records Specialist – 90%

Recalculated Rates

For each fiscal year of the audit period, excluding FY 1999-2000, we recalculated the indirect cost rates by adjusting the salaries and related benefits costs allocated into the indirect cost pool based on the final determination of the allocation of direct and indirect labor ratio for the 16 classifications.

The following table summarizes the claimed, allowable, and adjusted indirect cost rates for the audit period:

Fiscal Year	Indirect Cost Rate Claimed (a)	Allowable Indirect Cost Rates (b)	Rate Difference (c) = (b) - (a)
1999-2000	58.50%	58.50%	-
2000-01	66.20%	62.29%	-3.91%
2001-02	70.10%	66.52%	-3.58%
2002-03	66.40%	61.30%	-5.10%
2003-04	75.00%	69.96%	-5.04%
2004-05	85.20%	79.96%	-5.24%
2005-06	89.40%	86.05%	-3.35%
2006-07	84.30%	79.54%	-4.76%
2007-08	98.40%	88.01%	-10.39%
2008-09	107.00%	88.56%	-18.44%
2009-10	107.90%	95.69%	-12.21%
2010-11	118.80%	105.98%	-12.82%
2011-12	118.60%	103.84%	-14.76%

Summary of Audit Adjustment

For each fiscal year of the audit period, we recalculated allowable indirect costs by applying the audited indirect cost rates to the allowable salaries. We found that the city overstated indirect costs totaling $271,606 for the audit period ($10,107 related to overstated indirect cost rates and $261,499 related to overstated salaries and benefits in Findings 1, 2, and 3).

Fiscal Year	Indirect Cost Rate Difference Adjustment	Unallowable Salaries Cost Adjustment	Total Audit Adjustment
1999-2000	$ -	$ (11,493)	$ (11,493)
2000-01	(323)	(13,418)	(13,741)
2001-02	(319)	(15,240)	(15,559)
2002-03	(385)	(12,233)	(12,618)
2003-04	(571)	(20,657)	(21,228)
2004-05	(610)	(24,326)	(24,936)
2005-06	(396)	(25,861)	(26,257)
2006-07	(532)	(23,214)	(23,746)
2007-08	(751)	(17,402)	(18,153)
2008-09	(1,985)	(28,279)	(30,264)
2009-10	(1,145)	(25,203)	(26,348)
2010-11	(1,374)	(31,518)	(32,892)
2011-12	(1,716)	(12,655)	(14,371)
Total	$ (10,107)	$ (261,499)	$ (271,606)

Criteria

The parameters and guidelines (section V.B. – Claim Preparation and Submission – Indirect Cost Rates) state:

> Indirect costs are cost that are incurred for a common or joint purpose...
>
> Compensation for indirect costs is eligible for reimbursement utilizing the procedure provided in 2 CFR Part 225 (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 exceeds 10%.
>
> If the claimant chooses to prepare an ICRP, both the direct costs (as defined and described in 2 CFR Part 225, Appendix A and B (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, Appendix A and B [OMB Circular A-87 Attachments A and B]. However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable.
>
> The distribution base may be (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.), (2) direct salaries and wages, or (3) another base which results in an equitable distribution.
>
> In calculating an ICRP, the claimant shall have the choice of one of the following methodologies:
>
> 1. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) classifying a department's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount of allowable indirect costs bears to the base selected; or
> 2. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) separating a department into groups, such as divisions or sections, and then classifying the division's or section's total costs for the base period as either direct or indirect, and (2) diving 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 of allowable indirect costs bears to the base selected.

Recommendation

The ICAN Investigation Reports Program was suspended from FY 2015-16 through FY 2017-18. If the program becomes active again, we recommend that the city follow the mandated program claiming instructions and the parameters and guidelines to ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

CITY OF FRESNO

Audit Report

ADMINISTRATIVE LICENSE SUSPENSION – PER SE PROGRAM

Chapter 1460, Statutes of 1989; Chapter 431, Statutes of 1990;
Chapter 1281, Statutes of 1992; Chapters 899 and 1244,
Statutes of 1993; Chapter 938, Statutes of 1994;
and Chapter 5, Statutes of 1997

July 1, 2013, through June 30, 2017

BETTY T. YEE
California State Controller

June 2019

BETTY T. YEE
California State Controller

June 27, 2019

The Honorable Lee Brand
Mayor of the City of Fresno
2600 Fresno Street, Room 2075
Fresno, CA 93721

Dear Mayor Brand:

The State Controller's Office (SCO) audited the costs claimed by the City of Fresno for the legislatively mandated Administrative License Suspension – Per Se Program for the period of July 1, 2013, through June 30, 2017.

The city claimed and was paid $197,847 for the mandated program. Our audit found that $164,829 is allowable and $33,018 is unallowable. The costs are unallowable because the city overstated the number of cases claimed.

Following issuance of this audit report, the SCO's Local Government Programs and Services Division will notify the city of the adjustment to its claims via a system-generated letter for each fiscal year in the audit period.

If you have any questions, please contact Lisa Kurokawa, Chief, Compliance Audits Buerau, by telephone at (916) 327-3138.

Sincerely,

Original signed by

JIM L. SPANO, CPA
Chief, Division of Audits

JLS/hf

cc: Michael Lima, Controller
Finance Department
City of Fresno
René Watahira, Fiscal Affairs Manager
Fresno Police Department
Kim Jackson, Finance Manager
Finance Department
City of Fresno
Richard Tucker, Lieutenant
Fresno Police Department
Courtney Espinoza, Business Manager
Fresno Police Department
Chris Hill, Principal Program Budget Analyst
Local Government Unit
California Department of Finance
Steven Pavlov, Finance Budget Analyst
Local Government Unit
California Department of Finance
Evelyn Calderon-Yee, Bureau Chief
Local Government Programs and Services Division
State Controller's Office

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Audit Report

Summary

The State Controller's Office (SCO) audited the costs claimed by the City of Fresno for the legislatively mandated Administrative License Suspension – Per Se Program for the period of July 1, 2013, through June 30, 2017.

The city claimed and was paid $197,847 for the mandated program. Our audit found that $164,829 is allowable and $33,018 is unallowable. The costs are unallowable because the city overstated the number of cases claimed.

Background

The Administrative License Suspension legislation became effective on July 1, 1990. The test claim legislation authorizes a peace officer, on behalf of the Department of Motor Vehicles (DMV), to immediately seize a valid California driver's license in the possession of a person arrested or detained for driving under the influence (DUI), immediately serve an order of suspension or revocation, and issue a temporary driver's license to the driver.

Section I. (Summary of the Mandate) of the program's parameters and guidelines states:

> The Commission on State Mandates (Commission) partially approved this test claim pursuant to Article XIII B, section 6, of the California Constitution, and Government Code (GC) section 17514, for the increased costs in performing the following activities:
>
> A. Minors (under the age of 21) that are detained but not ultimately arrested for violation of a DUI statute:
>
> - Admonishing those drivers that the failure to submit to, or the failure to complete, a preliminary alcohol-screening test or other chemical test as requested will result in the suspension or revocation of the driver's license.
> - Requesting and administering the alcohol-screening test pursuant to Vehicle Code (VC) sections 23136 and 23137.
> - Taking possession of any driver's license and serving the notice of order of suspension or revocation on the detained minor if the driver refuses or fails to complete the chemical test, or has been found to have a concentration of alcohol in the blood in violation of VC section 23136.
> - Completing a sworn report for those minors detained.
> - Submitting a copy of the completed notice of order of suspension, driver's license, and sworn report to the DMV.
>
> B. All drivers (adults and minors) that are arrested for violation of a DUI statute:
>
> - Taking possession of any driver's license and serving the notice of order of suspension or revocation on the driver refuses or fails to complete the chemical test, or has been found to have a concentration of alcohol in the blood in violation of VC sections 23140, 23152, and 23153.

- Completing a sworn report for those drivers that are arrested with a blood alcohol concentration higher than that legal limit.
- Submitting a copy of the completed notice of order of suspension, driver's license, and sworn report to the DMV.

The Commission also identified a uniform time allowance to account for employees' time spent performing the mandated activities.

In addition, the Commission identified sources of offsetting reimbursements, including fees collected pursuant to VC section 14905 and grant money received by the State and passed through the local agencies.

The program's parameters and guidelines establish the state mandate and define the reimbursement criteria. The Commission adopted the parameters and guidelines on December 2, 2003. In compliance with GC section 17558, the SCO issues claiming instructions to assist local agencies in claiming mandated program reimbursable costs.

Objective, Scope, and Methodology

The objective of our audit was to determine whether costs claimed represent increased costs resulting from the legislatively mandated Administrative License Suspension – Per Se Program. Specifically, we conducted this audit to determine whether costs claimed were supported by appropriate source documents, were not funded by another source, and were not unreasonable and/or excessive.

The audit period was July 1, 2013, through June 30, 2017.

To achieve our objective, we:

- Reviewed the annual mandated cost claims filed by the city for the audit period and identified the material cost components of each claim as salaries and benefits. Determined whether there were any errors or unusual or unexpected variances from year to year. Reviewed the activities claimed to determine whether they adhered to the SCO's claiming instructions and the program's parameters and guidelines;
- Completed an internal control questionnaire by interviewing key city staff. Discussed the claim preparation process with city staff to determine what information was obtained, who obtained it, and how it was used;
- Obtained manually generated lists of DUI cases from the city for each year of the audit period (these lists contained more cases than the city claimed because the lists included cases funded by grant revenues that were not claimed). Used the lists to verify the existence, completeness, and accuracy of the unduplicated case counts; this included:
  - Reconciling the number of cases on the lists to the number of cases claimed for reimbursement;
  - Verifying that the cases involved violations of DUI statutes by using the reconciled case counts to select a sample for testing. Using a random-number generator, we randomly selected a non-

statistical sample of cases for each year in the audit period, as follows:

- 14 out of 2,628 cases for FY 2013-14
- 25 out of 3,049 cases for FY 2014-15
- 17 out of 2,176 cases for FY 2015-16
- 16 out of 1,423 cases for FY 2016-17

We identified two ineligible cases out of the 72 selected in the samples and did not project these errors to the population as a whole. We determined that the city's case lists accurately represented violations of DUI statutes and used the reconciled lists of claimed cases for further testing;

- Reviewed the reconciled lists of claimed cases for each year of the audit period to determine whether they contained duplicate case numbers. Also reviewed the details of each case to determine whether the case listings included cases ineligible for reimbursement because they did not meet the requirements in the parameters and guidelines, even though the cases represented violations of DUI statutes;

- Reviewed the Schedule of Expenditures of Federal Awards for each fiscal year in the audit period, and confirmed with city staff that the city received federal grants that it used to pay for mandated activities:
  - Reviewed source documents that the city provided to support the grant revenues used to fund a portion of the mandated activities; and
  - Determined that the city did not include cases funded by grant revenues in its claims during the audit period.

GC sections 12410, 17558.5, and 17561 provide the legal authority to conduct this audit. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

We limited our review of the city's internal controls to gaining an understanding of the transaction flow and claim preparation process as necessary to develop appropriate auditing procedures. Our audit scope did not assess the efficiency or effectiveness of program operations. We did not audit the city's financial statements.

Conclusion

As a result of performing the audit procedures, we found instances of noncompliance with the requirements described in our audit objective. We found that the city did not claim costs that were funded by other sources; however, it did claim unsupported and ineligible costs, as quantified in the Schedule and described in the Finding and Recommendation section of this audit report.

For the audit period, the City of Fresno claimed and was paid $197,847 for the Administrative License Suspension – Per Se Program. Our audit found that $164,829 is allowable and $33,018 is unallowable.

Following issuance of this audit report, the SCO's Local Government Programs and Services Division will notify the city of the adjustment to its claims via a system-generated letter for each fiscal year in the audit period.

Follow-up on Prior Audit Findings

We have not previously conducted an audit of the city's legislatively mandated Administrative License Suspension – Per Se Program.

Views of Responsible Officials

We issued a draft audit report on April 5, 2019. René Watahira, Fiscal Affairs Manager, responded by email dated April 8, 2019, stating that the city "will not disagree with your report."

Restricted Use

This audit report is solely for the information and use of the City of Fresno, the California Department of Finance, and the SCO; it is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this audit report, which is a matter of public record and is available on the SCO website at www.sco.ca.gov.

Original signed by

JIM L. SPANO, CPA
Chief, Division of Audits

June 27, 2019

Schedule—
Summary of Program Costs
July 1, 2013, through June 30, 2017

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment[1]
July 1, 2013, through June 30, 2014			
Direct costs:			
Minors detained but not arrested:			
Salaries	$ 680	$ 680	$ -
Benefits	373	373	-
Total	1,053	1,053	-
Drivers arrested for violation of a DUI statute:			
Salaries	26,068	19,636	(6,432)
Benefits	14,234	10,721	(3,513)
Total	40,302	30,357	(9,945)
Total direct costs	41,355	31,410	(9,945)
Indirect costs	21,292	16,172	(5,120)
Total program costs	$ 62,647	47,582	$ (15,065)
Less amount paid by the State[2]		(62,647)	
Amount paid in excess of allowable costs claimed		$ (15,065)	
July 1, 2014, through June 30, 2015			
Direct costs:			
Drivers arrested for violation of a DUI statute:			
Salaries	$ 25,536	$ 21,892	$ (3,644)
Benefits	13,482	11,559	(1,923)
Total direct costs	39,018	33,451	(5,567)
Indirect costs	20,965	17,973	(2,992)
Total program costs	$ 59,983	51,424	$ (8,559)
Less amount paid by the State[2]		(59,983)	
Amount paid in excess of allowable costs claimed		$ (8,559)	

Schedule (continued)

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment[1]
July 1, 2015, through June 30, 2016			
Direct costs:			
Minors detained but not arrested:			
Salaries	$ 458	$ 458	$ -
Benefits	240	240	-
Total	698	698	-
Drivers arrested for violation of a DUI statute:			
Salaries	20,723	17,776	(2,947)
Benefits	10,816	9,279	(1,537)
Total	31,539	27,055	(4,484)
Total direct costs	32,237	27,753	(4,484)
Indirect costs	14,340	12,345	(1,995)
Total program costs	$ 46,577	40,098	$ (6,479)
Less amount paid by the State[2]		(46,577)	
Amount paid in excess of allowable costs claimed		$ (6,479)	
July 1, 2016, through June 30, 2017			
Direct costs:			
Minors detained but not arrested:			
Salaries	$ 222	$ 222	$ -
Benefits	112	112	-
Total	334	334	-
Drivers arrested for violation of a DUI statute:			
Salaries	13,371	11,987	(1,384)
Benefits	6,725	6,030	(695)
Total	20,096	18,017	(2,079)
Total direct costs	20,430	18,351	(2,079)
Indirect costs	8,210	7,374	(836)
Total program costs	$ 28,640	25,725	$ (2,915)
Less amount paid by the State[2]		(28,640)	
Amount paid in excess of allowable costs claimed		$ (2,915)	

Schedule (continued)

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment[1]
Summary: July 1, 2013, through June 30, 2017			
Salaries	$ 87,058	$ 72,651	$ (14,407)
Benefits	45,982	38,314	(7,668)
Total salaries and benefits	133,040	110,965	(22,075)
Indirect costs	64,807	53,864	(10,943)
Total program costs	$ 197,847	164,829	$ (33,018)
Less amount paid by the State[2]		(197,847)	
Amount paid in excess of allowable costs claimed		$ (33,018)	

[1] See the Finding and Recommendation section.

[2] Payment amount current as of March 26, 2019.

Finding and Recommendation

FINDING—
Overstated salaries and related benefits and indirect costs

The city claimed $197,847 ($87,058 in salaries; $45,982 in related benefits; and $64,807 in related indirect costs) for the Minors Detained but Not Ultimately Arrested ($3,070) and the Drivers Arrested for Violation of DUI Statute ($194,777) cost components during the audit period. We found that $164,829 is allowable and $33,018 is unallowable because the city overstated the number of cases eligible for reimbursement under the mandated program by 1,236 cases during the audit period.

Salary costs are determined by multiplying the number of drivers arrested for violation of a DUI statute by the uniform time allowance and the arresting officer's hourly rate. The city overstated salary costs by $14,407 because it misinterpreted the program's parameters and guidelines, which resulted in the city claiming reimbursement for ineligible cases. In addition, unallowable related benefit costs total $7,668 and unallowable related indirect costs total $10,943, for a total audit adjustment of $33,018.

The following table summarizes the unallowable salaries and related benefits, and related indirect costs by fiscal year:

Fiscal Year	Number of Drivers Arrested for Violation of DUI Statute			Uniform Time Allowance[1]	Salary Rate	Salary Adjustment	Related Benefit Adjustment[2]	Related Indirect Cost Adjustment[3]	Total Audit Adjustment
	Claimed	Allowable	Difference						
2013-14	2,216	1,669	(547)	0.25	$ 47.06	$ (6,432)	$ (3,513)	$ (5,120)	$ (15,065)
2014-15	2,342	2,008	(334)	0.25	$ 43.61	(3,644)	(1,923)	(2,992)	(8,559)
2015-16	1,681	1,442	(239)	0.25	$ 49.31	(2,947)	(1,537)	(1,995)	(6,479)
2016-17	1,121	1,005	(116)	0.25	$ 47.71	(1,384)	(695)	(836)	(2,915)
Total	7,360	6,124	(1,236)			$ (14,407)	$ (7,668)	$ (10,943)	$ (33,018)

[1]The uniform time allowance of 0.25 is equivalent to 15 minutes.

[2]The benefit rates are 54.60% for fiscal year (FY) 2013-14, 52.80% for FY 2014-15, 52.20% for FY 2015-16, and 52.30% for FY 2016-17.

[3]The indirect cost rates are 79.60% for FY 2013-14, 82.10% for FY 2014-15, 67.70% for FY 2015-16, and 60.40% for FY 2016-17. Indirect cost rates are applied to salaries only.

Ineligible Cases

The city claimed reimbursement for 7,360 cases for the Drivers Arrested for Violation of a DUI Statute cost component during the audit period. During testing, we found that 6,124 cases are allowable and 1,236 are unallowable. The city claimed costs for 248 cases that are unsupported and under-claimed costs for 54 cases during the audit period. In addition, we found that 1,042 cases are ineligible for reimbursement.

The following table summarizes the number of cases claimed, allowable, and unallowable for the Drivers Arrested for Violation of a DUI Statute cost component by fiscal year:

Fiscal Year	Amount Claimed	Amount Supported	Amount Allowable	Unallowable Cases			
				Unsupported	Underclaimed	Ineligible	Total
2013-14	2,216	1,968	1,669	(248)	-	(299)	(547)
2014-15	2,342	2,354	2,008	-	12	(346)	(334)
2015-16	1,681	1,693	1,442	-	12	(251)	(239)
2016-17	1,121	1,151	1,005	-	30	(146)	(116)
Total	7,360	7,166	6,124	(248)	54	(1,042)	(1,236)

The 1,042 cases are ineligible for reimbursement because they:

- Did not include information to indicate that the driver was arrested for violation of a DUI Statute with a blood alcohol level content (BAC) of 0.08% or greater for adults and a BAC of 0.05% or greater for minors, and did not include a Police Officer Statement (POS) (472);
- Included an adult driver arrested with a BAC lower than the legal limit of 0.08% (87) and a minor arrested with a BAC lower than the legal limit of 0.05% (7), and did not include a POS;
- Indicated that breathalyzer tests estimated an adult driver's BAC lower than the legal limit of 0.08% (195) and a minor's BAC lower than the legal limit of 0.05% (72), and did not include POS;
- Reported that the individual arrested had a negative BAC, and did not include a POS (8);
- Included a "Reference Y" description (no blood level indication), and did not include a POS (22);
- Did not include any information to indicate that the arrested driver had violated a DUI Statute, state the driver's BAC, or include a POS (135);
- Did not provide the age of the individual arrested (8); and
- Are duplicate cases (36).

Section IV. (Reimbursable Activities) of the parameters and guidelines states, in part, "To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities."

Section IV. (Reimbursable Activities) of the parameters and guidelines also states, in part:

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

Recommendation

We recommend that the city:

- Follow the mandated program's claiming instructions and the parameters and guidelines when preparing its reimbursement claims; and
- Ensure that claimed costs include only eligible costs and are based on actual costs incurred as a result of implementing the mandated activities.

City's Response

The city responded via email stating, "We will not disagree with your report."

State Controller's Office
Division of Audits
Post Office Box 942850
Sacramento, CA 94250

http://www.sco.ca.gov

CITY OF FRESNO

Audit Report

CRIME STATISTICS REPORTS FOR THE DEPARTMENT OF JUSTICE PROGRAM

Chapter 1172, Statutes of 1989; Chapter 1338, Statutes of 1992; Chapter 1230, Statutes of 1993; Chapter 933, Statutes of 1998; Chapter 571, Statutes of 1999; Chapter 626, Statutes of 2000; and Chapter 700, Statutes of 2004

July 1, 2001, through June 30, 2012

BETTY T. YEE
California State Controller

December 2016

BETTY T. YEE
California State Controller

December 30, 2016

The Honorable Ashley Swearengin
Mayor of the City of Fresno
2600 Fresno Street, Room 2075
Fresno, CA 93721

Dear Mayor Swearengin:

The State Controller's Office audited the costs claimed by the City of Fresno for the legislatively mandated Crime Statistics Reports for the Department of Justice Program (Chapter 1172, Statutes of 1989; Chapter 1338, Statutes of 1992; Chapter 1230, Statutes of 1993; Chapter 933, Statutes of 1998; Chapter 571, Statutes of 1999; Chapter 626, Statutes of 2000; and Chapter 700, Statutes of 2004) for the period of July 1, 2001, through June 30, 2012.

The city claimed $6,217,012 for the mandated program. Our audit found that $5,657,053 is allowable and $559,959 is unallowable. The costs are unallowable because the city claimed overstated salaries and benefits costs and claimed overstated indirect cost rates. The State made no payments to the city. The State will pay allowable costs claimed, contingent upon available appropriations.

If you have any questions, please contact Jim L. Spano, Chief, Mandated Cost Audits Bureau, by telephone at (916) 323-5849.

Sincerely,

Original signed by

JEFFREY V. BROWNFIELD, CPA
Chief, Division of Audits

JVB/rg

cc: Michael Lima, Controller/Finance Director
City of Fresno
Jerry Dyer, Chief of Police
Police Department, City of Fresno
Kim Jackson, Administrative Manager
Finance Department, City of Fresno
Mary Halterman, Principal Program Budget Analyst
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Audit Report

Summary

The State Controller's Office (SCO) audited the costs claimed by the City of Fresno for the legislatively mandated Crime Statistics Reports for the Department of Justice Program (Chapter 1172, Statutes of 1989; Chapter 1338, Statutes of 1992; Chapter 1230, Statutes of 1993; Chapter 933, Statutes of 1998; Chapter 571, Statutes of 1999; Chapter 626, Statutes of 2000; and Chapter 700, Statutes of 2004) for the period of July 1, 2001, through June 30, 2012.

The city claimed $6,217,012 for the mandated program. Our audit found that $5,657,053 is allowable and $559,959 is unallowable. The costs are unallowable because the city claimed overstated salaries and benefits costs and claimed overstated indirect cost rates. The State made no payments to the city. The State will pay allowable costs claimed, contingent upon available appropriations.

Background

Penal Code section 12025, subdivisions (h)(1) and (h)(3); section 12031, subdivisions (m)(1) and (m)(3); sections 13014 and 13023; and section 13730, subdivision (a) require local agencies to report information related to certain specified criminal acts to the California Department of Justice (DOJ). These sections were added and/or amended by Chapter 1172, Statutes of 1989; Chapter 1338, Statutes of 1992; Chapter 1230, Statutes of 1993; Chapter 933, Statutes of 1998; Chapter 571, Statutes of 1999; Chapter 626, Statutes of 2000; and Chapter 700, Statutes of 2004.

On June 26, 2008, the Commission on State Mandates (Commission) adopted a statement of decision for the Crime Statistics Reports for the Department of Justice Program. The Commission found that the test claim legislation constitutes a new program or higher level of service and imposes a reimbursable state-mandated program on city and county claimants beginning on July 1, 2001, within the meaning of Article XII B, section 6 of the California Constitution and Government Code section 17514.

On July 31, 2009, the Commission heard an amended test claim on Penal Code section 13023 (added by Chapter 700, Statutes of 2004), which imposed additional crime reporting requirements. The Commission also found that this test claim legislation constitutes a new program or higher level of service and imposes a reimbursable state-mandated program for city and county claimants beginning on January 1, 2004. On April 10, 2010, the Commission issued a corrected statement of decision to correctly identify the operative and effective date of the reimbursable state-mandated program as January 1, 2005.

The Commission found that the following activities are reimbursable:

- A local government entity responsible for the investigation and prosecution of a homicide case to provide the California Department of Justice with demographic information about the victim and the person or persons charged with the crime, including the victim's and person's age, gender, race, and ethnic background (Penal Code section 13014).

- Local law enforcement agencies to report, in a manner to be prescribed by the Attorney General, any information that may be required relative to any criminal acts or attempted criminal acts to cause physical injury, emotional suffering, or property damage where there is a reasonable cause to believe that the crime was motivated, in whole or in part, by the victim's race, ethnicity, religion, sexual orientation, or physical or mental disability, or gender or national origin (Penal Code section 13023).
- For district attorneys to report annually on or before June 30, to the Attorney General, on profiles by race, age, gender, and ethnicity any person charged with a felony or misdemeanor under Penal Code section 12025 (carrying a concealed firearm) or section 12031 (carrying a loaded firearm in a public place), and any other offense charged in the same complaint, indictment, or information. The Commission finds that this is a reimbursable mandate from July 1, 2001 (the beginning of the reimbursement period for this test claim) until January 1, 2005. (Penal Code section 12025, subdivisions (h)(1) and (h)(3), and section 12031, subdivisions (m)(1) and (m)(3)).
- For local law enforcement agencies to support all domestic-violence related calls for assistance with a written incident report (Penal Code section 13730, subdivision (a), Chapter 1230, Statutes of 1993).

The Commission also found that beginning January 1, 2005, local law enforcement agencies are entitled to reimbursement for reporting the following in a manner to be prescribed by the Attorney General:

- Any information that may be required relative to hate crimes, as defined in Penal Code section 422.55 as criminal acts committed, in whole or in part, because of one or more of the following perceived characteristics of the victim: (1) disability, (2) gender, (3) nationality, (4) race or ethnicity, (5) religion, (6) sexual orientation.
- Any information that may be required relative to hate crimes, defined in Penal Code section 422.55 as criminal acts committed, in whole or in part, because of association with a person or group with one or more of the following actual or perceived characteristics: (1) disability, (2) gender, (3) nationality, (4) race or ethnicity, (5) religion, (6) sexual orientation.

The program's parameters and guidelines establish the state mandate and define reimbursement criteria. The Commission adopted the parameters and guidelines on September 30, 2010, and amended them on January 24, 2014 to clarify reimbursable costs related to domestic-violence related calls for assistance. In compliance with Government Code section 17558, the SCO issues claiming instructions to assist local agencies and school districts in claiming mandated program reimbursable costs.

Objectives, Scope, and Methodology

We conducted this performance audit to determine whether costs claimed represent increased costs resulting from the Crime Statistics Reports for the Department of Justice Program for the period of July 1, 2001, through June 30, 2012.

The legal authority to conduct this audit is provided by Government Code sections 12410, 17558.5, and 17561. We conducted this audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We limited our review of the city's internal controls to gaining an understanding of the transaction flow and claim preparation process as necessary to develop appropriate auditing procedures. Our audit scope did not assess the efficiency or effectiveness of program operations. We did not audit the city's financial statements.

The objectives of our audit were to determine whether costs claimed were supported by appropriate source documents, were not funded by another source, and were not unreasonable and/or excessive.

To achieve our audit objectives, we performed the following procedures:

- Reviewed claims to identify the material cost components of each claim, any errors, and any unusual or unexpected variances from year-to-year;
- Completed an internal control questionnaire and performed a walk-through of the claim preparation process to determine what information was used, who obtained it, and how it was obtained;
- Assessed whether computer-processed data provided by the claimant to support claimed costs was complete and accurate and could be relied upon;
- Interviewed city staff to determine the employee classifications involved in performing the reimbursable activities during the audit period;
- Traced productive hourly rate calculations for auditee employees to supporting information in the auditee's payroll system;
- Determined whether indirect costs claimed were for common or joint purposes and whether indirect cost rates were properly supported and applied;
- Assessed whether average time increments claimed to perform the reimbursable activities were reasonable per the requirements of the program;
- Reviewed and analyzed the claimed domestic violence incident report counts, homicide report counts, and hate crime counts for consistency and possible exclusions; and verified that counts were supported by the reports the city submitted to the DOJ;
- Verified incident report counts by tracing a sample of domestic violence calls for assistance to case files to ensure that the calls for assistance were supported by written incident reports; and
- Recalculated allowable costs claimed using audited data.

Conclusion

Our audit found instances of noncompliance with the requirements outlined above. These instances are described in the accompanying Schedule (Summary of Program Costs) and in the Findings and Recommendations section of this report.

For the audit period, the City of Fresno claimed $6,217,012 for costs of the Crime Statistics Reports for the Department of Justice Program. Our audit found that $5,657,053 is allowable and $559,959 is unallowable.

The State paid the made no payments to the city. Our audit found that $5,657,053 is allowable. The State will pay allowable costs claimed, contingent upon available appropriations.

Views of Responsible Officials

We issued a draft report on November 16, 2016. Kim Jackson, Administrative Manager, Finance Department, responded by email on November 29, 2016, agreeing with the findings.

Restricted Use

This report is solely for the information and use of the City of Fresno, the California Department of Finance, and the SCO; it is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

Original signed by

JEFFREY V. BROWNFIELD, CPA
Chief, Division of Audits

December 30, 2016

Schedule—
Summary of Program Costs
July 1, 2001, through June 30, 2012

Cost Elements	Costs Claimed	Allowable per Audit	Audit Adjustment	Reference [1]
July 1, 2001, through June 30, 2002				
Direct costs:				
Homicide reports	$ 468	$ 468	$ -	
Hate crime reports	160	-	(160)	Finding 1
Domestic violence related calls for assistance	286,005	286,005	-	
Total direct costs	286,633	286,473	(160)	
Indirect costs	197,549	152,310	(45,239)	Findings 1, 2
Total program costs	$ 484,182	438,783	$ (45,399)	
Less amount paid by the state		-		
Allowable costs claimed in excess of (less than) amount paid		$ 438,783		
July 1, 2002, through June 30, 2003				
Direct costs:				
Homicide reports	$ 472	$ 472	$ -	
Hate crime reports	167	-	(167)	Finding 1
Domestic violence related calls for assistance	273,402	273,402	-	
Total direct costs	274,041	273,874	(167)	
Indirect costs	200,904	138,228	(62,676)	Findings 1, 2
Total program costs	$ 474,945	412,102	$ (62,843)	
Less amount paid by the state		-		
Allowable costs claimed in excess of (less than) amount paid		$ 412,102		
July 1, 2003, through June 30, 2004				
Direct costs:				
Homicide reports	$ 478	$ 478	$ -	
Hate crime reports	170	-	(170)	Finding 1
Domestic violence related calls for assistance	288,767	288,767	-	
Total direct costs	289,415	289,245	(170)	
Indirect costs	222,254	163,299	(58,955)	Findings 1, 2
Total program costs	$ 511,669	452,544	$ (59,125)	
Less amount paid by the state		-		
Allowable costs claimed in excess of (less than) amount paid		$ 452,544		

Schedule (continued)

Cost Elements	Costs Claimed	Allowable per Audit	Audit Adjustment	Reference [1]
July 1, 2004, through June 30, 2005				
Direct costs:				
Homicide reports	$ 484	$ 484	$ -	
Hate crime reports	98	41	(57)	Finding 1
Domestic violence related calls for assistance	284,557	284,557	-	
Total direct costs	285,139	285,082	(57)	
Indirect costs	214,569	167,251	(47,318)	Findings 1, 2
Total program costs	$ 499,708	452,333	$ (47,375)	
Less amount paid by the state		-		
Allowable costs claimed in excess of (less than) amount paid		$ 452,333		
July 1, 2005, through June 30, 2006				
Direct costs:				
Homicide reports	$ 462	$ 462	$ -	
Hate crime reports	249,027	249,027	-	
Domestic violence related calls for assistance	43	43	-	
Total direct costs	249,532	249,532	-	
Indirect costs	212,203	187,970	(24,233)	Finding 2
Total program costs	$ 461,735	437,502	$ (24,233)	
Less amount paid by the state		-		
Allowable costs claimed in excess of (less than) amount paid		$ 437,502		
July 1, 2006, through June 30, 2007				
Direct costs:				
Homicide reports	$ 520	$ 520	$ -	
Hate crime reports	36	36	-	
Domestic violence related calls for assistance	319,784	319,784	-	
Total direct costs	320,340	320,340	-	
Indirect costs	237,946	164,021	(73,925)	Finding 2
Total program costs	$ 558,286	484,361	$ (73,925)	
Less amount paid by the state		-		
Allowable costs claimed in excess of (less than) amount paid		$ 484,361		

Schedule (continued)

Cost Elements	Costs Claimed	Allowable per Audit	Audit Adjustment	Reference [1]
July 1, 2007, through June 30, 2008				
Direct costs:				
Homicide reports	$ 540	$ 540	$ -	
Hate crime reports	45	45	-	
Domestic violence related calls for assistance	341,293	341,293	-	
Total direct costs	341,878	341,878	-	
Indirect costs	254,779	186,404	(68,375)	Finding 2
Total program costs	$ 596,657	528,282	$ (68,375)	
Less amount paid by the state		-		
Allowable costs claimed in excess of (less than) amount paid		$ 528,282		
July 1, 2008, through June 30, 2009				
Direct costs:				
Homicide reports	$ 592	$ 592	$ -	
Hate crime reports	55	55	-	
Domestic violence related calls for assistance	336,215	336,215	-	
Total direct costs	336,862	336,862	-	
Indirect costs	238,138	193,250	(44,888)	Finding 2
Total program costs	$ 575,000	530,112	$ (44,888)	
Less amount paid by the state		-		
Allowable costs claimed in excess of (less than) amount paid		$ 530,112		
July 1, 2009, through June 30, 2010				
Direct costs:				
Homicide reports	$ 650	$ 650	$ -	
Hate crime reports	92	92	-	
Domestic violence related calls for assistance	358,924	358,924	-	
Total direct costs	359,666	359,666	-	
Indirect costs	225,279	205,205	(20,074)	Finding 2
Total program costs	$ 584,945	564,871	$ (20,074)	
Less amount paid by the state		-		
Allowable costs claimed in excess of (less than) amount paid		$ 564,871		

Schedule (continued)

Cost Elements	Costs Claimed	Allowable per Audit	Audit Adjustment	Reference [1]
July 1, 2010, through June 30, 2011				
Direct costs:				
Homicide reports	$ 2,424	$ 2,424	$ -	
Hate crime reports	26	26	-	
Domestic violence related calls for assistance	400,389	384,816	(15,573)	Finding 1
Total direct costs	402,839	387,266	(15,573)	
Indirect costs	349,515	289,754	(59,761)	Finding 2
Total program costs	$ 752,354	677,020	$ (75,334)	
Less amount paid by the state		-		
Allowable costs claimed in excess of (less than) amount paid		$ 677,020		
July 1, 2011, through June 30, 2012				
Direct costs:				
Homicide reports	$ 562	$ 562	$ -	
Domestic violence related calls for assistance	421,124	421,124	-	
Total direct costs	421,686	421,686	-	
Indirect costs	295,845	257,457	(38,388)	Finding 2
Total program costs	$ 717,531	679,143	$ (38,388)	
Less amount paid by the state		-		
Allowable costs claimed in excess of (less than) amount paid		$ 679,143		
Summary: July 1, 2001, through June 30, 2012				
Direct costs:				
Homicide reports	$ 7,652	$ 7,652	$ -	
Hate crime reports	249,876	249,322	(554)	
Domestic violence related calls for assistance	3,310,503	3,294,930	(15,573)	
Total direct cost	3,568,031	3,551,904	(16,127)	
Indirect costs	2,648,981	2,105,149	(543,832)	
Total program costs	$ 6,217,012	5,657,053	$ (559,959)	
Less amount paid by the state		-		
Allowable costs claimed in excess of (less than) amount paid		$ 5,657,053		

[1] See the Findings and Recommendations section.

Findings and Recommendations

FINDING 1— Overstated salaries and benefits costs

The city overstated salaries and benefits by $16,127 for the audit period. The related indirect costs total $13,917. The audit adjustments related to the Domestic Violence Related Calls for Assistance and Hate Crime Reports cost components. The city overstated the costs because it computed costs using an overstated number of domestic violence incident reports for fiscal year (FY) 2010-11 and claimed costs for hate crime reports outside of the reimbursable period.

The following table summarizes the overstated salaries and benefits costs:

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
2001-02	$ 286,633	$ 286,473	$ (160)
2002-03	274,041	273,874	(167)
2003-04	289,415	289,245	(170)
2004-05	285,139	285,082	(57)
2005-06	249,532	249,532	-
2006-07	320,340	320,340	-
2007-08	341,878	341,878	-
2008-09	336,862	336,862	-
2009-10	359,666	359,666	-
2010-11	402,839	387,266	(15,573)
2011-12	421,686	421,686	-
Total	$ 3,568,031	$ 3,551,904	$ (16,127)

Domestic Violence Related Calls for Assistance

For FY 2010-11, the city overstated salaries and benefits costs for the Domestic Violence Related Calls for Assistance component by $15,573. The related indirect cost is $13,512. The costs for this component include supporting each related call for assistance with a written incident report. Reimbursable activities consist of writing, reviewing, and editing the incident reports. Costs claimed were calculated by multiplying the number of incident reports by a time increment to process a report, then multiplying the resulting total hours by a productive hourly rate. The costs are overstated because the city overstated the number of incident reports it prepared to support domestic violence-related calls for assistance.

For the audit period, the city provided the monthly reports it submitted to the DOJ to support the number of domestic violence-related calls for assistance it reported. We reviewed the monthly reports and calculated the number of incident reports that were produced within each fiscal year. We found that the monthly reports did not support the claimed number of domestic violence-related calls for assistance for FY 2010-11; the city overstated the number of incidents by 210. As a result, we recalculated the costs for the effected fiscal year using the number of incidents reported to the DOJ.

Hate Crime Reports

The city overstated salaries and benefits costs for the Hate Crime Reports component by $554. The related indirect cost is $405. The costs for this component consist of extracting, reporting, and verifying hate crime information submitted to the DOJ. The costs are ineligible because the city claimed costs for hate crime reports outside of the reimbursable period.

For the audit period, the city provided support for the number of hate crimes it reported to the DOJ. Our review of city records disclosed that no hate crimes were reported prior to 2004. In addition, the program's parameters and guidelines indicate that the mandated activity is eligible for reimbursement beginning January 1, 2005. Therefore, costs claimed for reporting hate crimes prior to January 1, 2005, are not eligible for reimbursement.

The following table summarizes the ineligible costs:

	Fiscal Year				Audit
	2001-02	2002-03	2003-04	2004-05	Adjustment
Salaries and benefits	$ (160)	$ (167)	$ (170)	$ (57)	$ (554)
Related indirect costs	(110)	(123)	(130)	(42)	(405)
Total	$ (270)	$ (290)	$ (300)	$ (99)	$ (959)

Criteria

The program's parameters and guidelines (section IV) state, in part:

> To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities.

The parameters and guidelines (section IV–Ongoing Activities D. Domestic Violence Related Calls for Assistance) allow ongoing activities related to costs supporting domestic violence-related calls for assistance with a written incident report, and reviewing and editing the report.

Concerning hate crime reports, the parameters and guidelines (section III) state, in part:

> …Penal Code section 13023, as amended by Statutes 2004, chapter 700, became operative and effective on January 1, 2005. Therefore, the costs incurred for compliance with the mandated activities found in Penal Code section 13023, as amended by Statutes 2004 chapter 700, are reimbursable on or after January 1, 2005.

Recommendation

The Crime Statistics Reports for the Department of Justice Program was suspended in FY 2012-13 through FY 2016-17. If the program becomes active, we recommend that the city claim costs based on the actual number of domestic violence related calls for assistance that were supported by written incident reports and reported to the DOJ. We also recommend that the city claim costs within the reimbursable period identified in the program's parameters and guidelines.

FINDING 2— Overstated indirect costs

The city overstated indirect costs by $529,915 for the audit period. The overstatement results primarily from the application of overstated indirect cost rates during the audit period. As a result, we recalculated the indirect cost rates and applied them to the corresponding eligible direct costs.

The following table summarizes the overstated indirect costs:

	Fiscal Year				Audit
	2001-02	2002-03	2003-04	2004-05	Adjustment
Allowable indirect cost rate	62.10%	59.00%	66.90%	70.40%	
Less claimed indirect cost rate	(80.50)%	(85.70)%	(91.00)%	(90.30)%	
Unallowable indirect cost rate	(18.40)%	(26.70)%	(24.10)%	(19.90)%	
Allowable salaries	× $ 245,267	× $ 234,281	× $ 244,089	× $ 237,569	
Total	$ (45,129)	$ (62,553)	$ (58,825)	$ (47,276)	$ (213,783)

	Fiscal Year				
	2005-06	2006-07	2007-08	2008-09	
Allowable indirect cost rate	86.10%	63.90%	68.70%	71.25%	
Less claimed indirect cost rate	(97.20)%	(92.70)%	(93.90)%	(87.80)%	
Unallowable indirect cost rate	(11.10)%	(28.80)%	(25.20)%	(16.55)%	
Allowable salaries	× $ 218,314	× $ 256,683	× $ 271,331	× $ 271,226	
Total	$ (24,233)	$ (73,925)	$ (68,375)	$ (44,888)	(211,421)

	Fiscal Year			
	2009-10	2010-11	2011-12	
Allowable indirect cost rate	73.60%	104.00%	89.20%	
Less claimed indirect cost rate	(80.80)%	(120.60)%	(102.50)%	
Unallowable indirect cost rate	(7.20)%	(16.60)%	(13.30)%	
Allowable salaries	× $ 278,811	× $ 278,609	× $ 288,629	
Total	$ (20,074)	$ (46,249)	$ (38,388)	(104,711)

Total	$ (529,915)

The overstatements resulted for the following reasons, broken down by fiscal year:

For FY 2001-02 through FY 2005-06, the indirect cost rate proposals (ICRP) for the Police Department had been previously audited for other mandate programs. However, instead of calculating indirect costs using the previously audited indirect cost rates, the city revised audited indirect cost rates to recover indirect costs for these fiscal years. The city revised indirect cost rates to include additional salaries in the indirect cost pool. However, the city did not provide documentation to support that the increased salaries should be included in the indirect cost pool. Therefore, we recalculated indirect costs using the previously audited rates.

For FY 2006-07 and FY 2007-08, the city's ICRPs for the Police Department excluded salaries attributable to grant programs, (e.g., Cops in School grant, the HUD Capitol Program, and Airport Public Safety Program). Title 2, *Code of Federal Regulations*, Part 225 (Office of Management and Budget [OMB] Circular A-87), Appendix A, Part C, subdivision 3(b), states, "All activities which benefit from the governmental unit's indirect cost…will receive an appropriate allocation of indirect costs." We adjusted direct salaries to include the costs of grant programs.

The city's ICRP also included direct salaries and benefits costs of police sergeants and police specialists in its indirect cost pool. The parameters and guidelines define indirect costs as costs that are incurred for a common or joint purpose, benefiting more than one program. Further, indirect costs are not directly assignable to a particular department or program without efforts disproportionate to the result achieved. The city's job specifications for each classification indicate that the duties of police sergeants and police specialists are readily assignable specific cost objectives. The city did not provide additional documentation, such as time records, to support that the costs should be allocated as indirect costs. As a result, we recalculated the indirect cost rates and applied the rates to eligible direct costs.

For FY 2008-09 through FY 2011-12, the city's ICRPs for the Police Department had been previously audited. In the previous audit, we noted that the ICRPs excluded direct salaries attributable to grant programs. OMB A-87 provides that all activities benefiting from a unit's indirect costs will receive an appropriate allocation of indirect costs. In the previous audit, we recalculated the indirect cost rates by adjusting the direct salaries to include the grant programs. For this audit we applied the previously audited indirect cost rates to eligible direct costs.

The following table summarizes the calculation of the allowable indirect cost rates for the effected fiscal years:

Cost Component	Costs Reported	Allowable Costs	Audit Adjustment
FY 2006-07			
Direct costs:			
Salaries (A)	$ 54,625,621	$ 68,106,699	$ 13,481,078
Indirect Costs:			
Salaries and benefits	28,084,685	21,265,051	(6,819,634)
Sevices and supplies	22,233,978	22,233,978	-
Total indirect costs (B)	$ 50,318,663	$ 43,499,029	$ (6,819,634)
Allowable indirect cost rate FY 2006-07 ((B) ÷ (A))		63.9%	
FY 2007-08			
Direct costs:			
Salaries (C)	$ 60,923,576	$ 72,785,704	$ 11,862,128
Indirect Costs:			
Salaries and benefits	31,533,866	24,347,789	(7,186,077)
Sevices and supplies	25,683,573	25,683,573	-
Total indirect costs (D)	$ 57,217,439	$ 50,031,362	$ (7,186,077)
Allowable indirect cost rate FY 2007-08 ((D) ÷ (C))		68.7%	

Criteria

The parameters and guidelines (section IV) state, in part:

> 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.

The parameters and guidelines (section V B) provide that counties may prepare an ICRP to recover indirect costs using the procedure identified in OMB Circular A-87.

Title 2, *Code of Federal Regulations*, Part 225 (OMB Circular A-87) provides guidance relative to local government ICRPs. Appendix A, Part C, subdivision 3(b), states, "All activities which benefit from the governmental unit's indirect costs ... will receive an appropriate allocation of indirect costs."

OMB Circular A-87 also provides the following guidance:

- Attachment A, Part C, section 3(a), states, "A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received."
- Attachment B, section 8(h), requires that employees must maintain personnel activity reports or equivalent documentation when they work on an indirect cost activity and a direct cost activity.
- Attachment E, Part A, section 1, provides that a cost may not be allocated as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been assigned as a direct cost.

Recommendation

The Crime Statistics Reports for the Department of Justice Program was suspended in the FY 2012-13 through FY 2016-17. If the program becomes active, we recommend the city prepare ICRPs that are supported by its expenditure ledgers and inclusive of all departmental costs; allocate salaries and wages between direct and indirect activities based on personnel activity reports or equivalent documentation that meet the requirements of OMB Circular A-87; and, when applicable, calculate indirect costs using the prior audited indirect cost rate.

State Controller's Office
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http://www.sco.ca.gov

CITY OF FRESNO

Audit Report

DOMESTIC VIOLENCE ARREST POLICIES AND STANDARDS PROGRAM

Chapter 246, Statutes of 1995

July 1, 1999, through June 30, 2003

STEVE WESTLY
California State Controller

January 2005

STEVE WESTLY
California State Controller

January 5, 2005

Ruthie F. Quinto, CPA
Finance Director/City Controller
City of Fresno
2600 Fresno Street
Fresno, CA 93721

Dear Ms. Quinto:

The State Controller's Office audited the claims filed by the City of Fresno for costs of the legislatively mandated Domestic Violence Arrest Policies and Standards Program (Chapter 246, Statutes of 1995) for the period of July 1, 1999, through June 30, 2003.

The city claimed $655,860 for the mandated program. Our audit disclosed that the entire amount is allowable. The State paid the city $397,889. The State will pay allowable costs claimed that exceed the amount paid, totaling $257,971, contingent upon available appropriations.

If you have any questions, please contact Jim L. Spano, Chief, Compliance Audits Bureau, at (916) 323-5849.

Sincerely,

Vincent P. Brown

VINCENT P. BROWN
Chief Operating Officer

VPB:JVB/jj

cc: Jerry P. Dyer
Chief of Police
City of Fresno
Rene J. Martin
Deputy Chief of Police
City of Fresno
James Tilton, Program Budget Manager
Corrections and General Government
Department of Finance

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Audit Report

Summary

The State Controller's Office (SCO) audited the claims filed by the City of Fresno for costs of the legislatively mandated Domestic Violence Arrest Policies and Standards Program (Chapter 246, Statutes of 1995) for the period of July 1, 1999, through June 30, 2003. The last day of fieldwork was November 18, 2004.

The city claimed $655,860 for the mandated program. The audit disclosed that the entire amount is allowable. The State paid the city $397,889. The State will pay allowable costs claimed that exceed the amount paid, totaling $257,971, contingent upon available appropriations.

Background

Penal Code Section 13701 (added by Chapter 246, Statutes of 1995) requires local law enforcement agencies to develop, adopt, and implement written arrest policies for domestic violence offenders by July 1, 1996. The legislation also requires local law enforcement agencies to obtain input from local domestic violence agencies in developing the arrest policies. Under previous law, local law enforcement agencies were required to develop, adopt, and implement written policies for response to domestic violence calls and were encouraged, but not obligated, to consult with domestic violence experts.

On September 25, 1997, the Commission on State Mandates (COSM) determined that Chapter 246, Statutes of 1995, imposed a state mandate reimbursable under *Government Code* Section 17561.

Parameters and Guidelines establishes the state mandate and defines reimbursement criteria. COSM adopted the *Parameters and Guidelines* on August 20, 1998. In compliance with *Government Code* Section 17558, the SCO issues claiming instructions for mandated programs, to assist local agencies and school districts in claiming reimbursable costs.

Objective, Scope, and Methodology

We conducted the audit to determine whether costs claimed represent increased costs resulting from the Domestic Violence Arrest Policies and Standards Program for the period of July 1, 1999, through June 30, 2003.

Our audit scope included, but was not limited to, determining whether costs claimed were supported by appropriate source documents, not funded by another source, and not unreasonable and/or excessive.

We conducted the audit according to *Government Auditing Standards*, issued by the Comptroller General of the United States, and under the authority of *Government Code* Section 17558.5. We did not audit the city's financial statements. We limited our audit scope to planning and performing audit procedures necessary to obtain reasonable assurance that costs claimed were allowable for reimbursement. Accordingly, we examined transactions, on a test basis, to determine whether the costs

claimed were supported.

We limited our review of the city's internal controls to gaining an understanding of the transaction flow and claim preparation process as necessary to develop appropriate auditing procedures.

Conclusion

For the audit period, the City of Fresno claimed $655,860 for Domestic Violence Arrest Policies and Standards Program costs. Our audit disclosed no material instances of noncompliance with the requirements outlined above.

For fiscal year (FY) 1999-2000, the State paid the city $130,698. Our audit disclosed that the entire amount is allowable.

For FY 2000-01, the State paid the city $167,160. Our audit disclosed that the entire amount is allowable.

For FY 2001-02, the State paid the city $100,000. Our audit disclosed that $179,055 is allowable. The State will pay allowable costs claimed that exceed the amount paid, totaling $79,055, contingent upon available appropriations.

For FY 2002-03, the State paid the city $31. Our audit disclosed that $178,948 is allowable. The State will pay allowable costs claimed that exceed the amount paid, totaling $178,917, contingent upon available appropriations.

Views of Responsible Officials

We discussed our audit results with the city's representatives during a telephone exit conference conducted on November 18, 2004. Ruthie Quinto, City Controller, and Annette Chinn, Consultant, agreed with the audit results. Ms. Quinto declined a draft audit report and agreed that we could issue the audit report as final.

Restricted Use

This report is solely for the information and use of the City of Fresno, the California Department of Finance, and the SCO; it is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

JEFFREY V. BROWNFIELD
Chief, Division of Audits

Schedule 1—
Summary of Program Costs
July 1, 1999, through June 30, 2003

Cost Elements	Actual Costs Claimed	Allowable per Audit
July 1, 1999, through June 30, 2000		
Salaries	$ 84,321	$ 84,321
Benefits	12,227	12,227
Total direct costs	96,548	96,548
Indirect costs	34,150	34,150
Total program costs	$ 130,698	130,698
Less amount paid by the State		(130,698)
Allowable costs claimed in excess of (less than) amount paid		$ —
July 1, 2000, through June 30, 2001		
Salaries	$ 94,122	$ 94,122
Benefits	17,883	17,883
Total direct costs	112,005	112,005
Indirect costs	55,155	55,155
Total program costs	$ 167,160	167,160
Less amount paid by the State		(167,160)
Allowable costs claimed in excess of (less than) amount paid		$ —
July 1, 2001, through June 30, 2002		
Salaries	$ 95,648	$ 95,648
Benefits	24,008	24,008
Total direct costs	119,656	119,656
Indirect costs	59,398	59,398
Total program costs	$ 179,054	179,054
Less amount paid by the State		(100,000)
Allowable costs claimed in excess of (less than) amount paid		$ 79,054
July 1, 2002, through June 30, 2003		
Salaries	$ 101,675	$ 101,675
Benefits	17,285	17,285
Total direct costs	118,960	118,960
Indirect costs	59,988	59,988
Total program costs	$ 178,948	178,948
Less amount paid by the State		(31)
Allowable costs claimed in excess of (less than) amount paid		$ 178,917

Schedule 1 (continued)

Cost Elements	Actual Costs Claimed	Allowable per Audit
Summary: July 1, 1999, through June 30, 2003		
Salaries	$ 375,766	$ 375,766
Benefits	71,403	71,403
Total direct costs	447,169	447,169
Indirect costs	208,691	208,691
Total program costs	$ 655,860	655,860
Less amount paid by the State		(397,889)
Allowable costs claimed in excess of (less than) amount paid		$ 257,971

State Controller's Office
Division of Audits
Post Office Box 942850
Sacramento, California 94250-5874

http://www.sco.ca.gov

CITY OF FRESNO

Audit Report

DOMESTIC VIOLENCE ARREST POLICIES AND STANDARDS PROGRAM

Chapter 246, Statutes of 1995

July 1, 2008, through June 30, 2012

BETTY T. YEE
California State Controller

May 2015

BETTY T. YEE
California State Controller

May 26, 2015

The Honorable Ashley Swearengin, Mayor
City of Fresno
2600 Fresno Street, Room 2075
Fresno, CA 93721

Dear Mayor Swearengin:

The State Controller's Office audited the costs claimed by the City of Fresno for the legislatively mandated Domestic Violence Arrest Policies and Standards Program (Chapter 246, Statutes of 1995) for the period of July 1, 2008, through June 30, 2012.

The city claimed and was paid $1,132,578 for the mandated program. Our audit found that $717,846 is allowable and $414,732 is unallowable. The costs are unallowable primarily because the city claimed non-mandate-related costs. The State will offset $414,732 from other mandated program payments due the city. Alternatively, the city may remit this amount to the State.

If you have any questions, please contact Jim L. Spano, Chief, Mandated Cost Audits Bureau, by phone at (916) 323-5849.

Sincerely,

Original signed by

JEFFREY V. BROWNFIELD, CPA
Chief, Division of Audits

JVB/as

cc: Michael Lima, Controller/Finance Director
City of Fresno
Jerry Dyer, Chief of Police
City of Fresno Police Department
Kim Jackson, Management Analyst III
City of Fresno, Finance Department
Evelyn Suess, Principal Program Budget Analyst
Mandates Unit, Department of Finance
Jay Lal, Manager
Division of Accounting and Reporting
State Controller's Office

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Audit Report

Summary

The State Controller's Office (SCO) audited the costs claimed by the City of Fresno for the legislatively mandated Domestic Violence Arrest Policies and Standards Program (Chapter 246, Statutes of 1995) for the period of July 1, 2008, through June 30, 2012.

The city claimed and was paid $1,132,578 for the mandated program. Our audit found that $717,846 is allowable and $414,732 is unallowable. The costs are unallowable primarily because the city claimed non-mandate-related costs. The State will offset $414,732 from other mandated program payments due the city. Alternatively, the city may remit this amount to the State.

Background

Penal Code section 13701, subdivision (b) (added by Chapter 246, Statutes of 1995), required local law enforcement agencies to develop, adopt, and implement written arrest policies for domestic violence offenders by July 1, 1996. The legislation also required local law enforcement agencies to obtain input from local domestic violence agencies in developing the arrest policies. Under previous law, local law enforcement agencies were required to develop, adopt, and implement written policies for response to domestic violence calls and were encouraged, but not obligated, to consult with domestic violence experts.

On September 25, 1997, the Commission on State Mandates (Commission) determined that Chapter 246, Statutes of 1995, imposed a state-mandated program reimbursable under Government Code section 17561.

The program's parameters and guidelines establish the state mandate and define reimbursement criteria. The Commission adopted the parameters and guidelines on August 20, 1998 and amended them on October 30, 2009. In compliance with Government Code section 17558, the SCO issues claiming instructions to assist local agencies and school districts in claiming mandated program reimbursable costs.

Objectives, Scope, and Methodology

We conducted the audit to determine whether costs claimed represent increased costs resulting from the Domestic Violence Arrest Policies and Standards Program for the period of July 1, 2008, through June 30, 2012.

The objectives of our audit were to determine whether costs claimed were supported by appropriate source documents, were not funded by another source, and were not unreasonable and/or excessive.

The legal authority to conduct this audit is provided by Government Code sections 12410, 17558.5, and 17561. We did not audit the city's financial statements. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and

conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We limited our review of the city's internal controls to gaining an understanding of the transaction flow and claim preparation process as necessary to develop appropriate auditing procedures. Our audit scope did not assess the efficiency or effectiveness of program operations.

To achieve our audit objectives, we performed the following audit procedures:

- Interviewed employees, completed the internal control questionnaire, and performed a walk-through of the cost components of each claim.
- Traced costs claimed to supporting documentation that showed when the costs were incurred, the validity of such costs, and their relationship to mandated activities.

Conclusion

Our audit found instances of noncompliance with the requirements outlined above. These instances are described in the accompanying Summary of Program Costs (Schedule 1) and in the Findings and Recommendations section of this report.

For the audit period, the City of Fresno claimed $1,132,578 for costs of the Domestic Violence Arrest Policies and Standards Program. Our audit found that $717,846 is allowable and $414,732 is unallowable.

For the fiscal year (FY) 2008-09 claim, the State paid the city $245,600. Our audit found that $139,574 is allowable. The State will offset $106,026 from other mandated program payments due the city. Alternatively, the city may remit this amount to the State.

For the FY 2009-10 claim, the State paid the city $261,388. Our audit found that $162,346 is allowable. The State will offset $99,042 from other mandated program payments due the city. Alternatively, the city may remit this amount to the State.

For the FY 2010-11 claim, the State paid the city $319,045. Our audit found that $194,976 is allowable. The State will offset $124,069 from other mandated program payments due the city. Alternatively, the city may remit this amount to the State.

For the FY 2011-12 claim, the State paid the city $306,545. Our audit found that $220,950 is allowable. The State will offset $85,595 from other mandated program payments due the city. Alternatively, the city may remit this amount to the State.

Views of Responsible Officials

We issued a draft audit report on April 15, 2015. Kim Jackson, Management Analyst III, Finance Department responded by email dated May 5, 2015, stating that the city has no changes to the draft audit report.

Restricted Use

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Original signed by

JEFFREY V. BROWNFIELD, CPA
Chief, Division of Audits

May 26, 2015

Schedule 1—
Summary of Program Costs
July 1, 2008, through June 30, 2012

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment	Reference [1]
July 1, 2008, through June 30, 2009				
Direct costs:				
Salaries and benefits	$ 152,442	$ 88,694	$ (63,748)	Findings 1, 2
Indirect costs	93,158	50,880	(42,278)	Findings 1, 2, 3
Total program costs	$ 245,600	139,574	$ (106,026)	
Less amount paid by the state		(245,600)		
Allowable costs claimed in excess of (less than) amount paid		$ (106,026)		
July 1, 2009, through June 30, 2010				
Direct costs:				
Salaries and benefits	$ 159,503	$ 103,369	$ (56,134)	Findings 1, 2
Indirect costs	101,885	58,977	(42,908)	Findings 1, 2, 3
Total program costs	$ 261,388	162,346	$ (99,042)	
Less amount paid by the state		(261,388)		
Allowable costs claimed in excess of (less than) amount paid		$ (99,042)		
July 1, 2010, through June 30, 2011				
Direct costs:				
Salaries and benefits	$ 170,829	$ 111,529	$ (59,300)	Findings 1, 2
Indirect costs	148,216	83,447	(64,769)	Findings 1, 2, 3
Total program costs	$ 319,045	194,976	$ (124,069)	
Less amount paid by the state		(319,045)		
Allowable costs claimed in excess of (less than) amount paid		$ (124,069)		
July 1, 2011, through June 30, 2012				
Direct costs:				
Salaries and benefits	$ 180,154	$ 137,190	$ (42,964)	Findings 1, 2
Indirect costs	126,391	83,760	(42,631)	Findings 1, 2, 3
Total program costs	$ 306,545	220,950	$ (85,595)	
Less amount paid by the state		(306,545)		
Allowable costs claimed in excess of (less than) amount paid		$ (85,595)		

Schedule 1 (continued)

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment	Reference [1]
Summary: July 1, 2008, through June 30, 2012				
Direct costs:				
Salaries and benefits	$ 662,928	$ 440,782	$ (222,146)	
Indirect costs	469,650	277,064	(192,586)	
Total program costs	$ 1,132,578	717,846	$ (414,732)	
Less amount paid by the state		(1,132,578)		
Allowable costs claimed in excess of (less than) amount paid		$ (414,732)		

[1] See the Findings and Recommendations section.

Findings and Recommendations

FINDING 1— Overstated and understated claimed costs

The city overstated and understated the number of domestic violence incident reports it claimed during the audit period. This resulted in net understated salaries and benefits costs totaling $5,753; the related indirect cost is $9,607.

For each fiscal year, the city provided a summary report to support the claimed number of domestic violence incident reports. The city created the summary reports using its case management system. The case management system's information did not support the number of domestic violence incident reports that the city claimed. The following table summarizes the audit adjustment for the understated or overstated number of incident reports:

Understated/(overstated) number of reports		(927)		(226)		637		357		
Uniform time allowance (hours)	x	0.48	x	0.48	x	0.48	x	0.48		
Understated/overstated hours		(445)		(108)		306		171		
Claimed productive hourly rate, salaries [1]	x	$37.63	x	$41.09	x	$47.14	x	$48.93		
Understated/(overstated) salaries (A)	$	(16,745)	$	(4,438)	$	14,425	$	8,367		
Benefit rate [1]	x	24.20%	x	29.00%	x	39.00%	x	46.10%		
Understated/(overstated) benefits (B)		(4,052)		(1,287)		5,626		3,857		
Understated/(overstated) salaries and benefits ((C) = (A) + (B))		(20,797)		(5,725)		20,051		12,224	$	5,753
Indirect cost rate claimed (D)	x	75.90%	x	82.40%	x	120.60%	x	102.50%		
Related indirect costs ((E) = (A) x (D))		(12,709)		(3,657)		17,397		8,576		9,607
Audit adjustment, ((F) = (C) + (E))	$	(33,506)	$	(9,382)	$	37,448	$	20,800	$	15,360

[1] Rate applied to salaries.

The program's parameters and guidelines state:

> To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities.

The parameters and guidelines allow a uniform time allowance of 29 minutes (0.48 hours) for responding officers to interview both parties (17 minutes) and consider various specified factors (12 minutes) in a domestic violence incident.

Recommendation

We recommend that the city claim the number of domestic violence incident reports that is supported by the city's case management system.

City's Response

The city has no changes to the finding.

FINDING 2— Non-reimbursable costs

The city claimed non-reimbursable salaries and benefits totaling $227,899; the related indirect costs total $166,012.

As noted in Finding 1, the city overstated or understated the total number of domestic violence incident reports for each fiscal year. The following table summarizes the audited population of incident reports and the claimed hours attributable to the audited population:

	Fiscal Year			
	2008-09	2009-10	2010-11	2011-12
Documented number of domestic violence incident reports	5,822	6,000	6,031	5,571
Uniform time allowance (hours)	x 0.48	x 0.48	x 0.48	x 0.48
Claimed hours attributable to documented incident reports [1]	2,814	2,900	2,915	2,693

[1] Calculated using 0.4833

For each fiscal year, we selected a statistical sample from the documented number of domestic violence incident reports (the population) based on a 95% confidence level, a precision rate of +/- 8%, and an expected error rate of 50%. We used statistical samples so that the results could be projected to the population for each fiscal year. We selected a random sample of 146 incident reports for each fiscal year in the audit period. We reviewed the sample incident reports to determine whether the city performed the required mandated program activities. Our review found the following:

- 303 incident reports were fully reimbursable under the mandated program. These reports are reimbursable at 29 minutes (0.48 hours) per report.

- 121 incident reports were partially reimbursable because the officers did not interview both parties involved in the domestic violence incident. These reports are reimbursable at 20.5 minutes (0.34 hours)

per report, based on 8.5 minutes to interview one party and 12 minutes to consider the various factors identified in the parameters and guidelines.

- 160 incident reports were not reimbursable because the incidents did not meet the definition of domestic violence, as defined by Penal Code section 13700. The incidents involved issues such as court order violations, annoying phone calls, and verbal arguments.

The following table summarizes the results of our statistical samples:

	Fiscal Year				
	2008-09	2009-10	2010-11	2011-12	Total
Allowable incident reports	82	79	64	78	303
Partially reimbursable incident reports - only one party interviewed	24	28	31	38	121
Non-mandate-related incident reports	40	39	51	30	160
Total reports sampled	146	146	146	146	584

The following table shows the calculation of unallowable hours based on the results of the statistical samples:

	Fiscal Year				
	2008-09	2009-10	2010-11	2011-12	Total
Allowable incident reports	82	79	64	78	303
Uniform time allowance (hours)	x 0.48	x 0.48	x 0.48	x 0.48	
Subtotal (G)	39.36	37.92	30.72	37.44	
Partially reimbursable incident reports - only one party interviewed	24	28	31	38	121
Allowable uniform time allowance (hours)	x 0.34	x 0.34	x 0.34	x 0.34	
Subtotal (H)	8.16	9.52	10.54	12.92	
Total reimbursable hours for sampled reports ((G) + (H))	47.52	47.44	41.26	50.36	
Statistical sample size	÷ 146	÷ 146	÷ 146	÷ 146	
Reimbursable hours per report	0.3255	0.3249	0.2826	0.3449	
Number of documented incident reports	x 5,822	x 6,000	x 6,031	x 5,571	
Total reimbursable hours	1,895	1,949	1,704	1,921	
Less claimed hours attributable to documented incident reports	(2,814)	(2,900)	(2,915)	(2,693)	
Unallowable hours	(919)	(951)	(1,211)	(772)	

The following table summarizes the unallowable costs based on the unallowable hours identified from the statistical samples:

	Fiscal Year								
	2008-09		2009-10		2010-11		2011-12		Total
Unallowable hours	(919)		(951)		(1,211)		(772)		
Claimed average productive hourly rate (salary)	x $37.63		x $41.09		x $47.14		x $48.93		
Unallowable salaries (J) [1]	$ (34,582)		$ (39,077)		$ (57,087)		$ (37,774)		
Benefit rate	x 24.20%		x 29.00%		x 39.00%		x 46.10%		
Unallowable benefits (K) [1]	(8,369)		(11,332)		(22,264)		(17,414)		
Unallowable salary and benefits ((L) = (J) + (K))	(42,951)		(50,409)		(79,351)		(55,188)		$ (227,899)
Indirect cost rate claimed	x 75.90%		x 82.40%		x 120.60%		x 102.50%		
Related indirect costs (M)	(26,248)		(32,199)		(68,847)		(38,718)		(166,012)
Audit adjustment ((L) + (M))	$ (69,199)		$ (82,608)		$ (148,198)		$ (93,906)		$ (393,911)

[1] Applied to salaries

The parameters and guidelines state:

> To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities.

The parameters and guidelines allow a total uniform time allowance of 29 minutes (0.48 hours) for responding officers to interview both parties (17 minutes) and consider various specified factors (12 minutes) in a domestic violence incident.

Recommendation

We recommend that the city claim costs for only those reports that document incidents meeting the definition of domestic violence as provided by Penal Code section 13700. In addition, we recommend that the city claim the portion of the uniform time allowance that is attributable to the mandated activities actually performed.

City's Response

The city has no changes to the finding.

FINDING 3— Overstated indirect costs rates

The city claimed indirect costs based on indirect cost rate proposals (ICRP) prepared for the city's police department. The city overstated its indirect cost rate for each fiscal year. As a result, the city overstated indirect costs claimed by $36,181 for the audit period.

For all fiscal years, the city's ICRP excluded salaries attributable to grant programs (e.g., Cops in School grant, HUD Capitol Program, and Airport Public Safety). Title 2, *Code of Federal Regulations*, Part 225 (Office of Management and Budget (OMB) Circular A-87), Appendix A, Part C, subdivision 3.b. states, "All activities which benefit from the governmental unit's indirect cost . . . will receive an appropriate allocation of indirect costs." We adjusted direct salaries and benefits to include the grant program costs.

The following table summarizes the indirect cost rate audit adjustments:

Cost Component	Costs Reported	Allowable Costs	Audit Adjustment
Fiscal Year (FY) 2008-09			
Direct costs:			
Salaries (A)	$ 66,814,370	$ 71,178,258	$ 4,363,888
Indirect Costs:			
Salaries and benefits	29,469,580	29,469,580	-
Sevices and supplies	21,243,973	21,243,973	-
Total indirect costs (B)	$ 50,713,553	$ 50,713,553	$ -
Allowable indirect cost rate FY 2008-09 ((B) ÷ (A))		71.25%	
FY 2009-10			
Direct costs:			
Salaries (C)	$ 58,436,456	$ 65,430,050	$ 6,993,594
Indirect Costs:			
Salaries and benefits	31,421,412	31,421,412	-
Sevices and supplies	16,719,734	16,719,734	-
Total indirect costs (D)	$ 48,141,146	$ 48,141,146	$ -
Allowable indirect cost rate FY 2009-10 ((D) ÷ (C))		73.60%	
FY 2010-11			
Direct costs:			
Salaries (E)	$ 47,405,439	$ 54,941,936	$ 7,536,497
Indirect Costs:			
Salaries and benefits	39,213,267	39,213,267	-
Sevices and supplies	17,944,771	17,944,771	-
Total indirect costs (F)	$ 57,158,038	$ 57,158,038	$ -
Allowable indirect cost rate FY 2009-10 (F ÷ E)		104.00%	
FY 2011-12			
Direct costs:			
Salaries (G)	$ 51,817,962	$ 59,537,311	$ 7,719,349
Indirect Costs:			
Salaries and benefits	36,639,078	36,639,078	-
Sevices and supplies	16,479,079	16,479,079	-
Total indirect costs (H)	$ 53,118,157	$ 53,118,157	$ -
Allowable indirect cost rate FY 2009-10 (H ÷ G)		89.20%	

The following table summarizes the audit adjustments:

	Fiscal Year				
	2008-09	2009-10	2010-11	2010-11	Total
Allowable indirect cost rate	71.25%	73.60%	104.00%	89.20%	
Less claimed indirect cost rate	(75.90)%	(82.40)%	(120.60)%	(102.50)%	
Unallowable indirect cost rate	(4.65)%	(8.80)%	(16.60)%	(13.30)%	
Allowable salaries	x $ 71,412	x $ 80,131	x $ 80,237	x $ 93,901	
Audit adjustment	$ (3,321)	$ (7,052)	$ (13,319)	$ (12,489)	$ (36,181)

The parameters and guidelines state, "Actual costs must be traceable and supported by source documents that show the validity of such costs. . . ." The parameters and guidelines also state that counties may claim indirect costs using the procedures provided in OMB Circular A-87.

Recommendation

We recommend that the city prepare ICRPs that are supported by its expenditure ledgers and inclusive of all departmental costs. We also recommend that the city allocate costs consistently between fiscal years in accordance with OMB Circular A-87.

City's Response

The city has no changes to the finding.

State Controller's Office
Division of Audits
Post Office Box 942850
Sacramento, CA 94250-5874

http://www.sco.ca.gov

CITY OF FRESNO

Audit Report

PEACE OFFICERS PROCEDURAL BILL OF RIGHTS PROGRAM

Chapter 465, Statutes of 1976; Chapters 775, 1173, 1174, and 1178, Statutes of 1978; Chapter 405, Statutes of 1979; Chapter 1367, Statutes of 1980; Chapter 994, Statutes of 1982; Chapter 964, Statutes of 1983; Chapter 1165, Statutes of 1989; and Chapter 675, Statutes of 1990

July 1, 2003, through June 30, 2006

JOHN CHIANG
California State Controller

June 2008

JOHN CHIANG
California State Controller

June 30, 2008

The Honorable Alan Autry
Mayor of the City of Fresno
2600 Fresno Street
Fresno, CA 93721

Dear Mr. Autry:

The State Controller's Office audited the costs claimed by the City of Fresno for the legislatively mandated Peace Officers Procedural Bill of Rights Program (Chapter 465, Statutes of 1976; Chapters 775, 1173, 1174, and 1178, Statutes of 1978; Chapter 405, Statutes of 1979; Chapter 1367, Statutes of 1980; Chapter 994, Statutes of 1982; Chapter 964, Statutes of 1983; Chapter 1165, Statutes of 1989; and Chapter 675, Statutes of 1990) for the period of July 1, 2003, through June 30, 2006.

The city claimed $1,194,502 for the mandated program. Our audit disclosed that $205,281 is allowable and $989,221 is unallowable. The unallowable costs resulted primarily because the city claimed ineligible costs. The State paid the city $374,998. The amount paid exceeds allowable costs claimed by $169,717.

If the city subsequently provides corroborating evidence to support the time it takes to perform individual reimbursable activities, as well as the number of activities performed, we will revise the final audit report as appropriate.

If you disagree with the audit finding, you may file an Incorrect Reduction Claim (IRC) with the Commission on State Mandates (CSM). The IRC must be filed within three years following the date that we notify you of a claim reduction. You may obtain IRC information at CSM's Web site, at www.csm.ca.gov (Guidebook link); you may obtain IRC forms by telephone, at (916) 323-3562, or by e-mail, at csminfo@csm.ca.gov.

If you have any questions, please contact Jim L. Spano, Chief, Mandated Cost Audits Bureau, at (916) 323-5849.

Sincerely,

Original signed by

JEFFREY V. BROWNFIELD
Chief, Division of Audits

JVB/sk

cc: Karen Bradley, CPA
Interim Finance Director
City of Fresno
Kim Jackson, Deputy Controller
City of Fresno
Sharon Shaffer, Deputy Police Chief
City of Fresno
Todd Jerue, Program Budget Manager
Corrections and General Government
Department of Finance
Carla Castaneda
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Paula Higashi, Executive Director
Commission on State Mandates

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Audit Report

Summary

The State Controller's Office (SCO) audited the costs claimed by the City of Fresno for the legislatively mandated Peace Officers Procedural Bill of Rights Program (Chapter 465, Statutes of 1976; Chapters 775, 1173, 1174, and 1178, Statutes of 1978; Chapter 405, Statutes of 1979; Chapter 1367, Statutes of 1980; Chapter 994, Statutes of 1982; Chapter 964, Statutes of 1983; Chapter 1165, Statutes of 1989; and Chapter 675, Statutes of 1990) for the period of July 1, 2003, through June 30, 2006.

The city claimed $1,194,502 for the mandated program. Our audit disclosed that $205,281 is allowable and $989,221 is unallowable. The unallowable costs resulted primarily because the city claimed ineligible costs. The State paid the city $374,998. The amount paid exceeds allowable costs claimed by $169,717.

Background

Chapter 465, Statutes of 1976; Chapters 775, 1173, 1174, and 1178, Statutes of 1978; Chapter 405, Statutes of 1979; Chapter 1367, Statutes of 1980; Chapter 994, Statutes of 1982; Chapter 964, Statutes of 1983; Chapter 1165, Statutes of 1989; and Chapter 675, Statutes of 1990, added and amended Government Code sections 3300 through 3310. This legislation, known as the Peace Officers Procedural Bill of Rights (POBOR) was enacted to ensure stable employer-employee relations and effective law enforcement services.

This legislation provides procedural protections to peace officers employed by local agencies and school districts 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. The protections apply to peace officers classified as permanent employees, peace officers who serve at the pleasure of the agency and are terminable without cause ("at will" employees), and peace officers on probation who have not reached permanent status.

On November 30, 1999, the Commission on State Mandates (CSM) determined that this legislation imposed a state mandate reimbursable under Government Code section 17561 and adopted the statement of decision. CSM determined that the peace officer rights law constitutes a partially reimbursable state mandated program within the meaning of the California Constitution, Article XIII B, Section 6, and Government Code section 17514. CSM further defined that activities covered by due process are not reimbursable.

The parameters and guidelines establish the State mandate and define reimbursement criteria. CSM adopted the parameters and guidelines on July 27, 2000, and corrected it on August 17, 2000. The parameters and guidelines categorize reimbursable activities into the four following components: Administrative Activities, Administrative Appeal, Interrogation, and Adverse Comment. In compliance with Government Code section 17558, the SCO issues claiming instructions for mandated programs, to assist local agencies in claiming reimbursable costs.

Objective, Scope, and Methodology

We conducted the audit to determine whether costs claimed represent increased costs resulting from the Peace Officer's Procedural Bill of Rights Program for the period of July 1, 2003, through June 30, 2006.

Our audit scope included, but was not limited to, determining whether costs claimed were supported by appropriate source documents, were not funded by another source, and were not unreasonable and/or excessive.

We conducted the audit according to *Government Auditing Standards*, issued by the Comptroller General of the United States, and under the authority of Government Code sections 12410, 17558.5, and 17561. We did not audit the city's financial statements. We limited our audit scope to planning and performing audit procedures necessary to obtain reasonable assurance that costs claimed were allowable for reimbursement. Accordingly, we examined transactions, on a test basis, to determine whether the costs claimed were supported.

We limited our review of the city's internal controls to gaining an understanding of the transaction flow and claim preparation process as necessary to develop appropriate auditing procedures.

Conclusion

Our audit disclosed an instance of noncompliance with the requirements outlined above. This instance is described in the accompanying Summary of Program Costs (Schedule 1) and in the Finding and Recommendation section of this report.

For the audit period, the City of Fresno claimed $1,194,502 for costs of the Peace Officers Procedural Bill of Rights Program. Our audit disclosed that $205,281 is allowable and $989,221 is unallowable.

For the fiscal year (FY) 2003-04 claim, the State made no payment to the city. Our audit disclosed that $61,017 is allowable. The State will pay allowable costs claimed, contingent upon available appropriations.

For the FY 2004-05 claim, the State made no payment to the city. Our audit disclosed that $64,140 is allowable. The State will pay allowable costs claimed, contingent upon available appropriations.

For the FY 2005-06 claim, the State paid the city $374,998. Our audit disclosed that $80,124 is allowable. The State will offset $294,874 from other mandated program payments due the city. Alternatively, the city may remit this amount to the State

Views of Responsible Official

We issued a draft audit report on May 21, 2008. Karen Bradley, Interim Finance Director/City Controller, responded by letter dated June 23, 2008 (Attachment), disagreeing with the audit results. While disagreeing with our finding, Ms. Bradley stated that the city will conduct a time study to restore some of the unallowable costs. This final audit report includes the city's response.

Restricted Use

This report is solely for the information and use of the City of Fresno, the California Department of Finance, and the SCO; it is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

Original signed by

JEFFREY V. BROWNFIELD
Chief, Division of Audits

June 30, 2008

Schedule 1—
Summary of Program Costs
July 1, 2003, through June 30, 2006

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment [1]
July 1, 2003, through June 30, 2004			
Direct costs:			
Salaries	$ 199,144	$ 31,253	$ (167,891)
Benefits	36,458	5,559	(30,899)
Total direct costs	235,602	36,812	(198,790)
Indirect costs	138,933	24,205	(114,728)
Total program costs	$ 374,535	61,017	$ (313,518)
Less amount paid by the State		—	
Allowable costs claimed in excess of (less than) amount paid		$ 61,017	
July 1, 2004, through June 30, 2005			
Direct costs:			
Salaries	$ 159,718	$ 32,518	$ (127,200)
Benefits	31,429	6,051	(25,378)
Total direct costs	191,147	38,569	(152,578)
Indirect costs	115,479	25,571	(89,908)
Total program costs	$ 306,626	64,140	$ (242,486)
Less amount paid by the State		—	
Allowable costs claimed in excess of (less than) amount paid		$ 64,140	
July 1, 2005, through June 30, 2006			
Direct costs:			
Salaries	$ 255,873	$ 38,855	$ (217,018)
Benefits	36,684	7,334	(29,350)
Total direct costs	292,557	46,189	(246,368)
Indirect costs	220,784	33,935	(186,849)
Total program costs	$ 513,341	80,124	$ (433,217)
Less amount paid by the State		(374,998)	
Allowable costs claimed in excess of (less than) amount paid		$ (294,874)	
Summary: July 1, 2003, through June 30, 2006			
Direct costs:			
Salaries [2]	$ 614,735	$ 102,626	$ (512,109)
Benefits [2]	104,571	18,944	(85,627)
Total direct costs	719,306	121,570	(597,736)
Indirect costs [2]	475,196	83,711	(391,485)
Total program costs	$ 1,194,502	205,281	$ (989,221)
Less amount paid by the State		(374,998)	
Allowable costs claimed in excess of (less than) amount paid		$ (169,717)	

Schedule 1 (continued)

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment [1]
Summary by Cost Component			
Administrative Activities	$ 26,890	$ —	$ (26,890)
Administrative Appeal	41,402	—	(41,402)
Interrogations	810,648	—	(810,648)
Adverse Comment	315,562	205,281	(110,281)
Total program costs	$ 1,194,502	$ 205,281	$ (989,221)

[1] See the Finding and Recommendation section.

[2] Salaries, benefits, and indirect costs include reclassified costs of $84,273 for the City Attorney's Office that were originally claimed as services and supplies costs. The $84,273 amount consists of $39,993 for salaries, $6,479 for benefits, and $37,801 for indirect costs. The reclassification was discussed with city representatives during the audit exit conference.

Finding and Recommendation

**FINDING—
Unallowable salaries and benefits and related indirect costs**

The Police Department and the City Attorney's Office claimed $719,306 in salaries and benefits and $475,196 in related indirect costs for the audit period. Salaries and benefits totaling $597,736 were unallowable because the Police Department and City Attorney's Office claimed ineligible costs. The related unallowable indirect costs totaled $391,485.

The following is a summary of claimed, allowable, and unallowable costs for the Police Department and City Attorney's Office for the audit period:

	Claimed Costs	Allowable Costs	Audit Adjustment
Salaries and Benefits			
Administrative Activities:			
Police Department	$ 16,192	$ —	$ (16,192)
City Attorney's Office	—	—	—
Total Administrative Activities	16,192	—	(16,192)
Administrative Appeal:			
Police Department	16,306	—	(16,306)
City Attorney's Office	8,087	—	(8,087)
Total Administrative Appeal	24,393	—	(24,393)
Interrogations:			
Police Department	461,310	—	(461,310)
City Attorney's Office	27,046	—	(27,046)
Total Interrogations	488,356	—	(488,356)
Adverse Comment:			
Police Department	179,026	86,677	(92,349)
City Attorney's Office	11,339	34,893	23,554
Total Adverse Comment	190,365	121,570	(68,795)
Total salaries and benefits	719,306	121,570	(597,736)
Related indirect costs	475,196	83,711	(391,485)
Total	$1,194,502	$ 205,281	$ (989,221)
Recap by Department			
Police Department	$ 672,834	$ 86,677	$ (586,157)
City Attorney's Office	46,472	34,893	(11,579)
Total	$ 719,306	$ 121,570	$ (597,736)

Administrative Activities

For the Administrative Activities cost component, the Police Department claimed $16,192 in salaries and benefits. We determined that the entire amount was unallowable because the department claimed ineligible activities.

The program's parameters and guidelines allow reimbursement for the following ongoing activities:

- Developing or updating internal policies, procedures, manuals, and other materials pertaining to the conduct of the mandated activities;
- Attendance at specific training for human resources, law enforcement, and legal counsel regarding the requirements of the mandate; and,
- Updating the status of the POBOR cases.

However, the city claimed costs in this category for the following ineligible activities:

- General clerical duties;
- Data entry of case information;
- Typing correspondence; and
- Phone calls with unspecified origin and purpose.

The city's Internal Affairs secretary stated that time claimed in this category was for the setup and closing of cases. More specifically, staff entered information from case logs into the department's computer-based case tracking system. However, the data entry is not a reimbursable task. In addition, typing correspondence and engaging in phone conversations that do not indicate the purpose or the parties involved are also not reimbursable activities under the mandated program.

Administrative Appeal

For the Administrative Appeals cost component, the Police Department and the City Attorney's Office city claimed $24,393 in salaries and benefits ($16,306 by the Police Department and $8,087 by the City Attorney's Office). Total costs claimed were misclassified and should have been claimed under the cost category of Adverse Comment.

The Police Department's source documentation supporting its portion of the claims included review activities referenced as Skelly Hearings. The preparation for and conduct of a Skelly Hearing is not a reimbursable task, as it falls under due process of law. However, the activity of reviewing cases prior to disposition to determine if they should receive an adverse comment is a reimbursable activity. The city clarified that costs indicated as Skelly Hearings were actually for eligible case reviews. Accordingly, we reclassified these costs as Adverse Comment costs.

We also noted that costs claimed under this cost category for the City Attorney's Office pertained to the review of cases. Therefore, we also reclassified these costs as Adverse Comment.

Interrogations

For the Interrogations cost component, the Police Department and City Attorney's Office claimed $488,356 in salaries and benefits ($461,310 by the Police Department and $27,046 by the City Attorney's Office). We determined that the amounts claimed by the Police Department were unallowable because the department claimed ineligible activities. The amounts claimed by the City Attorney's Office were misclassified and should have been claimed under the cost category of Adverse Comment.

The program's parameters and guidelines state that specifically identified interrogation activities are reimbursable when a peace officer 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 during off-duty time if the interrogation could lead to dismissal, demotion, suspension, reduction in salary, written reprimand, or transfer for purposes of punishment. Section IV(C) identifies reimbursable activities under compensation and timing of an interrogation, interrogation notice, tape-recording of an interrogation and documents provided to the employee.

The parameters and guidelines, Section IV(C) (Interrogations), state that claimants are not eligible for reimbursement for interrogation activities when an interrogation of a peace officer is in the normal course of duty. The parameters and guidelines allow reimbursement from the State when required by the seriousness of the investigation and to compensate for peace officer interrogations occurring during off-duty time in accordance with regular department procedures.

In reference to compensation and timing of the interrogation pursuant to Government Code section 3303, subdivision (a), the Commission on State Mandates' Final Staff Analysis to the adopted parameters and guidelines states:

> It does not require local agencies to investigate an allegation, prepare for the interrogation, conduct the interrogation, and review the responses given by the officers and/or witnesses, as implied by the claimant's proposed language. Certainly, local agencies were performing these investigative activities before POBOR was enacted.

We interviewed city employees and reviewed documentation to determine the activities that were included in the reimbursement claim. The city claimed the following ineligible activities under this category.

- Investigation-related—Conducting field investigations, conducting internal affair investigations, conducting internal affair investigations at the division level, and preliminary case reviews.

- Interrogation-related—Interviewing accused and witness officers during normal working hours of the interrogated officer, preparing a synopsis of interviews when the officer does not request a transcription, interviewing civilians, preparing documents related to the interrogation, and preparing for an interrogation.

Section IV(C) (Interrogations) does not specify investigative activities as reimbursable. Further, an interrogation is reimbursable under the mandated program only if it is conducted during the off-duty hours of the interrogated subject or witnessing officer and the city incurs overtime costs as a result. Per discussions with members of the Police Department's Internal Affairs unit, interrogations are rarely conducted during the interrogated officers' off-duty hours. Further, if eligible interrogations were conducted during the audit period, they were not separately identified in the department's time records.

Adverse Comment

For the Adverse Comment cost component, the city claimed $190,365 in salaries and benefits ($179,026 by the Police Department and $11,339 by the City Attorney's Office). In addition, we determined that costs totaling $24,393 claimed under the Administrative Appeals cost component ($16,306 by the Police Department and $8,087 by the City Attorney's Office) and costs totaling $27,046 claimed by the City Attorney's Office under the Interrogations cost component were for activities that should have been properly classified under the Adverse Comment cost component. Accordingly, reclassified costs totaled $241,804 ($195,332 by the Police Department and $46,472 by the City Attorney's Office).

We determined that $120,234 was unallowable because the city had insufficient documentation to support costs claimed ($108,655 by the Police Department and $11,579 by the City Attorney's Office).

Depending on the circumstances surrounding an adverse comment, the parameters and guidelines allow some or all of the following four activities upon receipt of an adverse comment:

- Providing notice of the adverse comment;
- Providing an opportunity to review and sign the adverse comment;
- Providing an opportunity to respond to the adverse comment within 30 days; and
- Noting on the document the peace officer's refusal to sign the adverse comment and obtaining the signature or initials of the peace officer under such circumstances.

  Included in the foregoing are review of circumstances or documentation leading to adverse comment by supervisor, command staff, human resources staff or counsel, including determination of whether same constitutes an adverse comment, preparation of comment and review for accuracy; notification and presentation of adverse comment to officer and notification concerning rights regarding same; review of response to adverse comment, attaching same to adverse comment and filing.

The supporting documentation provided by the Police Department fully supported $86,677 of claimed costs, although $108,655 of the department's costs were not supported by any documentation. The department used case logs to track time spent working on reimbursable tasks in this cost category. These case logs were summarized in a case report for each year under audit. We scanned the case reports and scheduled the costs to determine total allowable hours spent working in this cost category. As noted above, the documentation did not fully support the amount claimed by the department in this cost component.

The City Attorney's Office used a case tracking system to indicate times spent working on reimbursable tasks in this cost category. This system was used to prepare memos that summarized the total amount of time spent performing reimbursable tasks during the audit period. We scanned printouts from the case tracking system to confirm the existence of backup for the memos that summarized claimed costs. Allowable costs totaling $30,209 in this cost component were based on the adverse comment review hours claimed in the summary memos. However, the Office provided inadequate support for $16,262 claimed.

The parameters and guidelines, Section VI (Supporting Data), state that all costs shall be traceable to source documents that show evidence of the validity of such costs and their relationship to the state-mandated program.

Summary

The following table summarizes the audit adjustments by fiscal year:

	Fiscal Year			
	2003-04	2004-05	2005-06	Total
Salaries and benefits:				
Police Department	$ (188,837)	$ (150,853)	$ (246,467)	$ (586,157)
City Attorney's Office	(9,953)	(1,725)	99	(11,579)
Subtotal	(198,790)	(152,578)	(246,368)	(597,736)
Related indirect costs	(114,728)	(89,908)	(186,849)	(391,485)
Audit adjustment	$ (313,518)	$ (242,486)	$ (433,217)	$ (989,221)

Recommendation

We recommend that the city ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

City's Response

We have reviewed the draft audit results for the period covering July 1, 2003 through June 30, 2006. In general, we disagree with the State's narrow interpretation of the parameter's and guidelines. The interpretations are contrary to the intent of the State Statutes as well as to the Statement of Decision.

We disagree with the following reductions:

1) Administrative Activities:
Secretarial time was the only activity the city claimed in this section. We believe that a portion of our time records support costs for various eligible activities:

1. Time for the secretary to create the IA electronic master tracking list, collect, enter and update information regarding the status of each Internal Affair (IA) cases/investigations was included. These files are used by investigating officers as well as by supervisory staff to review the status of each case. We believe these activities are reasonable and comply with the wording in the Parameter's and Guidelines stating that "Updating the status of the POBAR case".
2. The Parameters and Guidelines also state that "Review of the complaints, notes or records for issues of confidentiality by law enforcement, human relations, and counsel; and the cost of processing, service and retention of copies is also reimbursable. The secretary would have also been responsible for properly filing and document retention.
3. The Parameters and Guidelines also state that the adverse comment and the subject officer's response to the adverse comment must also be filed appropriately. The secretary is responsible for this task.

We will be tracking time for these activities in detail and intend to present the time study results in order to restore a portion of the amount deducted from our audited claims.

2) Interrogations:
The State Controller's Office (SCO) audit disallowed all of the costs claimed under this section. While we tracked time and have extensive time records, each specific activity was not broken down to the level of detail required by the State Auditor. Some activities such as conducting interrogations of peace officers during regular duty were included and pursuant to the SCO's interpretation, were determined to be ineligible. We disagree with this narrow interpretation and believe that this is contrary to the intent of the statutes and Statement of Decision.

The question remains as to how much of the time and cost should be deducted from our claim. Certainly, not all the costs should be reduced as the audit report advises. We believe that a portion of our time records support costs for various eligible activities:

1. providing notice of interrogations to peace officer (including in the foregoing is the review of agency complaints or other documents to prepare the notice of interrogation; determination of the investigating officers; redaction of the agency complaint for names of the complainant or other accused parties or witnesses or confidential information; preparation of notice or agency complaint.

2. tape recording certain interrogations, tape storage, and transcription (as specified by parameters and guidelines).
3. producing transcribed copes of any notes made by a stenographer at an interrogation and copies of reports or complaints made by investigators.

We will be tracking time for these activities in detail and intend to present the time study results in order to restore a portion of the amount deducted from our audited claims.

3.) Adverse Comment:
We disagreed with the State Controller's decision to remove the legal secretary's time related to conducting the Administrative Appeals process in the City Attorney's office. A majority of the City Attorney's staff time to review of the cases was found to be an eligible activity. We believe that the secretarial time to provide administrative and clerical support to attorneys should also be allowed.

We believe that the time logs maintained by the Police Department included time for eligible activities that were cut from our claim because the detailed descriptions were not available in our computerized time tracking reports. We intend to conduct a time study to support the restoration of time and costs from our FY 2003-04 through FY 2005-06 claims for the following eligible activities:

1. preparing the adverse comment and providing this to the subject office
2. informing the officer of their rights regarding the adverse comment
3. reviewing the subject officers response to the adverse comment
4. noting the officer's refusal to sing the adverse comment and obtaining the officers initials or signature in this circumstance.

We wish to thank the State Controller staff for their courtesy and professionalism. We would appreciate your ongoing assistance and future cooperation as we develop time studies to ensure that they comply with State requirements and that you accept these documents as adequate documentation of our eligible costs for the audit period.

SCO's Comment

Based on the city's response, we revised the findings to include a pro rata share of time claimed for the City Attorney's legal secretary to provide administrative and clerical support for the allowable activities performed by the City Attorney. Accordingly, allowable costs have increased for the audit period by $8,488—from $196,793 to $205,281. The increase in allowable costs includes $4,039 for salaries, $644 for benefits, and $3,805 for related indirect costs. Further details are noted below under Adverse Comment.

We will address our comments in the same order as they appear in the city's response.

The city objects to our "narrow interpretation" of the parameters and guidelines. Our audit was based on reimbursable activities included in the parameters and guidelines, adopted by the CSM on July 27, 2000, and corrected on August 17, 2000. This mandate has already been plead twice before the CSM. This resulted in the adoption of the original

statement of decision, dated November 30, 1999, and the parameters and guidelines, dated July 27, 2000, and corrected on August 17, 2000. Chapter 72, Statutes of 2005, section 6 (AB 138), added Section 3313 to the Government Code and directed the CSM to review the statement of decision to clarify whether the subject legislation imposed a mandate consistent with the 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. The CSM reviewed its original findings and adopted a statement of decision upon reconsideration on May 1, 2006. The amended parameters and guidelines were adopted on December 4, 2006, for costs incurred subsequent to July 1, 2006.

Except for changes to allowable activities for the cost components of Administrative Appeal for probationary and at-will peace officers (pursuant to amended Government Code section 3304) and Adverse Comment (for punitive actions protected by the due-process clause), reimbursable activities did not change from the original parameters and guidelines, although much greater clarity was provided as to what activities are and are not allowable under the mandated program.

Our audit finding accurately reflects the eligible activities as described in the adopted parameters and guidelines.

Administrative Activities

The city believes that time claimed for the secretary within the city's Police Department to perform certain tasks should be reimbursable. We disagree. In addition, the city did not provide any additional documentation to support its statement or indicate which time records support the activities in question.

Item #1 in the city's response refers to the task of entering case log information (time and task information) into the city's Internal Affairs case tracking system. While the city's investigating officers and supervisory staff may have used this information to determine the status of POBOR cases, the activity itself consisted of key punching data into the system from case logs. The CSM staff analysis of the proposed parameters and guidelines for the POBOR program discussed during the CSM hearing of July 27, 2000, noted on page 901 of the administrative records that "before the test claim legislation was enacted, local law enforcement agencies were . . . maintaining files for those cases." The secretary did not create any reports updating the status of POBOR cases or compile information from the case management system which updated the procedural status of the cases.

The wording provided by the city for item #2 comes from section IVC(5) (Reimbursable Activities–Interrogations) of the parameters and guidelines. This section describes the reimbursable activity of providing transcribed copies of any notes made by a stenographer at an interrogation and copies of reports or complaints made by investigators or other persons *when requested by the officer* (emphasis added). While we concur that the retention of copies under such circumstances is a reimbursable activity, the city's case information did not indicate when

officers requested this information. In addition, we did not see any task information in the city's case logs that described this specific activity. Accordingly, we have no way to determine how much time was spent by the secretary to perform this reimbursable task. If the city chooses to include this activity in their contemplated time study, it must be able to support the number of instances that officers requested this information during the audit period.

The task noted in item #3 for filing adverse comment documents comes from section IVD (Reimbursable Activities–Adverse Comment) of the parameters and guidelines. While we concur that the filing of adverse comment documents is a reimbursable activity, the city's case logs did not describe this specific activity, so we have no way of determining how much time was spent to perform this task. However, this is a task that could be included in the time study being contemplated by the city, provided that the city can subsequently document the number of adverse comment documents that were filed by the secretary during the audit period.

Interrogations

The city believes that conducting interrogations of peace officers during regular duty hours is an eligible activity for reimbursement but is unallowable because of our "narrow" interpretation. Our audit was not based on the statement of decision or on Government Code sections 3300 through 3310 (the test claim legislation). As noted previously in our comments, we based the audit on the parameters and guidelines adopted by CSM on July 27, 2000, and corrected on August 17, 2000. Section IVC (Reimbursable Activities–Interrogations) states that "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." Subsection (1) goes on to describe what is reimbursable, which is "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." The language included by CSM in the parameters and guidelines appears clear to us that interrogations that occur during a peace officer's normal duty hours do not constitute a reimbursable activity.

The city also believes that their records support time claimed for certain tasks performed within the city's Police Department. We disagree. In addition, the city did not provide any additional documentation to support their statement or indicate which time records support the activities in question.

Item #1 in the city's response refers to the reimbursable activity of providing prior notice to the peace officer regarding the nature of the investigation and identification of the investigating officers. While we concur that this is a reimbursable activity, the city's case logs did not identify time spent performing this task. We also concur that the city performed this activity for any interrogations of the city's peace officers

that occurred during the audit period. If the city includes this task within its contemplated time study, it will need to support the number of interrogation notices that were prepared during the audit period.

Item #2 refers to tape recording certain interrogations, tape storage, and transcription. Section IVC (3) of the parameters and guidelines describes this reimbursable activity as "tape recording the interrogation *when the peace officer employee records the interrogation*. [emphasis added]. . . . Included in the foregoing is the cost of tape and storage and the cost of transcription." While we concur that this is a reimbursable activity, our review of the city's case management system disclosed that it is unable to document when peace officers recorded their interrogations, which is the caveat that makes this task reimbursable. In addition, the case management system did not indicate how long interrogations took place or when they began and ended.

Item #3 refers to section IVC(5) of the parameters and guidelines, which describes the reimbursable task of "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 . . . *when requested by the officer* [emphasis added]." While we concur that producing transcribed copies under such circumstances is a reimbursable activity, the city's case information did not indicate when officers requested this information. In addition, we did not see any task information in the city's case logs that described this specific activity. Accordingly, we have no way to determine how much time was spent by the secretary to perform this reimbursable task. If the city chooses to include this activity in its contemplated time study, it must be able to support the number of instances that officers requested this information during the audit period.

Adverse Comment

We concur with the city that time claimed for the legal secretary to provide administrative support as an adjunct to allowable hours claimed for the City Attorney's Office should be allowable. We reviewed the invoices prepared by the City Attorney's work on Internal Affairs matters during the audit period. We noted that time claimed for the legal secretary for FY 2003-04 and FY 2004-05 included time spent on both mandate and non-mandate activities. Accordingly, we determined the pro rata share of the legal secretary's time for mandate-related activities, which was 34.16 hours for FY 2003-04 and 103.16 hours for FY 2004-05. The 46.33 hours claimed for FY 2005-06 were all determined to be allowable. As a result, allowable costs for the audit have increased by $8,488 ($1,509 for FY 2003-04, $4,758 for FY 2004-05, and $2,221 for FY 2005-06).

All of the eligible hours within the Police Department for this cost component were for command staff review of circumstances or documentation leading to an adverse comment. We concur that the four activities noted in the city's response are appropriate for a time study. In order to apply the time study results to the audit period, the city will need to support the number of adverse comment documents that were presented to the city's peace officers.

Attachment—
City's Response to
Draft Audit Report

City of
FRESNO

Finance Department

2600 Fresno Street, Suite 2156 • (559) 621-7001 • FAX (559) 488-4636
Fresno, California 93721-3622
www.fresno.gov

Karen M. Bradley, CPA
Assistant City Controller

June 23, 2008

Mr. James L. Spano, Chief
Division of Audits
State Controller's Office
PO Box 942850
Sacramento, California 94250-5874

RE: City of Fresno Peace Officer Bill of Rights AUDIT # S07-MCC-0001

Dear Mr. Spano,

We have reviewed the draft audit results for the periods covering July 1, 2003 through June 30, 2006. In general, we disagree with the State's narrow interpretation of the parameter's and guidelines. The interpretations are contrary to the intent of the State Statutes as well as to the Statement of Decision.

We disagree with the following reductions:

1) Administrative Activities:

Secretarial time was the only activity the city claimed in this section. We believe that a portion of our time records support costs for various eligible activities:

1. Time for the secretary to create the IA electronic master tracking list, collect, enter and update information regarding the status of each Internal Affair (IA) cases/investigations was included. These files are used by investigating officers as well as by supervisory staff to review the status of each case. We believe these activities are reasonable and comply with the wording of the Parameter's and Guidelines stating that "Updating the status of the POBAR case".

2. The Parameters and Guidelines also state that "Review of the complaints, notes or records for issues of confidentiality by law enforcement, human relations, and counsel; and the cost of processing, service and retention of copies is also reimbursable. The secretary would have also been responsible for properly filing and document retention.

3. The Parameters and Guidelines also state that the adverse comment and the subject officer's response to the adverse comment must also be filed appropriately. The secretary is responsible for this task.

We will be tracking time for these activities in detail and intend to present the time study results in order to restore a portion of the amount deducted from our audited claims.

2.) Interrogations:

The State Controller's Office (SCO) audit disallowed all of the costs claimed under this section. While we tracked time and have extensive time records, each specific activity was not broken down to the level of detail required by the State Auditor. Some activities such as conducting interrogations of peace officers during regular duty were included and pursuant to the SCO's interpretation, were determined to be ineligible. We disagree with this narrow interpretation and believe that this is contrary to the intent of the statutes and Statement of Decision.

The question remains as to how much of the time and cost should be deducted from our claim. Certainly, not all the costs should be reduced as the audit report advises. We believe that a portion of our time records support costs for various eligible activities:

1. providing notice of interrogations to peace officer (included in the foregoing is the review of agency complaints or other documents to prepare the notice of interrogation; determination of the investigating officers; redaction of the agency complaint for names of the complainant or other accused parties or witnesses or confidential information; preparation of notice or agency complaint.
2. tape recording certain interrogations, tape storage, and transcription (as specified by parameters and guidelines).
3. producing transcribed copies of any notes made by a stenographer at an interrogation and copies of reports or complaints made by investigators.

We will be tracking time for these activities in detail and intend to present the time study results in order to restore a portion of the amount deducted from our audited claims.

3.) Adverse Comment:

We disagree with the State Controller's decision to remove the legal secretary's time related to conducting the Administrative Appeals process in the City Attorney's office. A majority of the City Attorney's staff time to review of the cases was found to be an eligible activity. We believe that the secretarial time to provide administrative and clerical support to attorneys should also be allowed.

We believe that the time logs maintained by the Police Department included time for eligible activities that were cut from our claim because the detailed descriptions were not available in our computerized time tracking reports. We intend to conduct a time study to support the

restoration of time and costs from our FY 2003-04 through FY 2005-06 claims for the following eligible activities:

1. preparing the adverse comment and providing this to the subject office
2. informing the officer of their rights regarding the adverse comment
3. reviewing the subject officers response to the adverse comment
4. noting the officer's refusal to sign the adverse comment and obtaining the officers initials or signature in this circumstance.

We wish to thank the State Controller staff for their courtesy and professionalism. We would appreciate your ongoing assistance and future cooperation as we develop time studies to ensure that they comply with State requirements and that you accept these documents as adequate documentation of our eligible costs for the audit period.

Sincerely,

Karen Bradley
Interim Finance Director/City Controller

cc: Kim Jackson, Management Analyst III/Grants Coordinator
Sharon Shaffer, Deputy Police Chief
Rene Watahira, Business Manager, Police Department
Lieutenant Anthony Martinez, Internal Affairs
Carolyn White, Management Analyst, City Attorney's Office
Annette Chinn, Cost Recovery Systems

State Controller's Office
Division of Audits
Post Office Box 942850
Sacramento, CA 94250-5874

http://www.sco.ca.gov

CITY OF RIALTO

Audit Report

INTERAGENCY CHILD ABUSE AND NEGLECT INVESTIGATION REPORTS PROGRAM

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

July 1, 1999, through June 30, 2012

BETTY T. YEE
California State Controller

March 2019

BETTY T. YEE
California State Controller

March 5, 2019

The Honorable Deborah Robertson, Mayor
City of Rialto
150 South Palm Avenue
Rialto, CA 92375

Dear Ms. Robertson:

The State Controller's Office (SCO) audited the costs claimed by the City of Rialto for the legislatively mandated Interagency Child Abuse and Neglect Investigation Reports Program for the period of July 1, 1999, through June 30, 2012.

The city claimed $996,998 for the mandated program. Our audit found that $292,512 is allowable ($294,204 less a $1,692 penalty for filing a late claim) and $704,486 is unallowable because the city claimed estimated and overstated costs, claimed unallowable activities, overstated the number of Suspected Child Abuse Reports cross-reported and investigated, overstated the number of Child Abuse Investigation Report Forms prepared and submitted to the California Department of Justice, and overstated the indirect cost rates and related indirect costs. The State made no payments to the city. The State will pay $292,512, contingent upon available appropriations. Following issuance of this audit report, the SCO's Local Government Programs and Services Division will notify the city of the adjustment to its claims via a system-generated letter for each fiscal year in the audit period.

This final audit report contains an adjustment to costs claimed by the city. If you disagree with the audit findings, you may file an Incorrect Reduction Claim (IRC) with the Commission on State Mandates (Commission). Pursuant to the Commission's regulations, outlined in Title 2, *California Code of Regulations*, section 1185.1, subdivision (c), an IRC challenging this adjustment must be filed with the Commission no later than three years following the date of this report, regardless of whether this report is subsequently supplemented, superseded, or otherwise amended. You may obtain IRC information on the Commission's website at www.csm.ca.gov/forms/IRCForm.pdf.

If you have any questions, please contact Lisa Kurokawa, Chief, Compliance Audits Bureau, by telephone at (916) 327-3138.

Sincerely,

Original signed by

JIM L. SPANO, CPA
Chief, Division of Audits

JLS/as

cc: Jessica Brown, Director of Finance
City of Rialto
William Wilson, Captain
Administrative Support Services Bureau
Rialto Police Department
Jennifer Krutak, Crime Analyst
Crime Analysis Unit
Rialto Police Department
Chris Hill, Principal Program Budget Analyst
Local Government Unit
California Department of Finance
Steven Pavlov, Finance Budget Analyst
Local Government Unit
California Department of Finance
Anita Dagan, Manager
Local Government Programs and Services Division
State Controller's Office

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Audit Report

Summary

The State Controller's Office (SCO) audited the costs claimed by the City of Rialto for the legislatively mandated Interagency Child Abuse and Neglect (ICAN) Investigation Reports Program for the period of July 1, 1999, through June 30, 2012.

The city claimed $996,998 for the mandated program. Our audit found that $292,512 is allowable ($294,204 less a $1,692 penalty for filing a late claim) and $704,486 is unallowable because the city claimed estimated and overstated costs, claimed unallowable activities, overstated the number of Suspected Child Abuse Reports (SCARs) cross-reported and investigated, overstated the number of Child Abuse Investigation Report Forms (SS 8583 forms) prepared and submitted to the California Department of Justice (DOJ), and overstated the indirect cost rates and related indirect costs. The State made no payments to the city. The State will pay $292,512, contingent upon available appropriations.

Background

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

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

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

The ICAN Investigation Reports Program addresses statutory amendments to California's mandatory child abuse reporting laws. A child abuse reporting law was first added to the Penal Code in 1963, and initially required medical professionals to report suspected child abuse to local law enforcement or child welfare authorities. The law was regularly expanded to include more professions required to report suspected child abuse (now termed "mandated reporters"), and in 1980, California reenacted and amended the law, entitling it the "Child Abuse and Neglect Reporting Act." As part of this program, the DOJ maintains the Child Abuse Centralized Index (CACI), which has tracked reports of child abuse statewide since 1965. A number of changes to the law have occurred, including a reenactment in 1980 and substantive amendments in 1997 and 2000.

The Act, as amended, provides for reporting of suspected child abuse or neglect by certain individuals, identified by their profession as having frequent contact with children. The Act provides rules and procedures for local agencies, including law enforcement, that receive such reports. The Act provides for cross-reporting among law enforcement and other child protective agencies, and to licensing agencies and District Attorney's (DA) offices. The Act requires reporting to the DOJ when a report of suspected child abuse is "not unfounded." The Act requires an active investigation before a report can be forwarded to the DOJ. As of January 1, 2012, the Act no longer requires law enforcement agencies to report to the DOJ, and now requires reporting only of "substantiated" reports by other agencies. The Act imposes additional cross-reporting and recordkeeping duties in the event of a child's death from abuse or neglect. The Act requires agencies and the DOJ to keep records of investigations for a minimum of 10 years, and to notify suspected child abusers that they have been listed in the CACI. The Act imposes certain due process protections owed to persons listed in the CACI, and provides certain other situations in which a person would be notified of his or her listing in the CACI.

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

- Distributing the SCAR form;
- Reporting between local departments;
- Reporting to the DOJ;
- Providing notifications following reports to the CACI;
- Retaining records; and
- Complying with due process procedures offered to persons listed in the CACI.

The program's parameters and guidelines establish the state mandate and define the reimbursement criteria. The Commission adopted the parameters and guidelines on December 6, 2013. In compliance with GC section 17558, the SCO issues claiming instructions to assist local agencies in claiming mandated program reimbursable costs.

Objective, Scope, and Methodology

The objective of our audit was to determine whether costs claimed represent increased costs resulting from the legislatively mandated ICAN Investigation Reports Program. Specifically, we conducted this audit to determine whether costs claimed were supported by appropriate source documents, were not funded by another source, and were not unreasonable and/or excessive.

The audit period was July 1, 1999, through June 30, 2012.

To achieve our audit objective, we:

- Reviewed the annual mandated cost claims filed by the city for the audit period and identified the material cost components of each claim to determine whether there were any errors or any unusual or unexpected variances from year to year. Reviewed the activities claimed to determine whether they adhered to the SCO's claiming instructions and the program's parameters and guidelines;
- Completed an internal control questionnaire by interviewing key city staff, and discussed the claim preparation process with city staff to determine what information was obtained, who obtained it, and how it was used;
- Interviewed city staff to determine which employee classifications were involved in performing the reimbursable activities;
- Interviewed city staff to determine allowable average time increments (ATIs) for specific reimbursable activities (see Findings 1, 2, and 3);
- Reviewed and analyzed the SCAR data compiled by the Rialto Police Department's subject matter expert to determine the total eligible number of SCARs cross-reported to Child Protective Services (CPS) and the DA's office for each fiscal year of the audit period that were allowable for reimbursement by excluding the SCARs that were other agency-generated and cases that were non-mandate-related. We calculated the number of law enforcement agency (LEA)-generated SCARs using data from fiscal year (FY) 2003-04, FY 2007-08, and FY 2010-11. We used these three fiscal years to calculate a weighted average percentage of LEA-generated SCARs. Consistent with the American Institute of Certified Public Accountants' (AICPA) Audit Sampling Guide, we projected the results by applying the weighted average percentage of 50.40% to the total number of mandate-related SCARs to determine the total allowable number of LEA-generated SCARs for all fiscal years (FY 1999-2000 through FY 2011-12) that were cross-reported to CPS and the DA's office (see Finding 1);
- Reviewed and analyzed the SCAR data compiled by the Rialto Police Department's subject matter expert to determine the eligible number of SCARs investigated that were allowable for reimbursement in each

fiscal year of the audit period, by excluding the SCARs that were LEA-generated and cases that were non-mandate-related. We calculated the number of other agency-generated SCARs using data from FY 2003-04, FY 2007-08, and FY 2010-11. We used these three fiscal years to calculate a weighted average percentage of other agency-generated SCARs. Consistent with the AICPA Audit Sampling Guide, we projected the results by applying weighted average percentages (24.00% for fully-investigated SCARs and 25.60% for partially-investigated SCARs) to the total number of mandate-related SCARs to determine the total allowable number of other agency-generated SCARs for all fiscal years in the audit period (see Finding 2);

- Reviewed and analyzed the SCAR data compiled by the Rialto Police Department's subject matter expert to determine the total eligible number of SS 8583 forms prepared and sent to the DOJ for each fiscal year of the audit period that were allowable for reimbursement, by excluding the SCAR cases that were determined to be unfounded, cases that were only partially investigated, and non-mandate-related cases. We calculated the number of LEA-generated and other agency-generated SCAR cases that were determined to be substantiated or inconclusive, in which a SS 8583 form was prepared and sent to the DOJ using data from FY 2003-04, FY 2007-08, and FY 2010-11. We used the data from these three years to calculate an average percentage of LEA-generated (79.37%) and other agency-generated (76.67%) SCARs that were determined to be substantiated or inconclusive. Consistent with the AICPA Audit Sampling Guide, we projected the results by applying these weighted average percentages to the total allowable number of LEA-generated and other agency-generated SCARs for FY 1999-00 through FY 2011-12 to determine the allowable number of LEA-generated and other agency-generated SS 8583 forms that were prepared and forwarded to the DOJ (see Finding 3);
- Traced productive hourly rate (PHR) calculations to supporting documentation for each classification claimed. For fiscal years in which the department did not claim costs, we calculated an allowable PHR using the supporting documentation that was provided;
- Reviewed and analyzed the benefit rates claimed for each fiscal year. We recomputed the benefit rates and verified that they were properly supported;
- Traced the indirect costs rates claimed to supporting documentation, and determined that the indirect cost rates were improperly computed for all fiscal years of the audit period excluding FY 1999-2000. We recomputed the claimed indirect cost rates, as the city had included salaries and benefits costs for 16 classifications that were not 100% indirect in its indirect cost rate proposals (ICRPs) (see Finding 4); and
- Verified that costs claimed were not funded by another source, based on discussions with the Rialto Police Department's Finance Director.

GC sections 12410, 17558.5, and 17561 provide the legal authority to conduct this audit. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards

require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

We limited our review of the city's internal controls to gaining an understanding of the transaction flow and claim preparation process as necessary to develop appropriate auditing procedures. Our audit scope did not assess the efficiency or effectiveness of program operations. We did not audit the city's financial statements.

Conclusion

As a result of performing the audit procedures, we found instances of noncompliance with the requirements described in our audit objective. We found that the city did not claim costs that were funded by another source; however, it did claim unsupported and ineligible costs as quantified in the accompanying Schedule and described in the Findings and Recommendations section of this report.

For the audit period, the City of Rialto claimed $996,998 for costs of the legislatively mandated ICAN Investigation Reports Program. Our audit found that $292,512 is allowable ($294,204 less a $1,692 penalty for filing a late claim) and $704,486 is unallowable. The State made no payments to the city. The State will pay $292,512, contingent upon available appropriations.

Following issuance of this audit report, the SCO's Local Government Programs and Services Division will notify the city of the adjustment to its claims via a system-generated letter for each fiscal year in the audit period.

Follow-up on Prior Audit Findings

We have not previously conducted an audit of the city's legislatively mandated ICAN Investigation Reports Program.

Views of Responsible Officials

We issued a draft audit report on January 22, 2019. Jessica Brown, Director of Finance, responded by letter dated February 4, 2019 (Attachment), disagreeing with the audit results. This final audit report includes the city's response.

Restricted Use

This audit report is solely for the information and use of the City of Rialto, the California Department of Finance, and the SCO; it is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this audit report, which is a matter of public record.

Original signed by

JIM L. SPANO, CPA
Chief, Division of Audits

March 5, 2019

Schedule—
Summary of Program Costs
July 1, 1999, through June 30, 2012

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustment	Reference[1]
July 1, 1999, through June 30, 2000				
Direct costs – salaries and benefits:				
Policies and procedures	$ 365	$ 365	$ -	
Training	631	631	-	
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	2,992	932	(2,060)	Finding 1
Reporting to DOJ				
Complete an investigation	22,749	7,638	(15,111)	Finding 2
Prepare and submit reports to DOJ	11,747	2,257	(9,490)	Finding 3
Total direct costs	38,484	11,823	(26,661)	
Indirect costs	16,591	5,098	(11,493)	Finding 4
Subtotal	55,075	16,921	(38,154)	
Less late filing penalty[2]	-	(1,692)	(1,692)	
Total program costs	$ 55,075	15,229	$ (39,846)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 15,229		
July 1, 2000, through June 30, 2001				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 3,088	$ 958	$ (2,130)	Finding 1
Reporting to DOJ				
Complete an investigation	23,480	7,949	(15,531)	Finding 2
Prepare and submit reports to DOJ	12,157	2,314	(9,843)	Finding 3
Total direct costs	38,725	11,221	(27,504)	
Indirect costs	18,892	5,151	(13,741)	Finding 4
Total program costs	$ 57,617	16,372	$ (41,245)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 16,372		
July 1, 2001, through June 30, 2002				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 3,275	$ 1,021	$ (2,254)	Finding 1
Reporting to DOJ				
Complete an investigation	25,241	8,596	(16,645)	Finding 2
Prepare and submit reports to DOJ	12,975	2,481	(10,494)	Finding 3
Total direct costs	41,491	12,098	(29,393)	
Indirect costs	21,512	5,953	(15,559)	Finding 4
Total program costs	$ 63,003	18,051	$ (44,952)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 18,051		

Schedule (continued)

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustment	Reference[1]
July 1, 2002, through June 30, 2003				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 2,658	$ 836	$ (1,822)	Finding 1
Reporting to DOJ				
Complete an investigation	20,875	6,934	(13,941)	Finding 2
Prepare and submit reports to DOJ	10,169	2,018	(8,151)	Finding 3
Total direct costs	33,702	9,788	(23,914)	
Indirect costs	17,241	4,623	(12,618)	Finding 4
Total program costs	$ 50,943	14,411	$ (36,532)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 14,411		
July 1, 2003, through June 30, 2004				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 4,033	$ 1,283	$ (2,750)	Finding 1
Reporting to DOJ				
Complete an investigation	30,214	10,339	(19,875)	Finding 2
Prepare and submit reports to DOJ	16,110	3,070	(13,040)	Finding 3
Total direct costs	50,357	14,692	(35,665)	
Indirect costs	29,165	7,937	(21,228)	Finding 4
Total program costs	$ 79,522	22,629	$ (56,893)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 22,629		
July 1, 2004, through June 30, 2005				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 5,053	$ 1,607	$ (3,446)	Finding 1
Reporting to DOJ				
Complete an investigation	38,090	12,914	(25,176)	Finding 2
Prepare and submit reports to DOJ	20,274	3,841	(16,433)	Finding 3
Total direct costs	63,417	18,362	(45,055)	
Indirect costs	34,240	9,304	(24,936)	Finding 4
Total program costs	$ 97,657	27,666	$ (69,991)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 27,666		
July 1, 2005, through June 30, 2006				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 4,890	$ 1,537	$ (3,353)	Finding 1
Reporting to DOJ				
Complete an investigation	37,131	12,553	(24,578)	Finding 2
Prepare and submit reports to DOJ	19,367	3,703	(15,664)	Finding 3
Total direct costs	61,388	17,793	(43,595)	
Indirect costs	36,417	10,160	(26,257)	Finding 4
Total program costs	$ 97,805	27,953	$ (69,852)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 27,953		

Schedule (continued)

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustment	Reference[1]
July 1, 2006, through June 30, 2007				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 4,581	$ 1,419	$ (3,162)	Finding 1
Reporting to DOJ				
Complete an investigation	33,845	11,531	(22,314)	Finding 2
Prepare and submit reports to DOJ	18,121	3,391	(14,730)	Finding 3
Total direct costs	56,547	16,341	(40,206)	
Indirect costs	32,649	8,903	(23,746)	Finding 4
Total program costs	$ 89,196	25,244	$ (63,952)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 25,244		
July 1, 2007, through June 30, 2008				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 2,941	$ 919	$ (2,022)	Finding 1
Reporting to DOJ				
Complete an investigation	21,870	7,473	(14,397)	Finding 2
Prepare and submit reports to DOJ	11,687	2,199	(9,488)	Finding 3
Total direct costs	36,498	10,591	(25,907)	
Indirect costs	24,515	6,362	(18,153)	Finding 4
Total program costs	$ 61,013	16,953	$ (44,060)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 16,953		
July 1, 2008, through June 30, 2009				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 4,386	$ 1,334	$ (3,052)	Finding 1
Reporting to DOJ				
Complete an investigation	32,434	11,112	(21,322)	Finding 2
Prepare and submit reports to DOJ	17,361	3,229	(14,132)	Finding 3
Total direct costs	54,181	15,675	(38,506)	
Indirect costs	39,790	9,526	(30,264)	Finding 4
Total program costs	$ 93,971	25,201	$ (68,770)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 25,201		
July 1, 2009, through June 30, 2010				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 4,002	$ 1,192	$ (2,810)	Finding 1
Reporting to DOJ				
Complete an investigation	29,516	10,024	(19,492)	Finding 2
Prepare and submit reports to DOJ	15,811	2,912	(12,899)	Finding 3
Total direct costs	49,329	14,128	(35,201)	
Indirect costs	35,319	8,971	(26,348)	Finding 4
Total program costs	$ 84,648	23,099	$ (61,549)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 23,099		

Schedule (continued)

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustment	Reference[1]
July 1, 2010, through June 30, 2011				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 4,884	$ 1,437	$ (3,447)	Finding 1
Reporting to DOJ				
Complete an investigation	34,942	11,987	(22,955)	Finding 2
Prepare and submit reports to DOJ	18,888	3,476	(15,412)	Finding 3
Total direct costs	58,714	16,900	(41,814)	
Indirect costs	44,258	11,366	(32,892)	Finding 4
Total program costs	$ 102,972	28,266	$ (74,706)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 28,266		
July 1, 2011, through June 30, 2012				
Direct costs – salaries and benefits:				
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	$ 5,483	$ 1,645	$ (3,838)	Finding 1
Reporting to DOJ				
Complete an investigation	20,594	13,733	(6,861)	Finding 2
Prepare and submit reports to DOJ	11,052	3,984	(7,068)	Finding 3
Total direct costs	37,129	19,362	(17,767)	
Indirect costs	26,447	12,076	(14,371)	Finding 4
Total program costs	$ 63,576	31,438	$ (32,138)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 31,438		
Summary: July 1, 1999, through June 30, 2012				
Direct costs – salaries and benefits:				
Policies and procedures	$ 365	$ 365	-	
Training	631	631		
Reporting between local departments				
Cross-reporting to county welfare and DA's Office	52,266	16,120	(36,146)	Finding 1
Reporting to DOJ				
Complete an investigation	370,981	132,783	(238,198)	Finding 2
Prepare and submit reports to DOJ	195,719	38,875	(156,844)	Finding 3
Total direct costs	619,962	188,774	(431,188)	
Indirect costs	377,036	105,430	(271,606)	Finding 4
Subtotal	996,998	294,204	(702,794)	
Less late filing penalty[2]	-	(1,692)	(1,692)	
Total program costs	$ 996,998	292,512	$ (704,486)	
Less amount paid by the State[3]		-		
Allowable costs claimed in excess of amount paid		$ 292,512		

[1] See the Findings and Recommendations section.

[2] The city filed its FY 1999-2000 initial reimbursement claim after the due date specified in GC section 17560. Pursuant to GC section 17561, subdivision (d)(3), the state assessed a late filing penalty equal to 10% of allowable costs, with no maximum penalty amount (for claims filed on or after September 30, 2002).

[3] Payment amount current as of December 12, 2018.

Findings and Recommendations

FINDING 1— Unallowable salaries and benefits – Cross-reporting from Law Enforcement to the County Welfare and District Attorney's Office cost component

The city claimed $52,266 in salaries and benefits for the Cross-reporting to County Welfare and DA's Office cost component during the audit period. During testing, we found that $16,120 is allowable and $36,146 is unallowable. Costs claimed are unallowable because the city misinterpreted the program's parameters and guidelines. As a result, the city overstated the number of SCARs that it cross-reported, and estimated and overstated the number of hours performing the mandated activity.

The following table summarizes the claimed, allowable, and adjusted salaries and benefits costs for the Cross-reporting cost component for the audit period:

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
1999-2000	$ 2,992	$ 932	$ (2,060)
2000-01	3,088	958	(2,130)
2001-02	3,275	1,021	(2,254)
2002-03	2,658	836	(1,822)
2003-04	4,033	1,283	(2,750)
2004-05	5,053	1,607	(3,446)
2005-06	4,890	1,537	(3,353)
2006-07	4,581	1,419	(3,162)
2007-08	2,941	919	(2,022)
2008-09	4,386	1,334	(3,052)
2009-10	4,002	1,192	(2,810)
2010-11	4,884	1,437	(3,447)
2011-12	5,483	1,645	(3,838)
Total	$ 52,266	$ 16,120	$ (36,146)

Number of SCARs Cross-reported

Claimed

For the audit period, the city claimed the SCAR case count totals in the city's SCAR summary document. The SCAR summary document identifies the total number of SCAR cases that the city worked on during each fiscal year of the audit period. For FY 1999-2000 through FY 2001-02, the number of SCAR cases identified on the SCAR summary document was based on estimates.

From FY 1999-2000 to FY 2001-02, the city was transitioning to new dispatch and records management systems that did not capture all of the SCAR cases. For FY 2002-03 through FY 2011-12, the city determined the SCAR case counts by querying both the Computer Aided Dispatch (CAD) System and the Records Management System (RMS). The city used the total number of SCAR cases in the SCAR summary document to compute the claimed costs for the Cross-reporting (Finding 1), Completing an Investigation (Finding 2), and Forwarding Reports to the DOJ (Finding 3) cost components.

Allowable

Our audit found that the SCAR case count totals in the SCAR summary document were inaccurate counts to use for this cost component. The SCAR summary document included SCARs generated by other agencies and cross-reported to the Rialto Police Department, without identifying which SCARs were other agency-generated versus generated by the Rialto Police Department. We also found that the SCAR summary document included non-mandate-related cases.

The city did not maintain copies of the SCARs that were initiated by the Rialto Police Department and cross-reported to CPS and the DA's office. In addition, during the course of the audit, the city was unable to access historical electronic records for an extended period of time due to a system upgrade. Consequently, we requested and the city was able to provide detailed SCAR case listings for FY 2003-04, FY 2007-08, and FY 2010-11. We worked with the city to devise a reasonable methodology for approximating the number of other agency-generated SCARs and non-mandate-related cases for each fiscal year to exclude from the total population. We calculated a weighted average based on the results of our testing.

For testing purposes, we judgmentally selected a non-statistical sample from the SCAR case listings by selecting every fourth case until a sample size of 20% was attained, totaling 151 SCAR cases (66 out of 328 in FY 2003-04, 37 out of 186 in FY 2007-08, and 48 out of 242 in FY 2010-11) out of 756 to review. Based on our review of the FY 2003-04 SCAR cases, we found that of the 66 cases sampled, 13 were non-mandate and 53 were mandate-related; of the 53 mandate-related SCAR cases, 27 were LEA-generated and 26 were other agency-generated. For FY 2007-08, we found that of the 37 cases sampled, five were non-mandate and 32 were mandate-related; of the 32 mandate-related SCAR cases, 14 were LEA-generated and 18 were other agency-generated. For FY 2010-11, we found that of the 48 cases sampled, eight were non-mandate and 40 were mandate-related; of the 40 mandate-related SCAR cases, 22 were LEA-generated and 18 were other agency-generated.

We calculated weighted averages using the total number of LEA-generated SCAR cases. The weighted average of LEA-generated SCAR cases for these fiscal years was 50.40%. The weighted average of non-mandate-related cases for these fiscal years was 17.22%. We applied the weighted average percentage of 17.22% (non-mandate-related SCAR cases) to the total number of SCAR cases claimed by fiscal year to calculate the total number of non-mandate-related SCAR cases. We subtracted the total number of non-mandate-related SCARs from the total number of SCARs claimed to calculate the number of mandate-related SCAR cases by fiscal year. We applied the weighted average percentage of 50.40% (LEA-generated SCAR cases) to the number of mandate-related SCAR cases to calculate the total number of LEA-generated SCAR cases that were mandate-related. These calculations allowed us to determine the total allowable number of LEA-generated SCAR cases that were cross-reported from the Rialto Police Department to CPS and the DA's office.

After performing these calculations, we determined that 1,416 SCAR cases (out of 3,396 total SCAR cases) were LEA-generated during the audit period. Therefore, the allowable number of SCARs cross-reported for the audit period totals 1,416.

The following table summarizes the total claimed, non-mandate and mandate-related cases; the percent of LEA-generated SCARs and the allowable number of LEA-generated SCARs cross-reported; and the audit adjustment per fiscal year:

Fiscal Year	Claimed Number of SCARs Cross-reported (a)	Non-mandate-related Cases 17.22% (b) = (a) * 17.22%	Mandate-related Cases (c) = (a) - (b)	Percent of LEA-generated SCARs (d)	Allowable Number of LEA-generated SCARs Cross-reported (e) = (c) * (d)	Audit Adjustment (f) = (e) - (a)
1999-2000	249	43	206	50.40%	104	(145)
2000-01	257	44	213	50.40%	107	(150)
2001-02	265	46	219	50.40%	110	(155)
2002-03	224	39	185	50.40%	93	(131)
2003-04	326	56	270	50.40%	136	(190)
2004-05	319	55	264	50.40%	133	(186)
2005-06	314	54	260	50.40%	131	(183)
2006-07	293	50	243	50.40%	122	(171)
2007-08	186	32	154	50.40%	78	(108)
2008-09	256	44	212	50.40%	107	(149)
2009-10	223	38	185	50.40%	93	(130)
2010-11	242	42	200	50.40%	101	(141)
2011-12	242	42	200	50.40%	101	(141)
Total	3,396	585	2,811		1,416	(1,980)

Time Increments

Claimed

The city did not have actual time records to support the time increments claimed. For the audit period, the city estimated that it took a Police Officer classification 10 minutes (0.17 hours) to call CPS and cross-report each occurrence of suspected child abuse or severe neglect, and it took a Sergeant classification six minutes (0.10 hours) to review each written report before sending it to CPS and the DA's office. Reviewing written reports before sending them to CPS and the DA's office is not a mandate-related activity. Therefore, costs claimed for the Sergeant to review written reports before sending them to CPS and the DA's office are unallowable.

Allowable

Based on interviews conducted with Police Department staff, we found the estimated time for a Police Officer classification to call CPS and cross-report each occurrence of suspected child abuse or severe neglect is 10 minutes (0.17 hours). However, during our audit, the city requested that we re-evaluate the classifications claimed for the cross-reporting activity. The city requested that we include the Police Record Assistant I/II classification in the cross-reporting activity. The city explained that the

Police Record Assistant I/II is responsible for sending the written reports to CPS and the DA's office. We conducted interviews with a Police Records Supervisor and a Police Records Assistant II from the Rialto Police Department. They explained that it took a Police Records Assistant I/II classification, on average, six minutes to mail/fax/email written reports to CPS and the DA's office. We determined that the time increment of six minutes to mail/fax/email written reports to CPS and the DA's office is allowable.

Hours Adjustment

The following table summarizes the claimed, allowable, and adjusted hours based on the adjustments made to the number of LEA-generated SCARs cross-reported and to ATIs for the audit period:

Fiscal Year	Hours Claimed (a)	Hours Allowable (b)	Audit Adjustment (c) = (b) - (a)
1999-2000	66.40	28.08	(38.32)
2000-01	68.53	28.89	(39.64)
2001-02	70.67	29.70	(40.97)
2002-03	59.73	25.11	(34.62)
2003-04	86.93	36.72	(50.21)
2004-05	85.07	35.91	(49.16)
2005-06	83.73	35.37	(48.36)
2006-07	78.13	32.94	(45.19)
2007-08	49.60	21.06	(28.54)
2008-09	68.27	28.89	(39.38)
2009-10	59.47	25.11	(34.36)
2010-11	64.53	27.27	(37.26)
2011-12	64.53	27.27	(37.26)
Total	905.59	382.32	(523.27)

Criteria

The parameters and guidelines (section IV – Reimbursable Activities) require claimed costs to be supported by source documents. The parameters and guidelines state, in part:

> 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.

The parameters and guidelines (section IV-B.2.c) allow ongoing activities related to costs for reporting between local departments, as follows:

> Cross-Reporting of Suspected Child Abuse or Neglect from the Law Enforcement Agency to the County Welfare and Institutions Code Section 300 Agency, County Welfare, and the District Attorney's Office:
>
> City and county police or sheriff's departments shall:
>
> 1) Report by telephone immediately, or as soon as practically possible, to the agency given responsibility for investigation of cases under Welfare and Institutions Code section 300 and to the district attorney's office every known or suspected instance of child abuse reported to it, except acts or omissions coming within Penal Code section 11165.2(b), which shall be reported only to the county welfare department (Penal Code section 11166(i) (As added by Stats. 1980, ch. 1071; amended by Stats. 1981, ch. 435; Stats. 1982, ch. 905; Stats. 1984, ch. 1423; Stats. 1986, ch. 1289; Stats. 1987, ch. 1459; Stats. 1988, chs. 269 and 1580; Stats. 1990, ch. 1603; Stats. 1992, ch. 459; Stats. 1993, ch. 510; Stats. 1996, chs. 1080 and 1081; and Stats. 2000, ch. 916 (AB 1241)). Renumbered at subdivision (j) by Statutes 2004, chapter 842 (SB 1313), and renumbered again at subdivision (k) by Statutes 2005, chapter 42 (AB 299)).
>
> 2) Report to the county welfare department every known or suspected instance of child abuse reported to it which is alleged to have occurred as a result of the action of a person responsible for the child's welfare, or as the result of the failure of a person responsible for the child's welfare to adequately protect the minor from abuse when the person responsible for the child's welfare knew or reasonably should have known that the minor was in danger of abuse.
>
> 3) Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under Penal Code section 11166.
>
> As of January 1, 2006, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours (Ibid).

The parameters and guidelines (section V.A.1. – Claim Preparation and Submission – Actual Costs Claims, Direct Cost Reporting) state, in part:

> 1. Salaries and Benefits
>
> Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

Recommendation

The ICAN Investigation Reports Program was suspended from FY 2015-16 through FY 2017-18. If the program becomes active again, we recommend that the city follow the mandated program claiming

instructions and the parameters and guidelines to ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

City's Response

FINDING 1 – UNALLOWABLE SALARIES AND BENEFITS – CROSS-REPORTING FROM LAW ENFORCEMENT TO THE COUNTY WELFARE AND DISTRICT ATTORNEY'S OFFICE COST COMPONENT

On January 8, 2019, during the audit exit conference call, Captain William Wilson of the City of Rialto Police Department mentioned concerns he had regarding references and misstatements made [in] the Draft Audit Report referencing systems used to query the data examined for this audit as well as the city's document availability. SCO Audit Manager Lisa Kearney advised the City of Rialto to submit language that best reflects the systems and available data when responding to the SCO's official draft report so that it can be corrected and incorporated into the final report issued by the SCO.

The following are city's proposed corrections for Finding 1:

CITY'S PROPOSED CHANGE TO PAGE 11, SECOND PARAGRAPH, UNDER "CLAIMED" SUBHEADER (changes reflect the system names queried for this audit; changes from SCO original language are in **bold** for ease of identification):

"From FY 1999-2000 to FY 2001-02, the city was transitioning to **new dispatch and records management systems,** which did not capture all of the SCAR cases. For FY 2002-03 through FY 2011-12, the city determined the SCAR case counts by querying **both the Computer Aided Dispatch (CAD) System and the Records Management System (RMS)**. The city used the total number of SCAR cases in the SCAR summary document to compute the claimed costs for the Cross-reporting (Finding 1), Completing an Investigation (Finding 2), and Forwarding Reports to the DOJ (Finding 3) cost components."

CITY'S PROPSED CHANGE TO PAGE 12, SECOND PARAGRAPH, UNDER "ALLOWABLE" SUB-HEADER

"In April 2017, the city was asked to begin providing SCAR case listings for us to randomly select for review. Due to a system upgrade preventing the city from accessing these historical electronic records, the audit was set back nearly five months before records could be fully accessed and submitted to us by the city. In the interest of time and to remain on track with audit deadlines, we selected FY 2003-04, FY 2007-08, and FY 2010-11 to serve as a representative sample of the audit period. The city was able to provide detailed SCAR case listings for each of these three fiscal years. We worked with the city to devise a reasonable methodology for approximating the number of other agency-generated SCARs and non-mandate-related cases for each fiscal year to exclude from the total population. Both parties agreed that we would calculate a weighted average based on the results of our testing as there was insufficient time and staffing to obtain detailed SCAR case listings for the remaining years."

CITY'S PROPOSED CHANGE TO POSITION TITLE, PAGE 14, FIRST PARTIAL PARAGRAPH – Change "Police Records

Supervisor II" to "Police Records Supervisor"
The following are city's objections to Finding 1:

CITY'S OPPOSITION TO FINDING 1 – SERGEANT'S REVIEW TIME UNALLOWABLE

The City claimed time for the Sergeant to review written reports that are cross-reported to the County Welfare (hereinafter "CPS") and the District Attorney's Office (hereinafter "DA"). According to the draft report, "reviewing written reports before sending them to CPS and the DA's office is not a mandate-related activity. Therefore, costs claimed for the Sergeant to review written reports before sending them to CPS and the DA's office are unallowable."

The City disagrees with this finding as reviewing a written report is:

1) **Eligible** – Parameters and Guidelines, Section IV.B.3.a.1, allows for "… this activity includes review of the initial Suspected Child Abuse Report (Form 8572) … and making a report of the findings of those interviews, which may be reviewed by a supervisor."

   It is clear from the language of the Parameters and Guidelines that the Commission found report review a reasonably necessary activity and intended to allow for the reimbursement of supervisor review time for written reports. Further, nowhere in the Parameters and Guidelines, nor the Statement of Decision, does it specify what type of document is eligible or ineligible for supervisory review.

2) **Reasonably Necessary** – Pursuant to Government Code Section 17557(a) and Section 1183.7(d) of the Commission's regulations, a reasonably necessary activity is defined as, "…those activities necessary to comply with the statutes, regulations and other executive orders found to impose a state mandated program."

It is the City's position, that any written document that is required to be cross-reported as a part of the child abuse investigation to CPS or the DA satisfies a mandated activity under Section IV.B.3.a.1 and therefore, should be allowed for reimbursement of claimed costs for sergeant's review/approval of any written report for such investigations.

CITY'S OPPOSITION TO FINDING 1 – ALLOWABLE TIME INCREMENT TO SEND REPORT

On November 21, 2018, the SCO conducted interviews with police records staff to inquire on the clerical steps a Police Records Assistant I/II takes to process a written report for the purpose of sending to CPS and the DA. Employees interviewed identified the following key steps:

1) Pull and process electronic report written by officer

2) Prepare copies of report (per officer instructions) – includes watermarking documents for confidentiality purposes per California Penal Code 11142-43 prior to release

3) Release documents via fax/email/mail

Discussions immediately following the interviews between the City of Rialto and the SCO yielded an agreed average of six minutes per

activity (steps 1-3 listed above) for a total of 18 minutes to process a written report to send to CPS and the DA. During subsequent conversations, the SCO reduced the total amount of time to six minutes stating that only step three involved the activity of physically sending the report, and therefore, steps one and two did not apply. The SCO has stated during discussions with the City that the "plain language" of the Parameters and Guidelines, Section IV.B.2.c.3, says "send a written report within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under Penal Code Section 11166" strictly limits reimbursement to sending the report (the physical activity of transmitting the document).

The City disagrees with this interpretation and contends that:

1) **Steps one and two are <u>necessary</u> in order to complete step three** – the physical act of sending a report cannot be completed without first pulling it over via the electronic system and processing the document(s) that will be faxed/emailed/mailed (to include scanning, if applicable, prior to emailing)

2) **Reasonably Necessary** – Pursuant to Government Code Section 17557(a) and Section 1183.7(d) of the Commission's regulations, a reasonably necessary activity is defined as, "… those activities necessary to comply with the statutes, regulations and other executive orders found to impose a state mandated program."

3) **Actual Costs to Completed Mandated Activity –** Page 3 of the Parameters and Guidelines states, "Actual costs are those costs actually incurred to implement the mandated activities." Steps one and two (aforementioned paragraph) are actual costs incurred to complete step three, the physical act of sending the written report.

Therefore, it is the City's position that all three steps are inclusive of the process to send a written report to CPS and the DA. Accordingly, the SCO should allow costs for this activity at 18 minutes for Police Records Assistant I/II.

<u>SCO Comment</u>

The audit adjustment and the recommendation for the Cross-reporting cost component remain unchanged.

We will address the city's response in the same order that it was presented.

The fourth paragraph on page 11 of this audit report has been revised per the city's request.

The second paragraph on page 12 of this audit report has been revised to reflect minor edits requested by the city.

The position title of "Police Records Supervisor II," cited in the draft audit report, has been amended to "Police Records Supervisor" in the first partial paragraph on page 14 of this audit report, per the city's request.

The parameters and guidelines (section IV-B.2.c) allow ongoing activities related to costs for reporting between local departments, as follows:

> Cross-Reporting of Suspected Child Abuse or Neglect from the Law Enforcement Agency to the County Welfare and Institutions Code Section 300 Agency, County Welfare, and the District Attorney's Office:
>
> City and county police or sheriff's departments shall:
>
> 1) Report by telephone immediately, or as soon as practically possible, to the agency given responsibility for investigation of cases under Welfare and Institutions Code section 300 and to the district attorney's office every known or suspected instance of child abuse reported to it, except acts or omissions coming within Penal Code section 11165.2(b), which shall be reported only to the county welfare department (Penal Code section 11166(i) (As added by Stats. 1980, ch. 1071; amended by Stats. 1981, ch. 435; Stats. 1982, ch. 905; Stats. 1984, ch. 1423; Stats. 1986, ch. 1289; Stats. 1987, ch. 1459; Stats. 1988, chs. 269 and 1580; Stats. 1990, ch. 1603; Stats. 1992, ch. 459; Stats. 1993, ch. 510; Stats. 1996, chs. 1080 and 1081; and Stats. 2000, ch. 916 (AB 1241)). Renumbered at subdivision (j) by Statutes 2004, chapter 842 (SB 1313), and renumbered again at subdivision (k) by Statutes 2005, chapter 42 (AB 299)).
> 2) Report to the county welfare department every known or suspected instance of child abuse reported to it which is alleged to have occurred as a result of the action of a person responsible for the child's welfare, or as the result of the failure of a person responsible for the child's welfare to adequately protect the minor from abuse when the person responsible for the child's welfare knew or reasonably should have known that the minor was in danger of abuse.
> 3) Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under Penal Code section 11166.
>
> As of January 1, 2006, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours (Ibid).

The city disagrees with the SCO's interpretation that the time it took a Sergeant classification six minutes (0.10 hours) to review/approve each written report before sending it to CPS and the DA's office is not a mandate-related activity. The city contends that any written document that is required to be cross-reported as part of the child abuse investigation to CPS or the DA's office is a mandated activity under section IV.B.3.a.1 and should be allowed for reimbursement. Section IV.B.3.a.1 of the parameters and guidelines is applicable to the Reporting to the State DOJ: Complete an Investigation cost component and is irrelevant to the Cross-reporting cost component. The reimbursable activities for the Cross-reporting cost component identified in the parameters and guidelines are noted above (1 through 3). The six minutes (0.10 hours) claimed for a Sergeant classification to review and approve each written report before it is sent to CPS and the DA's office are ineligible activities within the Cross-reporting cost component. As a result, the costs claimed for time spent by a Sergeant classification to review and approve each written report before it is sent to CPS and the DA's office is out of scope of the reimbursable activities, and is unallowable for reimbursement under this cost component.

The city also disagrees with the SCO's interpretation that the time it took a Police Records Assistant I/II classification to process a written report for purposes of sending it to CPS and the DA's office—totaling six minutes (0.10 hours) for pulling down and processing the electronic report written by an officer and six minutes (0.10 hours) for preparing copies of the written report (per officer instructions), which includes watermarking the documents for confidentiality purposes per PC section 11142-43 prior to release—are not mandate-related activities. The city contends that these time increments should be allowed. The reimbursable activities for the Cross-reporting cost component identified in the parameters and guidelines are noted above (1 through 3). The steps to pull down and process the electronic report, and to prepare copies, are ineligible activities within the Cross-reporting cost component. Therefore, they are out of scope of the reimbursable activities. Additionally, the city did not claim costs for these activities or time associated with performing these activities during the audit period. As a result, there is no impact on the costs claimed, and, therefore there is nothing to "restore."

Our audit determined whether costs claimed represent increased costs resulting from the mandated program. The city is not entitled to mandated reimbursement for costs not allowable under the parameters and guidelines or for costs that were not claimed.

FINDING 2— Unallowable salaries and benefits – Reporting to the State Department of Justice: Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component

The city claimed $370,981 in salaries and benefits for the Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component during the audit period. During testing, we found that $132,783 is allowable and $238,198 is unallowable. Costs claimed are unallowable because the city misinterpreted the program's parameters and guidelines. As a result, the city estimated and overstated the number of hours spent performing the mandated activity, and neglected to base costs on the actual number of eligible SCARs investigated.

The following table summarizes the claimed, allowable, and adjusted salaries and benefits costs related to the Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component for the audit period:

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
1999-2000	$ 22,749	$ 7,638	$ (15,111)
2000-01	23,480	7,949	(15,531)
2001-02	25,241	8,596	(16,645)
2002-03	20,875	6,934	(13,941)
2003-04	30,214	10,339	(19,875)
2004-05	38,090	12,914	(25,176)
2005-06	37,131	12,553	(24,578)
2006-07	33,845	11,531	(22,314)
2007-08	21,870	7,473	(14,397)
2008-09	32,434	11,112	(21,322)
2009-10	29,516	10,024	(19,492)
2010-11	34,942	11,987	(22,955)
2011-12	20,594	13,733	(6,861)
Total	$ 370,981	$ 132,783	$ (238,198)

Number of SCARs

Claimed

For the audit period, the city claimed the SCAR case count totals in the city's SCAR summary document. The SCAR summary document identifies the total number of SCAR cases that the city worked on during each fiscal year of the audit period. For FY 1999-2000 through FY 2001-02, the number of SCARs identified in the SCAR summary document was based on estimates.

From FY 1999-2000 to FY 2001-02, the city was transitioning to new dispatch and records management systems that did not capture all of the SCAR cases. For FY 2002-03 through FY 2011-12, the city determined the SCAR case counts by querying both the CAD System and the RMS. The city used the total number of SCAR cases in the SCAR summary document to compute the claimed costs for the Cross-reporting (Finding 1), Completing an Investigation (Finding 2), and Forwarding Reports to the DOJ (Finding 3) cost components.

Allowable

This component provides reimbursement for costs associated with completing an initial investigation of SCARs for the purposes of preparing and submitting the SS 8583 report form to the DOJ. Reimbursable activities are limited to reviewing the SCAR, conducting initial interviews, and writing a report of the interviews, which may be reviewed by a supervisor.

Our audit found that the SCAR case count totals in the SCAR summary document were inaccurate counts to use for this cost component. The SCAR summary document included LEA-generated SCARs investigated by the Rialto Police Department, without identifying which SCARs were LEA-generated versus other agency-generated. We also found that the SCAR summary document included non-mandate-related cases.

The city did not maintain copies of the SCARs that were initiated by the Rialto Police Department and cross-reported to CPS and the DA's office or copies of SCARs that were cross-reported by other mandated reporters to the Rialto Police Department. In addition, during the course of the audit, the city was unable to access historical electronic records for an extended period of time due to a system upgrade. There was a lack of time and staffing to search the master case files (electronic and paper) for each record to retrieve a copy of the SS 8583 Report Form. Consequently, we requested and the city was able to provide detailed SCAR case listings for FY 2003-04, FY 2007-08, and FY 2010-11. We worked with the city to devise a reasonable methodology for approximating the number of LEA-generated SCARs and non-mandate-related cases for each fiscal year to exclude from the total population. We calculated a weighted average based on the results of our testing.

For testing purposes, we judgmentally selected a non-statistical sample from the SCAR case listings by selecting every fourth case until a sample size of 20% was attained, totaling 151 SCAR cases (66 out of 328 in

FY 2003-04, 37 out of 186 in FY 2007-08, and 48 out of 242 in FY 2010-11) out of 756 to review. Based on our review of the FY 2003-04 SCAR cases, we found that of the 66 cases sampled, 13 were non-mandate-related and 53 were mandate-related; of the 53 mandate-related SCAR cases, 27 were LEA-generated, 12 were other agency-generated SCARs that were fully investigated, and 14 were other agency-generated SCARs that were only partially investigated. For FY 2007-08, we found that out of the 37 cases sampled, five were non-mandate-related and 32 were mandate-related; of the 32 mandate-related SCAR cases, 14 were LEA-generated, 14 were other agency-generated that were fully investigated, and four were other agency-generated SCARs that were only partially investigated. For FY 2010-11, we found that of the 48 cases sampled, eight were non-mandate-related and 40 were mandate-related; of the 40 mandate-related SCAR cases, 22 were LEA-generated, four were other agency-generated SCARs that were fully investigated, and 14 were other agency-generated SCARs that were only partially investigated.

Number of SCARS – Fully Investigated

We calculated a weighted average using the number of other agency-generated SCAR cases that were investigated, totaling 30 (12 for FY 2003-04, 14 for FY 2007-08, and four for FY 2010-11). We divided this amount by the number of mandate-related SCAR cases, totaling 125 (53 for FY 2003-04, 32 for FY 2007-08, and 40 for FY 2010-11). The weighted average for other agency-generated SCAR cases that were investigated during these fiscal years was 24.00%. The weighted average for non-mandate-related cases was 17.22%. We applied the weighted average percentage of 17.22% (non-mandate-related cases) to the number of SCAR cases claimed by fiscal year to calculate the total number of non-mandate-related SCAR cases. We subtracted the total number of non-mandate-related SCARs from the total number of SCARs claimed to calculate the number of mandate-related SCAR cases by fiscal year. We applied the weighted average percentage of 24.00% (other agency-generated SCAR cases that were fully investigated) to the total number of mandate-related SCAR cases by fiscal year to calculate the number of other agency-generated, mandate-related SCAR cases that were fully investigated. These calculations allowed us to determine the total allowable number of other agency-generated SCAR cases that were fully investigated by the Rialto Police Department.

After performing these calculations, we determined that 673 other agency-generated SCAR cases (out of 3,396 total SCAR cases) were fully investigated during the audit period. Therefore, the allowable number of other agency-generated SCARs investigated for the audit period totals 673.

The following table summarizes the total claimed, non-mandate and mandate-related cases; the percent of other agency-generated SCARs that were fully investigated and the allowable number of other agency-generated SCARs that were fully investigated; and the audit adjustment per fiscal year:

Fiscal Year	Claimed Number of SCARs Investigated (a)	Non-mandate-related Cases 17.22% (b) = (a) * 17.22%	Mandate-related Cases (c) = (a) - (b)	Percent of Other Agency-generated SCARS Fully Investigated (d)	Allowable Number of Other Agency-generated SCARs Fully Investigated (e) = (c) * (d)	Audit Adjustment (f) = (e) - (a)
1999-2000	249	43	206	24.00%	49	(200)
2000-01	257	44	213	24.00%	51	(206)
2001-02	265	46	219	24.00%	53	(212)
2002-03	224	39	185	24.00%	44	(180)
2003-04	326	56	270	24.00%	65	(261)
2004-05	319	55	264	24.00%	63	(256)
2005-06	314	54	260	24.00%	62	(252)
2006-07	293	50	243	24.00%	58	(235)
2007-08	186	32	154	24.00%	37	(149)
2008-09	256	44	212	24.00%	51	(205)
2009-10	223	38	185	24.00%	44	(179)
2010-11	242	42	200	24.00%	48	(194)
2011-12	242	42	200	24.00%	48	(194)
Total	3,396	585	2,811		673	(2,723)

Number of SCARs – Partially Investigated

Based on follow-up discussions with Police Department staff, we determined that for some of the SCAR cases where a full initial investigation was not performed, preliminary investigative activities did occur. The city suggested re-evaluating cases that were determined to be unallowable; we agreed to the city's suggestion. Based on supplemental case note information provided by the city, as well as discussions with Police Department staff, we determined that some of the cases that were originally determined to be unallowable should in fact be eligible for time spent conducting a partial initial investigation, to review the referral.

We calculated a weighted average using the total number of other agency-generated SCAR cases that were only partially investigated, totaling 32 (14 for FY 2003-04, four for FY 2007-08, and 14 for FY 2010-11). We divided this amount by the number of mandate-related SCAR cases, totaling 125 (53 for FY 2003-04, 32 for FY 2007-08, and 40 for FY 2010-11). The weighted average for other agency-generated SCAR cases that were only partially investigated for these fiscal years was 25.60%. The weighted average for non-mandate-related cases was 17.22%. We applied the weighted average percentage of 17.22% (non-mandate-related cases) to the total number of SCAR cases claimed by fiscal year to calculate the total number of non-mandate-related SCAR cases. We subtracted the total number of non-mandate-related SCARs from the total number of SCARs claimed to calculate the number of mandate-related SCAR cases by fiscal year. We applied the weighted average of 25.60% (other agency-generated SCAR cases that were only partially investigated) to the number of mandate-related SCAR cases to calculate the number of other agency-generated, mandate-related SCAR cases that were only partially

investigated. These calculations allowed us to determine the total allowable number of other agency-generated SCAR cases that were only partially investigated.

After performing these calculations, we determined that 719 other agency-generated SCAR cases (out of 3,396 total SCAR cases) were only partially investigated during the audit period. Therefore, the allowable number of other agency-generated SCARs that were only partially investigated for the audit period totals 719.

The following table summarizes the total claimed, non-mandate and mandate-related cases; the percent of other agency-generated SCARs that were only partially investigated and the allowable number of SCARs that were only partially investigated; and the audit adjustment per fiscal year:

Fiscal Year	Claimed Number of SCARs Investigated (a)	Non-mandate-related Cases 17.22% (b) = (a) * 17.22%	Mandate-related Cases (c) = (a) - (b)	Percent of Other Agency-generated SCARs – Partial Investigation Only (d)	Allowable Number of Other Agency-generated SCARs – Partial Investigation Only (e) = (c) * (d)	Audit Adjustment (f) = (e) - (a)
1999-2000	249	43	206	25.60%	53	(196)
2000-01	257	44	213	25.60%	55	(202)
2001-02	265	46	219	25.60%	56	(209)
2002-03	224	39	185	25.60%	47	(177)
2003-04	326	56	270	25.60%	69	(257)
2004-05	319	55	264	25.60%	68	(251)
2005-06	314	54	260	25.60%	67	(247)
2006-07	293	50	243	25.60%	62	(231)
2007-08	186	32	154	25.60%	39	(147)
2008-09	256	44	212	25.60%	54	(202)
2009-10	223	38	185	25.60%	47	(176)
2010-11	242	42	200	25.60%	51	(191)
2011-12	242	42	200	25.60%	51	(191)
Total	3,396	585	2,811		719	(2,677)

Time Increments

Claimed

The city claimed between 1.15 hours and 2.30 hours per case for a Police Officer classification to perform the initial investigation of every SCAR claimed, and between 35 minutes (0.58 hours) and 2.40 hours per case (for a cumulative total of 5.51 hours for the audit period) for a Sergeant classification to review and approve the written reports.

Allowable

The city provided a time study to support time spent by a Police Officer classification to perform the initial investigation on SCAR cases. The time study supported 2.24 hours for completing the initial investigation. The time study also included time increments of 1.04 hours for writing, editing, and forwarding reports; six minutes (0.10 hours) for reviewing unfounded reports; and seven minutes (0.12 hours) for reviewing substantiated and inconclusive reports. As discussed in Finding 3, the city claimed the time increments of 1.04 hours for writing, editing, and forwarding reports and

six to seven minutes for reviewing unfounded, substantiated, and inconclusive reports under the wrong cost component. During discussions with Police Department staff members, we advised them that time increments for these activities should not be claimed under the Forwarding the SS 8583 Report Forms to the Department of Justice cost component. However, we informed Police Department staff that we would reclassify these time increments to the correct cost component. As a result, the time increment of 2.24 hours for the Police Officer classification to perform the initial investigation and 1.04 hours to write and edit reports, and a combined total of 13 minutes (0.21 hours) for the Sergeant classification to review substantiated, inconclusive, and unfounded reports are allowable and applicable to those other agency-generated SCARs for which the Rialto Police Department completed and documented an investigation, totaling 673 SCARs during the audit period.

Additional Time Increment for SCARs – Review of Referral Only

Based on the information above, we determined that it was reasonable to allow partial investigation time for reviewing the Suspected Child Abuse Report (SS 8572 form) for SCAR cases that we determined were mandate-related and referred by CPS or other mandated reporters, for which the Police Department began but did not complete or document a full initial investigation. Based on interviews with Police Department staff, it takes the Police Officer classification 16 minutes (0.27 hours) on average to review a SS 8572 form. We determined that 16 minutes (0.27 hours) to perform this activity is allowable.

Hours Adjustment

The following table summarizes the claimed, allowable, and adjusted hours based on adjustments made to the number of SCAR cases that were referred by CPS and other mandated reporters, for which the Police Department completed and documented an investigation; the number of SCAR cases for which the Police Department reviewed the SS 8572 form but did not complete or document an investigation; and the allowable ATIs per SCAR case for the audit period:

Fiscal Year	Hours Claimed (a)	Hours Allowable (b)	Audit Adjustment (c) = (b) - (a)
1999-2000	563.52	185.90	(377.62)
2000-01	581.63	193.44	(388.19)
2001-02	600.17	201.15	(399.02)
2002-03	516.64	168.65	(347.99)
2003-04	730.24	245.48	(484.76)
2004-05	714.56	238.23	(476.33)
2005-06	708.39	235.34	(473.05)
2006-07	656.32	219.16	(437.16)
2007-08	416.64	139.66	(276.98)
2008-09	573.44	192.57	(380.87)
2009-10	499.52	166.25	(333.27)
2010-11	542.08	181.29	(360.79)
2011-12	277.76	181.29	(96.47)
Total	7,380.91	2,548.41	(4,832.50)

Criteria

The parameters and guidelines (section IV – Reimbursable Activities) require claimed costs to be supported by source documents. The parameters and guidelines state, in part:

> 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.

The parameters and guidelines (section IV – B.3.a.1.) allow ongoing activities related to costs for reporting to the DOJ. For the following reimbursable activities:

> From July 1, 1999 to December 31, 2011, city and county police or sheriff's departments, county probation departments if designated by the county to receive mandated reports, and county welfare departments shall: (Pursuant to amendments to Penal Code section 11169(b) enacted by Statutes 2011, chapter 468 (AB 717), the mandate to report to DOJ for law enforcement agencies only ends on January 1, 2012. In addition, the duty for all other affected agencies is modified to exclude an "inconclusive" report.)
>
> 1) Complete an investigation for purposes of preparing the report
>
> Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583 [emphasis added], or subsequent designated form, to the Department of Justice. (Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916 (AB 1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583.) Except as provided in paragraph below, this activity includes review of the initial Suspected Child Abuse Report (Form 8572), conducting initial interviews with parents, victims, suspects, or witnesses, where applicable, and making a report of the findings of those interviews, which may be reviewed by a supervisor.
>
> ***Reimbursement is not required in the following circumstances:***
>
> i. Investigative activities conducted by a mandated reporter to complete the Suspected Child Abuse Report (Form SS 8572) pursuant to Penal Code section 11166(a).
>
> ii. In the event that the mandated reporter is employed by the same child protective agency required to investigate and submit the "Child Abuse Investigation Report" Form SS 8583 or subsequent designated form to the Department of Justice, pursuant to Penal Code section 11169(a), reimbursement is not required if the investigation required to complete the Form SS 8572 is also sufficient to make the determination required under section

11169(a), and sufficient to complete the essential information items required on the Form SS 8583, pursuant to Code of Regulations, title 11, section 903 (Register 98, No. 29).

iii. Investigative activities undertaken subsequent to the determination whether a report of suspected child abuse is substantiated, inconclusive, or unfounded, as defined in Penal Code section 11165.12, for purposes of preparing the Form SS 8583, including the collection of physical evidence, the referral to a child abuse investigator, and the conduct of follow-up interviews.

The parameters and guidelines (section V.A.1. – Claim Preparation and Submission – Actual Costs Claims, Direct Cost Reporting) state:

1. Salaries and Benefits

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

Recommendation

The ICAN Investigation Reports Program was suspended from FY 2015-16 through FY 2017-18. If the program becomes active again, we recommend that the city follow the mandated program claiming instructions and parameters and guidelines to ensure that claimed costs include only eligible costs are based on actual costs, and are properly supported.

City's Response

FINDING 2 – UNALLOWABLE SALARIES AND BENEFITS – REPORTING TO THE STATE DEPARTMENT OF JUSTICE: COMPLETE AN INVESTIGATION FOR PURPOSES OF PREPARING SS 8583 REPORT FORM COST COMPONENT

As previously discussed in response to Finding 1, the City mentioned concerns about misstatements made [in] the Draft Audit Report referencing systems used to query the data examined for this audit as well as the city's document availability to which SCO Audit Manager Lisa Kearney suggested providing revised language to best reflect systems and available data when responding to the SCO's official draft report so that it can be corrected and incorporated into the final report issued by the SCO.

The following are city's proposed corrections for Finding 2:

CITY'S PROPOSED CHANGE TO PAGE 16, SECOND PARAGRAPH, UNDER "CLAIMED" SUBHEADER (changes reflect the system names queried for this audit; changes from SCO original language are in **bold** for ease of identification):

"From FY 1999-2000 to FY 2001-02, the city was transitioning to **new dispatch and records management systems,** which did not capture all of the SCAR cases. For FY 2002-03 through FY 2011-12, the city determined the SCAR case counts by querying **both the Computer**

Aided Dispatch (CAD) System and the Records Management System (RMS). The city used the total number of SCAR cases in the SCAR summary document to compute the claimed costs for the Cross-reporting (Finding 1), Completing an Investigation (Finding 2), and Forwarding Reports to the DOJ (Finding 3) cost components."

CITY'S PROPSED CHANGE TO PAGE 17, THIRD PARAGRAPH, UNDER "ALLOWABLE" SUB-HEADER

"In April 2017, the city was asked to begin providing SCAR case listings for us to randomly select for review. Due to a system upgrade preventing the city from accessing these historical electronic records, the audit was set back nearly five months before records could be fully accessed and submitted to us by the city. In the interest of time and to remain on track with audit deadlines, we selected FY 2003-04, FY 2007-08, and FY 2010-11 to serve as a representative sample of the audit period. The city as able to provide detailed SCAR case listings for each of these three fiscal years. We worked with the city to devise a reasonable methodology for approximating the number of LEA-generated SCARs and non-mandate-related cases for each fiscal year to exclude from the total population. Both parties agreed that we would calculate a weighted average based on the results of our testing as there was insufficient time and staffing to obtain detailed SCAR case listings for the remaining years."

The following are city's objections to Finding 2:

CITY'S OPOSITION TO FINDING 2 – NUMBER OF SCARS – FULLY INVESTIGATED

The SCO denied investigative costs for all substantiated/inconclusive Law Enforcement Generated (hereinafter "LEA-generated") cases that were fully investigated for purposes of reporting to the Department to of Justice (hereinafter "DOJ"). The SCO contends that these cases do not qualify for investigation or reporting writing (including supervisor review) despite the fact that almost 100% of the LEA-generated cases claimed were founded or inconclusive, therefore, requiring reporting to the DOJ. The SCO based the denial of costs on the following claiming wording of the Parameters and Guidelines (Section IV.B.3.a.1):

> ii. In the event that the mandated reporter is employed by the same child protective agency required to investigate and submit the "Child Abuse Investigation Report" Form SS 8583 or subsequent designated form to the Department of Justice, pursuant to Penal Code section 11169(a), reimbursement is not required if the investigation required to complete the Form SS 8572 is also sufficient to make the determination required under section 11169(a), and sufficient to complete the essential information items required on the Form SS 8583…"

The City firmly believes that it has adequately proven, through actual source documents and police staff interviews outlining investigative procedures, that the level of investigation performed to complete the SS 8583 exceeded that which was needed to cross report to CPS. A significant amount of time is spent to fully investigate an allegation of child abuse as is demonstrated with officer on-scene time logs, multiple officers assisting with the investigation, numerous parties being interviewed to determine the outcome of the allegation, written crime reports, etc. This level of effort would not have been required to simply

fill out the cross reporting form to notify CPS of a suspected child abuse that has been fully investigated, and in some instances, where the investigation has not yet begun.

The main objective of cross reporting to CPS (SS 8572) is to make the county aware of the alleged child abuse in order for CPS to assess if there is potential harm to the alleged victim(s) in the home.

The SS 8572 form is not required to be 100% completed to be accepted by CPS; only the reporting party and victim's basic information need to be included. An investigation does not need to be started or completed to obtain this information. As explained by Captain Wilson (and verified during subsequent officer interviews), the level of investigation required to complete SS 8572 is typically not sufficient to complete SS 8583. The SS 8572 generally involves talking to one person and gathering basic components of information. There are no requirements to first contract involved parties or conclude investigative findings before submitting the form.

However, in order to complete the SS 8583, and be accepted by the Department of Justice, a basic patrol level investigation must be completed. The SS 8583 has specific requirements that cannot be answered without first contacting parties involved:

- Section A – requires officer indicate if investigation is substantiated or inconclusive, this cannot be determined without completing an investigation (not required for SS 8572)
- Section C – officer must indicate if suspect was properly notified per PC 11169(b) regarding agency's requirement to notify DOJ of the subject being a suspected child abuse offender; investigation must be completed first (not required for SS 8572)
- Requires suspect's demographic information – date of birth, height, weight, eye color, hair color, social security number, driver's license number, and relationship to victim (most of these fields are not contained on SS 8572)

For a full list of the California Department of Justice's reporting components under SS 8583 that are not required to complete SS 8572, refer to http://ag.ca.gov/childabuse/pdf/8583guide.pdf. **The main requirement that exceeds SS 8572 is that a full, active, investigation must be completed** (pgs 2-4). A full investigation requires contact [with] not only a victim, but description/nature of injuries (not required under SS 8572). This guide further states that the form SS 8583 is to be sent to the DOJ only after the following four elements have been satisfied:

a) made investigative contacts

b) determined child abuse was not unfounded

c) confirmed the suspected abuse or neglect is reportable to the DOJ as stipulated in previously mentioned statutes

d) completed the investigation.

None of these elements are required for cross reporting. Therefore, to disallow all investigative costs for 100% of LEA-generated cases determined to be substantiated or inconclusive is unreasonable given that the source documents provided clearly support all the mandated

activities were performed in furtherance of Parameters and Guidelines Section IV.B.3.a.1.

The SCO accepted the merits of the City's arguments and advised it was allowing costs during the December 4, 2018, status conference call. These allowed investigative costs were at the agreed amount of 1.74 hours. However, the very next day, the decision was reversed via email with no explanation other than "after further review of the parameters and guidelines, the statement of decision, and the documentation we have to date, it is unclear that an investigation did in fact occur on LEA-generated cases (white cases)."

The City is aware that all decisions made to allow costs must be supported by the Parameters and Guidelines and Commission's Statement of Decision. Therefore, it is difficult to understand how those very same guidelines used to support the SCO allowing costs for LEA-generated cases on December 4, 2018, also justify denying costs on December 5, 2018. Despite numerous requests for specifics on what evidence is lacking in our documentation, the SCO has failed to provide them. The City can better assess the SCO's position if the SCO can point the City to specific sections of the Parameters and Guidelines and Statement of Decision that support their denial along with explanation of their interpretation of same language.

The City affirms it has provided actual evidence from CAD logs[1], written crime reports, officer interviews, and discussions supported by Captain [William] Wilson and Crime Analyst Jennifer Krutak that actual, eligible costs were incurred for the reimbursement components including:

- actual officer on-scene time to conduct the preliminary investigation
- number of officers on-scene conducting the preliminary investigation
- size and complexity of the written report
- number of parties interviewed including relationship to case and summary of statements

The City contends that all these factors demonstrate that the level of effort and time to conduct an investigation to complete SS 8583 exceeds that which would have been required to simply gather basic information to complete SS 8572 mandated reporter form.

Accordingly, it is the City's position that LEA-generated cases, determined to be substantiated or inconclusive, which have been allowed for forwarding the SS 8583 form to the DOJ (that showed more than one party was interviewed, as previously agreed by SCO on December 4, 2018) should also be allowed full investigative time, associated report writing time and supervisor review/approval.

CITY'S OPPOSITION TO FINDING 2 – NUMBER OF SCARS – PARTIALLY INVESTIGATED

[1] A CAD log (synonymous for call for service record) is used as a police department's first form of documentation when an officer is assigned to handle a patrol investigation. This is an entry to the Computer Aided Dispatch (CAD) system which logs basic information about a call for service: nature of alleged crime, officer assigned to investigation, date/time of call, location(s) involved, reporting/referring party, disposition of investigation as determined by officer. There is a corresponding CAD log for every investigation (substantiated/unfounded). Substantiated cases are followed by a formal written crime report in the Records Management System (RMS). Unfounded cases are closed out in the CAD system with no report to follow.

The SCO denied associated investigative costs stating, on page 21 of the draft report, that "the Police Department began but did not complete or document a full initial investigation" however, did allow time to review each referral. These reports were investigated by officers and determined to be unfounded. Because they were unfounded, no formal report was written to document the investigation once the call for service was closed. The SCO audit analysis spreadsheet identified these records in blue (calls for service).

The City would like to clarify, for the record, that the police department fully investigates all allegations of known or suspected child abuse. The SCO's statement that "a full initial investigation was not performed" is completely false, contradicts police policies and procedures, and is a violation of Penal Code statutes. It is impossible for an officer to determine the case as unfounded without completing an investigation.

Throughout this audit, there has been disagreement between the City and the SCO on what constitutes acceptable source documentation to support that an investigation took place in order for costs to be deemed allowable. The fact that the SCO is unwilling to accept the police department's call for service documents as adequate investigative support does not mean that "a full initial investigation was not performed."

The City explained that the process for documenting an unfounded incident varies significantly from a substantiated investigation, and the call for service record is procedural for serving as the only form of documentation. The only source document for these unfounded investigations is the CAD log (call for service record) created during the officer's initial investigation.

Despite lengthy review and discussions with police department staff on the procedures for documenting unfounded incidents in CAD, including confirmation from Support Services Captain William Wilson that a CAD log for an unfounded incident indicates that a preliminary investigation did, in fact occur, the SCO concluded to deny investigative costs.

The City disagrees with this conclusion for the following reasons:

1) **City produced actual and contemporaneously prepared documents** – Per the Parameters and Guidelines, "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…may include, but are not limited to, employee time records or time logs…" The City believes that CAD logs provided for review meet this criteria and:
   - are electronic records created at the time the investigation took place
   - are valid source documentation to support investigative costs incurred by the City
   - are legal documents produced for Public Records Act and subpoena requests as well as used for official court purposes
   - provide actual officer on-scene time logs (defined as an example in the Commission's source documentation definition of the Parameters and Guidelines)

2) **City provided specific examples to support [that] an investigation occurred –** The records originally determined to be unallowable by the SCO were re-evaluated through a collaborative

process in November 2018. Each unallowed record was discussed in order for the city to present arguments as to why the record should be allowed for investigation time.

The City believes it provided ample justification to support that an investigation took place at the patrol level despite the minimal narrative comments contained in the CAD logs. Officer interviews conducted by the SCO, as well as clarification provided by Captain William Wilson and Crime Analyst Jennifer Krutak, further explained possible reasons why CAD log narratives would be minimal or lacking.

The following are examples of cases that were referred by other mandated reporters to the Rialto Police Department that were allowed for review of referral only but denied investigation time (redacted copies of the CAD logs are attached):

Record # 148: CPS referral – mother addicted to meth/not caring for children; officer made contact with alleged suspect and both children; determined "no signs of any abuse going on in house"

Record # 108: CPS referral – allegations of physical abuse/four children in home; officer comments indicate "advisal only, kids chk'd C4 custody battle between families"; in order for officer to give an advisal to the family and ascertain there was a custody issue and not abuse, he would have had to make contact with the subjects in the home (also contacted children based on comment in call)

Record # 24: CPS referral – mother on drugs/not feeding child/living in filthy conditions; officer made contact with alleged suspect and child; determined "no signs of neglect"

Record # 44: Hospital referral – child admitted with leg fracture; officer made contact with parent and doctor; determined "appears to be no sign of child abuse, no bruising, no sign of abuse, just fracture"

Record # 64: Hospital referral – child admitted with large bump on head; officer made contact with child, parent and doctor; determined "it is my opinion that the injury happened as explained…Dr. Thomas was also in agreement with my findings…I did not see any reason for CPS notification.

Although full incident reports were not written for the above allegations, there is still sufficient information documented in the CAD logs to determine that contact was made with at least one party, satisfying the investigation requirements of the mandate, providing this activity did take place.

3) **City followed Level 2 Investigation accepted by the Commission on State Mandates –** The Rialto Police Department's practice not to document unfounded investigations of child abuse with a formal incident report complies with the Commission's ruling to accept varying levels of investigation presented by the test claimant, LA County, in the Statement of Decision adopted on December 6, 2013.

   Pages 24-25 of the Statement of Decision describe three basic types of investigation. In the Level 2 Investigation (most common), "Patrol Officer Investigation, No Child Abuse," LA County outlined eight steps for initiating/completing an investigation of child abuse where the outcome was deemed no child abuse/unfound:

a. Officer receives, prints or transcribes child abuse reports (SCARs or calls-for-service) from the public, cross-reporting agency department, and mandated reporters

b. Officer processes child abuse report into agency's tracking system

c. Officer reviews report and assigns for appropriate follow-up investigation

d. Patrol officer receives call-for-service and acknowledges call

e. Patrol officer conducts preliminary interview with child/children

f. Patrol officer conducts preliminary interviews with parents, siblings, witnesses, and/or suspect(s)

g. Patrol officer enters findings into agency's systems (ends call in computer aided system and documents findings)

h. Supervising officer reviews investigation findings and approves closure of the report indicating no child abuse.

**it should be noted that step H does not apply to the Rialto Police Department – the patrol officer is authorized to close the report in the computer aided system without the supervisor review using his/her discretion of the proper use of call disposition (unfounded, necessary action taken, etc.)*

Steps a – g are the same procedures the Rialto Police Department follows for investigating and documenting its unfounded allegations of child abuse, where the computer aided dispatch record serves as the final source document (no written report follows).

A comparison of Level 2 (No Child Abuse) and Level 3 (Reported CACI Investigation) investigations, Step 7, shows that the only difference is in documentation where a Level 3 investigation (determined to be substantiated or inconclusive) requires an officer to write a report; this is <u>not</u> required for Level 2 investigation (unfounded) that ends at the closure of the CAD call.

In addition to the above, the Parameters and Guidelines, Section IV.B.3.a.1, state that the time to "Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive" is reimbursable. This activity includes, "…conducting initial interviews with parents, victims, suspects or witnesses, **<u>where applicable,</u>** and making a report of the finding of those interviews."

The wording above "where applicable," shows that an investigation may or may not require interview with parties. Although the City of Rialto still affirms that officers contacted at least one party for all mandate-related cases claimed for investigative costs, to require documented proof that an interview <u>always</u> occurred contradicts the statement above by the Commission.

The key point to consider is that the Commission only requires that a documentation of the investigative finding take place at the closure of the call (Level 2 Investigation, Step 7). The officer's call disposition and/or call notes, however minimal, meet this very objective; the disposition of unfounded reflects the officer's observations, interviews and overall conclusions as a result of conducting an investigation. Not

having a detailed narrative report should not nullify reimbursement for the eligible preliminary investigative procedure.

Accordingly, it is the City's position that records allowed for review of referral only should be eligible for full investigative time as the City has provided ample source documentation to support that an initial investigation, in compliance with the mandate, occurred. It would be impossible, and negligent, for an officer to conclude an outcome of unfounded without first contacting involved parties to gather necessary facts to make a determination of the allegation of abuse. The fact that an unfounded investigation is not documented identically as a substantiated investigation (allowed by SCO) does not negate that the investigative activity took place, and therefore, costs should be allowed.

CITY'S OPPOSITION TO FINDING 2 – ALLOWABLE TIME INCREMENTS – PAGE 20

The SCO accepted the City's time study supporting 2.24 hours for completing an initial investigation and applied this to SCARs allowed for full investigation (673 cases total). The SCO also allowed review of referral as this is a mandate activity and [the SCO] believes the time spent to review the referral is inclusive of the investigation time of 2.24 hours.

The City disagrees with this interpretation for the following reasons:

1) **Intake of referral occurs <u>before</u> investigation begins** – either by reading SS 8572 submitted by other mandated reporter or talking to mandated reporter over the phone

2) Officer interviews with SCO indicated review of referral takes place prior to officer being assigned to handle child abuse investigation

3) It is clear from the Rialto Police Department Memorandum dated May 22, 2014 (copy attached) and officer interviews that the time spent to review and log the SCAR referral was not part of the initial time study documenting investigation time, but is a separate, allowable, activity.

   Instructions provided to complete time study were specific to logging time spent to:

   a. conduct an investigation
   b. write report
   c. complete SS 8583 form
   d. supervisor review/approval

The City asserts that including the time increment for accepting/reviewing the SCAR referral as part of the 2.24 hours of allowable time for those cases fully investigated is inappropriate and unfair. A more equitable conclusion is to allow the time increment for accepting/reviewing the SCAR referral to be added to the 2.24 hours for all cases allowed for investigation (review time plus investigation time).

CITY'S OPPOSITION TO FINDING 2 – ADDITIONAL TIME INCREMENT FOR SCARS – REVIEW OF REFERRAL ONLY

The SCO determined that 16 minutes is allowable to perform the mandated activity of an officer to review the Suspected Child Abuse Report (SS 8572 form) referral. This time was based on interviews conducted with officers whose responses yielded the following:

- Officer 1 – takes 10 to 15 minutes to review SCAR form (this averages to 13 minutes)
- Officer 2 – takes 20 to 25 minutes to review SCAR form (this averages to 23 minutes)
- **Combined average to review SCAR form = 17.5 minutes**

Based on the above factual data, the City requests that the SCO correct the allowable review of referral time from 16 minutes to 17.5 minutes based on the combined average determined as a result of the interview statements provided by both officers.

SCO Comment

The audit adjustment and recommendation for the Complete an Investigation cost component remain unchanged.

We will address the city's response in the same order that it was presented.

The second paragraph on page 21 of this audit report has been revised per the city's request.

The fifth paragraph on page 21 of this audit report has been revised to reflect minor edits requested by the city.

The city strongly disagrees with the denial of investigative costs for LEA-generated cases. The city argues that the SCO's claiming instructions and parameters and guidelines clearly specify that reimbursement is allowable if the level of investigation performed to complete the SS 8583 Report Form exceeds that which is required to complete the SS 8572 Form. The city claims that the documentation provided to support other agency-generated cases was determined to be allowable by the SCO while equivalent documentation to support LEA-generated cases was denied. In addition, the city asserts that the investigative steps taken by police officers were the same for LEA-generated cases that the SCO determined were unallowable and other-agency generated cases that were allowable.

The city maintains that—through actual source documents, including CAD logs and written crime reports, police officer interviews, and discussions with Captain William Wilson and Crime Analyst Jennifer Krutak—the city has demonstrated that the level of investigation exceeded the basic requirements needed to complete the SS 8572 Form, and that the level of investigation required to complete a SS 8572 Form is not sufficient to complete the SS 8583 Report Form. The city contends that it incurred eligible costs for LEA-generated cases and reimbursement should be allowed for full investigative and report writing time and supervisory review and approval. The city is requesting the following:

- 1.74 hours for a Police Officer classification to perform the initial investigation on LEA-generated cases

- 1.04 hours for a Police Officer classification to write a report on LEA-generated cases that were investigated

- Seven minutes (0.12 hours) for a Sergeant classification to review and approve the written reports

The Commission's Statement of Decision, pages 40 through 42, discusses in detail what activities are and are not reimbursable when a mandated reporter (Police Department, County Welfare, and Probation Department) is also the investigating agency. Per PC section 11166(a), a mandated reporter is already compelled by the nature of his/her duty to report instances of suspected child abuse via the SS 8572 form. No higher level of service is mandated and, therefore, the duty to investigate under PC section 11166(a) is not reimbursable. Furthermore, the level of investigation performed by the mandated reporter to gather the necessary information for completing the SS 8572 form is frequently sufficient to complete form SS 8583 Report Form.

Page 41 of the Statement of Decision states the following:

> The precise scope of this investigative duty is not specified, but all mandated reporters are expected to employ the Form SS 8572 to report suspected child abuse… This duty is triggered whenever the mandated reporter, in his or her professional capacity or within the scope of his or her employment, has knowledge of or observes a child whom the mandated reporter knows or reasonably suspects has been the victim of child abuse or neglect. Given the scope of employment within a law enforcement agency, county probation department, or county welfare agency generally includes investigation and observation for crime prevention, law enforcement and child protection purposes, information may be obtained by an employee which triggers the requirements of 11166(a), and ultimately leads to an investigation and report to DOJ under section 11169(a). Ultimately, some of the same information to satisfy the reporting requirements of section 11169 and the DOJ regulations may be obtained in the course of completing a mandated reporter's (non-reimbursable) duties under section 11166(a)

Page 42 of the Statement of Decision states the following:

> The test claim statement of decision approved only Code of Regulations, title 11, section 903 as amended by Register 98, No. 29, which adopted the Form SS 8583, and required that only "certain information items…must be completed." Those information items, as discussed above, impose a very low standard of investigation for reporting to DOJ regarding instances of known or suspected child abuse.

The Statement of Decision emphasizes that a mandated reporter who is an employee of a child protective agency already has a greater responsibility to investigate when he/she has suspicions of child abuse. The Statement of Decision states, "[t]herefore, the regulations and statutes approved in the test claim statement of decision impose very little beyond what would otherwise be expected of a mandated reporter." The threshold of what makes the SS 8583 Report Form retainable is relatively low. Investigative work performed to identify suspects or gather proof for criminal charges is not necessary to complete the SS 8583 Report Form.

The Statement of Decision also states:

> [t]herefore, any investigation conducted by an employee of a county law enforcement agency, county welfare department, or county probation department, *prior to the completion of a Form SS 8572 under section 11166(a),* is not reimbursable under this mandated program. If the Form SS 8572 is *completed by an employee of the same agency, and the information contained in the* Form SS 8572 *is sufficient to make the determination and complete the essential information items required by section 11169 and the regulations*, then no further investigation is reimbursable.

Additionally, the Commission, when crafting the Statement of Decision, was aware of the potential of over-claiming when a mandated reporter is also the investigating agency. Page 40 of the Statement of Decision states, "the parameters and guidelines must be crafted to avoid over-claiming when the mandated reporter in a particular case is also an employee of the child protective agency that will complete the investigation under section 11169."

The city did not provide supporting documentation for all of its costs claimed, which is not consistent with the rules in place when the claims were filed. The documentation requirements for the city's mandated cost claims are contained within the parameters and guidelines adopted by the Commission on December 6, 2013.The parameters and guidelines require that all costs claimed be traceable to source documents that show evidence of the validity of such costs and their relationship to this mandate.

The city is responsible for maintaining documentation for the period the claims were subject to audit. However, the Rialto Police Department staff advised us that some of the supporting documentation has been destroyed, (specifically SS 8572 forms) as the term specified in the record retention policy for these forms had expired. Additionally, the city was unable to retrieve copies of the SS 8583 Report Forms, due to a lack of time and staffing necessary to search the master case files (electronic and paper) for each record. The city contends that the documentation provided to support the LEA-generated cases is equivalent to the documentation provided and accepted to support eligible reimbursement costs for other agency-generated cases.

However, the SCO is not required to make a determination on other agency-generated cases because the SS 8572 Forms are completed by another mandated reporter and cross-reported to the Rialto Police Department. The city is the mandated reporter for LEA-generated cases and must complete the SS 8572 Forms for these cases. Although the term specified in the city's record retention policy had expired for maintaining copies of the SS 8572 Forms, the city advised us that there was a possibility of obtaining copies of the SS 8572 Forms from CPS. However, the SCO did not receive copies of the SS 8572 Forms from CPS. As the SS 8572 Forms were not available to review, the SCO is unable to make a determination regarding whether the SS 8572 Forms were in fact completed and cross-reported to CPS and the DA's office.

Additionally, if the SS 8572 Forms were completed and cross-reported to CPS and the DA's office, SCO is unable to confirm that an investigation

occurred prior to the completion of the SS 8572 Forms. Costs are ineligible for reimbursement if an investigation occurred prior to completion of the SS 8572 Forms. Costs are also ineligible for reimbursement if information obtained by the mandated reporter through the completion of the SS 8572 Forms was sufficient to make the determination and complete the essential information items required by PC section 11169.

Without being able to review the SS 8572 Forms completed by the city, the SCO is unable to determine whether the city was able to obtain sufficient information to make a determination and complete the essential information items required by PC section 11169. In addition, although the investigative steps performed by the city's police officers may have been the same for both the LEA-generated and other agency-generated cases, the city did not provide completed SS 8583 Report Forms for our review. For this particular component, the reimbursable activity is to complete an investigation *"for purposes of"* [emphasis added] preparing an SS 8583 Report Form.

Although the city provided additional documentation with the actual CAD logs, written crime reports, police officer interviews, and discussions with Captain William Wilson and Crime Analyst Jennifer Krutak, the city was unable to provide SS 8572 Forms and SS 8583 Report Forms—as required by the mandate for reporting purposes—for the SCO to review. As a result, we were unable to confirm whether the city performed eligible reimbursable activities on LEA-generated cases. Therefore, costs associated with investigation, report writing, and supervisory review and approval of LEA-generated cases are ineligible for reimbursement.

The city disagrees with the denial of the associated investigative costs for the SCAR cases that were determined to be partially investigated. The city contends that the SCAR cases that the SCO identified as "partially investigated" were investigated by officers and determined to be unfounded. The city maintains that no formal report was written to document the investigation once the call for service was closed. The city asserts that although the SCO is unwilling to accept the police department's call for service documents as adequate investigative support does not mean a full investigation was not performed.

The city maintains that the process for documenting an unfounded incident varies significantly from substantiated investigation, and the call for service record is procedural for serving as the only form of documentation. The city contends that the only source document for these unfounded investigations is the CAD log (call for service record) created during the officer's initial investigation. The city argues that it has provided ample justification to support that an investigation took place, and provided examples of other agency-generated cases referred to the Rialto Police Department, which the SCO allowed as partially-investigated SCAR cases. The city is seeking full reimbursement for investigative costs related to these SCAR cases determined to be partially investigated. The city maintains that there is sufficient information documented in the CAD logs to show that an investigation occurred and, therefore, costs should be allowable.

For this particular component, the reimbursable activity is to complete an investigation "*for purposes of*" [emphasis added] preparing an SS 8583 Report Form. The documentation provided does not support that the city prepared a written report to document the findings of the interviews. Although unfounded reports are not filed with the DOJ, one of the reimbursable activities in this cost component is making a report of the findings of the interviews. The city asserts that the no formal reports are written for unfounded cases. During our interviews conducted on November 29 and 30, 2018, with Captain William Wilson and Crime Analyst Jennifer Krutak, we requested that the city provide a copy of the city's policies and procedures (Police Report Manual) for the audit period to support the city's position that cases with a call disposition of unfounded or necessary action taken do not require a written police report to be completed.

The city has yet to provide the requested documentation. Therefore, the city has not provided sufficient source documentation to show that these SCAR cases, which were determined to be partially investigated, warrant full investigative reimbursement costs. The SCO is unable to rely upon the CAD log (call for service records) as adequate source documentation to support eligible reimbursable costs. Therefore, the city's request for investigation time for cases with a call disposition of "unfounded" or "necessary action taken," with only a CAD log as supporting documentation, is unsupported and unallowable. As a result, the reimbursable costs allowed for these partially investigated SCAR cases remains unchanged.

Time Increment – Fully Investigated

The city asserts that the SCO included the time increment of reviewing the SS 8572 Form as part of the 2.24 hours of allowable investigation time for other agency-generated SCARS that were fully investigated. However, this is an inaccurate statement. The SCO did not include the time increment of reviewing the SS 8572 Form as part of the 2.24 hours of allowable investigation time for other agency-generated SCARs that were fully investigated because the time increment to review the SS 8572 Form was not claimed. The city is requesting that the SCO allow the time increment of 2.24 hours of investigation time for other agency-generated cases and 17.5 minutes (0.29 hours) to review the SS 8572 Forms for the other agency-generated SCARs that were fully investigated. The city did not claim costs for reviewing the SS 8572 Forms or time associated with performing this activity. Therefore, the city's request to allow 17.5 minutes (0.29 hours) to review the SS 8572 Forms for the other agency-generated cases is out of scope for this audit and is unallowable. As a result, there is no impact on the costs claimed, and therefore, nothing to "restore."

Time Increment – Partially Investigated

For SCAR cases where a full initial investigation was not performed, preliminary investigative activities did occur. Therefore, the SCO conducted interviews with Police Officers to determine the time associated with reviewing a SS 8572 Form for SCARs that were partially investigated. The city disagrees with the time increment of 16 minutes

(0.27 hours) for a Police Officer classification to review a SS 8572 Form for SCARs that were partially investigated. For the cases that were determined not to have been fully investigated, the SCO determined that it would be reasonable to allow time spent conducting a partial initial investigation, to review the referral. The city contends that the time was based on officer interviews conducted that resulted in a combined average of 17.5 minutes (0.29 hours). The SCO conducted interviews with Police Officers on November 27 and 28, 2018, which resulted in the following:

- Police Officer 1 – takes 10 minutes to review a SS 8572 Form
- Police Officer 2 – takes 20 to 25 minutes to review a SS 8572 Form

Based on our interviews, we determined that 16 minutes (0.27 hours) to review a SS 8572 Form is allowable for SCARs that were partially investigated. As a result, the city's request to apply the time increment of 17.5 minutes (0.29 hours) to review SS 8572 Forms is unsupported and unallowable.

FINDING 3— Unallowable salaries and benefits – Reporting to the State Department of Justice: Forwarding the SS 8583 Report Forms to the Department of Justice cost component

The city claimed $195,719 in salaries and benefits for the Forwarding the SS 8583 Report Forms to the Department of Justice cost component during the audit period. During testing, we found that $38,875 is allowable and $156,844 is unallowable. Costs claimed are unallowable because the city misinterpreted the program's parameters and guidelines. As a result, the city estimated and overstated the number of hours spent performing the mandated activity, and neglected to base costs on the actual number of eligible SS 8583 report forms that were prepared and submitted to the DOJ.

The following table summarizes the claimed, allowable, and adjusted salaries and benefits costs related to the Forwarding the SS 8583 Report Forms to the Department of Justice cost component for the audit period:

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
1999-2000	$ 11,747	$ 2,257	$ (9,490)
2000-01	12,157	2,314	(9,843)
2001-02	12,975	2,481	(10,494)
2002-03	10,169	2,018	(8,151)
2003-04	16,110	3,070	(13,040)
2004-05	20,274	3,841	(16,433)
2005-06	19,367	3,703	(15,664)
2006-07	18,121	3,391	(14,730)
2007-08	11,687	2,199	(9,488)
2008-09	17,361	3,229	(14,132)
2009-10	15,811	2,912	(12,899)
2010-11	18,888	3,476	(15,412)
2011-12	11,052	3,984	(7,068)
Total	$ 195,719	$ 38,875	$ (156,844)

Number of SS 8583 Forms Forwarded to the DOJ

Claimed

For the audit period, the city claimed the SCAR case count totals in the city's SCAR summary document. The SCAR summary document identifies the total number of SCAR cases that the city worked on during each fiscal year of the audit period. For FY 1999-2000 through FY 2001-02, the number of SCAR cases identified in the SCAR summary document was based on estimates.

From FY 1999-2000 to FY 2001-02, the city was transitioning to new dispatch and records management systems that did not capture all of the SCAR cases. For FY 2002-03 through FY 2011-12, the city determined the SCAR case counts by querying both the CAD System and the RMS. The city used the total number of SCAR cases in the SCAR summary document to compute the claimed costs for the Cross-reporting (Finding 1), Completing an Investigation (Finding 2), and Forwarding Reports to the DOJ (Finding 3) cost components.

Allowable

This component provides reimbursement for costs associated with preparing and submitting the SS 8583 form to the DOJ for every case in which the Rialto Police Department investigated known or suspected child abuse or severe neglect, and which it determined to be substantiated or inconclusive.

Our audit found that the SCAR case count totals in the SCAR summary document were inaccurate counts to use for this cost component. The SCAR summary document included cumulative totals of all SCARs that the Rialto Police Department worked on during the audit period. The SCAR summary document included cases of known or suspected child abuse or severe neglect that were determined to be unfounded after the Rialto Police Department investigated them; cases that were only partially investigated (only the referral was reviewed); and non-mandate-related cases.

During the course of the audit, the city was unable to access historical electronic records for an extended period of time due to a system upgrade. There was a lack of time and staffing to search the master case files (electronic and paper) for each record to retrieve a copy of the SS 8583 Report Form. Consequently, we requested and the city was able to provide detailed SCAR case listings for FY 2003-04, FY 2007-08, and FY 2010-11. We worked with the city to devise a reasonable methodology for approximating the number of LEA-generated SCARs and non-mandate-related cases for each fiscal year to exclude from the total population. We calculated a weighted average based on the results of our testing.

For testing purposes, we judgmentally selected a non-statistical sample from the SCAR case listings by selecting every fourth case until a sample size of 20% was attained, totaling 151 SCAR cases (66 out of 328 in FY 2003-04, 37 out of 186 in FY 2007-08, and 48 out of 242 in FY 2010-11) out of 756 to review. Based on our review of the FY 2003-

04 SCAR cases, we found that of the 66 cases sampled, 13 were non-mandate-related and 53 were mandate-related; of the 53 mandate-related SCAR cases, 27 were LEA-generated and 26 were other agency-generated. For FY 2007-08, we found that of the 37 cases sampled, five were non-mandate-related and 32 were mandate-related; of the 32 mandate-related SCAR cases, 14 were LEA-generated and 18 were other agency-generated. For FY 2010-11, we found that of the 48 cases sampled, eight were non-mandate-related and 40 were mandate-related; of the 40 mandate-related SCAR cases, 22 were LEA-generated and 18 were other agency-generated.

Number of SCARs – LEA-generated

We calculated a weighted average using the total number of LEA-generated SCAR cases, totaling 63 (27 for FY 2003-04, 14 for FY 2007-08, and 22 for FY 2010-11). We divided this amount by the number of mandate-related SCAR cases, totaling 125 (53 for FY 2003-04, 32 for FY 2007-08, and 40 for FY 2010-11). The weighted average of LEA-generated SCAR cases for these fiscal years was 50.40%. The weighted average of non-mandate-related cases was 17.22%. We applied the weighted average percentage of 17.22% (non-mandate-related SCAR cases) to the total number of SCAR cases claimed by fiscal year to calculate the total number of non-mandate-related SCAR cases. We subtracted the total number of non-mandate-related SCARs from the total number of SCARs claimed to calculate the number of mandate-related SCAR cases by fiscal year. We applied the weighted average percentage of 50.40% (LEA-generated SCAR cases) to the total number of mandate-related SCAR cases by fiscal year to calculate the total number of mandate-related SCAR cases that were LEA-generated. These calculations allowed us to determine the total allowable number of LEA-generated SCAR cases.

To determine the total number of LEA-generated SCAR cases that were determined to be substantiated or inconclusive, we calculated a weighted average. We used the total number of LEA-generated SCAR cases that were determined to be substantiated or inconclusive, totaling 50 (22 for FY 2003-04, 12 for FY 2007-08, and 16 for FY 2010-11). We divided this amount by the number of LEA-generated cases, totaling 63 (27 for FY 2003-04, 14 for FY 2007-08, and 22 for FY 2010-11). The weighted average of LEA-generated SCAR cases that were determined to be substantiated or inconclusive for these fiscal years was 79.37%. We applied 79.37% to the allowable number of LEA-generated SCAR cases to determine the allowable number of SS 8583 forms prepared and submitted to the DOJ.

After performing these calculations, we determined that 1,125 LEA-generated SCAR cases (out of 3,396 total SCAR cases) were determined to be substantiated or inconclusive after the Rialto Police Department investigated them during the audit period. Therefore, the allowable number of LEA-generated SCAR cases that were substantiated or inconclusive for the audit period totals 1,125.

The following table summarizes the total claimed, non-mandate-related and mandate-related cases; the percent of LEA-generated SCARs and the allowable number of LEA-generated SCARs; the percent of SS 8583 forms that were LEA-generated and the allowable number of SS 8583 forms that were LEA-generated; and the audit adjustment per fiscal year:

Fiscal Year	Claimed Number of SCARs Investigated (a)	Non-mandate-related Cases 17.22% (b) = (a) * 17.22%	Mandate-related Cases (c) = (a) - (b)	Percent of LEA-generated SCARs (d)	Allowable Number of LEA-generated SCARs (e) = (c) * (d)	Percent of SS 8583 Forms Prepare/Submit LEA-Generated (f)	Allowable SS 8583 Forms Prepare/Submit LEA-Generated (g) = (e) * 79.37%	Audit Adjustment (h) = (g) - (a)
1999-2000	249	43	206	50.40%	104	79.37%	83	(166)
2000-01	257	44	213	50.40%	107	79.37%	85	(172)
2001-02	265	46	219	50.40%	110	79.37%	87	(178)
2002-03	224	39	185	50.40%	93	79.37%	74	(150)
2003-04	326	56	270	50.40%	136	79.37%	108	(218)
2004-05	319	55	264	50.40%	133	79.37%	106	(213)
2005-06	314	54	260	50.40%	131	79.37%	104	(210)
2006-07	293	50	243	50.40%	122	79.37%	97	(196)
2007-08	186	32	154	50.40%	78	79.37%	62	(124)
2008-09	256	44	212	50.40%	107	79.37%	85	(171)
2009-10	223	38	185	50.40%	93	79.37%	74	(149)
2010-11	242	42	200	50.40%	101	79.37%	80	(162)
2011-12	242	42	200	50.40%	101	79.37%	80	(162)
Total	3,396	585	2,811		1,416		1,125	2,271

Number of SCARs – Other Agency-Generated

We calculated a weighted average using the total number of other agency-generated SCAR cases, totaling 30 (12 for FY 2003-04, 14 for FY 2007-08, and four for FY 2010-11). We divided this amount by the number of mandate-related SCAR cases, totaling 125 (53 for FY 2003-04, 32 for FY 2007-08, and 40 for FY 2010-11). The weighted average of other agency-generated SCAR cases for these fiscal years was 24.00%. The weighted average of non-mandate-related cases was 17.22%. We applied the weighted average percentage of 17.22% (non-mandate-related cases) to the total number of SCAR cases claimed by fiscal year to calculate the total number of non-mandate-related SCAR cases. We subtracted the total number of non-mandate-related SCARs from the total number of SCARs claimed to calculate the number of mandate-related SCAR cases by fiscal year. We applied the weighted average percentage of 24.00% (other agency-generated SCAR cases) to the total number of mandate-related SCAR cases by fiscal year to calculate the number of mandate-related SCAR cases that were other agency-generated. These calculations allowed us to determine the total allowable number of other agency-generated SCAR cases.

We then calculated a weighted average of the total number of other agency-generated SCAR cases that were determined to be substantiated or inconclusive. We used the number of other agency-generated SCAR cases that were determined to be substantiated or inconclusive, totaling 23 (eight for FY 2003-04, 12 for FY 2007-08, and three for FY 2010-11). We divided this amount by the number of other agency-generated cases,

totaling 30 (12 for FY 2003-04, 14 for FY 2007-08, and four for FY 2010-11). The calculated weighted average of other agency-generated SCAR cases that were determined to be substantiated or inconclusive for these fiscal years was 76.67%. We applied 76.67% to the allowable number of other agency-generated SCAR totals to determine the allowable number of SS 8583 forms prepared and submitted to the DOJ.

After performing these calculations, we determined that 517 other agency-generated SCAR cases (out of 3,396 total SCAR cases) were determined to be substantiated or inconclusive after the Rialto Police Department investigated them during the audit period. Therefore, the allowable number of other agency-generated SCAR cases that were substantiated or inconclusive for the audit period totals 517.

The following table summarizes the total claimed, non-mandate-related and mandate-related cases; the percent of other agency-generated SCARs and the allowable number of other agency-generated SCARs; the percent of other agency-generated SS 8583 forms and the allowable number of other agency-generated SS 8583 forms that were prepared and submitted to the DOJ; and the audit adjustment per fiscal year:

Fiscal Year	Claimed Number of SCARs Investigated (a)	Non-mandate-related Cases 17.22% (b) = (a) * 17.22%	Mandate-related Cases (c) = (a) - (b)	Percent of Other Agency-generated SCARs (d)	Allowable Number of Other Agency-generated SCARs (e) = (c) * (d)	Percent of SS 8583 Forms Prepare/Submit Other Agency (f)	Allowable SS 8583 Forms Prepare/Submit Other Agency (g) = (e) * 76.67%	Audit Adjustment (h) = (g) - (a)
1999-2000	249	43	206	24.00%	49	76.67%	38	(211)
2000-01	257	44	213	24.00%	51	76.67%	39	(218)
2001-02	265	46	219	24.00%	53	76.67%	41	(224)
2002-03	224	39	185	24.00%	44	76.67%	34	(190)
2003-04	326	56	270	24.00%	65	76.67%	50	(276)
2004-05	319	55	264	24.00%	63	76.67%	48	(271)
2005-06	314	54	260	24.00%	62	76.67%	48	(266)
2006-07	293	50	243	24.00%	58	76.67%	44	(249)
2007-08	186	32	154	24.00%	37	76.67%	28	(158)
2008-09	256	44	212	24.00%	51	76.67%	39	(217)
2009-10	223	38	185	24.00%	44	76.67%	34	(189)
2010-11	242	42	200	24.00%	48	76.67%	37	(205)
2011-12	242	42	200	24.00%	48	76.67%	37	(205)
Total	3,396	585	2,811		673		517	2,879

Time Increments

Claimed

The city claimed between 59 minutes (0.98 hours) and 1.04 hours per case for a Police Officer classification to write, prepare, and forward written reports and between six and seven minutes (0.11 hours to 0.12 hours) for a Sergeant classification to review and approve written reports. These time increments were included in the Forwarding the SS 8583 Report Forms to the Department of Justice cost component, although they should have been claimed under the Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component. We informed the city of this discrepancy during the audit, as discussed in Finding 2.

Allowable

As a result of the time increments for this cost component being allocated to the Complete an Investigation for Purposes of Preparing the SS 8583 Report Form cost component, we needed to determine the time increments associated with preparing and submitting the SS 8583 forms to DOJ. We interviewed a Police Records Supervisor and a Police Records Assistant II from the Rialto Police Department to obtain an understanding of the city's processes for preparing and submitting the SS 8583 forms to the DOJ. Based on our discussions with Police Department staff members, we determined that it takes a Police Officer classification 24 minutes (0.40 hours) ATI to prepare a SS 8583 form and a Police Records Assistant I/II classification seven minutes (0.12 hours) ATI to submit a SS 8583 form to the DOJ. We determined that the allowable ATIs for these classifications to prepare and submit the SS 8583 forms to the DOJ total 0.52 hours.

Hours Adjustment

The following table summarizes the claimed, allowable, and adjusted hours based on the adjustments made to the number of SS 8583 forms submitted to the DOJ and the allowable ATIs to prepare and submit each SS 8583 form to the DOJ for the audit period:

Fiscal Year	Hours Claimed (a)	Hours Allowable (b)	Audit Adjustment (c) = (b) - (a)
1999-2000	282.25	62.92	(219.33)
2000-01	291.91	64.48	(227.43)
2001-02	300.39	66.56	(233.83)
2002-03	245.21	56.16	(189.05)
2003-04	377.07	82.16	(294.91)
2004-05	368.98	80.08	(288.90)
2005-06	358.57	79.04	(279.53)
2006-07	338.90	73.32	(265.58)
2007-08	215.14	46.80	(168.34)
2008-09	296.11	64.48	(231.63)
2009-10	257.94	56.16	(201.78)
2010-11	279.91	60.84	(219.07)
2011-12	143.43	60.84	(82.59)
Total	3,755.81	853.84	(2,901.97)

Criteria

The parameters and guidelines (section IV – Reimbursable Activities) require claimed costs to be supported by source documents. The parameters and guidelines state, in part:

> 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.

The parameters and guidelines (section IV-B.3.a.2.) allow ongoing activities related to costs for reporting to the DOJ for the following reimbursable activities:

2) Forward [SS 8583] reports to the Department of Justice

Prepare and submit to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse or severe neglect which is determined to be substantiated or inconclusive, as defined in Penal Code section 11165.12. Unfounded reports, as defined in Penal Code section 11165.12, shall not be filed with the Department of Justice. If a report has previously been filed which subsequently proves to be unfounded, the Department of Justice shall be notified in writing of that fact. The reports required by this section shall be in a form approved by the Department of Justice (currently form 8583) and may be sent by fax or electronic transmission. (Penal Code section 11169(a) (Stats. 1997, ch. 842, § 5 (SB 644); Stats. 2000, ch. 916 (AB1241); Stats. 2011, ch. 468, § 2 (AB 717)); Code of Regulations, Title 11, section 903; "Child Abuse Investigation Report" Form SS 8583).

This activity includes costs of preparing and submitting an amended report to DOJ, when the submitting agency changes a prior finding of substantiated or inconclusive to a finding of unfounded or from inconclusive or unfounded to substantiated.

Reimbursement is not required for the costs of the investigation required to make the determination to file an amended report.

The parameters and guidelines (section V.A.1. – Claim Preparation and Submission – Actual Costs Claims, Direct Cost Reporting) state:

1. Salaries and Benefits

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

Recommendation

The ICAN Investigation Reports Program was suspended from FY 2015-16 through FY 2017-18. If the program becomes active again, we recommend that the city follow the mandated program claiming instructions and the parameters and guidelines to ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

City's Response

FINDING 3 – UNALLOWABLE SALARIES AND BENEFITS – REPORTING TO THE STATE DEPARTMENT OF JUSTICE: FORWARDING THE SS 8583 REPORT FORMS TO THE DEPARMENT OF JUSTICE COST COMPONENT

As previously discussed in response to Finding 1, the City mentioned concerns about misstatements made [in] the Draft Audit Report referencing systems used to query the data examined for this audit as well as the city's document availability to which SCO Audit Manager Lisa Kearney suggested providing revised language to best reflect systems and available data when responding to the SCO's official draft report so that it can be corrected and incorporated into the final report issued by the SCO.

The following are city's proposed corrections for Finding 3:

CITY'S PROPOSED CHANGE TO PAGE 24, SECOND PARAGRAPH, UNDER "CLAIMED" SUBHEADER (changes reflect the system names queried for this audit; changes from SCO original language are in **bold** for ease of identification):

"From FY 1999-2000 to FY 2001-02, the city was transitioning to **new dispatch and records management systems,** which did not capture all of the SCAR cases. For FY 2002-03 through FY 2011-12, the city determined the SCAR case counts by querying **both the Computer Aided Dispatch (CAD) System and the Records Management System (RMS)**. The city used the total number of SCAR cases in the SCAR summary document to compute the claimed costs for the Cross-reporting (Finding 1), Completing an Investigation (Finding 2), and Forwarding Reports to the DOJ (Finding 3) cost components."

CITY'S PROPSED CHANGE TO PAGE 24, THIRD PARAGRAPH, UNDER "ALLOWABLE" SUB-HEADER

"In April 2017, the city was asked to begin providing SCAR case listings for us to randomly select for review. Due to a system upgrade preventing the city from accessing these historical electronic records, the audit was set back nearly five months before records could be fully accessed and submitted to us by the city. In the interest of time and to remain on track with audit deadlines, we selected FY 2003-04, FY 2007-08, and FY 2010-11 to serve as a representative sample of the audit period. The city as able to provide detailed SCAR case listings for each of these three fiscal years. We worked with the city to devise a reasonable methodology for approximating the number of SS 8583 forms that were prepared and submitted to the DOJ for the audit period. Both parties agreed that we would calculate a weighted average based on the results of our testing as there was insufficient time and staffing to search the master case file (electronic and paper) for each record to retrieve a copy of the SS 8583 form."

CITY'S PROPOSED CHANGE TO POSITION TITLE, PAGE 28, FIRST PARAGRAPH – Change "Police Records Supervisor II" to "Police Records Supervisor"

City request for future consideration:

The city has requested the reclassification of numerous cases that were determined to be non-mandate related or not fully documented in the SCO's Draft Audit Report. If the city's explanations and evidence presented in this response have convinced the SCO to reclassify some of the cases from unallowable to allowable, the City requests that those corresponding cases found to be allowable be credited appropriate time under this eligible component **Finding 3: Unallowable Salaries and benefits – Reporting to the State Department of Justice: Forwarding the SS 8583 Report Forms to the Department of Justice cost component.**

In closing, the City of Rialto would like to reaffirm its position that the SCO has unjustly denied costs for several mandated activities we believe have been supported with ample source documentation, time studies, CAD logs to support officer time to complete an investigation, and staff interviews.

If agreeable to the SCO, Captain William Wilson will prepare and submit a declaration to further substantiate the city's arguments outlined in this response. Captain Wilson has been employed by the Rialto Police Department for 17 ½ years, has 27 years of total law enforcement experience, and has extensive experience in the area of child abuse investigations.

The intent of submitting the declaration is to offer additional support to the previously submitted documentation that was reviewed by the SCO throughout this audit. Per page 3 of the Parameters and Guidelines:

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

The City appreciates the opportunity to respond to the SCO's Draft Audit Report. We believe we have accurately interpreted and supported our costs claimed in accordance with claiming instructions and Commission guidelines. Additional documentation is available should the SCO determine to reconsider allowable costs and make adjustments to the findings of this audit.

SCO Comment

The audit adjustment and the recommendation for the forwarding reports to the DOJ cost component remain unchanged.

We will address the city's response in the same order that it was presented.

The first complete paragraph on page 41 of this audit report has been revised per the city's request.

The fourth complete paragraph on page 41 of this audit report has been revised to reflect minor edits requested by the city.

The position title of "Police Records Supervisor II," cited in the draft audit report, has been amended to "Police Records Supervisor" in the first paragraph on page 45 of this audit report, per the city's request.

The audit adjustments and recommendations of this audit report remain unchanged for the Cross-reporting (Finding 1), Completing an Investigation (Finding 2), and Forwarding Reports to the DOJ (Finding 3) cost components. The additional documentation provided with the Draft Audit response, CAD logs, written crime reports, police officer interviews, discussions with Captain William Wilson and Crime Analyst Jennifer Krutak, and documentation obtained throughout the course of the audit does not provide adequate support for additional time or eligible reimbursable costs for these cost components.

FINDING 4— Overstated indirect costs

The city claimed $377,036 in indirect costs for the audit period. During testing, we found that $105,430 is allowable and $271,606 is unallowable. Costs claimed are unallowable because the city misinterpreted the program's parameters and guidelines and, as a result, overstated its indirect cost rates for all fiscal years excluding FY 1999-2000, and applied the indirect cost rates to unallowable salaries.

The following table summarizes the claimed, allowable, and adjusted indirect costs for the audit period:

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
1999-2000	$ 16,591	$ 5,098	$ (11,493)
2000-01	18,892	5,151	(13,741)
2001-02	21,512	5,953	(15,559)
2002-03	17,241	4,623	(12,618)
2003-04	29,165	7,937	(21,228)
2004-05	34,240	9,304	(24,936)
2005-06	36,417	10,160	(26,257)
2006-07	32,649	8,903	(23,746)
2007-08	24,515	6,362	(18,153)
2008-09	39,790	9,526	(30,264)
2009-10	35,319	8,971	(26,348)
2010-11	44,258	11,366	(32,892)
2011-12	26,447	12,076	(14,371)
Total	$377,036	$105,430	$ (271,606)

Salaries claimed as indirect costs

The city classified various classifications as indirect positions and allocated the related salary and benefit costs to the indirect cost pool when computing claimed indirect cost rates. In our analysis, we noted that the indirect salaries and related benefits claimed as indirect costs might have included positions that were not indirect. The city provided a worksheet listing the classifications that it considered to be indirect.

The following table lists the 42 classifications that the city claimed as being 100% indirect in its ICRPs at some point during the audit period. Some of the classifications were claimed every fiscal year, while others were claimed in only some fiscal years.

Classifications Claimed as Indirect

Administrative Assistant	Police Chief
Administrative Secretary	Police Officer (Administrative Duty)
Accounting Technician	Police Cadet
Captain	Police Records Analyst II
Crime Analyst	Police Records Assistant I/II
Crime Analyst Assistant	Police Records Supervisor
Commander	Police Sergeant
Corporal	Police Training Sergeant
Corporal (Administrative)	Police Transcriber
Deputy Police Chief	Police Transcriptionist
Emergency Dispatcher (Part-time)	Property and Evidence Assistant
Emergency Dispatcher I/II	Senior Accounting Assistant
Emergency Dispatcher Supervisor	Senior Community Services Officers (2)
Emergency Services Supervisor	Senior Office Assistant
Executive Assistant	Senior Office Specialist
Executive Secretary	Senior Police Records Specialist
Information System Analyst	Sergeant
Law Enforcement Technician	Sergeant (Administrative)
Lieutenant	Transcriber
Office Assistant II	Technical Assistant

We identified 16 of the 42 positions as likely not 100% indirect, based on the nature of the positions and tasks performed. The remaining classifications are support roles or mostly administrative in nature, and therefore we accepted the city's assessment. The positions in question were the following:

- Crime Analyst
- Crime Analyst Assistant
- Emergency Dispatcher (Part-time)
- Emergency Dispatcher I/II
- Emergency Dispatch Supervisor
- Emergency Services Supervisor
- Law Enforcement Technician
- Lieutenant
- Police Cadet
- Police Corporal
- Police Sergeant
- Police Records Assistant II
- Property and Evidence Assistant
- Senior Community Services Officers
- Senior Police Records Specialist

For these positions, we reviewed the tasks identified on the city's duty statements. The duty statements served as a tool for determining an allocation between direct and indirect duties based on the list of typical duties performed.

As a general rule, any classification involved in providing specific, identifiable, and direct services should be considered as a direct labor cost. Indirect labor costs are those which are not readily identifiable or assignable to one unit and would typically benefit more than one department.

Recalculation of Fractional Percentages for Indirect Cost Pool

We analyzed the duties listed on the duty statements for the 16 classifications that we determined to be not 100% indirect. For each classification, we calculated how many of the duties listed on the duty statements were indirect and how many were direct. The city requested that we re-evaluate the duties that were determined to be direct versus indirect for each of these classifications. The city provided a supplemental reassessment analysis document identifying 16 classifications and their associated tasks, with clarifying details of the duties performed. The supplemental reassessment analysis document was completed using input provided by the city's Administrative Support Services Captain, who is responsible for overseeing all administrative functions of the Rialto Police Department and who determines how frequently duties will be performed by personnel as well as assigning responsibilities that may be outside of the standard duty statement. In addition, the city recalculated the direct and indirect percentages based on the duty statement tasks identified on the supplemental reassessment analysis document. Based on our review of the city's supplemental reassessment analysis document and discussion with the city's Administrative Support Services Captain, we accepted the city's recalculated direct and indirect percentages for each of these 16 classifications.

We calculated fractional percentages of indirect labor for each of the 16 classifications. The final determination of the allocation of indirect labor is as follows:

- Crime Analyst – 85%
- Crime Analyst Assistant – 70%
- Emergency Dispatcher (Part-time) – 94%
- Emergency Dispatcher I/II – 94%
- Emergency Dispatch Supervisor – 90%
- Emergency Services Supervisor – 90%
- Law Enforcement Technician – 80%
- Lieutenant – 90%
- Police Cadet – 20%
- Police Corporal – 50%
- Police Sergeant – 60%
- Police Records Assistant II – 90%

- Property and Evidence Assistant – 80%
- Senior Community Services Officers – 80%
- Senior Police Records Specialist – 90%

Recalculated Rates

For each fiscal year of the audit period, excluding FY 1999-2000, we recalculated the indirect cost rates by adjusting the salaries and related benefits costs allocated into the indirect cost pool based on the final determination of the allocation of direct and indirect labor ratio for the 16 classifications.

The following table summarizes the claimed, allowable, and adjusted indirect cost rates for the audit period:

Fiscal Year	Indirect Cost Rate Claimed (a)	Allowable Indirect Cost Rates (b)	Rate Difference (c) = (b) - (a)
1999-2000	58.50%	58.50%	-
2000-01	66.20%	62.29%	-3.91%
2001-02	70.10%	66.52%	-3.58%
2002-03	66.40%	61.30%	-5.10%
2003-04	75.00%	69.96%	-5.04%
2004-05	85.20%	79.96%	-5.24%
2005-06	89.40%	86.05%	-3.35%
2006-07	84.30%	79.54%	-4.76%
2007-08	98.40%	88.01%	-10.39%
2008-09	107.00%	88.56%	-18.44%
2009-10	107.90%	95.69%	-12.21%
2010-11	118.80%	105.98%	-12.82%
2011-12	118.60%	103.84%	-14.76%

Summary of Audit Adjustment

For each fiscal year of the audit period, we recalculated allowable indirect costs by applying the audited indirect cost rates to the allowable salaries. We found that the city overstated indirect costs totaling $271,606 for the audit period ($10,107 related to overstated indirect cost rates and $261,499 related to overstated salaries and benefits in Findings 1, 2, and 3).

Fiscal Year	Indirect Cost Rate Difference Adjustment	Unallowable Salaries Cost Adjustment	Total Audit Adjustment
1999-2000	$ -	$ (11,493)	$ (11,493)
2000-01	(323)	(13,418)	(13,741)
2001-02	(319)	(15,240)	(15,559)
2002-03	(385)	(12,233)	(12,618)
2003-04	(571)	(20,657)	(21,228)
2004-05	(610)	(24,326)	(24,936)
2005-06	(396)	(25,861)	(26,257)
2006-07	(532)	(23,214)	(23,746)
2007-08	(751)	(17,402)	(18,153)
2008-09	(1,985)	(28,279)	(30,264)
2009-10	(1,145)	(25,203)	(26,348)
2010-11	(1,374)	(31,518)	(32,892)
2011-12	(1,716)	(12,655)	(14,371)
Total	$ (10,107)	$ (261,499)	$ (271,606)

Criteria

The parameters and guidelines (section V.B. – Claim Preparation and Submission – Indirect Cost Rates) state:

> Indirect costs are cost that are incurred for a common or joint purpose…
>
> Compensation for indirect costs is eligible for reimbursement utilizing the procedure provided in 2 CFR Part 225 (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 exceeds 10%.
>
> If the claimant chooses to prepare an ICRP, both the direct costs (as defined and described in 2 CFR Part 225, Appendix A and B (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, Appendix A and B [OMB Circular A-87 Attachments A and B]. However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable.
>
> The distribution base may be (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.), (2) direct salaries and wages, or (3) another base which results in an equitable distribution.
>
> In calculating an ICRP, the claimant shall have the choice of one of the following methodologies:
>
> 1. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) classifying a department's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount of allowable indirect costs bears to the base selected; or
> 2. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) separating a department into groups, such as divisions or sections, and then classifying the division's or section's total costs for the base period as either direct or indirect, and (2) diving 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 of allowable indirect costs bears to the base selected.

Recommendation

The ICAN Investigation Reports Program was suspended from FY 2015-16 through FY 2017-18. If the program becomes active again, we recommend that the city follow the mandated program claiming instructions and the parameters and guidelines to ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

City's Response

The city did not provide a response to this audit finding.

Attachment—
City's Response to Draft Audit Report

City of Rialto
California

February 4, 2019

Ms. Lisa Kurokawa, Chief
State Controller's Office
Division of Audits
P.O. Box 942850
Sacramento, CA 94250

RE: City of Rialto Interagency Child Abuse and Neglect (ICAN) Investigation Reports Program Claims Audit, Fiscal Years 99-00 through 11-12

Dear Ms. Kurokawa:

Enclosed are the City of Rialto's comments to the draft audit report issued by the State Controller's Office for costs claimed related to the legislatively mandated Interagency Child Abuse and Neglect Investigation Reports Program for the period July 1, 1999 through June 30, 2012.

Please contact me and Jennifer Krutak after review and additional consideration of the enclosed comments and data should your office determine to make any modifications to the draft report submitted to the City of Rialto on January 22, 2019. I can be reached at (909) 820-7219 or jbrown@rialtoca.gov; Ms. Krutak can be reached at (909) 820-2645 or jkrutak@rialtopd.com.

Respectfully Submitted,

Jessica Brown, Finance Director

Enclosures

cc: Erica Velasquez, Auditor-in-Charge, State Controller's Office
Lisa Kearney, Audit Manager, State Controller's Office
William Wilson, Support Services Captain, Rialto Police Department
Jennifer Krutak, Crime Analyst, Rialto Police Department

After reviewing the Interagency Child Abuse and Neglect Investigation Reports Program draft report of findings issued by the State Controller's Office (hereinafter, "SCO") on January 22, 2019, the City of Rialto (hereinafter, "city") responds and objects as follows:

FINDING 1 – UNALLOWABLE SALARIES AND BENEFITS – CROSS-REPORTING FROM LAW ENFORCEMENT TO THE COUNTY WELFARE AND DISTRICT ATTORNEY'S OFFICE COST COMPONENT

On January 8, 2019, during the audit exit conference call, Captain William Wilson of the City of Rialto Police Department mentioned concerns he had regarding references and misstatements made of the Draft Audit Report referencing systems used to query the data examined for this audit as well as the city's document availability. SCO Audit Manager Lisa Kearney advised the City of Rialto to submit language that best reflects the systems and available data when responding to the SCO's official draft report so that it can be corrected and incorporated into the final report issued by the SCO.

The following are city's proposed corrections for Finding 1:

CITY'S PROPOSED CHANGE TO PAGE 11, SECOND PARAGRAPH, UNDER "CLAIMED" SUB-HEADER (changes reflect the system names queried for this audit; changes from SCO original language are in **bold** for ease of identification):

"From FY 1999-2000 to FY 2001-02, the city was transitioning to **new dispatch and records management systems**, which did not capture all of the SCAR cases. For FY 2002-03 through FY 2011-12, the city determined the SCAR case counts by querying **both the Computer Aided Dispatch (CAD) System and the Records Management System (RMS)**. The city used the total number of SCAR cases in the SCAR summary document to compute the claimed costs for the Cross-reporting (Finding 1), Completing an Investigation (Finding 2), and Forwarding Reports to the DOJ (Finding 3) cost components."

CITY'S PROPOSED CHANGE TO PAGE 12, SECOND PARAGRAPH, UNDER "ALLOWABLE" SUB-HEADER

"In April 2017, the city was asked to begin providing SCAR case listings for us to randomly select for review. Due to a system upgrade preventing the city from accessing these historical electronic records, the audit was set back nearly five months before records could be fully accessed and submitted to us by the city. In the interest of time and to remain on track with audit deadlines, we selected FY 2003-04, FY 2007-08, and FY 2010-11 to serve as a representative sample of the audit period. The city was able to provide detailed SCAR case listings for each of these three fiscal years. We worked with the city to devise a reasonable methodology for approximating the number of other agency-generated SCARs and non-mandate-related cases for each fiscal year to exclude from the total population. Both parties agreed that we would calculate a weighted average based on the results of our testing as there was insufficient time and staffing to obtain detailed SCAR case listings for the remaining years."

CITY'S PROPOSED CHANGE TO POSITION TITLE, PAGE 14, FIRST PARTIAL PARAGRAPH – Change "Police Records Supervisor II" to "Police Records Supervisor"

The following are city's objections to Finding 1:

CITY'S OPPOSITION TO FINDING 1 – SERGEANT'S REVIEW TIME UNALLOWABLE

The City claimed time for the Sergeant to review written reports that are cross-reported to the County Welfare (hereinafter "CPS") and the District Attorney's Office (hereinafter "DA"). According to the draft report, "reviewing written reports before sending them to CPS and the DA's office is not a mandate-related activity. Therefore, costs claimed for the Sergeant to review written reports before sending them to CPS and the DA's office are unallowable."

The City disagrees with this finding as reviewing a written report is:

1) **Eligible** - Parameters and Guidelines, Section IV.B.3.a.1, allows for "... this activity includes review of the initial Suspected Child Abuse Report (Form 8572) ... and making a report of the findings of those interviews, which may be reviewed by a supervisor."

   It is clear from the language of the Parameters and Guidelines that the Commission found report review a reasonably necessary activity and intended to allow for the reimbursement of supervisor review time for written reports. Further, nowhere in the Parameters and Guidelines, nor the Statement of Decision, does it specify what type of document is eligible or ineligible for supervisor review.

2) **Reasonably Necessary** - Pursuant to Government Code Section 17557(a) and Section 1183.7(d) of the Commission's regulations, a reasonably necessary activity is defined as, "... those activities necessary to comply with the statutes, regulations and other executive orders found to impose a state mandated program."

It is the City's position, that any written document that is required to be cross-reported as a part of the child abuse investigation to CPS or the DA satisfies a mandated activity under Section IV.B.3.a.1 and therefore, should be allowed for reimbursement of claimed costs for sergeant's review/approval of any written report for such investigations.

CITY'S OPPOSITION TO FINDING 1 – ALLOWABLE TIME INCREMENT TO SEND REPORT

On November 21, 2018, the SCO conducted interviews with police records staff to inquire on the clerical steps a Police Records Assistant I/II takes to process a written report for the purpose of sending to CPS and the DA. Employees interviewed identified the following key steps:

1) Pull and process electronic report written by officer

2) Prepare copies of report (per officer instructions) – includes watermarking documents for confidentiality purposes per California Penal Code 11142-43 prior to release

3) Release documents via fax/email/mail

Discussions immediately following the interviews between the City of Rialto and the SCO yielded an agreed average of six minutes per activity (steps 1-3 listed above) for a total of 18 minutes to process a written report to send to CPS and the DA. During subsequent conversations, the SCO reduced the total amount of time to six minutes stating that only step three involved the activity of physically sending the report, and therefore, steps one and two did not apply. The SCO has stated during discussions with the City that the "plain language" of the Parameters and Guidelines, Section IV.B.2.c.3, says "send a written report within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under Penal Code Section 11166" strictly limits reimbursement to sending the report (the physical activity of transmitting the document).

The City disagrees with this interpretation and contends that:

1) **Steps one and two are necessary in order to complete step three** – the physical act of sending a report cannot be completed without first pulling it over via the electronic system and processing the document(s) that will be faxed/emailed/mailed (to include scanning, if applicable, prior to emailing)

2) **Reasonably Necessary** - Pursuant to Government Code Section 17557(a) and Section 1183.7(d) of the Commission's regulations, a reasonably necessary activity is defined as, "... those activities necessary to comply with the statutes, regulations and other executive orders found to impose a state mandated program."

3) **Actual Costs to Completed Mandated Activity** - Page 3 of the Parameters and Guidelines states, "Actual costs are those costs actually incurred to implement the mandated activities." Steps one and two (aforementioned paragraph) are actual costs incurred to complete step three, the physical act of sending the written report.

Therefore, it is the City's position that all three steps are inclusive of the process to send a written report to CPS and the DA. Accordingly, the SCO should allow costs for this activity at 18 minutes for Police Records Assistant I/II.

FINDING 2 – UNALLOWABLE SALARIES AND BENEFITS – REPORTING TO THE STATE DEPARTMENT OF JUSTICE: COMPLETE AN INVESTIGATION FOR PURPOSES OF PREPARING SS 8583 REPORT FORM COST COMPONENT

As previously discussed in response to Finding 1, the City mentioned concerns about misstatements made of the Draft Audit Report referencing systems used to query the data examined for this audit as well as the city's document availability to which SCO Audit Manager Lisa Kearney suggested providing revised

language to best reflect systems and available data when responding to the SCO's official draft report so that it can be corrected and incorporated into the final report issued by the SCO.

The following are city's proposed corrections for Finding 2:

CITY'S PROPOSED CHANGE TO PAGE 16, SECOND PARAGRAPH, UNDER "CLAIMED" SUB-HEADER (changes reflect the system names queried for this audit; changes from SCO original language are in **bold** for ease of identification):

"From FY 1999-2000 to FY 2001-02, the city was transitioning to **new dispatch and records management systems**, which did not capture all of the SCAR cases. For FY 2002-03 through FY 2011-12, the city determined the SCAR case counts by querying **both the Computer Aided Dispatch (CAD) System and the Records Management System (RMS)**. The city used the total number of SCAR cases in the SCAR summary document to compute the claimed costs for the Cross-reporting (Finding 1), Completing an Investigation (Finding 2), and Forwarding Reports to the DOJ (Finding 3) cost components."

CITY'S PROPOSED CHANGE TO PAGE 17, THIRD PARAGRAPH, UNDER "ALLOWABLE" SUB-HEADER

"In April 2017, the city was asked to begin providing SCAR case listings for us to randomly select for review. Due to a system upgrade preventing the city from accessing these historical electronic records, the audit was set back nearly five months before records could be fully accessed and submitted to us by the city. In the interest of time and to remain on track with audit deadlines, we selected FY 2003-04, FY 2007-08, and FY 2010-11 to serve as a representative sample of the audit period. The city was able to provide detailed SCAR case listings for each of these three fiscal years. We worked with the city to devise a reasonable methodology for approximating the number of LEA-generated SCARs and non-mandate-related cases for each fiscal year to exclude from the total population. Both parties agreed that we would calculate a weighted average based on the results of our testing as there was insufficient time and staffing to obtain detailed SCAR case listings for the remaining years."

The following are city's objections to Finding 2:

CITY'S OPPOSITION TO FINDING 2 – NUMBER OF SCARS - FULLY INVESTIGATED

The SCO denied investigative costs for all substantiated/inconclusive Law Enforcement Generated (hereinafter "LEA-generated") cases that were fully investigated for purposes of reporting to the Department of Justice (hereinafter "DOJ"). The SCO contends that these cases do not qualify for investigation or reporting writing (including supervisor review) despite the fact that almost 100% of the LEA-generated cases claimed were founded or inconclusive, therefore, requiring reporting to the DOJ. The SCO based the denial of costs on the following claiming wording of the Parameters and Guidelines (Section IV.B.3.a.1):

ii. In the event that the mandated reporter is employed by the same child protective agency required to investigate and submit the "Child Abuse Investigation Report" Form SS 8583 or subsequent designated form to the Department of Justice, pursuant to Penal Code section 11169(a), reimbursement is not required if the investigation required to complete the Form SS 8572 is also sufficient to make the determination required under section 11169(a), and sufficient to complete the essential information items required on the Form SS 8583..."

The City of Rialto believes that the denial of all actual, eligible costs for this component violates the Commission's intent and denies the City actual, documented costs incurred. The City strongly objects to this denial of all documented investigative costs for these LEA-generated cases for the following reasons:

1) Claiming instructions, and Parameters and Guidelines, clearly specify that reimbursement is eligible if the investigation required to report to the DOJ exceeds that which would have been required simply to complete the SS 8572 form. Rialto police officers conducted extensive investigations, as supported with actual time logs, which go beyond investigation time needed to satisfy the SS 8572 completion, thereby making these LEA-generated investigations eligible.

2) Documentation provided in support of other agency-generated cases was allowed by the SCO while identical documentation to support LEA-generated cases was denied

3) Investigative steps taken by officers were the same in LEA-generated (denied) and other-agency generated (allowed) investigations

4) City contends it has demonstrated that the investigation level **exceeded** the base requirements needed to fill out a mandated reporter form (SS 8572) - level of investigation required to fill in the SS 8572 was **not** sufficient to complete the SS 8583 form for DOJ reporting

5) SCO advised the City of Rialto these cases would be allowed at the rate of 1.74 hours per case for investigative time for all LEA-generated investigations that showed more than one interview of parties was conducted as of the December 4, 2018, audit status conference call.

The City firmly believes that it has adequately proven, through actual source documents and police staff interviews outlining investigative procedures, that the level of investigation performed to complete the SS 8583 exceeded that which was needed to cross report to CPS. A significant amount of time is spent to fully investigate an allegation of child abuse as is demonstrated with officer on-scene time logs, multiple officers assisting with the investigation, numerous parties being interviewed to determine the outcome of the allegation, written crime reports, etc. This level of effort would not have been required to simply fill out the cross reporting form to notify CPS of a suspected child abuse that has not been fully investigated, and in some instances, where the investigation has not yet begun.

The main objective of cross reporting to CPS (SS 8572) is to make the county aware of the alleged child abuse in order for CPS to assess if there is potential harm to the alleged victim(s) in the home.

The SS 8572 form is not required to be 100% completed to be accepted by CPS; only the reporting party and victim's basic information need to be included. An investigation does not need to be started or completed to obtain this information. As explained by Captain Wilson (and verified during subsequent officer interviews), the level of investigation required to complete SS 8572 is typically not sufficient to complete SS 8583. The SS 8572 generally involves talking to one person and gathering basic components of information. There are no requirements to first contact involved parties or conclude investigative findings before submitting the form.

However, in order to complete the SS 8583, and be accepted by the Department of Justice, a basic patrol level investigation must be completed. The SS 8583 has specific requirements that cannot be answered without first contacting parties involved:

- Section A - requires officer indicate if investigation is substantiated or inconclusive; this cannot be determined without completing an investigation (not required for SS 8572)

- Section C - officer must indicate if suspect was properly notified per PC 11169(b) regarding agency's requirement to notify DOJ of the subject being a suspected child abuse offender; investigation must be completed first (not required for SS 8572)

- Requires suspect's demographic information - date of birth, height, weight, eye color, hair color, social security number, driver's license number, and relationship to victim (most of these fields are not contained on SS 8572)

For a full list of the California Department of Justice's reporting components under SS 8583 that are not required to complete SS 8572, refer to http://ag.ca.gov/childabuse/pdf/8583guide.pdf. **The main requirement that exceeds SS 8572 is that a full, active, investigation must be completed** (pgs 2-4). A full investigation requires contact of not only a victim, but description/nature of injuries (not required under SS 8572). This guide further states that the form SS 8583 is to be sent to the DOJ only after the following four elements have been satisfied:

a) made investigative contacts
b) determined child abuse was not unfounded
c) confirmed the suspected abuse or neglect is reportable to the DOJ as stipulated in previously mentioned statutes
d) completed the investigation.

None of these elements are required for cross reporting. Therefore, to disallow all investigative costs for 100% of LEA-generated cases determined to be substantiated or inconclusive is unreasonable given that the source documents provided clearly support all the mandated activities were performed in furtherance of Parameters and Guidelines Section IV.B.3.a.1.

The SCO accepted the merits of the City's arguments and advised it was allowing costs during the December 4, 2018, status conference call. These allowed investigative costs were at the agreed amount of 1.74 hours. However, the very next day, the decision was reversed via email with no explanation other

than "after further review of the parameters and guidelines, the statement of decision, and the documentation we have to date, it is unclear that an investigation did in fact occur on LEA-generated cases (white cases)."

The City is aware that all decisions made to allow costs must be supported by the Parameters and Guidelines and Commission's Statement of Decision. Therefore, it is difficult to understand how those very same guidelines used to support the SCO allowing costs for LEA-generated cases on December 4, 2018, also justify denying costs on December 5, 2018. Despite numerous requests for specifics on what evidence is lacking in our documentation, the SCO has failed to provide them. The City can better assess the SCO's position if the SCO can point the City to the specific sections of the Parameters and Guidelines and Statement of Decision that support their denial along with an explanation of their interpretation of same language.

The City affirms it has provided actual evidence from CAD logs[1], written crime reports, officer interviews, and discussions supported by Captain Wilson and Crime Analyst Jennifer Krutak that actual, eligible costs were incurred for the reimbursable components including:

- actual officer on-scene time to conduct the preliminary investigation
- number of officers on-scene conducting the preliminary investigation
- size and complexity of the written report
- number of parties interviewed including relationship to case and summary of statements

The City contends that all these factors demonstrate that the level of effort and time to conduct an investigation to complete SS 8583 exceeds that which would have been required to simply gather basic information to complete SS 8572 mandated reporter form.

Accordingly, it is the City's position that LEA-generated cases, determined to be substantiated or inconclusive, which have been allowed for forwarding the SS 8583 form to the DOJ (that showed more than one party was interviewed, as previously agreed to by the SCO on December 4, 2018) should also be allowed full investigative time, associated report writing time and supervisor review/approval.

CITY'S OPPOSITION TO FINDING 2 – NUMBER OF SCARS – PARTIALLY INVESTIGATED

The SCO denied associated investigative costs stating, on page 21 of the draft report, that "the Police Department began but did not complete or document a full initial investigation" however, did allow time to review each referral. These reports were investigated by officers and determined to be unfounded. Because they were unfounded, no formal report was written to document the investigation once the call

[1] A CAD log (synonymous for call for service record) is used as a police department's first form of documentation when an officer is assigned to handle a patrol investigation. This is an entry to the Computer Aided Dispatch (CAD) system which logs basic information about a call for service: nature of alleged crime, officer assigned to investigation, date/time of call, location(s) involved, reporting/referring party, disposition of investigation as determined by officer. There is a corresponding CAD log for every investigation (substantiated/unfounded). Substantiated cases are followed by a formal written crime report in the Records Management System (RMS). Unfounded cases are closed out in the CAD system with no report to follow.

for service was closed. The SCO audit analysis spreadsheet identified these records in blue (calls for service).

The City would like to clarify, for the record, that the police department fully investigates all allegations of known or suspected child abuse. The SCO's statement that "a full initial investigation was not performed" is completely false, contradicts police policies and procedures, and is a violation of California Penal Code statutes. It is impossible for an officer to determine the case was unfounded without completing an investigation.

Throughout this audit, there has been disagreement between the City and the SCO on what constitutes acceptable source documentation to support that an investigation took place in order for costs to be deemed allowable. The fact that the SCO is unwilling to accept the police department's call for service documents as adequate investigative support does not mean that "a full initial investigation was not performed."

The City explained that the process for documenting an unfounded incident varies significantly from a substantiated investigation, and the call for service record is procedural for serving as the only form of documentation. The only source document for these unfounded investigations is the CAD log (call for service record) created during the officer's initial investigation.

Despite lengthy review and discussions with police department staff on the procedures for documenting unfounded incidents in CAD, including confirmation from Support Services Captain William Wilson that a CAD log for an unfounded incident indicates that a preliminary investigation did, in fact occur, the SCO concluded to deny investigative costs.

The City disagrees with this conclusion for the following reasons:

1) **City produced actual and contemporaneously prepared documents** – Per the Parameters and Guidelines, "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...may include, but are not limited to, employee time records or time logs..." The City believes the CAD logs provided for review meet this criteria and:

    - are electronic records created at the time the investigation took place
    - are valid source documentation to support investigative costs incurred by the City
    - are legal documents produced for Public Records Act and subpoena requests as well as used for official court purposes
    - provide actual officer on-scene time logs (defined as an example in the Commission's source documentation definition of the Parameters and Guidelines)

2) **City provided specific examples to support an investigation occurred** – The records originally determined to be unallowable by the SCO were re-evaluated through a collaborative process in November 2018. Each unallowed record was discussed in order for the city to present arguments as to why the record should be allowed for investigation time.

The City believes it provided ample justification to support that an investigation took place at the patrol level despite minimal narrative comments contained in the CAD logs. Officer interviews conducted by the SCO, as well as clarification provided by Captain William Wilson and Crime Analyst Jennifer Krutak, further explained possible reasons why CAD log narratives would be minimal or lacking.

The following are examples of cases that were referred by other mandated reporters to the Rialto Police Department that were allowed for review of referral only but denied for investigation time (redacted copies of the CAD logs are attached):

Record # 148: CPS referral – mother addicted to meth/not caring for children; officer made contact with alleged suspect and both children; determined "no signs of any abuse going on in the house"

Record # 108: CPS referral – allegations of physical abuse/four children in home; officer comments indicate "advisal only, kids chk'd C4 custody battle between families"; in order for officer to give an advisal to the family and ascertain there was a custody issue and not abuse, he would have had to make contact with the subjects in the home (also contacted children based on comment in call)

Record # 24: CPS referral – mother on drugs/not feeding child/living in filthy conditions; officer made contact with alleged suspect and child; determined "no signs of neglect"

Record # 44: Hospital referral – child admitted with leg fracture; officer made contact with parent and doctor; determined "appears to be no sign of child abuse, no bruising, no sign of abuse, just a fracture"

Record # 64: Hospital referral – child admitted with large bump on head; officer made contact with child, parent and doctor; determined "it is my opinion that the injury happened as explained…Dr. Thomas was also in agreement with my findings…I did not see any reason for CPS notification."

Although full incident reports were not written for the above investigations, there is still sufficient information documented in the CAD logs to determine that contact was made with at least one party, satisfying the investigation requirements of the mandate, proving this activity did take place.

3) **City followed Level 2 Investigation accepted by the Commission on State Mandates** – The Rialto Police Department's practice not to document unfounded investigations of child abuse with a formal incident report complies with the Commission's ruling to accept varying levels of investigation presented by the test claimant, LA County, in the Statement of Decision adopted on December 6, 2013.

Pages 24-25 of the Statement of Decision describe three basic types of investigation. In the Level 2 Investigation (most common), "Patrol Officer Investigation, No Child Abuse," LA County outlined eight steps for initiating/completing an investigation of child abuse where the outcome was deemed no child abuse/unfounded:

a. Officer receives, prints or transcribes child abuse reports (SCARs or calls-for-service) from the public, cross-reporting agency department, and mandated reporters
b. Officer processes child abuse report into agency's tracking system
c. Officer reviews report and assigns for appropriate follow-up investigation
d. Patrol officer receives call-for-service and acknowledges call
e. Patrol officer conducts preliminary interview with child/children
f. Patrol officer conducts preliminary interviews with parents, siblings, witnesses, and/or suspect(s)
g. Patrol officer enters findings into agency's systems (ends call in computer aided system and documents findings)
h. Supervising officer reviews investigation findings and approves closure of the report indicating no child abuse

**it should be noted that step H does not apply to the Rialto Police Department – the patrol officer is authorized to close the report in the computer aided system without the supervisor review using his/her discretion of the proper use of call disposition (unfounded, necessary action taken, etc.)*

Steps a – g are the same procedures the Rialto Police Department follows for investigating and documenting its unfounded allegations of child abuse, where the computer aided dispatch record serves as the final source document (no written report follows).

A comparison of Level 2 (No Child Abuse) and Level 3 (Reported CACI Investigation) investigations, Step 7, shows that the only difference is in documentation where a Level 3 investigation (determined to be substantiated or inconclusive) requires an officer to write a report; this is not required for a Level 2 investigation (unfounded) that ends at the closure of the CAD call.

In addition to the above, the Parameters and Guidelines, Section IV.B.3.a.1, state that the time to "Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive" is reimbursable. This activity includes, "...conducting initial interviews with parents, victims, suspects or witnesses, **where applicable**, and making a report of the finding of those interviews."

The wording above, "where applicable," shows that an investigation may or may not require interview with parties. Although the City of Rialto still affirms that officers contacted at least one party for all mandate-related cases claimed for investigative costs, to require documented proof that an interview always occurred contradicts the statement above by the Commission.

The key point to consider is that the Commission only requires that a documentation of the investigative finding take place at the closure of the call (Level 2 Investigation, Step 7). The officer's call disposition and/or call notes, however minimal, meet this very objective; the disposition of unfounded reflects the officer's observations, interviews and overall conclusions as a result of conducting an investigation. Not having a detailed narrative report should not nullify reimbursement for the eligible preliminary investigative procedure.

Accordingly, it is the City's position that records allowed for review of referral only should be eligible for full investigative time as the City has provided ample source documentation to support that an initial investigation, in compliance with the mandate, occurred. It would be impossible, and negligent, for an officer to conclude an outcome of unfounded without first contacting involved parties to gather necessary facts to make a determination of the allegation of abuse. The fact that an unfounded investigation is not documented identically as a substantiated investigation (allowed by SCO) does not negate that the investigative activity took place, and therefore, costs should be allowed.

CITY'S OPPOSITION TO FINDING 2 – ALLOWABLE TIME INCREMENTS – PAGE 20

The SCO accepted the City's time study supporting 2.24 hours for completing an initial investigation and applied this to SCARs allowed for full investigation (673 cases total). The SCO also allowed review of referral as this is a mandate activity and believes the time spent to review the referral is inclusive of the investigation time at 2.24 hours.

The City disagrees with this interpretation for the following reasons:

1) **Intake of referral occurs <u>before</u> investigation begins** - either by reading SS 8572 submitted by other mandated reporter or talking to mandated reporter over the phone

2) Officer interviews with SCO indicated review of referral takes place prior to officer being assigned to handle child abuse investigation

3) It is clear from the Rialto Police Department Memorandum dated May 22, 2014 (copy attached) and officer interviews that the time spent to review and log the SCAR referral was not part of the initial time study documenting investigation time, but is a separate, allowable, activity.

   Instructions provided to complete time study were specific to logging time spent to:

   a. conduct an investigation
   b. write report
   c. complete SS 8583 form
   d. supervisor review/approval

The City asserts that including the time increment for accepting/reviewing the SCAR referral as part of the 2.24 hours of allowable time for those cases fully investigated is inappropriate and unfair. A more

equitable conclusion is to allow the time increment for accepting/reviewing the SCAR referral to be added to the 2.24 hours for all cases allowed for investigation (review time plus investigation time).

CITY'S OPPOSITION TO FINDING 2 – ADDITIONAL TIME INCREMENT FOR SCARS – REVIEW OF REFERRAL ONLY

The SCO determined that 16 minutes is allowable to perform the mandated activity of an officer to review the Suspected Child Abuse Report (SS 8572 form) referral. This time was based on interviews conducted with officers whose responses yielded the following:

- Officer 1 - takes 10 to 15 minutes to review SCAR form (this averages to 13 minutes)
- Officer 2 - takes 20 to 25 minutes to review SCAR form (this averages to 23 minutes)
- **combined average to review SCAR form = 17.5 minutes**

Based on the above factual data, the City requests that the SCO correct the allowable review of referral time from 16 minutes to 17.5 minutes based on the combined average determined as a result of the interview statements provided by both officers.

FINDING 3 – UNALLOWABLE SALARIES AND BENEFITS – REPORTING TO THE STATE DEPARTMENT OF JUSTICE: FORWARDING THE SS 8583 REPORT FORMS TO THE DEPARTMENT OF JUSTICE COST COMPONENT

As previously discussed in response to Finding 1, the City mentioned concerns about misstatements made of the Draft Audit Report referencing systems used to query the data examined for this audit as well as the city's document availability to which SCO Audit Manager Lisa Kearney suggested providing revised language to best reflect systems and available data when responding to the SCO's official draft report so that it can be corrected and incorporated into the final report issued by the SCO.

The following are city's proposed corrections for Finding 3:

CITY'S PROPOSED CHANGE TO PAGE 24, SECOND PARAGRAPH, UNDER "CLAIMED" SUB-HEADER (changes reflect the system names queried for this audit; changes from SCO original language are in **bold** for ease of identification):

"From FY 1999-2000 to FY 2001-02, the city was transitioning to **new dispatch and records management systems**, which did not capture all of the SCAR cases. For FY 2002-03 through FY 2011-12, the city determined the SCAR case counts by querying **both the Computer Aided Dispatch (CAD) System and the Records Management System (RMS)**. The city used the total number of SCAR cases in the SCAR summary document to computer the claimed costs for the Cross-reporting (Finding 1), Completing an Investigation (Finding 2), and Forwarding Reports to the DOJ (Finding 3) cost components."

CITY'S PROPOSED CHANGE TO PAGE 24, THIRD PARAGRAPH, UNDER "ALLOWABLE" SUB-HEADER

"In April 2017, the city was asked to begin providing SCAR case listings for us to randomly select for review. Due to a system upgrade preventing the city from accessing these historical electronic records, the audit was set back nearly five months before records could be fully accessed and submitted to us by the city. In the interest of time and to remain on track with audit deadlines, we selected FY 2003-04, FY 2007-08, and FY 2010-11 to serve as a representative sample of the audit period. The city was able to provide detailed SCAR case listings for each of these three fiscal years. We worked with the city to devise a reasonable methodology for approximating the number of SS 8583 forms that were prepared and submitted to the DOJ for the audit period. Both parties agreed that we would calculate a weighted average based on the results of our testing as there was insufficient time and staffing to search the master case files (electronic and paper) for each record to retrieve a copy of the SS 8583 form."

CITY'S PROPOSED CHANGE TO POSITION TITLE, PAGE 28, FIRST PARAGRAPH – Change "Police Records Supervisor II" to "Police Records Supervisor"

City request for future consideration:

The city has requested the reclassification of numerous cases that were determined to be non-mandate related or not fully documented in the SCO's Draft Audit Report. If the city's explanations and evidence presented in this response have convinced the SCO to reclassify some of the cases from unallowable to allowable, the City requests that those corresponding cases found to be allowable be credited appropriate time under this eligible component **Finding 3: Unallowable Salaries and benefits – Reporting to the State Department of Justice: Forwarding the SS 8583 Report Forms to the Department of Justice cost component.**

In closing, the City of Rialto would like to reaffirm its position that the SCO has unjustly denied costs for several mandated activities we believe have been supported with ample source documentation, time studies, CAD logs to support officer time to complete an investigation, and staff interviews.

If agreeable to the SCO, Captain William Wilson will prepare and submit a declaration to further substantiate the city's arguments outlined in this response. Captain Wilson has been employed by the Rialto Police Department for 17 ½ years, has 27 years of total law enforcement experience, and has extensive experience in the area of child abuse investigations.

The intent of submitting the declaration is to offer additional support to the previously submitted documentation that was reviewed by the SCO throughout this audit. Per page 3 of the Parameters and Guidelines:

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

reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

The City appreciates the opportunity to respond to the SCO's Draft Audit Report. We believe we have accurately interpreted and supported our costs claimed in accordance with claiming instructions and Commission guidelines. Additional documentation is available should the SCO determine to reconsider allowable costs and make adjustments to the findings of this audit.

ATTACHMENTS IN SUPPORT OF

CITY OF RIALTO

INTERAGENCY CHILD ABUSE & NEGLECT (ICAN) INVESTIGATION REPORTS

RESPONSE TO SCO DRAFT AUDIT

CAD Operations Report

RIALTO POLICE DEPARTMENT

Call Number 080415-0066 Printed: 01/27/2018 02:56 PM

Call Detail Information

Jurisdiction: RIALTO

Call Number	Taker	Pos	Call Owner	Status	Date - Time Received	Inj
080415-0066	[redacted]	3		C	Tue 04/15/2008 09:42:15	0

Complaint	Ten Code	Priority	Fire Grade	Class	Alarm	How Received
WELCK		2		F		PHONE

Incident Location	Apart/Suite	Floor/Bldg	Incident City	State	ZIP
[redacted]			RIALTO		

Caller Name	Telephone	Alt Telephone	Tower ID
[redacted]	909- -	- -	- -

Caller Location	Apart/Suite	Floor/Bldg	Caller City	State	ZIP
[redacted]			RIALTO		

Landmark Weapons

IRA	Grid	Disp Zone	Fire Run Zn	EMS Run Zn	ESN	Tract
95						1

☐ Contacts ☐ Fire Plan ☐ Hazard ☐ Images ☐ Medical ☐ Traffic ☑ Previous

☐ BOLO ☐ Warrant RMS CH RMS Alerts ☐ In Progress ☐ Report Req ☐ Subject Req

ALI Time	Call Rec'd	Xmit	Dispatch	Enroute	OnScene	Departed	Arrived	Comp	Unit
00:00:00	09:42:15	09:47:25	10:05:21	10:05:21	10:51:51	10:51:51		11:32:04	P32D

X: Y: Z: Lwr: Upr:

Narrative...

[04/15/2008 11:28:13 : P32D]
there is no signs of any abuse going on in the house. and the female does not appear to be under the influence
[04/15/2008 11:27:37 : P32D]
the children were well dressed.... mother works full time in upland 5 days a week and does not come home until 2030 hours in evening.. children are not picked up by her from school they go to a babysitter
[04/15/2008 11:25:50 : P32D]
[redacted] was advised to obtain a restraining order
[04/15/2008 11:25:35 : P32D]
I attempted to contact [redacted] and she did not answer message left
[04/15/2008 11:25:12 : P32D]
she had several missed calls from [redacted] as well as text messages
[04/15/2008 11:24:56 : P32D]
she showed me text messages from [redacted] stating sh was gnna make her life hell and she would make sure [redacted] lost her kids and her house and her perfect life would no longer be perfect
[04/15/2008 11:24:17 : P32D]
stated she knows she called because she has had problems with her for the last 3 years states they used to be friends however after [redacted] tried to pick up on her husband they fell out
[04/15/2008 11:23:40 : P32D]
[redacted] stated she has been having problems with a girl by the name of [redacted] who lives down the street [redacted]
[04/15/2008 11:23:05 : P32D]
spoke with [redacted] she advised she does not use drugs or alcohol,,, the house was clean there was food and there were no signs of abuse with the children.

[04/15/2008 10:51:49 : [redacted]]
Unit : P32D
ENR [redacted]

[04/15/2008 9:47:25 : [redacted]]
Cross streets: CULDESAC//EASTON ST

***CPS REFERRAL

V#1: [redacted] - HMJ - [redacted]
V#2: [redacted] - HFA - [redacted]

S#1: [redacted] - HFA - [redacted]
S#2: [redacted] - HMA - [redacted]

MOTHER IS ADDICTED TO METH - HAS BEEN TO HIGH IN THE PAST TO BE ABLE TO P/UP VICTIMS FROM SCHOOL OR ABLE TO FEED CHILDREN - FATHER IS AWARE OF PROBLEMS BUT ADVS MOTHER NOT TO TELL ANYONE BECAUSE IT WILL MESS UP THEIR HOME - MOTHER IS SUPPOSDLY COMMITING WELFARE FRAUD AND ALSO HAS A FELON LIVING IN THE RES

****PAPERWORK IS AVAIL IN DISPATCH

Location Comment

Department Numbers

Department	Dept Number	Unit ID
3609	080415-00057	P32D

Call Log

Unit	Status	Date - Time	Dept	Type	Comments	Officers	Odo
P32D	ENR	4/15/2008 10:05:21	3609	POL	[redacted] RIALTO	[redacted]	0.0
P32D	LEF	4/15/2008 10:51:51	3609	POL	Left Scene, [redacted], RIALTO		0.0
P32D	REM	4/15/2008 11:32:04	3609	POL	REM		
P32D	COM	4/15/2008 11:32:04	3609	POL	Call Completed		0.0
P32D	AVA	4/15/2008 11:32:04	3609	POL	Call Completed		0.0

Unit	Dept	DIS	ENR	ONS	LEF	ARR	BUS	REM	COM
P32D	3609		10:05:21		10:51:51			11:32:04	11:32:04

Unit Log

Date-Time	Dept	Unit	Officer ID	Action	Comments
4/15/2008 10:51:49	3609	P32D	[redacted]	Note	Unit : P32D ENR [redacted]

Category	Last Name	First Name	Middle Name	Suffix	Crim Hist	RMS Alerts
		Race	Sex	Ethnic	Height	Weight	Age	DOB	OLN
		Clothing					Demeanor		
		Relationship					Hair Color	Eye Clr	Complexion
Business Name		Description							
Location		Apt/Ste	Flr/Bld	City		ST	ZIP	Phone	

Call Subject Statistics

Question	Answer

Call References

Reference_Type	Reference	Related_Calls

CAD Operations Report

RIALTO POLICE DEPARTMENT

Call Number 031002-0090 Printed: 10/26/2017 08:45 AM

Call Detail Information

Jurisdiction: RIALTO

Call Number	Taker	Pos	Call Owner	Status	Date - Time Received	Inj
031002-0090	[redacted]	4		C	Thu 10/02/2003 12:28:59	0

Complaint	Ten Code	Priority	Fire Grade	Class	Alarm	How Received
WELCK		2		F		

Incident Location	Apart/Suite	Floor/Bldg	Incident City	State	ZIP
[redacted]			RIALTO		

Caller Name	Telephone	Alt Telephone	Tower ID
[redacted] CPS HOTLINE	[redacted]		

Caller Location	Apart/Suite	Floor/Bldg	Caller City	State	ZIP

Landmark Weapons

IRA	Grid	Disp Zone	Fire Run Zn	EMS Run Zn	ESN	Tract
04						1

☐ Contacts ☐ Fire Plan ☐ Hazard ☐ Images ☐ Medical ☐ Traffic ☑ Previous

☐ BOLO ☐ Warrant RMS CH RMS Alerts ☐ In Progress ☐ Report Req ☐ Subject Req

ALI Time	Call Rec'd	Xmit	Dispatch	Enroute	OnScene	Departed	Arrived	Comp	Unit
00:00:00	12:28:59	12:44:19	15:05:58	15:05:58	16:58:51			17:41:41	P10D

X: Y: Z: Lwr: Upr:

Narrative...

[10/02/2003 17:41:28 : P10D]
ADVISAL ONLY, KIDS CHK'D C4 CUSTODY BATTLE BETWEEN FAMILIES
[10/02/2003 12:46:35 : [redacted]]
BC RD04

[10/02/2003 12:45:36 : [redacted]]
Cross streets: [redacted]

R/P STATES [redacted] AUNT . SHE STATES THAT [redacted] BOYFRIEND HAS PHYSICALLY ABUSED ONE OF [redacted] CHILDREN . THE DATE THE INCIDENT OCCURRED IS UNKNOWN. THE MOTHER DOES DRUGS AND THERE ARE 4 CHILDREN [redacted] AGE 18, [redacted] BFJ 10, [redacted] , [redacted] [redacted] BMJ [redacted] , [redacted] [redacted] BFJ , 14 , [redacted] .CHILDREN ARE LEFT WITH THE AUNT.

Location Comment

Department Numbers

Department	Dept Number	Unit ID
3609	031002-00089	P10D

RIALTO POLICE DEPARTMENT

Call Number 031002-0090 Printed: 10/26/2017 08:45 AM

Call Dispositions

Date - Time	Disposition	Unit Id
2003/10/02 17:41:39.	NECESSARY ACTION TAKEI	P10D

Call Complaints

Date - Time	Complaint	Action E
10/2/2003 12:51:07	270R	[redacted]

Call Log

Unit	Status	Date - Time	Dept	Type	Comments	Officers	Odo
P10D	ENR	10/2/2003 15:05:58	3609	POL	[redacted], RIALTO	[redacted]	0.0
P10D	REM	10/2/2003 15:09:58	3609	POL	REM		0.0
P10D	ENR	10/2/2003 16:37:48	3609	POL	[redacted], RIALTO		0.0
P10D	ONS	10/2/2003 16:58:51	3609	POL	[redacted], RIALTO		0.0
P10D	REM	10/2/2003 17:41:41	3609	POL	REM		
P10D	COM	10/2/2003 17:41:41	3609	POL	Call Completed		0.0
P10D	AVA	10/2/2003 17:41:41	3609	POL	Call Completed		0.0

Unit	Dept	DIS	ENR	ONS	LEF	ARR	BUS	REM	COM
P10D	3609		16:37:48	16:58:51				15:09:58	17:41:41

Category | Last Name | First Name | Middle Name | Suffix | Crim Hist | RMS Alerts

Race | Sex | Ethnic | Height | Weight | Age | DOB | OLN

Clothing | Demeanor

Relationship | Hair Color | Eye Clr | Complexion

Business Name | Description

Location | Apt/Ste | Flr/Bld | City | ST | ZIP | Phone

Call Subject Statistics

Question	Answer

Call References

Reference_Type	Reference	Related_Calls

CAD Operations Report

RIALTO POLICE DEPARTMENT

Call Number 100729-0147 Printed: 01/27/2018 03:41 PM

Call Detail Information

Jurisdiction: RIALTO

Call Number	Taker	Pos	Call Owner	Status	Date - Time Received	Inj
100729-0147	[redacted]	2		C	Thu 07/29/2010 17:01:38	0

Complaint	Ten Code	Priority	Fire Grade	Class	Alarm	How Received
WELCK		2		F		PHONE

Incident Location	Apart/Suite	Floor/Bldg	Incident City	State	ZIP
[redacted]	[redacted]		RIALTO		

Caller Name	Telephone	Alt Telephone	Tower ID
CPS [redacted]	[redacted]	- -	- -

Caller Location	Apart/Suite	Floor/Bldg	Caller City	State	ZIP
[redacted]	[redacted]		RIALTO		

Landmark Weapons

IRA	Grid	Disp Zone	Fire Run Zn	EMS Run Zn	ESN	Tract
620						3

☐ Contacts ☐ Fire Plan ☐ Hazard ☐ Images ☐ Medical ☐ Traffic ☑ Previous

☐ BOLO ☐ Warrant ☑ RMS CH ☐ RMS Alerts ☐ In Progress ☐ Report Req ☐ Subject Req

ALI Time	Call Rec'd	Xmit	Dispatch	Enroute	OnScene	Departed	Arrived	Comp	Unit
00:00:00	17:01:38	17:05:45	18:58:17	18:58:17	19:01:24			19:30:10	P30G

X: Y: Z: Lwr: Upr:

Narrative...

[07/29/2010 19:30:10 : pos4 : [redacted]
[Cleared with unit P30G]

[07/29/2010 19:24:56 : P30G]
NO SIGNS OF NEGLECT BY [redacted] TO CHILD..

[07/29/2010 19:24:33 : P30G]
APT HAD RUNNING WATER, ELECTRICITY, AND FOOD IN THE REFRIDGERATOR..APT WAS BEING CLEANED BY [redacted]..

[07/29/2010 19:23:27 : P30G]
APARTMENT WAS AT A COMFORTABLE TEMP W/AC IN BEDROOM WHERE CHILD WAS SLEEPING..

[07/29/2010 19:22:32 : P30G]
CONTACTED [redacted] AND CHILD..CHILD WAS ASLEEP IN HER PLAY PEN..CHILD APPEARED TO BE IN GOOD HEALTH AND SLEEPING COMFORTABLY..

[redacted]

[redacted]

[redacted]

DMV RECORD FOR LAW ENFORCEMENT USE ONLY

[redacted]

[redacted]

END

[07/29/2010 17:05:45 : pos2 : [redacted]]
Cross streets: [redacted]
Geo Comment: POSTED PC602K

RP W. CPS REQ WELCL ON 1 YO LIVING AT LOC W. MOTHER [redacted] BFA MOTHER TO 1 YO POSS NOT FEEDING CHILD AND LIVING IN FILTHY RESD FEMALE IS POSS DOING METH AND STEALING MONEY FRM ELDERY FATHER

RP WAS OUT AT LOC ON 7/16 TODAY AND FEMALE AT LOC REFUSED TO ALLOW CPS TO CHECK ON THE CHILD AND ADVSD THAT [redacted] WAS NOT AT THE LOCATION AND APPEARED TO BE UTI

WELCK ON 1 YO FEMALE [redacted] BFJ
Location Comment
Geo Comment: POSTED PC602K

Department Numbers

Department	Dept Number	Unit ID
3609	100729-00122	P30G

Call Dispositions

Date - Time	Disposition	Unit Id
2010/07/29 19:30:10.31	NECESSARY ACTION TAKEN	

Call Log

Unit	Status	Date - Time	Dept	Type	Comments	Officers	Odo
P30G	ENR	7/29/2010 18:58:17	3609	POL	[redacted] AVE, RIALTO	[redacted]	0.0
P21G	ENR	7/29/2010 18:58:19	3609	POL	[redacted] AVE, RIALTO		0.0
P30G	ONS	7/29/2010 19:01:24	3609	POL	[redacted] AVE, RIALTO		0.0
P21G	ONS	7/29/2010 19:04:02	3609	POL	[redacted] AVE, RIALTO		0.0
P21G	COM	7/29/2010 19:30:10	3609	POL	COM		0.0
P30G	COM	7/29/2010 19:30:10	3609	POL	COM		0.0

Unit	Dept	DIS	ENR	ONS	LEF	ARR	BUS	REM	COM
P21G	3609		18:58:19	19:04:02					19:30:10
P30G	3609		18:58:17	19:01:24					19:30:10

CONFIDENTIAL COPY
CONFIDENTIAL COPY

Unit Log

Date-Time	Dept	Unit	Officer ID	Action	Comments
7/29/2010 18:59:56	3609	P21G	[redacted]	Change Patrol	Patrol SEC 2, [redacted] RIALTO
7/29/2010 19:00:09	3609	P30G	[redacted]	Change Patrol	Patrol 3, [redacted], RIALTO

Call Persons

Category	Last Name	First Name	Middle Name	Suffix	Crim Hist	RMS Alerts
	[redacted]	[redacted]				

Race	Sex	Ethnic	Height	Weight	Age	DOB	OLN
	F				32	[redacted]	CA

Clothing	Demeanor

Relationship	Hair Color	Eye Clr	Complexion

Business Name	Description

Location	Apt/Ste	Flr/Bld	City	ST	ZIP	Phone
[redacted]	[redacted]			☑	☐	

Call Subject Statistics

Question	Answer

Category	Last Name	First Name	Middle Name	Suffix	Crim Hist	RMS Alerts

Race	Sex	Ethnic	Height	Weight	Age	DOB	OLN
	0	0					CA

Clothing	Demeanor

Relationship	Hair Color	Eye Clr	Complexion

Business Name	Description

Location	Apt/Ste	Flr/Bld	City	ST	ZIP	Phone
				☐	☐	

Call Subject Statistics

Question	Answer

Call References

Reference_Type	Reference	Related_Calls

CAD Operations Report

RIALTO POLICE DEPARTMENT

Call Number 100829-0102 Printed: 01/27/2018 04:24 PM

Call Detail Information

Jurisdiction: RIALTO

Call Number	Taker	Pos	Call Owner	Status	Date - Time Received	Inj
100829-0102	[redacted]	1		C	Sun 08/29/2010 13:17:18	0

Complaint	Ten Code	Priority	Fire Grade	Class	Alarm	How Received
273DR		3		C		

Incident Location	Apart/Suite	Floor/Bldg	Incident City	State	ZIP
[redacted]			RIALTO		

Caller Name	Telephone	Alt Telephone	Tower ID
MONTCLAIR HOSPITAL	[redacted]	- -	- -

Caller Location	Apart/Suite	Floor/Bldg	Caller City	State	ZIP
[redacted]			RIALTO		

Landmark Weapons

IRA	Grid	Disp Zone	Fire Run Zn	EMS Run Zn	ESN	Tract
124						1

☐ Contacts ☐ Fire Plan ☐ Hazard ☐ Images ☐ Medical ☐ Traffic ☑ Previous

☐ BOLO ☐ Warrant ☑ RMS CH ☐ RMS Alerts ☐ In Progress ☐ Report Req ☐ Subject Req

ALI Time	Call Rec'd	Xmit	Dispatch	Enroute	OnScene	Departed	Arrived	Comp	Unit
00:00:00	13:17:18	13:18:34	13:24:12	13:24:12	13:26:06	13:26:06		15:33:19	P10D

X: Y: Z: Lwr: Upr:

Narrative...

[08/29/2010 15:33:19 : pos2 : [redacted]]
[Cleared with unit P10D]

[08/29/2010 14:50:27 : P10D]
MOTHER OF CHILD TOLD FATHER CHILD FELL WHILE AT LAKE PERRIS

[08/29/2010 14:50:10 : P10D]
SPOKE TO DOCTOR AND HE SAID IN HIS MEDICAL PROFESSIONAL OPINION THERE IS NO SIGN OF CHILD ABUSE

[08/29/2010 14:49:34 : P10D]
APPEARS TO BE NO SIGN OF CHILD ABUSE, NO BRUISING, NO SIGN OF ABUSE, JUST A FRACTURE

[redacted]

[redacted]

DMV RECORD FOR LAW ENFORCEMENT USE ONLY

[redacted]

[redacted]

[redacted]

[08/29/2010 13:22:30 : pos1 : [redacted]]
PER S10 UNIT NEEDS TO REPSOND TO MONTCLAIR HOSPITAL

[08/29/2010 13:18:34 : pos1 : [redacted]
Cross streets: [redacted]
JUVIE IN ER // RIGHT LEG FRACTURED // FATHER : [redacted]
JUVIE 2YOA
Location Comment

Department Numbers

Department	Dept Number	Unit ID
3609	100829-00082	P10D

Call Dispositions

Date - Time	Disposition	Unit Id
2010/08/29 15:33:19.69	UNFOUNDED	

Call Log

Unit	Status	Date - Time	Dept	Type	Comments	Officers	Odo
P10D	ENR	8/29/2010 13:24:12	3609	POL	[redacted] ST, RIALTO	[redacted]	0.0
P10D	LEF	8/29/2010 13:26:06	3609	POL	Left Scene, MONTCLAIR HOSPTIAL , RIALTO		0.0
P10D	ONS	8/29/2010 14:08:49	3609	POL	MONTCLAIR HOSPTIAL , RIALTO		0.0
P10D	LEF	8/29/2010 15:00:43	3609	POL	Left Scene, ENRT CITY, RIALTO		0.0
P10D	COM	8/29/2010 15:33:19	3609	POL	COM		0.0

Unit	Dept	DIS	ENR	ONS	LEF	ARR	BUS	REM	COM
P10D	3609		13:24:12	14:08:49	13:26:06				15:33:19

Call Persons

Category	Last Name	First Name	Middle Name	Suffix	Crim Hist	RMS Alerts
		Race	Sex	Ethnic	Height	Weight	Age	DOB	OLN
		Clothing						Demeanor	
		Relationship						Hair Color	Eye Clr	Complexion
Business Name		Description							
Location		Apt/Ste	Flr/Bld	City				ST	ZIP	Phone
[redacted]		[redacted]						☑	☐	
		M			0		[redacted]			CA

Call Subject Statistics

Question	Answer

Category	Last Name	First Name	Middle Name	Suffix	Crim Hist	RMS Alerts
		Race	Sex	Ethnic	Height	Weight	Age	DOB	OLN
		Clothing						Demeanor	
		Relationship						Hair Color	Eye Clr	Complexion
Business Name		Description							
Location		Apt/Ste	Flr/Bld	City				ST	ZIP	Phone
								☐	☐	
					0	0				CA

Call Subject Statistics

Question	Answer

Call References

Reference_Type	Reference	Related_Calls

CAD Operations Report

RIALTO POLICE DEPARTMENT

Call Number 100927-0233 Printed: 01/27/2018 05:13 PM

Call Detail Information

Jurisdiction: RIALTO

Call Number	Taker	Pos	Call Owner	Status	Date - Time Received	Inj
100927-0233	[redacted]	2		C	Mon 09/27/2010 20:09:09	0

Complaint	Ten Code	Priority	Fire Grade	Class	Alarm	How Received
INC		3		G		PHONE

Incident Location	Apart/Suite	Floor/Bldg	Incident City	State	ZIP
[redacted]			RIALTO		

Caller Name	Telephone	Alt Telephone	Tower ID
ARMC[redacted]	[redacted]	- -	- -

Caller Location	Apart/Suite	Floor/Bldg	Caller City	State	ZIP
[redacted]			RIALTO		

Landmark Weapons

IRA	Grid	Disp Zone	Fire Run Zn	EMS Run Zn	ESN	Tract
164						4

☐ Contacts ☐ Fire Plan ☐ Hazard ☐ Images ☐ Medical ☐ Traffic ☑ Previous

☐ BOLO ☐ Warrant ☑ RMS CH ☐ RMS Alerts ☐ In Progress ☐ Report Req ☐ Subject Req

ALI Time	Call Rec'd	Xmit	Dispatch	Enroute	OnScene	Departed	Arrived	Comp	Unit
00:00:00	20:09:09	20:12:46	20:14:22	20:14:22	20:14:30	20:14:30		21:25:26	P40G

X: Y: Z: Lwr: Upr:

Narrative...

[09/27/2010 21:18:07 : P40G]
SGT. [redacted] ADVISED OF THE CIRCS VIA 21.

[09/27/2010 21:17:51 : P40G]
FINDINGS. [redacted] WAS RELEASED FROM THE HOSPITAL IN [redacted] CARE. I DID NOT SEE ANY REASON FOR CPS NOTIFICATION.

[09/27/2010 21:17:10 : P40G]
HEAD. HER SYMPTOMS WERE DIZZINESS AND NAUSEA AS WELL AS A SLIGHT HEADACHE. DR [redacted] WAS ALSO IN AGREEMENT WITH MY

[09/27/2010 21:16:19 : P40G]
IT IS MY OPINON THAT THE INJURY HAPPENED AS EXPLAINED BY [redacted] THE INJURY IS CONSISTENT WITH SOMEONE HITTING THERE

[09/27/2010 21:15:37 : P40G]
CONTACT NUMBERS FOR [redacted] ARE AS FOLLOWS;
[redacted]
[redacted]

[09/27/2010 21:14:47 : P40G]
TO BE HIDING ANY INFORMATION. SHE WAS ALERT AND COMPREHENDING MY QUESTIONS CLEARLY.

[09/27/2010 21:13:59 : P40G]
ER FOR FURTHER DIAGNOSIS. [redacted] WAS VERY COOPERATIVE AND CALM. [redacted] WAS VERY RESPONSIVE AND DID NOT APPEAR

[09/27/2010 21:13:14 : P40G]
[redacted] TOOK [redacted] TO THEIR PERSONAL DOCTOR, [redacted], WHO ADVISED THAT [redacted] TAKE [redacted] TO THE

[09/27/2010 21:12:26 : P40G]
TODAY AND NOTICED THAT HER EYES LOOKED VERY DROOPY AND TIRED. THEN [redacted] NOTICED A LARGE BUMP ON [redacted] HEAD

[09/27/2010 21:11:54 : P40G]
I CONTACTED [redacted] MOTHER, [redacted], AT THE HOSPITAL. [redacted] TOLD ME THAT SHE PICKED UP [redacted] FROM SCHOOL

[09/27/2010 21:10:58 : P40G]
[redacted] DID NOT TELL ANYONE ABOUT THE INC.

[09/27/2010 21:10:36 : P40G]
HER COUSIN PUSHED [redacted] AND [redacted] HIT HER HEAD ON THE CLOSET DOOR. [redacted] FELT DIZZY AND LAID DOWN.

[09/27/2010 21:10:01 : P40G]
WITH HER COUSINS. [redacted] WAS IN THE CLOSET WITH HER COUSIN AND TRIED TO GET HER OFF A HIGH AREA IN THE CLOSET

[09/27/2010 21:09:02 : P40G]
I SPOKE WITH [redacted] AT THE HOSPITAL. SHE TOLD ME THAT SHE WAS AT HER AUNTS HOUSE, [redacted], ON SUNDAY PLAYING

[09/27/2010 21:08:17 : P40G]
HE STATED THAT IT DID NOT LOOK LIKE [redacted] HAD BEEN STRUCK WITH A BLUNT OBJECT.

[09/27/2010 21:07:36 : P40G]
POLICE TO KNOW ABOUT THE INCIDENT. DR [redacted] STATED THAT THERE WAS BLEEDING UNDER THE SCALP AND DRAINED SOME OF IT

[09/27/2010 21:06:59 : P40G]
CONTACTED DR. [redacted] AT HOSPITAL. HE STATED THAT HE DID NOT SUSPECT ANY SUSP CIRCS BUT WANTED THE

[redacted]

[redacted]

END

[09/27/2010 20:13:55 : pos4 : [redacted]]
S30 ADV

[09/27/2010 20:12:46 : pos2 : [redacted]
Cross streets: [redacted]
PATIENT [redacted] 9 YO IN THE ER AT ARMC BEING SEEN FOR A LRG BUMP ON HER HEAD. STS

SHE HIT IT ON THE DOOR, BUT INJ NOT CONSISTENT WITH STORY. MOM IS ALSO 97 AND COOP. JUVIE IS IN THE TRIAGE AREA RIGHT NOW

Location Comment

Department Numbers

Department	Dept Number	Unit ID
3609	100927-00187	P40G

Call Dispositions

Date - Time	Disposition	Unit Id
2010/09/27 21:25:26.58	NECESSARY ACTION TAKEN	

Call Complaints

Date - Time	Complaint	Action E
9/27/2010 20:13:13	INC	[redacted]
9/27/2010 21:25:21	273DR	[redacted]

Call Log

Unit	Status	Date - Time	Dept	Type	Comments	Officers	Odo
P40G	ENR	9/27/2010 20:14:22	3609	POL	[redacted] RIALTO	[redacted]	0.0
P40G	LEF	9/27/2010 20:14:30	3609	POL	Left Scene, ARMC ER, RIALTO		0.0
P40G	ONS	9/27/2010 20:37:43	3609	POL	ARMC ER, RIALTO		0.0
P40G	COM	9/27/2010 21:25:26	3609	POL	COM		0.0

Unit	Dept	DIS	ENR	ONS	LEF	ARR	BUS	REM	COM
P40G	3609		20:14:22	20:37:43	20:14:30				21:25:26

Call Persons

Category	Last Name	First Name	Middle Name	Suffix	Crim Hist	RMS Alerts
		Race	Sex	Ethnic	Height	Weight	Age	DOB	OLN
		Clothing						Demeanor	
		Relationship						Hair Color	Eye Clr	Complexion
Business Name		Description							
Location		Apt/Ste	Flr/Bld	City			ST	ZIP	Phone
[redacted]		[redacted]					☑		☐
		F			0		[redacted]		CA

Call Subject Statistics

Question	Answer

Call References

Reference_Type	Reference	Related_Calls

RIALTO POLICE DEPARTMENT

MEMORANDUM

TO: Patrol Sergeants

FROM: Jennifer Krutak, Crime Analyst

SUBJECT: State Mandated Cost Recovery, Child Abuse Reporting

DATE: May 22, 2014

Each year, the department is required to submit detailed statistics in support of various reimbursement claims submitted to the State. The State recently finalized parameters to be used for the Child Abuse & Neglect section added. All agencies are required to provide data going back to 1999 and must submit supporting time logs related to the initial investigation/contact with victim, report writing and report approval. Since it is not feasible to provide time logs for all prior fiscal years, we are required to complete a 30-day time study which will then be used to calculate annual average time spent for current and prior years.

The following are the categories that allow for reimbursement on the attached forms:

- **Initial Investigation:** time spent gathering necessary facts to conduct an investigation "to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive" – use time log for process "Child Abuse Investigation"

- **Report Writing:** drafting (includes dictation), reviewing and editing of incident reports before submitting to supervisor; this includes time spent by officer to review transcribed report – use time log for process "Child Abuse Report Prep"

- **Filling Out Form SS 8583:** time spent to fill out State Form SS 8583 (and/or subsequent DOJ form) – use time log for process "Child Abuse Report Prep"

- **Report Review:** time spent by supervisor to approve officer's report and Form SS 8583 – use time log for process "Child Abuse Report (SS 8593) Review & Approve"

Investigations for the following should all be included: physical, mental, and sexual abuse; child neglect; child endangerment; child pornography.

Time logs are to be filled out by all employees that are involved in any of the above steps during the period 05/25/14 – 06/21/14. **Please have completed time logs turned into CAU no later than Wednesday, June 25, 2014.**

State Controller's Office
Division of Audits
Post Office Box 942850
Sacramento, CA 94250

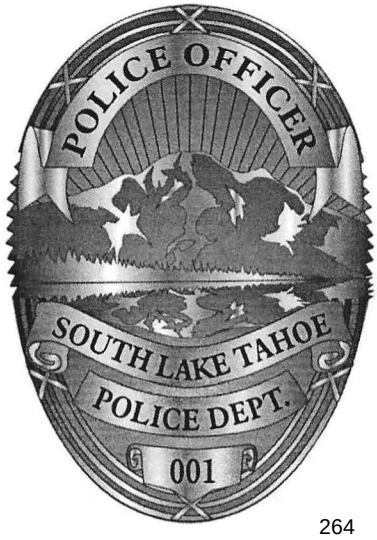
http://www.sco.ca.gov

EXHIBIT C

South Lake Tahoe Police Department

Organizational Chart

- **Police Chief**
  - **Operations Lieutenant**
    - **Patrol Sergeants (5)**
      - **Patrol Officers (27)**
    - **Boat Patrol (Seasonal ~ 4)**
  - **Administrative Assistant II**
  - **Support Lieutenant**
    - **Detective Sergeant**
      - **Detectives (5)**
      - **Cannabis Detective**
      - **Evidence Technicians (2)**
      - **Community Service Officers (6)**
      - **Code Investigator**
      - **Code Admin Assistant**
    - **Background Investigators (4)**
    - **Dispatch Supervisor**
      - **Dispatchers (9)**
    - **Records Supervisor**
      - **Records Technicians**



PUBLIC SAFETY DISPATCHER

0% indirect (see below) I.1.30

Class Code: 6540

Bargaining Unit: Police Employees' Association

CITY OF SOUTH LAKE TAHOE
Established Date: May 11, 2011
Revision Date: May 11, 2011

SALARY RANGE

$23.86 - $29.00 Hourly

SUMMARY DESCRIPTION:

*Class specifications are intended to present a descriptive list of the range of duties performed by employees in the class. Specifications are **not** intended to reflect all duties performed within the job.*

Under general supervision from supervisory or management staff, the Public Safety Dispatcher receives and transmits routine and emergency requests for police, fire, ambulance and/or emergency assistance and dispatches required personnel and equipment; performs responsible clerical work of moderately high difficulty; and operates complex teletype and video terminals for automated information retrieval.

Identifying characteristics

The Public Safety Dispatcher is a journey level non-sworn classification in the Police Department. This position requires the incumbent to work under general supervision and within a framework of established procedures. They are expected to perform a full range of duties with only occasional instruction or assistance. Work normally is reviewed only on completion, and may be expected to provide limited training and assistance to less experienced staff.

REPRESENTATIVE DUTIES: 0/11 representative duties are indirect =

The following duties are typical for this classification. Incumbents may not perform all of the listed duties and/or may be required to perform additional or different duties from those set forth below to address business needs and changing business practices.

1. On assigned shift, receives and processes incoming 911 calls, non-emergency calls, and voice radio calls; secures and records information as to the exact location and circumstances, and uses radio to dispatch necessary units, including police, fire department, and ambulance personnel and equipment as well as other resources that may be necessary.
2. Maintains status of units on assignments; keeps department officials informed of situations and dispatches equipment that either protocol or the dispatcher deem appropriate.
3. Inputs highly sensitive and technically difficult warrants, restraining orders, weapons, evidence, vehicles, property, missing persons, runaways, into the local, state and national teletype system.
4. Provides emergency medical instruction over the phone and must be EMD certified to perform this task.
5. Logs all police, fire, and medical calls for service; compiles data and prepares reports of reported emergencies, equipment dispatched, and/or status of emergency and non-emergency calls.
6. Relays emergency and non-emergency information to public safety personnel in the field; interprets information from units in field which may be unclear, broken or in code.
7. Processes all paperwork related to arrests and citations as part of completing the package for the District Attorney or other related agencies.
8. Relays information to other agencies as required; relays the nature of the incident.
9. Receives the public at the front counter; responds to requests for information; answers general questions about department's procedures and processes.
10. Performs clerical work related to Police activities including logs, reports, applications and correspondence.
11. Accurately inputs program information into electronic data bases.

12. Performs related duties as required.

QUALIFICATION:
The following generally describes the knowledge and ability required to enter the job and/or be learned within a short period of time in order to successfully perform the assigned duties.
Knowledge of:
English usage and grammar.
Modern office procedures and practices.
Ability to:
Review documents related to dispatching operations.
Observe, identify and problem solve incidents while dispatching.
Remember, understand, interpret and explain operational policies and procedures to the public and staff.
Operate radio and telephone equipment in dispatching public safety equipment and personnel.
Analyze a situation and determine effective course of action.
Perform job tasks effectively under pressure for sustained periods of time.
Memorize and retain information presented clearly and unclearly from a variety of sources.
Perform several tasks at once and assign reasonable priorities to incoming calls; monitor multiple radio frequencies.
Speak clearly and concisely in an understandable voice via radio and telephone and in person.
Use a keyboard and computer efficiently and effectively.
Type a minimum of 40 net words per minute.
Work under stress and exercise good judgment in emergency situations.
Learn the geography of the city, county and location of streets and important buildings.
Adjust quickly to changing situations.
Listen carefully and attentively and remember names, locations and numbers.
Give and take orders.
Read maps quickly and accurately.
Perform arithmetic computations with speed and accuracy.
Work irregular hours and shift work.
Communicate clearly and concisely, both orally and in writing.
Establish and maintain effective working relationships with those contacted in the course of work.
Education and Experience Guidelines - *Any combination of education and experience that would likely provide the required knowledge and abilities is qualifying. A typical way to obtain the knowledge and abilities would be:*
Education/Training:
Equivalent to the completion of the twelfth grade.
Experience:
Some experience performing duties similar to dispatching emergency services.

PHYSICAL DEMANDS-WORKING CONDITIONS:
The conditions herein are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential job functions.
Environment: Work is performed primarily in a standard office environment; incumbents may be required to work extended hours including evenings and weekends. Incumbents may also be called in for local emergencies at irregular hours.
Physical: Primary functions require sufficient physical ability and mobility to work in an office setting; to stand or sit for prolonged periods of time; to frequently stoop, bend, kneel, crouch, reach, and twist; to lift, carry, push, and/or pull light to moderate amounts of weight; to operate office equipment requiring repetitive hand movement and fine coordination including use of a computer keyboard; and to verbally communicate to exchange information.
Vision: See in the normal visual range with or without correction.
Hearing: Hear in the normal audio range with or without correction.
FLSA Designation: Non-Exempt

EMERGENCY SERVICES DISPATCHER I/II

DEFINITION

Under supervision, performs communications and related work in the Police Department.

SUPERVISION RECEIVED/EXERCISED

Receives supervision from the Emergency Services Communication Supervisor.
Exercises no supervision.

DISTINGUISHING CHARACTERISTICS

Positions in these classes are flexibly staffed. Incumbents in the class of Emergency Services Dispatcher I are expected to progress to the Emergency Services Dispatcher II level with appropriate training and experience, and satisfactory job performance. Satisfactory performance requires the ability to answer and evaluate emergency police, fire and medical service calls, prepare police and fire service calls, and operate a multi-channel Computer-Assisted-Dispatch (CAD) system console and related equipment to dispatch appropriate public safety units. These classes differ from Emergency Services Dispatcher III in that the latter is the advanced working/lead level class in which incumbents train subordinate employees. Incumbents may be assigned to work any shift period and are required to work weekends and holidays.

EXAMPLES OF IMPORTANT AND ESSENTIAL DUTIES

(May include, but are not limited to, the following:)

Answers emergency calls for police, fire, and/or emergency medical service; elicits necessary information about the incident and enters it simultaneously into the computer via a CRT terminal.

Determines appropriate priority and response to calls according to established policy, procedures, and codes; dispatches public safety personnel and equipment using CAD, radio systems, and peripheral equipment.

Receives and transmits coded messages to and from police and fire personnel and field units.

Advises callers of police and fire procedures, if no emergency response is required.

Maintains computer records of communications traffic.

Inputs driver's license, vehicle registration, wants and warrants and other miscellaneous queries through the CAD system to CLETS and NCIC to provide information to officers.

Performs other duties as assigned.

JOB RELATED AND ESSENTIAL QUALIFICATIONS

Knowledge of:

(By the end of the probationary period, incumbents must demonstrate adequate knowledge, abilities, and skills to perform all tasks at the journey level.)

The major streets, areas, and buildings in Fresno.

Police and Fire Department policies, procedures, and codes.

Skill to:

Operate office equipment, a computer, and a variety of word processing and software applications.

Ability to:

Handle emergency calls while maintaining composure and perform efficiently and calmly in a demanding work environment.

Maintain harmonious working relationships with other employees.

Follow written and oral instructions and read and interpret maps.

Deal tactfully with citizens who may be abusive, excited, intoxicated, ill, disabled, incoherent, etc.

Speak clearly and concisely.

Operate radio communications equipment at a speed necessary for timely completion of assigned duties.

MINIMUM QUALIFICATIONS

Emergency Services Dispatcher I

One year of experience in a high volume customer service environment which included answering phones, general clerical and computer experience.

Must type a net rate of 40 words per minute on a computer keyboard.

-AND-

Possession of a High School Diploma or equivalent GED completion.

Emergency Services Dispatcher II

Promotional - An Emergency Services Dispatcher I may be flexed to an Emergency Services Dispatcher II at the discretion of management within the first eighteen months of employment. Flexing is contingent upon successful completion of the Emergency Services Dispatcher Training Program and certification by the Police Department verifying that the incumbent is capable of performing solo radio duty.

-OR-

Lateral - Two years of experience equivalent to that gained as an Emergency Services Dispatcher II with the City of Fresno, which included operation of a multi-channel Computer-Assisted-Dispatch (CAD) system console and related equipment to dispatch public safety units.

SPECIAL QUALIFICATIONS

Bilingual abilities may be required to meet community needs, or operational and recruitment needs.

Must successfully complete a polygraph test, a medical examination, and an extensive background investigation prior to appointment.

Possession of a valid California Driver's License may be required.

APPROVED: *(Signature on File)* DATE: *6/14/2017*
Director of Personnel Services

JC:CBW:jl:12/05/02
TB:TM:RLR: 08-29-07
JC:SCM 09/09/10
TJM: SCM:KP: lt 06/07/17

Emergency Dispatcher I

Class Code: 7505

CITY OF RIALTO
Revision Date: Mar 1, 2011

SALARY RANGE

$21.73 - $29.12 Hourly
$3,766.00 - $5,047.00 Monthly

CLASSIFICATION DEFINITION / DISTINGUISHING CHARACTERISTICS:

To learn to perform a variety of dispatching duties in support of public safety emergency services; to receive and route emergency and non-emergency telephone and radio calls; to dispatch police officers to calls for service; to operate a variety of communication equipment including radio, telephone, and computer systems; and to perform a variety of duties relative to assigned areas of responsibility.

ESSENTIAL FUNCTIONS & RESPONSIBILITIES:

DISTINGUISHING CHARACTERISTICS

This is the training and entry level class in the Emergency Dispatcher series. This class is distinguished from the Emergency Dispatcher II by the performance of the more routine tasks and duties assigned to positions within the series. Since this class is typically used as a training class, employees may have only limited or no directly related work experience.

SUPERVISION RECEIVED AND EXERCISED

Receives immediate supervision from higher level management or supervisory staff.

ESSENTIAL AND MARGINAL FUNCTION STATEMENTS--*Essential and other important responsibilities and duties may include, but are not limited to, the following:*

1. Receive emergency and non-emergency calls for service; dispatch field units to emergency situations.
2. Determine nature and location of call; determine priority of calls and dispatch units accordingly.
3. Provide assistance, information and directions to non-emergency callers.
4. Maintain awareness of field units activity within the computer aided dispatch (CAD) system; communicate with field units through radio in accordance with mandated regulations; maintain status and location of units on patrol.
5. Perform warrant checks as directed by police officers on the scene; relay results to officers.
6. Respond to field personnel resource requests; dispatch necessary resources.

7. Operate a variety of specialized communication equipment in the performance of all job duties including computer terminal with computer aided dispatch software, radio console, scanner and related electronic systems and devices.
8. Maintain logs and record of all calls.
9. Respond to public inquiries in a courteous manner; provide information within the area of responsibility; resolve complaints in an efficient and timely manner.
10. Collect and file information regarding incidents and departmental activity; compile data; prepare and type reports as necessary.
11. Monitor inventory levels of office supplies and equipment; requisition and replenish supplies as necessary.
12. As required, search suspects and perform other matron duties.
13. Receive and handle after hours calls not directly related to police services; contact other City departments as needed in order to obtain proper response to citizen concerns and issues.
14. Perform related duties and responsibilities as required.

QUALIFICATIONS:

EXPERIENCE AND TRAINING GUIDELINES *Minimum requirements as a condition of hire:*

Training: Equivalent to the completion of the twelfth grade.

Experience: Some emergency or non-emergency dispatch experience is desirable.

Knowledge of:

- Operations, services and activities of an emergency dispatching system.
- Rialto area streets, landmarks, and geography.
- English usage, spelling, grammar and punctuation.
- Modern office procedures, methods and computer equipment.
- Pertinent Federal, State and local laws, codes and regulations

Ability to:

- Learn to perform a variety of emergency and non-emergency dispatch duties.
- Learn to react calmly and effectively to emergency situations.
- Learn to respond quickly and efficiently to emergency situations.
- Learn to establish priority of emergency situations.
- Learn to effectively communicate and elicit information from callers.
- Learn to analyze and interpret maps.
- Learn to operate 9-1-1 systems, radio transmitting system, and computer aided dispatch system.
- Learn to respond to and resolve difficult and sensitive citizen inquiries and complaints.
- Prepare and maintain a variety of files, records and reports.
- Type accurately at a speed necessary for successful job performance (35 wpm).
- Understand and follow oral and written instructions.
- Learn to operate a variety of office equipment including a computer, teletype and radio.
- Learn to interpret and apply Federal, State and local policies, procedures, laws, codes and regulations.
- Communicate clearly and concisely, both orally and in writing.
- Establish and maintain cooperative working relationships with those contacted in the course of work.
- Maintain mental capacity which allows for effective interaction and communication with others.

- Maintain physical condition appropriate to the performance of assigned duties and responsibilities.
- Maintain effective audio-visual discrimination and perception needed for making observations, communicating with others, reading, writing and operating assigned equipment.

SUPPLEMENTAL INFORMATION:

Background Check Process

All appointments to this position are subject to the successful completion of an in-depth background investigation conducted by the Rialto Police Department as well as a physical examination including a drug screening. The background investigation is a rigorous process. A typical background investigation includes but is not limited to: background interviews with individuals designated by the Rialto Police Department (this may include current and former co-workers, friends, relatives, neighbors, or any other relevant individual), criminal background check, credit check, polygraph examination, and psychological evaluation. Candidates may be disqualified from further consideration during the background investigation for a variety of reasons including if they have: an excessive number of traffic citations and/or collisions; arrests and/or convictions; a history of illegal substance abuse; poor credit history (factors include bankruptcy, foreclosures, liens and repossessions); or thefts from a previous employer. For clarification of any of the above disqualifying reasons, please call the Police Department Personnel and Training Unit at (909) 421-4926. The following list describes some areas that are covered in the background investigation:

Your relatives, references, and acquaintances are asked to comment on your suitability for this position.
The information supplied regarding your educational history is examined and verified.
You must list a history of your residences.
Your work history and experience are examined with regard to your dependability, relationships with fellow workers, trustworthiness, and general job performance.
Military service records are subject to verification.
The background investigation considers your management of personal finances (however, being in debt does not automatically disqualify you).
Your criminal, driving, and insurance records are evaluated.

Application Procedure:
A City application form and supplemental questionnaire (if applicable) MUST be submitted and received by the closing date. Please apply online at www.yourrialto.com. All other employment inquiries can be directed to The City of Rialto, Human Resources Department. 246 S. Willow, Rialto, CA 92376. Telephone: (909) 820-2540.

Selection Process:
Candidates must clearly demonstrate through their application material that they meet the employment standards outlined above. All properly completed applications will be reviewed, and the most appropriately qualified individuals will be invited to continue in the selection process. Examinations for the positions may consist of any combination of written, performance, and oral exams to evaluate the applicant's skills, training, and experience for the position. Successful applicants will be placed on an eligibility list. The City may also merge lists. The selected candidate(s) must successfully complete pre-employment clearances which may include a physical, drug screen, and fingerprinting.

Veterans Preference Credit Eligibility:
Veterans of the armed forces, who have been discharged or released from active duty under

conditions other than dishonorable (Government Code: 18540.4), shall receive an additional five (5) points to their final examination score for ranking purposes only. This preference will apply only to the first appointment to any regular full-time City appointment. A copy of your valid DD214 must be submitted on or before the final filing date in order to be eligible for Veterans Preference Credit. For more information, please see the City's Veteran's Preference Policy.

E-Verify:
The City of Rialto is an E-Verify employer. E-Verify is an internet based system operated by the Department of Homeland Security (DHS) in partnership with the Social Security Administration (SSA) that allows participating employers to electronically verify the employment eligibility of newly hired employees in the United States.

EXHIBIT D

Claim for Payment
INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS

For State Controller Use Only

(19) Program Number: 00358
(20) Date Filed ___/___/___
(21) LRS Input ___/___/___

Program **358**

(01) Claimant Identification Number	9809886
(02) Claimant Name	City of South Lake Tahoe
Mailing Address	1901 Airport Road
Street Address or P.O. Box	Suite 210
City	South Lake Tahoe
State CA	Zip Code 96150-7004

Type of Claim	Estimated Claim	Reimbursement Claim
	(03) Estimated ☐	(09) Reimbursement ☐
	(04) Combined ☐	(10) Combined ☐
	(05) Amended ☐	(11) Amended ☒

Fiscal Year of Cost	(06)	(12) 2011-12	
Total Claimed	(07)	(13) $100,443	
Less: 10% Late Penalty, but not to exceed $1,000 (if applicable)		(14) $3,542	
Less: Estimated Claim Payment Received		(15)	
Net Claimed Amount		(16) $96,901	
Due from State	(08)	(17) $96,901	
Due to State	(09)	(18)	

(22) FORM 1, (04) A.1.g	
(23) FORM 1. (04) A.2.g	
(24) FORM 1, (04) B.1.g	
(25) FORM 1,(04.1) g	2080
(26) FORM 1,(04) B.2.f.1) g	
(27) FORM 1, (04.2) g	
(28) FORM 1, (04) B.3.a. g	61975
(29) FORM 1, (04) B.3.b. g	541
(30) FORM 1, (04) B.4. g	
(31) FORM 1, (04) B.5. g	
(32) FORM 1, (04) B.6. g	
(33) FORM 1, (06)	93
(34) FORM 1, (07)	35848
(35) FORM 1, (09)	
(36) FORM 1, (10)	

(38) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code Sections 17560 & 17561, I certify that I am the person authorized by the local agency to file claims with the State of California for mandated cost claims with the State of California for this program and I and certify under penalty of perjury that I have not violated any of the provisions of Article 4, Chapter 1 of Division 4 of Title 1 Government Code.

I further certify that there was no application for nor any grant or payment received, other that from the claimant, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all ocosts claimed are supported by source documentation currently maintained by the claimant.

The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of pergury of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Representative **Date**

MaryAnne Brand — Date Signed 7/6/15

MaryAnne Brand — Telephone Numbe (510) 542-6062

Financial Services Supervisor — Email Address mbrand@cityofslt.us

Name of Contact Person for Claim	Telephone Number	E-Mail Address
Annette S. Chinn (CRS)	***(916) 939-7901***	***AChinnCRS@aol.com***

New 3/14 — Form FAM-27

INTERAGENCY CHILD ABUSE AND NEGLECT (ICAN) INVESTIGATION REPORTS CLAIM SUMMARY

FORM 1

(01) Claimant	(02) Type of Claim	Fiscal Year
City of South Lake Tahoe	Reimbursement ☐	2011-12

Claim Statistics

(03) Department - POLICE	Number of Cases =	427

Direct Costs	Object Accounts					
(04) Reimbursable Components	(a) Salaries	(b) Benefits	(c & d) Services and Supplies	(e) Fixed Assets	(f) Travel and Training	(g) Total
A. ONE-TIME ACTIVITIES						
1. Policies and Procedures						
2. Training to implement ICAN						
B. ON-GOING ACTIVITIES						
1. Distribute Child Abuse Report (SS8572)						
2. Reporting between local departments						
2.a. Accept & refer reports when lacking jurisdiction						
2.b. Cross reporting from County to law enforcement						
2.c. Cross reporting from law enf. to county and DA	$1,236	$844				$2,080
2.d. Receipt of cross-reports by DA's office						
2.e. Report by phone & send to licensing agencies						
(04.1) Subtotal B.2 (a through e)	$1,236	$844				$2,080
2.f. Addnl cross reporting in case of child death						
1) Law enforcement cross report to Co. Welfare						
2) County Welfare department						
i. Cross rpt child death case to law enforcement						
ii. Created record in County CWS/CMS system						
ii. Enter info in CWS/CMS if death not abuse/nglct						
(04.2) Subtotal B.2 f. 2) (i through iii)						
3. Reporting to DOJ (see item 4 claiming instructions)						
a. Complete an investigation to prepare a report	$36,824	$25,151				$61,975
b. Prepare/submit/amend rpt for substantiated cases	$321	$219				$541
4. Notify suspected abuser they are in CACI						
5. Records retention post required period						
6. Provide due process procedures to those in CACI						
(05) TOTAL DIRECT COSTS	$38,381	$26,214				$64,595

Indirect Costs

(06) Indirect Cost Rate (applied to salaries)	(from ICRP) (Applied to Salaries)	93.4%
(07) Total Indirect Costs	Line (06) x line (05)(a) or line(06) x [line (05)(a) + line(05)(b)]	$35,848
(08) Total Direct and Indirect Costs	Line (05)(d) + line (07)	$100,443

Cost Reductions

(09) Less: Offsetting Savings, if applicable		
(10) Less: Other Reimbursements, if applicable		
(11) TOTAL CLAIMED AMOUNT	Line (08)- (line(09) + Line(10)]	**$100,443**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2011-12

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

- ☐ Update Policies and Procedures & develop ICAN due process procedures
- ☐ Develop training to implement ICAN requirements

B. On-Going Costs

- ☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)
- 2. Reporting Between Local Departments
  - ☐ a. Accept & refer abuse report when a dept. lacks jurisdiction
  - ☐ b. Cross-rept from Co. Welfare to law enforcement
  - ☒ c. Cross-report from Law Enforcement to Co Welfare &DA
  - ☐ d. Receipt of cross report by DA
  - ☐ e. Report by phone & send written report to licensing agency
  - f. Additional cross reporting in cases of child death
    - ☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare
  - f. Additional cross-reporting in cases of death
- 2. County welfare department
  - ☐ i. Cross report death cases to law enforcement
  - ☐ ii. Create a record in the CWS.CMS system
  - ☐ iii, Enter info in CWS/CMS if death not abuse
- 3. Reporting to DOJ
  - ☐ a. Complete investigation to prepare a report
  - ☐ b. Prepare/submit report for substantiated cases
- ☐ 4. Notify abuser they are reported to CACI
- ☐ 5. Mandated 8 yr record retention
- ☐ 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$25.79	68.3%	17.08	$440	$301				$741
Sergeant Report to the appropriate County Department and/or the District Attorney's Office as mandated.	$46.57	68.3%	17.08	$795	$543				$1,339
(05) Total			**34.16**	**$1,236**	**$844**				**$2,080**

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2011-12

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

☐ Update Policies and Procedures & develop ICAN due process procedures

☐ Develop training to implement ICAN requirements

B. On-Going Costs

☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)

2. Reporting Between Local Departments

☐ a. Accept & refer abuse report when a dept. lacks jurisdiction

☐ b. Cross-rept from Co. Welfare to law enforcement

☐ c. Cross-report from Law Enforcement to Co Welfare &DA

☐ d. Receipt of cross report by DA

☐ e. Report by phone & send written report to licensing agency

f. Additional cross reporting in cases of child death

☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare

f. Additional cross-reporting in cases of death

2. County welfare department

☐ i. Cross report death cases to law enforcement

☐ ii. Create a record in the CWS.CMS system

☐ iii, Enter info in CWS/CMS if death not abuse

3. Reporting to DOJ

☒ a. Complete investigation to prepare a report

☐ b. Prepare/submit report for substantiated cases

☐ 4. Notify abuser they are reported to CACI

☐ 5. Mandated 8 yr record retention

☐ 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$25.79	68.3%	17.79	$459	$313				$772
Officer/Detective	$40.14	68.3%	864.68	$34,708	$23,706				$58,414
Sergeant	$46.57	68.3%	35.58	$1,657	$1,132				$2,789
Complete investigation to determine whether report of suspected child abuse or severe neglect is unfounded, substantiated, or inconclusive (per PC 11165.12) for purposes of preparing & submitting Fomr SS 8583 and prepare report forms.									
(05) Total			918.05	$36,824	$25,151				$61,975

MANDATED COSTS
(ICAN) INVESTIGATION REPORTS
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2011-12

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

☐ Update Policies and Procedures & develop ICAN due process procedures

☐ Develop training to implement ICAN requirements

B. On-Going Costs

☐ 1. Distribute Suspected Child Abuse Rpt Form (SS 8572)

2. Reporting Between Local Departments

☐ a. Accept & refer abuse report when a dept. lacks jurisdiction

☐ b. Cross-rept from Co. Welfare to law enforcement

☐ c. Cross-report from Law Enforcement to Co Welfare &DA

☐ d. Receipt of cross report by DA

☐ e. Report by phone & send written report to licensing agency

f. Additional cross reporting in cases of child death

☐ 1) Police/Sheriff cross report all cases of child death to Co. Welfare

f. Additional cross-reporting in cases of death

2. County welfare department

☐ i. Cross report death cases to law enforcement

☐ ii. Create a record in the CWS.CMS system

☐ iii, Enter info in CWS/CMS if death not abuse

3. Reporting to DOJ

☐ a. Complete investigation to prepare a report

☒ b. Prepare/submit report for substantiated cases

☐ 4. Notify abuser they are reported to CACI

☐ 5. Mandated 8 yr record retention

☐ 6. Provide due process procedures to CACI

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Techician	$25.79	68.3%	5.88	$151	$103				$255
Officer/Detective	$40.14	68.3%	1.96	$79	$54				$132
Sergeant	$46.57	68.3%	1.96	$91	$62				$153
Prepare, review, approve, and forward reports of substantiated child abuse cases.									
(05) Total			9.79	$321	$219				$541

INDIRECT COST RATE PROPOSAL
City of South Lake Tahoe
Police
Fiscal Year
2011-12

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$4,513,498		$1,273,104	$3,240,394
Overtime		$382,246			$382,246
Benefits	68.3%	$3,081,348		$869,143	$2,212,205
Total		$7,977,092		$2,142,247	$5,834,844
Services & Supplies					
OFFICIAL/ADMINISTRATIVE SV		$14,054		$14,054	
PROFESSIONAL SERVICES		$33,169			$33,169
TECHNICAL SERVICES		$12,556		$12,556	
SHOP -MOTOR POOL ONLY!!!		$139,314		$139,314	
WATER/SEWER-UTILITIES		$4,960		$4,960	
GARBAGE-UTILITY		$8,504		$8,504	
DISPOSAL		$1,792		$1,792	
CUSTODIAL		$10,560		$10,560	
REPAIR & MAINT OUTSIDE		$6,005		$6,005	
LAUNDRY		$3,418		$3,418	
RENTAL OF EQUIP & VEHICLES		$5,179		$5,179	
RISK MGT-SELF INSUR.CLAIMS		$3,507		$3,507	
RISK MGT -CITY PROPERT DAM		$1,363		$1,363	
COMMUNICATIONS		$30,817		$30,817	
POLICE/FIRE WIRELESS		$2,804			$2,804
P.D. SPECIAL EVENT COSTS		$2,647			$2,647
CANINE MAINTENANCE COSTS		$6,993			$6,993
PRINTING & BINDING		$3,098		$3,098	
TRAVEL (MEALS,HOTL,PERDIE		$1,284		$1,284	
TRAINING/SEMINARS REGISTR		$1,551		$1,551	
MEMBERSHIPS-DUES-SUBSCR		$790	$790		
POLICE OFFICERS STANDRD T		$66,690		$66,690	
SLEDNET EXPENSE		$163,400		$163,400	
TESTING -MEDICAL		$2,877		$2,877	
SAFETY EQUIPMENT -RISK MG		$156		$156	
GENERAL SUPPLIES WITHIN F		$44,755		$44,755	
POSTAGE		$5,591		$5,591	
MEDICAL SUPPLIES		$135		$135	
AWARDS		$1,552		$1,552	
CLOTHING-UNIFORMS(REPLAC		$2,410		$2,410	
SNOW CHAINS					
NATURAL GAS		$5,090		$5,090	
ELECTRICITY		$33,638		$33,638	
FUEL (GASOLINE)		$109,333		$109,333	
MACHINERY & EQUIPMENT ($5		$10,374	$9,683	$692	$0
TOOLS, PARTS AND LEASES <$		$26,065		$26,065	
FIRE EXTINGUISHERS					
SOFTWARE PURCHASES/UPGI		$1,503	$1,203	$301	$0
FURNITURE AND FIXTURES		$2,096	$1,797	$299	$0
OPERATING TRANSFR OUT TO		$5,194		$5,194	
Total		$775,224	$13,472	$716,139	$45,614
Capital Expenditures					
Total					
Total Expenditures		$8,752,316	$13,472	$2,858,386	$5,880,458
Cost Plan Costs					
Citywide Overhead = 16.24% of direct salaries		$526,240		$526,240	
Total		$526,240		$526,240	
Total Alloc. Indirect Costs		$9,278,556	$13,472	$3,384,626	$5,880,458

ICRP RATE = **93.4%**
(Rate is Based on Salaries)

$3,384,626 = Total Allowable Indirect Costs
$3,622,639 Total Direct Salaries

City of South Lake Tahoe

Police

Fiscal Year
2011-12

Name/Position	100% Admin. or Support Staff Annual Salary
Admin Assistant	$49,704
Dispatch Supervisor (2)	$123,192
Evidence Tech	$60,156
Lieutenant (2)	$205,632
Police Chief (50%)	$67,860
Public Safety Dispatcher (6)	$307,872
Records Supervisor	$58,212
Senior Police Records Tech (2)	$46,416
Sergeant (3)	$251,460
Snr Community Services Officer (2)	$102,600

TOTAL INDIRECT SALARIES **$1,273,104**

POLICE (10002110-10002180)			ACTUAL FY 11-12
41015	REGULAR EMPLOYEES	$	4,447,831.37
41020	TEMPORARY/PART-TIME EMPLOYEES	$	65,666.44
		$	**4,513,497.81**
41040	OVERTIME	$	382,245.64
		$	**382,245.64**
41042	RETIREMENT PAYOUTS	$	114,235.00
41110	MEDICAL/DENTAL INSURANCE	$	913,572.58
41111	VISION INSURANCE	$	15,837.32
41112	LIFE INSURANCE	$	8,310.59
41113	LONG TERM DISABILITY INSURANCE	$	4,007.76
41114	SURVIVOR'S BENEFIT	$	1,525.83
41116	PERS EMPLOYER PORTION	$	1,474,335.58
41117	PERS EMPLOYEE PORTION/CITY PD	$	43,905.52
41118	TUITION REIMBURSEMENT	$	20,647.74
41119	UNEMPLOYMENT INSURANCE	$	75,508.00
41120	WORKER'S COMPENSATION INSURNC	$	310,986.83
41128	MEDICARE-REGULAR EMPLOYEES	$	72,914.68
41137	HRA EXPENSES/FUNDING	$	4,661.95
41139	RMSA EXPENSE	$	20,898.83
		$	**3,081,348.21**
		$	7,977,091.66
42010	OFFICIAL/ADMINISTRATIVE SVCS	$	14,053.65
42020	PROFESSIONAL SERVICES	$	33,168.80
42030	TECHNICAL SERVICES	$	12,556.49
42040	SHOP -MOTOR POOL ONLY!!!	$	139,314.34
43011	WATER/SEWER-UTILITIES	$	4,960.38
43012	GARBAGE-UTILITY	$	8,503.62
43021	DISPOSAL	$	1,792.00
43023	CUSTODIAL	$	10,560.00
43025	REPAIR & MAINT OUTSIDE	$	6,005.05
43026	LAUNDRY	$	3,417.59
43042	RENTAL OF EQUIP & VEHICLES	$	5,179.20
44016	RISK MGT-SELF INSUR.CLAIMS	$	3,507.21
44018	RISK MGT -CITY PROPERT DAMAGE	$	1,362.88
44020	COMMUNICATIONS	$	30,817.32
44021	POLICE/FIRE WIRELESS	$	2,804.24
44022	P.D. SPECIAL EVENT COSTS	$	2,647.31
44023	CANINE MAINTENANCE COSTS	$	6,993.25
44040	PRINTING & BINDING	$	3,098.32
44050	TRAVEL (MEALS,HOTL,PERDIEM)	$	1,284.09
44060	TRAINING/SEMINARS REGISTR,SUPP	$	1,551.12
44070	MEMBERSHIPS-DUES-SUBSCRIPTIONS	$	790.00
44080	POLICE OFFICERS STANDRD TRAIN	$	66,689.64
44081	SLEDNET EXPENSE	$	163,400.42
44082	TESTING -MEDICAL	$	2,876.76
44097	SAFETY EQUIPMENT -RISK MGMT	$	155.64
45010	GENERAL SUPPLIES WITHIN FY	$	44,754.88
45011	POSTAGE	$	5,590.88
45014	MEDICAL SUPPLIES	$	134.65
45015	AWARDS	$	1,551.61
45016	CLOTHING-UNIFORMS(REPLACEMENT	$	2,409.82
45020	SNOW CHAINS	$	-
45021	NATURAL GAS	$	5,090.24
45022	ELECTRICITY	$	33,637.65
45024	FUEL (GASOLINE)	$	109,333.04
46110	MACHINERY & EQUIPMENT ($5,000)	$	10,374.40
46120	TOOLS, PARTS AND LEASES <$5000	$	26,065.17
46121	FIRE EXTINGUISHERS	$	-
46122	SOFTWARE PURCHASES/UPGRADES	$	1,503.15
46140	FURNITURE AND FIXTURES	$	2,095.97
50001	OPERATING TRANSFR OUT TO GEN F	$	5,193.51
		$	**775,224.29**
	Total Police	$	**8,752,315.95**

City of South Lake Tahoe
CITY WIDE OVERHEAD CALCULATION:
Based on Actual FY 2012-13 Data

Department	Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
City Council	$187,355	$187,355		
City Clerk	$375,107	$119,932	$255,175	
City Attorney	$966,382		$966,382	
Risk Management	$331,982		$331,982	
City Manager	$411,621		$411,621	
Human Resources	$326,577		$326,577	
Accounting	$741,972		$741,972	
Treasurer	$28,782			$28,782
Purchasing	$60,514		$60,514	
Revenue Collection	$357,521			$357,521
Vacation Ordinance				
Information Systems	$483,909		$483,909	
Non-Departmental	$794,460		$794,460	
Emergency Perp	$5,231			$5,231
Community Marketing	$141,579			$141,579
GFR Transfers	$7,323,107			$7,323,107
Rent & Leases	$277,140		$277,140	
Sustainable SLT	$38,840			$38,840
Police	$8,103,766			$8,103,766
Fire	$4,586,369			$4,586,369
Public Works & Engineering	$2,407,933			$2,407,933
Facility Maintenance	$400,265		$400,265	
Planning	$448,713			$448,713
Golf Course	$215,894			$215,894
Park Areas & Campgrounds	$501,743			$501,743
Beaches & Parks & Rec	$1,582,745			$1,582,745
Totals:	**$31,099,507**	**$307,287**	**$5,049,997**	**$25,742,223**

Total Allowable Indirect / Total City Expenditures = $5,049,997 / $31,099,507 = 16.24% city wide overhead rate based on dollars of total expenditure

Claim for Payment
Pursuant to Government Code Section 17561
DOMESTIC VIOLENCE ARREST POLICIES & STANDARDS

For State Controller Use Only	
(19) Program Number: 00167	Program 167
(20) Date Filed ___/___/___	
(21) LRS Input ___/___/___	

(01) Claimant Identification Number	9809886
(02) Claimant Name	City of South Lake Tahoe
Mailing Address	1901 Airport Road
Street Address or P.O. Box	Suite 210
City	South Lake Tahoe
State CA	Zip Code 96150-7004

(22) FORM-1,(04)(a)	168				
(23) FORM-1,(04)(b)	105				
(24) FORM-1,(06)	8,530				
(25) FORM-1,(07)(A)(g)					
(26) FORM-1,(07)(B)(g)					
(27) FORM-1,(07)(C)(g)					
(28) FORM-1, (09)	93				
(29) FORM-1, (10)	3,044				
(30) FORM-1, (12)					
(31) FORM-1, (13)					
(32)					
(32)					
(33)					
(34)					

Type of Claim	Estimated Claim		Reimbursement Claim		
	(03) Estimated	☐	(09) Reimbursement	X	
	(04) Combined	☐	(10) Combined	☐	
	(05) Amended	☐	(11) Amended	☐	
Fiscal Year of Cost	(06)		(12) 2011-12		
Total Claimed	(07)		(13) $8,530		
Less: 10% Late Penalty, but not to exceed $1,000 (if applicable)			(14) $853		
Less: Estimated Claim Payment Received			(15)		
Net Claimed Amount			(16) $7,677		
Due from State	(08)		(17) $7,677		
Due to State	(09)		(18)		

(38) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code 17561, I certify that I am the person authorized by the local agency to file claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Article 4, Chapter 1 of Divison 4 of Title 1 Government Code.

I further certify that there was no application for nor any grant or payment received, other that from the claimant, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documents currently maintained by the claimant.

The amount for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of actual costs set forth on the attached statement. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Representative

MaryAnne Brand — Date Signed 2/6/14

MaryAnne Brand — Telephone Numbe (510) 542-6062

Financial Services Manager — Email Address mbrand@cityofslt.us

Name of Contact Person for Claim	Telephone Number	E-Mail Address
Annette S. Chinn (CRS)	*(916) 939-7901*	*AChinnCRS@aol.com*

MANDATED COSTS
DOMESTIC VIOLENCE ARREST POLICIES & STANDARDS
CLAIM SUMMARY

FORM 1

(01) Claimant	(02) Type of Claim	Fiscal Year
City of South Lake Tahoe	Reimbursement [X]	2011-12
	Estimated [ ]	(see FAM-27 for estimate)

(03) Department	Police

(04) Claim Statistics

(a) Number of reported domestic violence incident responses in the fiscal year of claim	168
(b) Average productive hourly rate	$40.14
Average productive hourly rate (With Benefits and ICRP included)	$105.05
c) Standard time allowed - 29 minutes	0.48 hour

Unit Cost Method - Ongoing Activity D

(05) Ongoing Direct Activity Costs For Activity D - Implementation of New Policies	
Total Salaries	$3,259
Total Benefits 68.30%	$2,226.15
Total Indirect Costs 93.4%	$3,044
(06) Total Direct and Indirect Costs for Activity D	$8,530

Direct Costs / **Actual Cost Method** (07) One-Time Activities	**Object Accounts** (a) Salaries	(b) Benefits	(c) & (e) Services& Supplies and Fixed Assets	(d) Training and Travel	(f) Total
A. Develop of Written Arrest Policies					
B. Adoption of Policies					
C. Training Officers on New Policies					
(08) Total Direct Costs					

Indirect Costs

(09) Indirect Cost Rate (applied to salaries)	(from ICRP) (Applied to Salaries)	93.4%
(10) Total Indirect Costs	Line (06) x line (05)(a) or line(06) x [line (05)(a) + line(05)(b)]	$3,044
(11) Total Direct and Indirect Costs	Line (05)(d) + line (07)	$8,530

Cost Reductions

(12) Less: Offsetting Savings, if applicable	
(13) Less: Other Reimbursements, if applicable	
(14) Total Claimed Amount Line (08)- (line(09) + Line(10)]	**$8,530**

INDIRECT COST RATE PROPOSAL
City of South Lake Tahoe
Police
Fiscal Year 2011-12

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$4,513,498		$1,273,104	$3,240,394
Overtime		$382,246			$382,246
Benefits	68.3%	$3,081,348		$869,143	$2,212,205
Total		$7,977,092		$2,142,247	$5,834,844
Services & Supplies					
OFFICIAL/ADMINISTRATIVE SV		$14,054		$14,054	
PROFESSIONAL SERVICES		$33,169			$33,169
TECHNICAL SERVICES		$12,556		$12,556	
SHOP -MOTOR POOL ONLY!!!		$139,314		$139,314	
WATER/SEWER-UTILITIES		$4,960		$4,960	
GARBAGE-UTILITY		$8,504		$8,504	
DISPOSAL		$1,792		$1,792	
CUSTODIAL		$10,560		$10,560	
REPAIR & MAINT OUTSIDE		$6,005		$6,005	
LAUNDRY		$3,418		$3,418	
RENTAL OF EQUIP & VEHICLES		$5,179		$5,179	
RISK MGT-SELF INSUR.CLAIMS		$3,507		$3,507	
RISK MGT -CITY PROPERT DAI		$1,363		$1,363	
COMMUNICATIONS		$30,817		$30,817	
POLICE/FIRE WIRELESS		$2,804			$2,804
P.D. SPECIAL EVENT COSTS		$2,647			$2,647
CANINE MAINTENANCE COSTS		$6,993			$6,993
PRINTING & BINDING		$3,098		$3,098	
TRAVEL (MEALS,HOTL,PERDIE		$1,284		$1,284	
TRAINING/SEMINARS REGISTR		$1,551		$1,551	
MEMBERSHIPS-DUES-SUBSCR		$790	$790		
POLICE OFFICERS STANDRD T		$66,690		$66,690	
SLEDNET EXPENSE		$163,400		$163,400	
TESTING -MEDICAL		$2,877		$2,877	
SAFETY EQUIPMENT -RISK MG		$156		$156	
GENERAL SUPPLIES WITHIN F		$44,755		$44,755	
POSTAGE		$5,591		$5,591	
MEDICAL SUPPLIES		$135		$135	
AWARDS		$1,552		$1,552	
CLOTHING-UNIFORMS(REPLAC		$2,410		$2,410	
SNOW CHAINS					
NATURAL GAS		$5,090		$5,090	
ELECTRICITY		$33,638		$33,638	
FUEL (GASOLINE)		$109,333		$109,333	
MACHINERY & EQUIPMENT ($5		$10,374	$9,683	$692	$0
TOOLS, PARTS AND LEASES <$		$26,065		$26,065	
FIRE EXTINGUISHERS					
SOFTWARE PURCHASES/UPGI		$1,503	$1,203	$301	$0
FURNITURE AND FIXTURES		$2,096	$1,797	$299	$0
OPERATING TRANSFR OUT TO		$5,194		$5,194	
Total		$775,224	$13,472	$716,139	$45,614
Capital Expenditures					
Total					
Total Expenditures		**$8,752,316**	**$13,472**	**$2,858,386**	**$5,880,458**
Cost Plan Costs					
Citywide Overhead = 16.24% of direct salaries		$526,240		$526,240	
Total		$526,240		$526,240	
Total Alloc. Indirect Costs		**$9,278,556**	**$13,472**	**$3,384,626**	**$5,880,458**

ICRP RATE = 93.4%
(Rate is Based on Salaries)

$3,384,626 = Total Allowable Indirect Costs
$3,622,639 Total Direct Salaries

City of South Lake Tahoe
Police
Fiscal Year
2011-12

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Snr Community Services Officer (2)	$102,600

TOTAL INDIRECT SALARIES **$1,273,104**

POLICE (10002110-10002180)			ACTUAL FY 11-12
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		$	**4,513,497.81**
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		$	**3,081,348.21**
		$	7,977,091.66
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44081	SLEDNET EXPENSE	$	163,400.42
44082	TESTING -MEDICAL	$	2,876.76
44097	SAFETY EQUIPMENT -RISK MGMT	$	155.64
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45011	POSTAGE	$	5,590.88
45014	MEDICAL SUPPLIES	$	134.65
45015	AWARDS	$	1,551.61
45016	CLOTHING-UNIFORMS(REPLACEMENT	$	2,409.82
45020	SNOW CHAINS	$	-
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46120	TOOLS, PARTS AND LEASES <$5000	$	26,065.17
46121	FIRE EXTINGUISHERS	$	-
46122	SOFTWARE PURCHASES/UPGRADES	$	1,503.15
46140	FURNITURE AND FIXTURES	$	2,095.97
50001	OPERATING TRANSFR OUT TO GEN F	$	5,193.51
		$	**775,224.29**
	Total Police	**289**	**$ 8,752,315.95**

City of South Lake Tahoe
CITY WIDE OVERHEAD CALCULATION:
Based on Actual FY 2012-13 Data

Department	Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
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City Attorney	$966,382		$966,382	
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City Manager	$411,621		$411,621	
Human Resources	$326,577		$326,577	
Accounting	$741,972		$741,972	
Treasurer	$28,782			$28,782
Purchasing	$60,514		$60,514	
Revenue Collection	$357,521			$357,521
Vacation Ordinance				
Information Systems	$483,909		$483,909	
Non-Departmental	$794,460		$794,460	
Emergency Perp	$5,231			$5,231
Community Marketing	$141,579			$141,579
GFR Transfers	$7,323,107			$7,323,107
Rent & Leases	$277,140		$277,140	
Sustainable SLT	$38,840			$38,840
Police	$8,103,766			$8,103,766
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Public Works & Engineering	$2,407,933			$2,407,933
Facility Maintenance	$400,265		$400,265	
Planning	$448,713			$448,713
Golf Course	$215,894			$215,894
Park Areas & Campgrounds	$501,743			$501,743
Beaches & Parks & Rec	$1,582,745			$1,582,745
Totals:	**$31,099,507**	**$307,287**	**$5,049,997**	**$25,742,223**

Total Allowable Indirect / Total City Expenditures = $5,049,997 / $31,099,507 = 16.24% city wide overhead rate based on dollars of total expenditure

Claim for Payment
Pursuant to Government Code Section 17561
DOMESTIC VIOLENCE ARRESTS AND VICTIM ASSISTANCE

For State Controller Use Only

(19) Program Number: 000274 — Program **274**

(20) Date Filed ____/____/____

(21) LRS Input ____/____/____

(01) Claimant Identification Number	9809886
(02) Claimant Name	City of South Lake Tahoe
Mailing Address	1901 Airport Road
Street Address or P.O. Box	Suite 210
City	South Lake Tahoe
State	CA **Zip Code** 96150-7004

Type of Claim	**Estimated Claim**	**Reimbursement Claim**
	(03) Estimated ☐	(09) Reimbursement ☒
	(04) Combined ☐	(10) Combined ☐
	(05) Amended ☐	(11) Amended ☐

Fiscal Year of Cost	(06)	(12) 2011-12	(29) FORM-1 (10)	
Total Claimed	(07)	(13) $1,765	(30)	
Less: 10% Late Penalty, but not to exceed $1,000 (if applicable)		(14) $176	(31)	
Less: Estimated Claim Payment Received		(15)	(32)	
Net Claimed Amount		(16) $1,588	(32)	
Due from State	(08)	(17) $1,588	(33)	
Due to State	(09)	(18)	(34)	

(22) FORM-1 (04)(A)(1)(f)	
(23) FORM-1 (04)(A)(2)(f)	
(24) FORM-1 (04)(A)(3)(f)	
(25) FORM-1 (04)(B)(1)(f)	1,135
(26) FORM-1 (06)	93
(27) FORM-1 (07)	630
(28) FORM-1 (09)	

(38) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code 17561, I certify that I am the person authorized by the local agency to file claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Article 4, Chapter 1 of Divison 4 of Title 1 Government Code.

I further certify that there was no application for nor any grant or payment received, other that from the claimant, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documents currently maintained by the claimant.

The amount for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of actual costs set forth on the attached statement. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Representative

MaryAnne Brand — Date Signed 4/6/14

MaryAnne Brand — Telephone Numbe (510) 542-6062

Financial Services Manager — Email Address mbrand@cityofslt.us

Name of Contact Person for Claim	**Telephone Number**	**E-Mail Address**
Annette S. Chinn (CRS)	***(916) 939-7901***	***AChinnCRS@aol.com***

MANDATED COSTS
DOMESTIC VIOLENCE ARRESTS AND VICTIM ASSISTANCE
CLAIM SUMMARY

FORM 1

(01) Claimant	(02) Type of Claim	Fiscal Year
City of South Lake Tahoe	Reimbursement [X]	2011-12
	Estimated [ ]	(see FAM-27 for estimate)

Claim Statistics

(03) Department	Police

Direct Costs	Object Accounts					
(04) Reimbursable Activities	(a) Salaries	(b) Benefits	(c) Materials and Supplies	(d) Contract Services	(e) Fixed Assets	(f) Total
A. One-Time Activities						
1. Printing Victim Cards						
2. AddingTwo New Crimes to Response Policy						
3. Adding Information to Response Policy						
B. On-Going Activity						
1. Provide Cards to Victims	$674	$461				$1,135
(05) Total Direct Costs	$674	$461				$1,135

Indirect Costs

(06) Indirect Cost Rate (applied to salaries)	(from ICRP) (Applied to Salaries)	93.4%
(07) Total Indirect Costs	Line (06) x line (05)(a) or line(06) x [line (05)(a) + line(05)(b)]	$630
(08) Total Direct and Indirect Costs	Line (05)(d) + line (07)	$1,765

Cost Reductions

(09) Less: Offsetting Savings, if applicable		
(10) Less: Other Reimbursements, if applicable		
(11) Total Claimed Amount	Line (08)- (line(09) + Line(10)]	**$1,765**

Revised (12/09)

Program 274	MANDATED COSTS DOMESTIC VIOLENCE ARRESTS AND VICTIM ASSISTANCE ACTIVITY COST DETAIL	FORM 2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2011-12

(03) Reimbursable Activities Check only one box per form to identify the component being claimed

ONE-TIME ACTIVITIES

- [ ] Printing Victim Cards
- [ ] Adding Two New Crimes to Response Policy
- [ ] Adding Information to Response Policy

ON-GOING ACTIVITY

- [X] Providing Cards to Victims

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	Hours Worked or Quantity	Salaries	Benefits	(d) Material and Supplies	(e) Contract Services	(f) Fixed Assets	(c) Total Salaries & Benefits
Officer Obtain card, present and explain to victim, and answer victim's qusetions pertaining to state mandated info on card.	$40.14	68.3%	16.80	$674	$461				$1,135
(05) Total			**16.80**	**$674**	**$461**				**$1,135**

Revised (12/09)

INDIRECT COST RATE PROPOSAL
City of South Lake Tahoe
Police
Fiscal Year
2011-12

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$4,513,498		$1,273,104	$3,240,394
Overtime		$382,246			$382,246
Benefits	68.3%	$3,081,348		$869,143	$2,212,205
Total		$7,977,092		$2,142,247	$5,834,844
Services & Supplies					
OFFICIAL/ADMINISTRATIVE SV		$14,054		$14,054	
PROFESSIONAL SERVICES		$33,169			$33,169
TECHNICAL SERVICES		$12,556		$12,556	
SHOP -MOTOR POOL ONLY!!!		$139,314		$139,314	
WATER/SEWER-UTILITIES		$4,960		$4,960	
GARBAGE-UTILITY		$8,504		$8,504	
DISPOSAL		$1,792		$1,792	
CUSTODIAL		$10,560		$10,560	
REPAIR & MAINT OUTSIDE		$6,005		$6,005	
LAUNDRY		$3,418		$3,418	
RENTAL OF EQUIP & VEHICLES		$5,179		$5,179	
RISK MGT-SELF INSUR.CLAIMS		$3,507		$3,507	
RISK MGT -CITY PROPERT DAI		$1,363		$1,363	
COMMUNICATIONS		$30,817		$30,817	
POLICE/FIRE WIRELESS		$2,804			$2,804
P.D. SPECIAL EVENT COSTS		$2,647			$2,647
CANINE MAINTENANCE COSTS		$6,993			$6,993
PRINTING & BINDING		$3,098		$3,098	
TRAVEL (MEALS,HOTL,PERDIE		$1,284		$1,284	
TRAINING/SEMINARS REGISTR		$1,551		$1,551	
MEMBERSHIPS-DUES-SUBSCR		$790	$790		
POLICE OFFICERS STANDRD T		$66,690		$66,690	
SLEDNET EXPENSE		$163,400		$163,400	
TESTING -MEDICAL		$2,877		$2,877	
SAFETY EQUIPMENT -RISK MG		$156		$156	
GENERAL SUPPLIES WITHIN F'		$44,755		$44,755	
POSTAGE		$5,591		$5,591	
MEDICAL SUPPLIES		$135		$135	
AWARDS		$1,552		$1,552	
CLOTHING-UNIFORMS(REPLAC		$2,410		$2,410	
SNOW CHAINS					
NATURAL GAS		$5,090		$5,090	
ELECTRICITY		$33,638		$33,638	
FUEL (GASOLINE)		$109,333		$109,333	
MACHINERY & EQUIPMENT ($5		$10,374	$9,683	$692	$0
TOOLS, PARTS AND LEASES <$		$26,065		$26,065	
FIRE EXTINGUISHERS					
SOFTWARE PURCHASES/UPGI		$1,503	$1,203	$301	$0
FURNITURE AND FIXTURES		$2,096	$1,797	$299	$0
OPERATING TRANSFR OUT TC		$5,194		$5,194	
Total		$775,224	$13,472	$716,139	$45,614
Capital Expenditures					
Total					
Total Expenditures		**$8,752,316**	**$13,472**	**$2,858,386**	**$5,880,458**
Cost Plan Costs					
Citywide Overhead = 16.24% of direct salaries		$526,240		$526,240	
Total		$526,240		$526,240	
Total Alloc. Indirect Costs		**$9,278,556**	**$13,472**	**$3,384,626**	**$5,880,458**

ICRP RATE = **93.4%**
(Rate is Based on Salaries)

$3,384,626 = Total Allowable Indirect Costs
$3,622,639 Total Direct Salaries

City of South Lake Tahoe

Police

Fiscal Year
2011-12

Name/Position	100% Admin. or Support Staff Annual Salary
Admin Assistant	$49,704
Dispatch Supervisor (2)	$123,192
Evidence Tech	$60,156
Lieutenant (2)	$205,632
Police Chief (50%)	$67,860
Public Safety Dispatcher (6)	$307,872
Records Supervisor	$58,212
Senior Police Records Tech (2)	$46,416
Sergeant (3)	$251,460
Snr Community Services Officer (2)	$102,600

TOTAL INDIRECT SALARIES **$1,273,104**

POLICE (10002110-10002180)			ACTUAL FY 11-12
41015	REGULAR EMPLOYEES	$	4,447,831.37
41020	TEMPORARY/PART-TIME EMPLOYEES	$	65,666.44
		$	**4,513,497.81**
41040	OVERTIME	$	382,245.64
		$	**382,245.64**
41042	RETIREMENT PAYOUTS	$	114,235.00
41110	MEDICAL/DENTAL INSURANCE	$	913,572.58
41111	VISION INSURANCE	$	15,837.32
41112	LIFE INSURANCE	$	8,310.59
41113	LONG TERM DISABILITY INSURANCE	$	4,007.76
41114	SURVIVOR'S BENEFIT	$	1,525.83
41116	PERS EMPLOYER PORTION	$	1,474,335.58
41117	PERS EMPLOYEE PORTION/CITY PD	$	43,905.52
41118	TUITION REIMBURSEMENT	$	20,647.74
41119	UNEMPLOYMENT INSURANCE	$	75,508.00
41120	WORKER'S COMPENSATION INSURNC	$	310,986.83
41128	MEDICARE-REGULAR EMPLOYEES	$	72,914.68
41137	HRA EXPENSES/FUNDING	$	4,661.95
41139	RMSA EXPENSE	$	20,898.83
		$	**3,081,348.21**
		$	7,977,091.66
42010	OFFICIAL/ADMINISTRATIVE SVCS	$	14,053.65
42020	PROFESSIONAL SERVICES	$	33,168.80
42030	TECHNICAL SERVICES	$	12,556.49
42040	SHOP -MOTOR POOL ONLY!!!	$	139,314.34
43011	WATER/SEWER-UTILITIES	$	4,960.38
43012	GARBAGE-UTILITY	$	8,503.62
43021	DISPOSAL	$	1,792.00
43023	CUSTODIAL	$	10,560.00
43025	REPAIR & MAINT OUTSIDE	$	6,005.05
43026	LAUNDRY	$	3,417.59
43042	RENTAL OF EQUIP & VEHICLES	$	5,179.20
44016	RISK MGT-SELF INSUR.CLAIMS	$	3,507.21
44018	RISK MGT -CITY PROPERT DAMAGE	$	1,362.88
44020	COMMUNICATIONS	$	30,817.32
44021	POLICE/FIRE WIRELESS	$	2,804.24
44022	P.D. SPECIAL EVENT COSTS	$	2,647.31
44023	CANINE MAINTENANCE COSTS	$	6,993.25
44040	PRINTING & BINDING	$	3,098.32
44050	TRAVEL (MEALS,HOTL,PERDIEM)	$	1,284.09
44060	TRAINING/SEMINARS REGISTR,SUPP	$	1,551.12
44070	MEMBERSHIPS-DUES-SUBSCRIPTIONS	$	790.00
44080	POLICE OFFICERS STANDRD TRAIN	$	66,689.64
44081	SLEDNET EXPENSE	$	163,400.42
44082	TESTING -MEDICAL	$	2,876.76
44097	SAFETY EQUIPMENT -RISK MGMT	$	155.64
45010	GENERAL SUPPLIES WITHIN FY	$	44,754.88
45011	POSTAGE	$	5,590.88
45014	MEDICAL SUPPLIES	$	134.65
45015	AWARDS	$	1,551.61
45016	CLOTHING-UNIFORMS(REPLACEMENT	$	2,409.82
45020	SNOW CHAINS	$	-
45021	NATURAL GAS	$	5,090.24
45022	ELECTRICITY	$	33,637.65
45024	FUEL (GASOLINE)	$	109,333.04
46110	MACHINERY & EQUIPMENT ($5,000)	$	10,374.40
46120	TOOLS, PARTS AND LEASES <$5000	$	26,065.17
46121	FIRE EXTINGUISHERS	$	-
46122	SOFTWARE PURCHASES/UPGRADES	$	1,503.15
46140	FURNITURE AND FIXTURES	$	2,095.97
50001	OPERATING TRANSFR OUT TO GEN F	$	5,193.51
		$	**775,224.29**
	Total Police	**$**	**8,752,315.95**

City of South Lake Tahoe
CITY WIDE OVERHEAD CALCULATION:
Based on Actual FY 2012-13 Data

Department	Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
City Council	$187,355	$187,355		
City Clerk	$375,107	$119,932	$255,175	
City Attorney	$966,382		$966,382	
Risk Management	$331,982		$331,982	
City Manager	$411,621		$411,621	
Human Resources	$326,577		$326,577	
Accounting	$741,972		$741,972	
Treasurer	$28,782			$28,782
Purchasing	$60,514		$60,514	
Revenue Collection	$357,521			$357,521
Vacation Ordinance				
Information Systems	$483,909		$483,909	
Non-Departmental	$794,460		$794,460	
Emergency Perp	$5,231			$5,231
Community Marketing	$141,579			$141,579
GFR Transfers	$7,323,107			$7,323,107
Rent & Leases	$277,140		$277,140	
Sustainable SLT	$38,840			$38,840
Police	$8,103,766			$8,103,766
Fire	$4,586,369			$4,586,369
Public Works & Engineering	$2,407,933			$2,407,933
Facility Maintenance	$400,265		$400,265	
Planning	$448,713			$448,713
Golf Course	$215,894			$215,894
Park Areas & Campgrounds	$501,743			$501,743
Beaches & Parks & Rec	$1,582,745			$1,582,745
Totals:	**$31,099,507**	**$307,287**	**$5,049,997**	**$25,742,223**

Total Allowable Indirect / Total City Expenditures = $5,049,997 / $31,099,507 = 16.24% city wide overhead rate based on dollars of total expenditure

Claim for Payment
Pursuant to Government Code Section 17561
ADMINISTRATIVE LICENSE SUSPENSION

For State Controller Use Only	
(19) Program Number: 00246	Program 246
(20) Date Filed ____/____/____	
(21) LRS Input ____/____/____	

(01) Claimant Identification Number			9809886			(22) FORM 1,(04)(A)(1)(h)	
(02) Claimant Name			City of South Lake Tahoe				
Mailing Address			1901 Airport Road			(23) FORM 1,(04)(A)(2)(h)	
Street Address or P.O. Box			Suite 210				
City			South Lake Tahoe			(24) FORM 1,(04)(B)(1)(h)	3,547
State	CA	**Zip Code**	96150-7004				
Type of Claim	**Estimated Claim**		**Reimbursement Claim**			(25) FORM 1,(06)	93
	(03) Estimated	☐	(09) Reimbursement	X		(26) FORM 1,(07)	1,968
	(04) Combined	☐	(10) Combined	☐		(27) FORM 1,(09)	
	(05) Amended	☐	(11) Amended	☐		(28) FORM 1,(10)	
Fiscal Year of Cost	(06)		(12) 2011-12			(29)	
Total Claimed	(07)		(13) $5,515			(30)	
Less: 10% Late Penalty, but not to exceed $1,000 (if applicable)			(14) $551			(31)	
Less: Estimated Claim Payment Received			(15)			(32)	
Net Claimed Amount			(16) $4,963			(33)	
Due from State	(08)		(17) $4,963			(34)	
Due to State	(09)		(18)			(35)	

(38) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code 17561, I certify that I am the person authorized by the local agency to file claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.

I further certify that there was no application for nor any grant or payment received, other that from the claimant, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documents currently maintained by the claimant.

The amount for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statement. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Representative

MaryAnne Brand

MaryAnne Brand

Financial Services Manager

Date Signed 2/6/14

Telephone Numbe (510) 542-6062

Email Address mbrand@cityofslt.us

Name of Contact Person for Claim	Telephone Number	E-Mail Address
Annette S. Chinn (CRS)	*(916) 939-7901*	*AChinnCRS@aol.com*

MANDATED COSTS
ADMINISTRATIVE LICENSE SUSPENSION
CLAIM SUMMARY

FORM ALS-1

(01) Claimant	(02) Type of Claim		Fiscal Year
City of South Lake Tahoe	Reimbursement	X	2011-12
	Estimated		(see FAM-27 for estimate)

Claim Statistics

(03) Leave Blank

Direct Costs	Object Accounts						
(04) Reimbursable Components	(a) Number of Cases	(b) Uniform Allowance Time (hours)	(c) Salary Hourly Rate	(d) Benefit Rate	(e) Subtotal Salaries (a) x (b) x (c)	(f) Subtotal Benefits (e) x (d)	(g) Materials & Supplies	(h) Total (e) + (f) +(g)
A. Minors Detained But Not Arrested								
1. Admonishing Drivers/Screening Tests on Minors (IV.A.1 & 2)		0.2667	$40.14	68.3%				
2. Seizing Licenses & Serving Notice/ Completing Sworn Reports/Submitting Reports to DMV (IV.A.3 to A.5)		0.2500	$40.14	68.3%				
B. Arrested Drivers for Violation of DUI Statues								
1. Seizing Licenses & Serving Notice/ Completing Sworn Reports/Submitting Reports to DMV (IV.B.1 to B.3)	210	0.2500	$40.14	68.3%	$2,107	$1,439		$3,547
C. Arrested Drivers for Controlled Substances								
1. Informing Arrested Drives of Sanctions		0.0083	$40.14	68.3%				
(05) Total Direct Costs					$2,107	$1,439		$3,547

Indirect Costs

(06) Indirect Cost Rate (applied to salaries)	(from ICRP per OMB-A87) (Applied to Salaries)	93.4%
(07) Total Indirect Costs	Line (06) x line (05)(e)	$1,968
(08) Total Direct and Indirect Costs	Line (05)(h) + line (07)	$5,515

Cost Reductions

(09) Less: Offsetting Savings, if applicable		
(10) Less: Other Reimbursements, if applicable	**NOTE: Grant funded arrests were removed from claim statistics**	
(11) Total Claimed Amount	Line (08)- (line(09) + Line(10)]	**$5,515**

INDIRECT COST RATE PROPOSAL
City of South Lake Tahoe
Police
Fiscal Year 2011-12

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$4,513,498		$1,273,104	$3,240,394
Overtime		$382,246			$382,246
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Total		$7,977,092		$2,142,247	$5,834,844
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PROFESSIONAL SERVICES		$33,169			$33,169
TECHNICAL SERVICES		$12,556		$12,556	
SHOP -MOTOR POOL ONLY!!!		$139,314		$139,314	
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DISPOSAL		$1,792		$1,792	
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CANINE MAINTENANCE COSTS		$6,993			$6,993
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City of South Lake Tahoe

Police

Fiscal Year

2011-12

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46121	FIRE EXTINGUISHERS	$	-
46122	SOFTWARE PURCHASES/UPGRADES	$	1,503.15
46140	FURNITURE AND FIXTURES	$	2,095.97
50001	OPERATING TRANSFR OUT TO GEN F	$	5,193.51
		$	**775,224.29**
	Total Police	**$**	**8,752,315.95**

City of South Lake Tahoe
CITY WIDE OVERHEAD CALCULATION:
Based on Actual FY 2012-13 Data

Department	Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
City Council	$187,355	$187,355		
City Clerk	$375,107	$119,932	$255,175	
City Attorney	$966,382		$966,382	
Risk Management	$331,982		$331,982	
City Manager	$411,621		$411,621	
Human Resources	$326,577		$326,577	
Accounting	$741,972		$741,972	
Treasurer	$28,782			$28,782
Purchasing	$60,514		$60,514	
Revenue Collection	$357,521			$357,521
Vacation Ordinance				
Information Systems	$483,909		$483,909	
Non-Departmental	$794,460		$794,460	
Emergency Perp	$5,231			$5,231
Community Marketing	$141,579			$141,579
GFR Transfers	$7,323,107			$7,323,107
Rent & Leases	$277,140		$277,140	
Sustainable SLT	$38,840			$38,840
Police	$8,103,766			$8,103,766
Fire	$4,586,369			$4,586,369
Public Works & Engineering	$2,407,933			$2,407,933
Facility Maintenance	$400,265		$400,265	
Planning	$448,713			$448,713
Golf Course	$215,894			$215,894
Park Areas & Campgrounds	$501,743			$501,743
Beaches & Parks & Rec	$1,582,745			$1,582,745
Totals:	**$31,099,507**	**$307,287**	**$5,049,997**	**$25,742,223**

Total Allowable Indirect / Total City Expenditures = $5,049,997 / $31,099,507 = 16.24% city wide overhead rate based on dollars of total expenditure

Claim for Payment
Pursuant to Government Code Section 17561
CRIME STATISTICS REPORTS FOR THE DOJ

For State Controller Use Only

(19) Program Number: 00310
(20) Date Filed ____/____/____
(21) LRS Input ____/____/____

Program **310**

(01) Claimant Identification Number	9809886
(02) Claimant Name	City of South Lake Tahoe
Mailing Address	1901 Airport Road
Street Address or P.O. Box	Suite 210
City	South Lake Tahoe
State CA	Zip Code 96150-7004

Type of Claim	Estimated Claim	Reimbursement Claim
	(03) Estimated ☐	(09) Reimbursement ☒
	(04) Combined ☐	(10) Combined ☐
	(05) Amended ☐	(11) Amended ☐
Fiscal Year of Cost	(06)	(12) 2011-12
Total Claimed	(07)	(13) $29,999
Less: 10% Late Penalty, but not to exceed $1,000 (if applicable)		(14) $3,000
Less: Estimated Claim Payment Received		(15)
Net Claimed Amount		(16) $27,000
Due from State	(08)	(17) $27,000
Due to State	(09)	(18)

(22) FORM (04)1.A(g)	
(23) FORM (04)2.A.1)(g)	27
(24) FORM (04)2.A.2(g)	27
(25) FORM (04)2.A,3(g)	
(26) FORM (04)2.B.1(g)	16,558
(27) FORM (04)2.B.2(g)	2,680
(28) FORM (04)2.C.1(g)	
(29) FORM (04)2.C.2(g)	
(30) FORM (04)2.C.3(g)	
(31) FORM (04)2.D.1(g)	
(32) FORM (04)2.D.2(g)	
(33) FORM (06)	93
(34) FORM (07)	10,707
(35) FORM (09)	
(35) FORM (10)	

(38) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code 17561, I certify that I am the person authorized by the local agency to file claims with the State of California for costs mandated by Chapter 783, statues of 1995, Chapter 156 and 749, Statutes of 1996; and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.

I further certify that there was no application for nor any grant or payment received, other that from the claimant, for reimbursement of costs claimed herein; and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.

The amounts for Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of perjury of perjury under the laws of the State of California that the foregoing is true and correct.

Signature of Authorized Representative **Date**

MaryAnne Brand — Date Signed 2/6/14

MaryAnne Brand — Telephone Number (510) 542-6062

Financial Services Supervisor — Email Address mbrand@cityofslt.us

Name of Contact Person for Claim	Telephone Number	E-Mail Address
Annette S. Chinn (CRS)	*(916) 939-7901*	*AChinnCRS@aol.com*

MANDATED COSTS
CRIME STATISTICS REPORTS FOR THE DOJ
CLAIM SUMMARY

FORM 1

(01) Claimant	(02) Type of Claim	Fiscal Year
City of South Lake Tahoe	Reimbursement [X]	2011-12
	Estimated [ ]	(see FAM-27 for estimate)

Claim Statistics

(03) Department: **Police**

Direct Costs / Object Accounts	(a) Salaries	(b) Benefits	(c & d) Services and Supplies	(e) Fixed Assets	(f) Travel	(g) Total
(04) Reimbursable Components						
1. ONE-TIME ACTIVITY						
A. Revise Policies and Procedures						
2. ON-GOING ACTIVITIES						
Reimbursable Period: FY 2001-02 through FY 2009-10						
A. Homicide Reports (PC 13014)						
1. Extract Demographic Information	$16	$11				$27
2. Monthly Report to DOJ	$16	$11				$27
3. Verify/provide Additional Explanation						
B. Domestic Violence Related Calls for Assistance (PC 13730)						
1. Write Incident Report	$9,838	$6,720				$16,558
2. Review and Edit Report	$1,593	$1,088				$2,680
Reimbursable Period: FY 2004-05 beginning 01/01/05 through FY 2009-10						
C. Hate Crime Reports (PC 13023)						
1. Extract Information from PD Records						
2. Monthly/ Annual Report to DOJ						
3. Verify/provide Additional Explanation						
Reimbursable Period: FY 2001-02 through FY 2004-05 (ending 12/31/04)						
D. Firearm Reports (PC 12031)						
1. Extract Information from PD Records						
2. Report to Attorney General						
(05) Total Direct Costs	$11,463	$7,829				$19,293

Indirect Costs

(06) Indirect Cost Rate (applied to salaries)	(from ICRP) (Applied to Salaries)	93.4%
(07) Total Indirect Costs	Line (06) x line (05)(a) or line(06) x [line (05)(a) + line(05)(b)]	$10,707
(08) Total Direct and Indirect Costs	Line (05)(d) + line (07)	$29,999

Cost Reductions

(09) Less: Offsetting Savings, if applicable		
(10) Less: Other Reimbursements, if applicable		
(11) Total Claimed Amount	Line (08)- (line(09) + Line(10)]	**$29,999**

MANDATED COSTS
CRIME STATISTICS REPORTS FOR THE DOJ
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2011-12

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

☐ Policies and Procedures

B. On-Going Costs

☒ Homicide Report Demographic Info ☐ Hate Crime Extract Info ☐ Fire Arm Report extract info

☐ Homicide Monthly Report to DOJ ☐ Hate Crime Report to DOJ ☐ Firearm Report to DOJ

☐ Homicide Additional Info & Explanation ☐ Hate Crime Additional Info

☐ Domestic Violence - Write Incid. Report ☐ Domestic Violence Review & Edit Report

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Supervisor Extract demographic information from existing local records as required by state statute to report information to DOJ.	$32.34	68.3%	0.50	$16	$11				$27
(05) Total			**0.50**	**$16**	**$11**				**$27**

MANDATED COSTS
CRIME STATISTICS REPORTS FOR THE DOJ
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2011-12

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

☐ Policies and Procedures

B. On-Going Costs

☐ Homicide Report Demographic Info ☐ Hate Crime Extract Info ☐ Fire Arm Report extract info

☒ **Homicide Monthly Report to DOJ** ☐ Hate Crime Report to DOJ ☐ Firearm Report to DOJ

☐ Homicide Additional Info & Explanation ☐ Hate Crime Additional Info

☐ Domestic Violence - Write Incid. Report ☐ Domestic Violence Review & Edit Report

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Records Supervisor Report the demographic information about the homicide victim and the person or persons charged with the crime to the DOJ.	$32.34	68.3%	0.50	$16	$11				$27
(05) Total			**0.50**	**$16**	**$11**				**$27**

MANDATED COSTS
CRIME STATISTICS REPORTS FOR THE DOJ
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2011-12

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

☐ Policies and Procedures

B. On-Going Costs

☐ Homicide Report Demographic Info ☐ Hate Crime Extract Info ☐ Fire Arm Report extract info

☐ Homicide Monthly Report to DOJ ☐ Hate Crime Report to DOJ ☐ Firearm Report to DOJ

☐ Homicide Additional Info & Explanation ☐ Hate Crime Additional Info

☒ **Domestic Violence - Write Incid. Report** ☐ Domestic Violence Review & Edit Report

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Officer Write & type Domestic Violence Report as required by State Statutes.	$40.14	68.3%	245.10	$9,838	$6,720				$16,558
(05) Total			**245.10**	**$9,838**	**$6,720**				**$16,558**

MANDATED COSTS
CRIME STATISTICS REPORTS FOR THE DOJ
CLAIM SUMMARY

FORM AA-2

(01) Claimant: City of South Lake Tahoe **(02) Fiscal Year Costs Were Incurred:** 2011-12

(03) Reimbursable Components: Check only one box per form to identify the component being claimed

A. One-Time Costs

☐ Policies and Procedures

B. On-Going Costs

☐ Homicide Report Demographic Info ☐ Hate Crime Extract Info ☐ Fire Arm Report extract info

☐ Homicide Monthly Report to DOJ ☐ Hate Crime Report to DOJ ☐ Firearm Report to DOJ

☐ Homicide Additional Info & Explanation ☐ Hate Crime Additional Info

☐ Domestic Violence - Write Incid. Report ☒ **Domestic Violence Review & Edit Report**

(04) Description of Expenses: Complete columns (a) through (f)

(a) Employee Names, Job Class., Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	Benefit Rate	(c) Hours Worked or Quantity	(d) Salaries	(e) Benefits	(f & g) Services and Supplies	(h) Fixed Assets	(i) Travel and Training	Total Salaries & Benefits
Sergeant Review and edit Domestic Violence Reports	$46.57	68.3%	34.20	$1,593	$1,088				$2,680
(05) Total			**34.20**	**$1,593**	**$1,088**				**$2,680**

INDIRECT COST RATE PROPOSAL
City of South Lake Tahoe
Police
Fiscal Year 2011-12

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$4,513,498		$1,273,104	$3,240,394
Overtime		$382,246			$382,246
Benefits	68.3%	$3,081,348		$869,143	$2,212,205
Total		$7,977,092		$2,142,247	$5,834,844
Services & Supplies					
OFFICIAL/ADMINISTRATIVE SV		$14,054		$14,054	
PROFESSIONAL SERVICES		$33,169			$33,169
TECHNICAL SERVICES		$12,556		$12,556	
SHOP -MOTOR POOL ONLY!!!		$139,314		$139,314	
WATER/SEWER-UTILITIES		$4,960		$4,960	
GARBAGE-UTILITY		$8,504		$8,504	
DISPOSAL		$1,792		$1,792	
CUSTODIAL		$10,560		$10,560	
REPAIR & MAINT OUTSIDE		$6,005		$6,005	
LAUNDRY		$3,418		$3,418	
RENTAL OF EQUIP & VEHICLES		$5,179		$5,179	
RISK MGT-SELF INSUR.CLAIMS		$3,507		$3,507	
RISK MGT -CITY PROPERT DAI		$1,363		$1,363	
COMMUNICATIONS		$30,817		$30,817	
POLICE/FIRE WIRELESS		$2,804			$2,804
P.D. SPECIAL EVENT COSTS		$2,647			$2,647
CANINE MAINTENANCE COSTS		$6,993			$6,993
PRINTING & BINDING		$3,098		$3,098	
TRAVEL (MEALS,HOTL,PERDIE		$1,284		$1,284	
TRAINING/SEMINARS REGISTR		$1,551		$1,551	
MEMBERSHIPS-DUES-SUBSCR		$790	$790		
POLICE OFFICERS STANDRD T		$66,690		$66,690	
SLEDNET EXPENSE		$163,400		$163,400	
TESTING -MEDICAL		$2,877		$2,877	
SAFETY EQUIPMENT -RISK MG		$156		$156	
GENERAL SUPPLIES WITHIN F'		$44,755		$44,755	
POSTAGE		$5,591		$5,591	
MEDICAL SUPPLIES		$135		$135	
AWARDS		$1,552		$1,552	
CLOTHING-UNIFORMS(REPLAC		$2,410		$2,410	
SNOW CHAINS					
NATURAL GAS		$5,090		$5,090	
ELECTRICITY		$33,638		$33,638	
FUEL (GASOLINE)		$109,333		$109,333	
MACHINERY & EQUIPMENT ($5		$10,374	$9,683	$692	$0
TOOLS, PARTS AND LEASES <$		$26,065		$26,065	
FIRE EXTINGUISHERS					
SOFTWARE PURCHASES/UPGI		$1,503	$1,203	$301	$0
FURNITURE AND FIXTURES		$2,096	$1,797	$299	$0
OPERATING TRANSFR OUT TC		$5,194		$5,194	
Total		$775,224	$13,472	$716,139	$45,614
Capital Expenditures					
Total					
Total Expenditures		**$8,752,316**	**$13,472**	**$2,858,386**	**$5,880,458**
Cost Plan Costs					
Citywide Overhead = 16.24% of direct salaries		$526,240		$526,240	
Total		$526,240		$526,240	
Total Alloc. Indirect Costs		**$9,278,556**	**$13,472**	**$3,384,626**	**$5,880,458**

ICRP RATE = **93.4%**
(Rate is Based on Salaries)

$3,384,626 = Total Allowable Indirect Costs
$3,622,639 Total Direct Salaries

City of South Lake Tahoe
Police
Fiscal Year
2011-12

Name/Position	100% Admin. or Support Staff Annual Salary
Admin Assistant	$49,704
Dispatch Supervisor (2)	$123,192
Evidence Tech	$60,156
Lieutenant (2)	$205,632
Police Chief (50%)	$67,860
Public Safety Dispatcher (6)	$307,872
Records Supervisor	$58,212
Senior Police Records Tech (2)	$46,416
Sergeant (3)	$251,460
Snr Community Services Officer (2)	$102,600

TOTAL INDIRECT SALARIES **$1,273,104**

POLICE (10002110-10002180)			ACTUAL FY 11-12
41015	REGULAR EMPLOYEES	$	4,447,831.37
41020	TEMPORARY/PART-TIME EMPLOYEES	$	65,666.44
		$	**4,513,497.81**
41040	OVERTIME	$	382,245.64
		$	**382,245.64**
41042	RETIREMENT PAYOUTS	$	114,235.00
41110	MEDICAL/DENTAL INSURANCE	$	913,572.58
41111	VISION INSURANCE	$	15,837.32
41112	LIFE INSURANCE	$	8,310.59
41113	LONG TERM DISABILITY INSURANCE	$	4,007.76
41114	SURVIVOR'S BENEFIT	$	1,525.83
41116	PERS EMPLOYER PORTION	$	1,474,335.58
41117	PERS EMPLOYEE PORTION/CITY PD	$	43,905.52
41118	TUITION REIMBURSEMENT	$	20,647.74
41119	UNEMPLOYMENT INSURANCE	$	75,508.00
41120	WORKER'S COMPENSATION INSURNC	$	310,986.83
41128	MEDICARE-REGULAR EMPLOYEES	$	72,914.68
41137	HRA EXPENSES/FUNDING	$	4,661.95
41139	RMSA EXPENSE	$	20,898.83
		$	**3,081,348.21**
		$	7,977,091.66
42010	OFFICIAL/ADMINISTRATIVE SVCS	$	14,053.65
42020	PROFESSIONAL SERVICES	$	33,168.80
42030	TECHNICAL SERVICES	$	12,556.49
42040	SHOP -MOTOR POOL ONLY!!!	$	139,314.34
43011	WATER/SEWER-UTILITIES	$	4,960.38
43012	GARBAGE-UTILITY	$	8,503.62
43021	DISPOSAL	$	1,792.00
43023	CUSTODIAL	$	10,560.00
43025	REPAIR & MAINT OUTSIDE	$	6,005.05
43026	LAUNDRY	$	3,417.59
43042	RENTAL OF EQUIP & VEHICLES	$	5,179.20
44016	RISK MGT-SELF INSUR.CLAIMS	$	3,507.21
44018	RISK MGT -CITY PROPERT DAMAGE	$	1,362.88
44020	COMMUNICATIONS	$	30,817.32
44021	POLICE/FIRE WIRELESS	$	2,804.24
44022	P.D. SPECIAL EVENT COSTS	$	2,647.31
44023	CANINE MAINTENANCE COSTS	$	6,993.25
44040	PRINTING & BINDING	$	3,098.32
44050	TRAVEL (MEALS,HOTL,PERDIEM)	$	1,284.09
44060	TRAINING/SEMINARS REGISTR.SUPP	$	1,551.12
44070	MEMBERSHIPS-DUES-SUBSCRIPTIONS	$	790.00
44080	POLICE OFFICERS STANDRD TRAIN	$	66,689.64
44081	SLEDNET EXPENSE	$	163,400.42
44082	TESTING -MEDICAL	$	2,876.76
44097	SAFETY EQUIPMENT -RISK MGMT	$	155.64
45010	GENERAL SUPPLIES WITHIN FY	$	44,754.88
45011	POSTAGE	$	5,590.88
45014	MEDICAL SUPPLIES	$	134.65
45015	AWARDS	$	1,551.61
45016	CLOTHING-UNIFORMS(REPLACEMEN	$	2,409.82
45020	SNOW CHAINS	$	-
45021	NATURAL GAS	$	5,090.24
45022	ELECTRICITY	$	33,637.65
45024	FUEL (GASOLINE)	$	109,333.04
46110	MACHINERY & EQUIPMENT ($5,000)	$	10,374.40
46120	TOOLS, PARTS AND LEASES <$5000	$	26,065.17
46121	FIRE EXTINGUISHERS	$	-
46122	SOFTWARE PURCHASES/UPGRADES	$	1,503.15
46140	FURNITURE AND FIXTURES	$	2,095.97
50001	OPERATING TRANSFR OUT TO GEN F	$	5,193.51
		$	**775,224.29**
	Total Police	**$**	**8,752,315.95**

City of South Lake Tahoe
CITY WIDE OVERHEAD CALCULATION:
Based on Actual FY 2012-13 Data

Department	Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
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City Manager	$411,621		$411,621	
Human Resources	$326,577		$326,577	
Accounting	$741,972		$741,972	
Treasurer	$28,782			$28,782
Purchasing	$60,514		$60,514	
Revenue Collection	$357,521			$357,521
Vacation Ordinance				
Information Systems	$483,909		$483,909	
Non-Departmental	$794,460		$794,460	
Emergency Perp	$5,231			$5,231
Community Marketing	$141,579			$141,579
GFR Transfers	$7,323,107			$7,323,107
Rent & Leases	$277,140		$277,140	
Sustainable SLT	$38,840			$38,840
Police	$8,103,766			$8,103,766
Fire	$4,586,369			$4,586,369
Public Works & Engineering	$2,407,933			$2,407,933
Facility Maintenance	$400,265		$400,265	
Planning	$448,713			$448,713
Golf Course	$215,894			$215,894
Park Areas & Campgrounds	$501,743			$501,743
Beaches & Parks & Rec	$1,582,745			$1,582,745
Totals:	**$31,099,507**	**$307,287**	**$5,049,997**	**$25,742,223**

Total Allowable Indirect / Total City Expenditures = $5,049,997 / $31,099,507 = 16.24% city wide overhead rate based on dollars of total expenditure

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 October 4, 2022, I served the:

- **Claimant's Late Comments on the Draft Proposed Decision filed October 4, 2022**

  Interagency Child Abuse and Neglect Investigation Reports (ICAN), 20-0022-I-02
  Penal Code Sections 11165.9, 11166, 11166.2, 11166.9[1], 11168 (formerly 11161.7), 11169, 11170, and 11174.34 (formerly 11166.9) as added or amended by Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapters 1289 and 1496; Statutes 1987, Chapters 82, 531, and 1459; Statutes 1988, Chapters 269, 1497, and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapters 650, 1330, 1363, 1603; Statutes 1992, Chapters 163, 459, and 1338; Statutes 1993, Chapters 219 and 510; Statutes 1996, Chapters 1080 and 1081; Statutes 1997, Chapters 842, 843, and 844; Statutes 1999, Chapters 475 and 1012; and Statutes 2000, Chapter 916; California Code of Regulations, Title 11, Section 903 (Register 98, Number 29);[2] "Child Abuse Investigation Report" Form SS 8583 (Rev. 3/91)
  Fiscal Years: 1999-2000, 2000-2001, 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2005-2006, 2006-2007, 2007-2008, 2008-2009, 2009-2010, 2010-2011, and 2011-2012
  City of South Lake Tahoe, 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 October 4, 2022 at Sacramento, California.

Jill L. Magee
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814
(916) 323-3562

[1] Renumbered as Penal Code section 11174.34 (Stats. 2004, ch. 842 (SB 1313)).

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

COMMISSION ON STATE MANDATES

Mailing List

Last Updated: 9/9/22

Claim Number: 20-0022-I-02

Matter: Interagency Child Abuse and Neglect Reports (ICAN)

Claimant: City of South Lake Tahoe

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.)

Lili Apgar, Specialist, *State Controller's Office*
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Exhibit F

TO BE TYPED OR PRINTED - PRESS FIRMLY - DO NOT USE FELT PEN

CHILD ABUSE INVESTIGATION REPORT

To be Completed by Investigating Child Protective Agency
Pursuant to Penal Code Section 11169
(SHADED AREAS MUST BE COMPLETED)

RCN AGY: FOR DOJ USE ONLY: B300894

A. INVESTIGATING AGENCY

1. INVESTIGATING AGENCY (Enter complete name and check type): ☐ POLICE ☐ WELFARE ☐ SHERIFF ☐ PROBATION
2. AGENCY REPORT NO./CASE NAME:
3. AGENCY ADDRESS: Street City
4. AGENCY TELEPHONE: EXT: ( )
5. NAME OF INVESTIGATING PARTY: TITLE:
6. DATE REPORT COMPLETED: MO DA YR
7. AGENCY CROSS-REPORTED TO:
8. PERSON CROSS-REPORTED TO:
9. DATE CROSS-REPORTED: MO DA YR
10. ACTION TAKEN (check only one box):
☐ (1) SUBSTANTIATED (Credible evidence of abuse)
☐ (2) UNSUBSTANTIATED (Insufficient evidence of abuse; not unfounded)
(3) SUPPLEMENTAL INFORMATION (Attach copy of original report)
☐ (a) UNSUBSTANTIATED ☐ (c) ADDITIONAL INFORMATION
☐ (b) UNFOUNDED (false report, accidental, improbable)
11. COMMENTS:

B. INCIDENT INFORMATION

1. DATE OF INCIDENT: MO DA YR
2. TIME OF INCIDENT:
3. LOCATION OF INCIDENT:
4. NAME OF PARTY REPORTING INCIDENT: TITLE:
5. EMPLOYER:
6. TELEPHONE: ( )
7. TYPE OF ABUSE (check one or more): ☐ (1) PHYSICAL ☐ (2) MENTAL ☐ (3) INCEST (285 P.C.) ☐ (4) OTHER SEXUAL ASSAULT ☐ (5) SEXUAL EXPLOITATION ☐ (6) SEVERE NEGLECT ☐ (7) GENERAL NEGLECT ☐ (8) OTHER
8. IF ABUSE OCCURRED IN OUT-OF-HOME CARE, CHECK TYPE
☐ (1) FAMILY DAY CARE ☐ (2) CHILD CARE CENTER ☐ (3) FOSTER FAMILY HOME ☐ (4) SMALL FAMILY HOME ☐ (5) GROUP HOME OR INSTITUTION-Enter name and address:

C. INVOLVED PARTIES

VICTIMS

1. NAME: Last First Middle AKA DOB MO DA YR APPROX. AGE: ☐ MALE ☐ FEMALE RACE*
ADDRESS: Street City State
DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☐ NO
NATURE OF INJURIES:
PRESENT LOCATION OF VICTIM: TELEPHONE NUMBER:
IS VICTIM DEVELOPMENTALLY DISABLED (4512(a) W&I)? ☐ YES ☐ NO

2. NAME: Last First Middle AKA DOB MO DA YR APPROX. AGE: ☐ MALE ☐ FEMALE RACE*
ADDRESS: Street City State
DID VICTIM'S INJURIES RESULT IN DEATH? ☐ YES ☐ NO
NATURE OF INJURIES:
PRESENT LOCATION OF VICTIM: TELEPHONE NUMBER:
IS VICTIM DEVELOPMENTALLY DISABLED (4512(a) W&I)? ☐ YES ☐ NO

SUSPECTS

1. NAME: Last First Middle AKA DOB MO DA YR APPROX. AGE: ☐ MALE ☐ FEMALE RACE*
ADDRESS: Street City State HGT WGT EYES HAIR SOCIAL SECURITY NUMBER:
RELATIONSHIP TO VICTIM: ☐ (1) PARENT/STEPPARENT ☐ (2) SIBLING ☐ (3) OTHER RELATIVE ☐ (4) FRIEND/ACQUAINTANCE ☐ (5) STRANGER ☐ (6) OTHER
DRIVER'S LICENSE NUMBER:

2. NAME: Last First Middle AKA DOB MO DA YR APPROX. AGE: ☐ MALE ☐ FEMALE RACE*
ADDRESS: Street City State HGT WGT EYES HAIR SOCIAL SECURITY NUMBER:
RELATIONSHIP TO VICTIM: ☐ (1) PARENT/STEPPARENT ☐ (2) SIBLING ☐ (3) OTHER RELATIVE ☐ (4) FRIEND/ACQUAINTANCE ☐ (5) STRANGER ☐ (6) OTHER
DRIVER'S LICENSE NUMBER:

OTHER

1. NAME: Last First Middle ☐ (1) PARENT/STEPPARENT ☐ (2) SIBLING DOB MO DA YR APPROX. AGE: ☐ MALE ☐ FEMALE RACE*
2. NAME: Last First Middle ☐ (1) PARENT/STEPPARENT ☐ (2) SIBLING DOB MO DA YR APPROX. AGE: ☐ MALE ☐ FEMALE RACE*

*RACE CODES: W-White, B-Black, H-Hispanic, I-American Indian, F-Filipino, P-Pacific Islander, C-Chinese, J-Japanese, A-Other Asian, Z-Asian Indian, D-Cambodian, G-Guamanian, U-Hawaiian, K-Korean, L-Laotian, S-Samoan, V-Vietnamese, O-Other, X-Unknown

☐ CHECK HERE IF ADDITIONAL SHEET(S) IS ATTACHED.

CHILD ABUSE INVESTIGATION REPORT
DEPARTMENT OF JUSTICE (DOJ) FORM SS 8583
Guidelines for Use and Completion of Form SS 8583

B300894

(For Specific Requirements Refer to the Child Abuse Reporting Law, California Penal Code Section 11165 through 11174.5)

For immediate information on potential suspects/victims, please contact the Child Abuse Unit at (916) 739-5109.

Who Must Report

Interagency Reporting

- A child protective agency (CPA - i.e., police and sheriff's department, county welfare and probation department) must report every suspected incident of child abuse it receives to:
  - another CPA in the county
  - the agency responsible for investigations under Welfare and Institutions Code 300
  - the district attorney's office

DOJ Reporting

- A CPA must report every incident of suspected child abuse for which they conduct an active investigation to DOJ on the Form SS 8583.

NOTE: Reports are not accepted from agencies other than CPAs.

What Incidents Must Be Reported

- Abuse of a minor child, i.e., a person under the age of 18 years, involving any one of the below abuse types:

Interagency Reporting

- sexual abuse
- physical abuse
- general neglect
- mental/emotional abuse
- severe neglect

(Refer to Section 11165.1 through 11165.6 PC for PC citations and definitions)

DOJ Reporting

- All of the above, excluding general neglect.
- Deaths of minors resulting from abuse or neglect.

What Incidents Must *Not* Be Reported

Interagency Reporting

- Incidents specifically exempted under cooperative arrangements with CPAs in your jurisdiction.

DOJ Reporting

- Unfounded reports - Reports which are determined to be false, to be inherently improbable, to involve an accidental injury, or not to constitute child abuse or neglect, as defined under Section 11165.12 PC.
- Acts of consensual sexual behavior between minors under the age of 14 years who are of similar age.
- Acts of negligence by a pregnant woman or other person(s) which adversely effect the well-being of a fetus.
- Reports of adults who report themselves as the victims of prior child abuse.
- Child stealing as defined in Sections 277 PC and 278 PC; unless involving sexual abuse, physical abuse, mental/emotional abuse, and/or severe neglect.
- Reasonable and necessary force by school employees to quell a disturbance threatening physical injury to person or damage to property (Section11165.4 PC).
- Statutory rape, as defined in Section 261.5 PC.
- Mutual fights between minors (Section 11165.6 PC).

When Must the Report be Submitted

Interagency Reporting

- Telephone notification - immediately or as soon as practical.
- Written notification - within 36 hours of receiving information concerning the incident. (The Form SS 8583 can be used for cross reporting purposes.)

DOJ Reporting

- A Form SS 8583 must be submitted as soon as an active investigation has been conducted and the incident has proven not to be unfounded.

NOTE: No other form will be accepted in lieu of the Form SS 8583.

What Information is Required

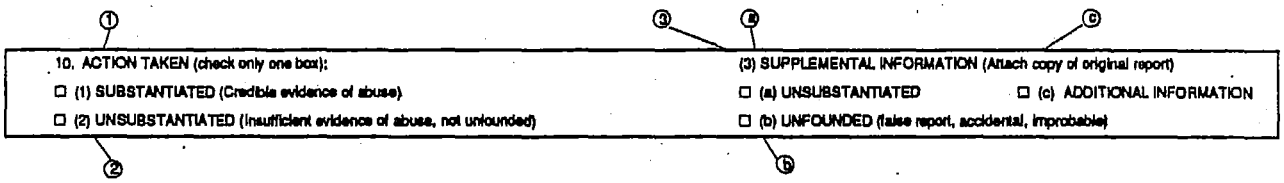
General Instructions

- All information blocks contained on the Form SS 8583 should be completed by the investigating CPA. If information is not available, indicate "UNK" in the applicable information block.

Specific Instructions

- INFORMATION BLOCKS ON THE FORM SS 8583 WHICH ARE SHADED GRAY MUST BE COMPLETED (An exception are the VICTIMS and SUSPECTS information blocks. Either a victim or suspect must be entered on the form. If a date of birth for either is not known, enter an approximate age, otherwise "UNK" may be entered.)
  IF ANY ONE OF THESE BLOCKS IS NOT COMPLETED, THE FORM WILL BE RETURNED TO THE CONTRIBUTOR.

Section A, "INVESTIGATING AGENCY", information block 10. "ACTION TAKEN" must be completed in accordance with the following definitions. (Check one of the boxes):



① SUBSTANTIATED - Acts determined, based upon some credible evidence, to constitute child abuse or neglect, as defined in Section 11165.6 PC.

② UNSUBSTANTIATED - Acts determined not to be unfounded, but there is insufficient evidence to determine whether child abuse or neglect, as defined in Section 11165.6 PC, has occurred.

③ SUPPLEMENTAL INFORMATION - Attached information is being provided to supplement a previously submitted Form SS 8583.

ⓐ UNSUBSTANTIATED - A previously submitted Form SS 8583 indicated as "SUBSTANTIATED" is being reclassified to "UNSUBSTANTIATED".

ⓑ UNFOUNDED - A previously submitted Form SS 8583 indicated as "SUBSTANTIATED" or "UNSUBSTANTIATED" is being reclassified to "UNFOUNDED".

ⓒ ADDITIONAL INFORMATION - Supplementary information is being provided for a previously submitted Form SS 8583.

Where To Send The Report, Form SS 8583

(For DOJ reporting only)

Department of Justice
Bureau of Criminal Statistics and Special Services
P. O. Box 903417
Sacramento, CA 94203-4170
ATTENTION: Child Abuse Central Index

REMEMBER

Submit completed Forms SS 8583s to DOJ as soon as possible because the case information may contribute to the success of another investigation. It is essential that the reports be complete, accurate and timely to provide the maximum benefit in protecting children and identifying and prosecuting suspects. If you have questions about DOJ REPORTING or need a victim or suspect name check, call the DOJ Child Abuse Unit at (916) 739-5109 or ATSS 497-5109.

BEFORE THE
COMMISSION ON STATE MANDATES
STATE OF CALIFORNIA

IN RE TEST CLAIM:

Penal Code Sections 11165.1, 11165.2, 11165.3, 11165.4, 11165.5, 11165.6, 11165.7, 11165.9, 11165.12, 11166, 11166.2, 11166.9, 11168 (Including Former Penal Code Section 11161.7), 11169, and 11170

Statutes 1977, Chapter 958; Statutes 1980, Chapter 1071; Statutes 1981, Chapter 435; Statutes 1982, Chapters 162 and 905; Statutes 1984, Chapters 1423 and 1613; Statutes 1985, Chapter 1598; Statutes 1986, Chapters 1289 and 1496; Statutes 1987, Chapters 82, 531 and 1459; Statutes 1988, Chapters 269, 1497 and 1580; Statutes 1989, Chapter 153; Statutes 1990, Chapters 650, 1330, 1363 and 1603; Statutes 1991, Chapter 132; Statutes 1992, Chapters 163, 459 and 1338; Statutes 1993, Chapters 219, 346 and 510; Statutes 1996, Chapters 1080 and 1081; Statutes 1997, Chapters 842, 843 and 844; Statutes 1999, Chapters 475 and 1012; Statutes 2000, Chapters 287 and 916;

California Code of Regulations, Title 11, Sections 901, 902 and 903; Department of Justice Forms SS 8572 ("Suspected Child Abuse Report") and ; SS 8583 ("Child Abuse Investigation Report");

Filed on June 29, 2001,

By County of Los Angeles, Claimant.

Case No.: 00-TC-22

Interagency Child Abuse and Neglect Investigation Reports

STATEMENT OF DECISION PURSUANT TO GOVERNMENT CODE SECTION 17500 ET SEQ.; CALIFORNIA CODE OF REGULATIONS, TITLE 2, DIVISION 2, CHAPTER 2.5, ARTICLE 7

(Adopted on December 6, 2007)

STATEMENT OF DECISION

The Commission on State Mandates ("Commission") heard and decided this test claim during a regularly scheduled hearing on December 6, 2007. Sergeant Dan Scott, of the County of Los Angeles Sheriff's Department, and Leonard Kaye appeared on behalf of the claimant, County of Los Angeles. Susan Geanacou and Carla Castañeda appeared for the Department of Finance.

The law applicable to the Commission's determination of a reimbursable state-mandated program is article XIII B, section 6 of the California Constitution, Government Code section 17500 et seq., and related case law.

The Commission adopted the modified staff analysis to partially approve this test claim at the hearing by a vote of 7 to 0.

Summary of Findings

The County of Los Angeles filed a test claim on June 29, 2001, alleging that amendments to California's mandatory child abuse reporting laws impose a reimbursable state-mandated program. A child abuse reporting law was first added to the Penal Code in 1963, and initially required medical professionals to report suspected child abuse to local law enforcement or child welfare authorities. The law was regularly expanded to include more professions required to report suspected child abuse (now termed "mandated reporters"), and in 1980, California reenacted and amended the law, entitling it the "Child Abuse and Neglect Reporting Act," or CANRA. As part of this program, the Department of Justice (DOJ) maintains a Child Abuse Centralized Index, which, since 1965, maintains reports of child abuse statewide. The index is now used by government agencies conducting background checks on individuals who will interact with children in employment or volunteer settings.

A number of changes to the law have occurred, particularly with a reenactment in 1980, and substantive amendments in 1997 and 2000. Claimant alleges that all of these changes have imposed a reimbursable state-mandated program.

Initially, Department of Finance (DOF) and the Department of Social Services (DSS) both opposed the test claim, arguing that the claim alleges duties of law enforcement and child protective services that were required by prior law. Where the state agencies acknowledge that some new duties may have been imposed, they contend that adequate funding has already been provided to counties as part of the joint federal-state-local funding scheme for child welfare. At the test claim hearing on December 6, 2007, DOF stated agreement with the staff analysis.

The Commission finds that the test claim statutes and executive orders have created numerous new local duties for reporting child abuse to the state, as well as record-keeping and notification activities that were not required by prior law, thus mandating a new program or higher level of service.

At this time, there is no evidence in the record to demonstrate that the mandated activities have been offset or funded by the state or federal government in a manner and amount "sufficient to fund the cost of the state mandate." On the contrary, Welfare and Institutions Code section 10101 indicates that "the state's share of the costs of the child welfare program shall be 70 percent of the actual nonfederal expenditures for the program, or the amount appropriated by the Legislature for that purpose, whichever is less." Conversely, counties must have a share of costs for child welfare services of at least 30 percent of the nonfederal expenditures. In addition, there is no evidence that the counties are required to use the funds identified for the costs of mandated activities.

Therefore, the Commission finds that Government Code section 17556, subdivision (e) does not apply to disallow a finding of costs mandated by the state, but that all claims for reimbursement for the approved activities must be offset by any program funds already received from non-local sources.

Conclusion

The Commission concludes that Penal Code sections 11165.9, 11166, 11166.2, 11166.9, 11168 (formerly 11161.7), 11169, 11170, as added or amended by Statutes 1977, chapter 958, Statutes 1980, chapter 1071, Statutes 1981, chapter 435, Statutes 1982, chapters 162 and 905, Statutes 1984, chapters 1423 and 1613, Statutes 1985, chapter 1598, Statutes 1986, chapters 1289 and 1496, Statutes 1987, chapters 82, 531 and 1459, Statutes 1988, chapters 269, 1497 and 1580, Statutes 1989, chapter 153, Statutes 1990, chapters 650, 1330, 1363 and 1603, Statutes 1992, chapters 163, 459 and 1338, Statutes 1993, chapters 219 and 510, Statutes 1996, chapters 1080 and 1081, Statutes 1997, chapters 842, 843 and 844, Statutes 1999, chapters 475 and 1012, and Statutes 2000, chapter 916; and executive orders California Code of Regulations, title 11, section 903, and "Child Abuse Investigation Report" Form SS 8583, mandate new programs or higher levels of service within the meaning of article XIII B, section 6 of the California Constitution, and impose costs mandated by the state pursuant to Government Code section 17514, for cities and counties for the following specific new activities:

Distributing the Suspected Child Abuse Report Form

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Distribute the child abuse reporting form adopted by the Department of Justice (currently known as the "Suspected Child Abuse Report" Form SS 8572) to mandated reporters. (Pen. Code, § 11168, formerly § 11161.7.)

Reporting Between Local Departments

Accepting and Referring Initial Child Abuse Reports when a Department Lacks Jurisdiction:

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Transfer a call electronically or immediately refer the case by telephone, fax, or electronic transmission, to an agency with proper jurisdiction, whenever the department lacks subject matter or geographical jurisdiction over an incoming report of suspected child abuse or neglect. (Pen. Code, § 11165.9.)

Cross-Reporting of Suspected Child Abuse or Neglect from County Welfare and Probation Departments to the Law Enforcement Agency with Jurisdiction and the District Attorney's Office:

A county probation department shall:

- Report by telephone immediately, or as soon as practically possible, to the law enforcement agency having jurisdiction over the case, to the agency given the responsibility for investigation of cases under Section 300 of the Welfare and Institutions Code, and to the district attorney's office every known or suspected instance of child abuse, as defined in Penal Code section 11165.6, except acts or omissions coming within subdivision (b) of section 11165.2, or reports made pursuant to section 11165.13 based on risk to a child which relates solely to the inability of the parent to provide the child with regular care due to the parent's substance abuse, which shall be reported only to the county welfare department. (Pen. Code, § 11166, subd. (h), now subd. (j).)

- Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under this subdivision.

  As of January 1, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours. (Pen. Code, § 11166, subd. (h), now subd. (j).)

A county welfare department shall:

- Report by telephone immediately, or as soon as practically possible, to the agency given the responsibility for investigation of cases under Section 300 of the Welfare and Institutions Code, and to the district attorney's office every known or suspected instance of child abuse, as defined in Penal Code section 11165.6, except acts or omissions coming within subdivision (b) of section 11165.2, or reports made pursuant to section 11165.13 based on risk to a child which relates solely to the inability of the parent to provide the child with regular care due to the parent's substance abuse, which shall be reported only to the county welfare department.

  This activity does not include making an initial report of child abuse and neglect from a county welfare department to the law enforcement agency having jurisdiction over the case, which was required under prior law to be made "without delay." (Pen. Code, § 11166, subd. (h), now subd. (j).)

- Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency, including the law enforcement agency having jurisdiction over the case, to which it is required to make a telephone report under this subdivision.

  As of January 1, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours. (Pen. Code, § 11166, subd. (h), now subd. (j).)

<u>Cross-Reporting of Suspected Child Abuse or Neglect from the Law Enforcement Agency to the County Welfare and Institutions Code Section 300 Agency, County Welfare, and the District Attorney's Office:</u>

A city or county law enforcement agency shall:

- Report by telephone immediately, or as soon as practically possible, to the agency given responsibility for investigation of cases under Welfare and Institutions Code section 300 and to the district attorney's office every known or suspected instance of child abuse reported to it, except acts or omissions coming within Penal Code section 11165.2, subdivision (b), which shall be reported only to the county welfare department. (Pen. Code, § 11166, subd. (i), now subd. (k).)

- Report to the county welfare department every known or suspected instance of child abuse reported to it which is alleged to have occurred as a result of the action of a person responsible for the child's welfare, or as the result of the failure of a person responsible for the child's welfare to adequately protect the minor from abuse when the person responsible for the child's welfare knew or reasonably should have known that the minor was in danger of abuse. (Pen. Code, § 11166, subd. (i), now subd. (k).)

- Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under this subdivision.

  As of January 1, 2006, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours. (Pen. Code, § 11166, subd. (i), now subd. (k).)

Receipt of Cross-Reports by District Attorney's Office:

A district attorney's office shall:

- Receive reports of every known or suspected instance of child abuse reported to law enforcement, county probation or county welfare departments, except acts or omissions of general neglect coming within Penal Code section 11165.2, subdivision (b). (Pen. Code, § 11166, subds. (h) and (i), now subds. (j) and (k).)

Reporting to Licensing Agencies:

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Report by telephone immediately or as soon as practically possible to the appropriate licensing agency every known or suspected instance of child abuse or neglect when the instance of abuse or neglect occurs while the child is being cared for in a child day care facility, involves a child day care licensed staff person, or occurs while the child is under the supervision of a community care facility or involves a community care facility licensee or staff person. The agency shall also send, fax, or electronically transmit a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under this subdivision. The agency shall send the licensing agency a copy of its investigation report and any other pertinent materials.

  As of July 31, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours. (Pen. Code, § 11166.2.)

Additional Cross-Reporting in Cases of Child Death:

A city or county law enforcement agency shall:

- Cross-report all cases of child death suspected to be related to child abuse or neglect to the county child welfare agency. (Pen. Code, § 11166.9, subd. (k), now § 11174.34, subd. (k).)

A county welfare department shall:

- Cross-report all cases of child death suspected to be related to child abuse or neglect to law enforcement. (Pen. Code, § 11166.9, subd. (k), now § 11174.34, subd. (k).)
- Create a record in the Child Welfare Services/Case Management System (CWS/CMS) on all cases of child death suspected to be related to child abuse or neglect. (Pen. Code, § 11166.9, subd. (l), now § 11174.34, subd. (l).)

- Enter information into the CWS/CMS upon notification that the death was subsequently determined not to be related to child abuse or neglect. (Pen. Code, § 11166.9, subd. (l), now § 11174.34, subd. (l).)

Investigation of Suspected Child Abuse, and Reporting to and from the State Department of Justice

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice. (Pen. Code, § 11169, subd. (a); Cal. Code Regs., tit. 11, § 903, "Child Abuse Investigation Report" Form SS 8583.)
- Forward to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse or severe neglect which is determined to be substantiated or inconclusive, as defined in Penal Code section 11165.12. Unfounded reports, as defined in Penal Code section 11165.12, shall not be filed with the Department of Justice. If a report has previously been filed which subsequently proves to be unfounded, the Department of Justice shall be notified in writing of that fact. The reports required by this section shall be in a form approved by the Department of Justice and may be sent by fax or electronic transmission. (Pen. Code, § 11169, subd. (a); Cal. Code Regs., tit. 11, § 903, "Child Abuse Investigation Report" Form SS 8583.)

Notifications Following Reports to the Central Child Abuse Index

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Notify in writing the known or suspected child abuser that he or she has been reported to the Child Abuse Central Index, in any form approved by the Department of Justice, at the time the "Child Abuse Investigation Report" is filed with the Department of Justice. (Pen. Code, § 11169, subd. (b).)
- Make relevant information available, when received from the Department of Justice, to the child custodian, guardian ad litem appointed under section 326, or counsel appointed under section 317 or 318 of the Welfare and Institutions Code, or the appropriate licensing agency, if he or she is treating or investigating a case of known or suspected child abuse or severe neglect. (Pen. Code, § 11170, subd. (b)(1).)
- Inform the mandated reporter of the results of the investigation and of any action the agency is taking with regard to the child or family, upon completion of the child abuse investigation or after there has been a final disposition in the matter. (Pen. Code, § 11170, subd. (b)(2).)
- Notify, in writing, the person listed in the Child Abuse Central Index that he or she is in the index, upon receipt of relevant information concerning child abuse or neglect investigation reports contained in the index from the Department of Justice when investigating a home for the placement of dependant children. The notification shall

include the name of the reporting agency and the date of the report. (Pen. Code, § 11170, subd. (b)(5), now subd. (b)(6).)

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Obtain the original investigative report from the reporting agency, and draw independent conclusions regarding the quality of the evidence disclosed, and its sufficiency for making decisions regarding investigation, prosecution, licensing, or placement of a child, when a report is received from the Child Abuse Central Index. (Pen. Code, § 11170, subd. (b)(6)(A), now (b)(8)(A).)

Any city or county law enforcement agency, county probation department, or county welfare department shall:

- Notify, in writing, the person listed in the Child Abuse Central Index that he or she is in the index, upon receipt of relevant information concerning child abuse or neglect reports contained in the index from the Department of Justice regarding placement with a responsible relative pursuant to Welfare and Institutions Code sections 281.5, 305, and 361.3. The notification shall include the location of the original investigative report and the submitting agency. The notification shall be submitted to the person listed at the same time that all other parties are notified of the information, and no later than the actual judicial proceeding that determines placement. (Pen. Code, § 11170, subd. (c).)

Record Retention

Any city or county police or sheriff's department, or county probation department if designated by the county to receive mandated reports shall:

- Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of 8 years for counties and cities (a higher level of service above the two-year record retention requirement pursuant to Gov. Code §§ 26202 (cities) and 34090 (counties).) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years. (Pen. Code, § 11169, subd. (c).)

A county welfare department shall:

- Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of 7 years for welfare records (a higher level of service above the three-year record retention requirement pursuant to Welf. & Inst. Code, § 10851.) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years. (Pen. Code, § 11169, subd. (c).)

The Commission concludes that any test claim statutes, executive orders and allegations not specifically approved above, do not mandate a new program or higher level of service, or impose costs mandated by the state under article XIII B, section 6.

BACKGROUND

This test claim alleges that amendments to California's mandatory child abuse reporting laws impose a reimbursable state-mandated program. A child abuse reporting law was first added to the Penal Code in 1963, and initially required medical professionals to report suspected child abuse to local law enforcement or child welfare authorities. The law was regularly expanded to include more professions required to report suspected child abuse (now termed "mandated reporters"), and in 1980, California reenacted and substantively amended the law, entitling it the "Child Abuse and Neglect Reporting Act," sometimes referred to as "CANRA."

The court in *Planned Parenthood Affiliates v. Van de Kamp* (1986) 181 Cal.App.3d 245, pages 258-260, provides an overview of the complete Child Abuse and Neglect Reporting Act, following the 1980 reenactment at Penal Code section 11164 et seq. (footnotes omitted):

> The law is designed to bring the child abuser to justice and to protect the innocent and powerless abuse victim. (See Comment, *Reporting Child Abuse: When Moral Obligations Fail* (1983) 15 Pacific L.J. 189.) The reporting law imposes a mandatory reporting requirement on individuals whose professions bring them into contact with children. (*Id.*, at pp. 189-190.) Physical abuse, sexual abuse, willful cruelty, unlawful corporal punishment and neglect must be reported.
>
> ¶…¶
>
> The reporting law applies to three broadly defined groups of professionals: "health practitioners," child care custodians, and employees of a child protective agency. "Health practitioners" is a broad category subdivided into "medical" and "nonmedical" practitioners, and encompasses a wide variety of healing professionals, including physicians, nurses, and family and child counselors. (§§ 11165, subds. (i), (j); 11165.2.) "Child care custodians" include teachers, day care workers, and a variety of public health and educational professionals. (§§ 11165, subd. (h); 11165.1 [first of two identically numbered sections]; 11165.5.) Employees of "child protective agencies" consist of police and sheriff's officers, welfare department employees and county probation officers. (§ 11165, subd. (k).)
>
> The Legislature acknowledged the need to distinguish between instances of abuse and those of legitimate parental control. "[T]he Legislature recognizes that the reporting of child abuse ... involves a delicate balance between the right of parents to control and raise their own children by imposing reasonable discipline and the social interest in the protection and safety of the child ... . [I]t is the intent of the Legislature to require the reporting of child abuse which is of a serious nature and is not conduct which constitutes reasonable parental discipline." (Stats. 1980, ch. 1071, § 5, p. 3425.)
>
> To strike the "delicate balance" between child protection and parental rights, the Legislature relies on the judgment and experience of the trained professional to distinguish between abusive and nonabusive situations. "[A]ny child care custodian, medical practitioner, nonmedical practitioner, or employee of a child protective agency who has knowledge of or observes a child in his or her professional capacity or within the scope of his or her employment *whom he or*

she knows or reasonably suspects has been the victim of child abuse shall report the known or suspected instance of child abuse to a child protective agency .... '[R]easonable suspicion' means that it is objectively reasonable for a person to entertain such a suspicion, based upon facts that could cause a reasonable person in a like position, *drawing when appropriate on his or her training and experience*, to suspect child abuse." (§ 11166, subd. (a), italics added.) As one commentator has observed, "[t]he occupational categories ... are presumed to be uniquely qualified to make informed judgments when suspected abuse is not blatant." (See Comment, *Reporting Child Abuse: When Moral Obligations Fail, supra.*, 15 Pacific L.J. at p. 214, fn. omitted.)

The mandatory child abuse report must be made to a "child protective agency," i.e., a police or sheriff's department or a county probation or welfare department. The professional must make the report "immediately or as soon as practically possible by telephone." The professional then has 36 hours in which to prepare and transmit to the agency a written report, using a form supplied by the Department of Justice. The telephone and the written reports must include the name of the minor, his or her present location, and the information that led the reporter to suspect child abuse. (§§ 11166, subd. (a); 11167, subd. (a); 11168.) Failure to make a required report is a misdemeanor, carrying a maximum punishment of six months in jail and a $1,000 fine. (§ 11172, subd. (e).)

The child protective agency receiving the initial report must share the report with all its counterpart child protective agencies by means of a system of cross-reporting. An initial report to a probation or welfare department is shared with the local police or sheriff's department, and vice versa. Reports are cross-reported in almost all cases to the office of the district attorney. (§ 11166, subd. (g).) Initial reports are confidential, but may be disclosed to anyone involved with the current investigation and prosecution of the child abuse claim, including the district attorney who has requested notification of any information relevant to the reported instance of abuse. (§ 11167.5.)

A child protective agency receiving the initial child abuse report then conducts an investigation. The Legislature intends an investigation be conducted on every report received. The investigation should include a determination of the "person or persons apparently responsible for the abuse." (Stats. 1980, ch. 1071, § 5, pp. 3425-3426.) Once the child protective agency conducts an "active investigation" of a report and determines that it is "not unfounded," the agency must forward a written report to the Department of Justice, on forms provided by the department. (§§ 11168, 11169.) An "unfounded" report is one "which is determined by a child protective agency investigator to be false, to be inherently improbable, to involve an accidental injury, or not to constitute child abuse as defined in Section 11165." (§ 11165.6, subd. (c)(2).)

The Department of Justice retains the reports in a statewide index, a computerized data bank known as the "Child Abuse Central Registry," which is to be continually updated and "shall not contain any reports that are determined to be unfounded." (§ 11170, subd. (a).) If a child protective agency subsequently

determines that a report is "unfounded," it must so inform the Department of Justice who shall remove the report from its files. (§ 11169.)

The reports in the registry are not public documents, but may be released to a number of individuals and government agencies. Principally, the information may be released to an investigator from the child protective agency currently investigating the reported case of actual or suspected abuse or to a district attorney who has requested notification of a suspected child abuse case. Past reports involving the same minor are also disclosable to the child protective agency and the district attorney involved or interested in a current report under investigation. In addition, future reports involving the same minor will cause release of all past reports to the investigating law enforcement agencies. (§§ 11167.5, subd. (b)(1); 11167, subd. (c); 11170, subd. (b)(1).)

As part of the earlier versions of California's mandated reporting laws, a Child Abuse Centralized Index has been operated by the Department of Justice (DOJ) since 1965.[1] In addition, in January 1974, Congress enacted the federal "Child Abuse Prevention and Treatment Act," known as CAPTA (Pub.L. No. 93-247). This established a federal advisory board and grant funding for states with comprehensive child abuse and neglect reporting laws. This law has been continually reenacted and currently provides grant funds to all eligible states and territories for child abuse and neglect reporting, prevention, and treatment programs.[2]

Claimant's Position

The County of Los Angeles's June 29, 2001[3] test claim filing alleges that amendments to child abuse reporting statutes since January 1, 1975, and related DOJ regulations and forms, have resulted in reimbursable increased costs mandated by the state. The test claim narrative and declarations allege that the test claim statutes and executive orders imposed new activities on the claimant in the following categories:

1. Program Implementation
2. Initial Case Finding and Reporting
3. Taking and Referring Reports
4. Cross-Reporting and District Attorney Reporting
5. Investigation and File Queries, Maintenance
6. Child Abuse Central Index Reporting
7. Notifications

The filing includes declarations of representatives from the County of Los Angeles Department of Children and Family Services, the District Attorney's Office, and the Sheriff's Department.

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[1] Former Penal Code section 11165.1, as amended by Statutes 1974, chapter 348.

[2] 42 United States Code section 5106a.

[3] The potential reimbursement period begins no earlier than July 1, 1999, based upon the filing date for this test claim. (Gov. Code, § 17557.)

Claimant filed comments on September 7, 2007, expressing agreement with the draft staff analysis findings and conclusions, and attaching exhibits related to the county's implementation of the program.

Department of Finance Position

In comments filed December 10, 2001, DOF alleges the test claim does not meet filing standards, stating that "[t]he claimant has failed to set forth clearly and precisely which specific statutory provisions, enacted on or after 1975, imposed new mandates on local government, as required by [Commission regulations.]"

Addressing the substantive issues raised, DOF argued that no reimbursable state-mandated program has been imposed by any of the test claim statutes or executive orders. DOF asserted that the claim "attempts to characterize as "new duties" many of the long-standing statutory obligations of local law enforcement, probation, and child protective agencies to receive and refer reports concerning allegations of child abuse."

DOF also contended that "[a]rticle XIII B, section 6 requires subvention only when the costs in question can be recovered *solely* from local tax revenues. [footnote (fn): *County of Fresno v. State of California* (1991) 53 Cal.3d 482, 487.] The Child Welfare Program, of which child protective services are a part, is funded by a combination of federal, state and local funds. [fn: Welfare and Institutions Code § 10101, Exhibit 4, attached.]" DOF argued that because of this joint funding, "the test claim legislation is not subject to state subvention."

On July 20, 2007, DOF filed a response to Commission staff's request for additional information to address the assertion that the test claim activities have been funded. DOF's response included a CD containing pages from the Budget Act regarding Item 5180-151-0001, and DSS County Fiscal Letters, from fiscal year 1999-2000 through 2006-2007. This filing is discussed further at Issue 3 below.

On September 12, 2007, DOF filed comments on the draft staff analysis stating concurrence with the recommendation to partially approve the test claim, but concluding that if the analysis is approved by the Commission, "the claimant's statements that the activities have neither been offset or funded by the state or federal government must be fully substantiated."

Department of Social Services Position

DSS's comments on the test claim filing, submitted December 10, 2001, conclude that for any new activities alleged "no additional reimbursement is warranted. The existing funding scheme adequately reimburses local government for costs associated with the delivery of child welfare services which includes the provision of services and level of services mandated under current law." DSS's comments regarding specific test claim activities will be addressed in the analysis below.

COMMISSION FINDINGS

The courts have found that article XIII B, section 6, of the California Constitution[4] recognizes the state constitutional restrictions on the powers of local government to tax and spend.[5] "Its

[4] Article XIII B, section 6, subdivision (a), provides: (a) Whenever the Legislature or any state agency mandates a new program or higher level of service on any local government, the state shall provide a subvention of funds to reimburse that local government for the costs of the

purpose is to preclude the state from shifting financial responsibility for carrying out governmental functions to local agencies, which are 'ill equipped' to assume increased financial responsibilities because of the taxing and spending limitations that articles XIII A and XIII B impose."[6] A test claim statute or executive order may impose a reimbursable state-mandated program if it orders or commands a local agency or school district to engage in an activity or task.[7] In addition, the required activity or task must be new, constituting a "new program," or it must create a "higher level of service" over the previously required level of service.[8]

The courts have defined a "program" subject to article XIII B, section 6, of the California Constitution, as one that carries out the governmental function of providing public services, or a law that imposes unique requirements on local agencies or school districts to implement a state policy, but does not apply generally to all residents and entities in the state.[9] To determine if the program is new or imposes a higher level of service, the test claim statutes and executive orders must be compared with the legal requirements in effect immediately before the enactment.[10] A "higher level of service" occurs when the new "requirements were intended to provide an enhanced service to the public."[11]

Finally, the newly required activity or increased level of service must impose costs mandated by the state.[12]

The Commission is vested with exclusive authority to adjudicate disputes over the existence of state-mandated programs within the meaning of article XIII B, section 6.[13] In making its

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program or increased level of service, except that the Legislature may, but need not, provide a subvention of funds for the following mandates: (1) Legislative mandates requested by the local agency affected. (2) Legislation defining a new crime or changing an existing definition of a crime. (3) Legislative mandates enacted prior to January 1, 1975, or executive orders or regulations initially implementing legislation enacted prior to January 1, 1975.

[5] *Department of Finance v. Commission on State Mandates (Kern High School Dist.)* (2003) 30 Cal.4th 727, 735.

[6] *County of San Diego v. State of California* (1997) 15 Cal.4th 68, 81.

[7] *Long Beach Unified School Dist. v. State of California* (1990) 225 Cal.App.3d 155, 174.

[8] *San Diego Unified School Dist. v. Commission on State Mandates* (2004) 33 Cal.4th 859, 878, (*San Diego Unified School Dist.)*; *Lucia Mar Unified School Dist. v. Honig* (1988) 44 Cal.3d 830, 835 *(Lucia Mar).*

[9] *San Diego Unified School Dist., supra,* 33 Cal.4th 859, 874-875 (reaffirming the test set out in *County of Los Angeles v. State of California* (1987) 43 Cal.3d 46, 56; see also *Lucia Mar, supra,* 44 Cal.3d 830, 835.)

[10] *San Diego Unified School Dist., supra,* 33 Cal.4th 859, 878; *Lucia Mar, supra,* 44 Cal.3d 830, 835.

[11] *San Diego Unified School Dist., supra,* 33 Cal.4th 859, 878.

[12] *County of Fresno v. State of California* (1991) 53 Cal.3d 482, 487; *County of Sonoma v. Commission on State Mandates* (2000) 84 Cal.App.4th 1265, 1284 (*County of Sonoma*); Government Code sections 17514 and 17556.

decisions, the Commission must strictly construe article XIII B, section 6, and not apply it as an "equitable remedy to cure the perceived unfairness resulting from political decisions on funding priorities."[14]

Issue 1: What is the scope of the Commission's jurisdiction on this test claim?

DOF challenged the sufficiency of the test claim pleadings in their comments filed December 10, 2001. Government Code section 17551 requires the Commission to hear and decide upon a claim by a local agency or school district that the claimant is entitled to reimbursement pursuant to article XIII B, section 6 of the California Constitution. Government Code section 17521 defines the test claim as the first claim filed with the Commission alleging that a particular statute or executive order imposes costs mandated by the state. Thus, the Government Code gives the Commission jurisdiction only over those statutes or executive orders pled by the claimant in the test claim. At the time of the test claim filing on June 29, 2001, section 1183, subdivision (e), of the Commission regulations required the following content for an acceptable filing:[15]

> All test claims, or amendments thereto, shall be filed on a form provided by the commission [and] shall contain at least the following elements and documents:
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> (1) A copy of the statute or executive order alleged to contain or impact the mandate. The specific sections of chaptered bill or executive order alleged must be identified.

The regulation also required copies of all "relevant portions of" law and "[t]he specific chapters, articles, sections, or page numbers must be identified," as well as a detailed narrative describing the prior law and the new program or higher level of service alleged.

The test claim cover pages list "Penal Code Part 4, Title 1, Chapter 2, Article 2.5: The Child Abuse and Neglect Report Act, as Specified, and as Added or Amended by Chapter 1071, Statutes of 1980 and Subsequent Statutes, Including Penal Code Section 11168, and as Including Former Penal Code Section 11161.7, Amended by Chapter 958, Statutes of 1977." The title pages also include specific references to three regulations and two state forms, pled as executive orders.

The Commission identifies specific allegations in the test claim narrative or in the claimant's rebuttal comments filed February 15, 2002, regarding Penal Code sections 11165.1, 11165.2, 11165.3, 11165.4, 11165.5, 11165.6, 11165.7, 11165.9, 11165.12, 11166, 11166.2, 11166.9, 11168, 11169, and 11170, as added or amended by Statutes 1980, chapter 1071, through amendments by Statutes 2001, chapter 916. The test claim allegations also include former Penal Code section 11161.7, as amended by Statutes 1977, chapter 958, as it was later incorporated into Penal Code section 11168. The claim alleges reimbursable costs are imposed on the county Department of Children and Family Services, the District Attorney's Office, and the Sheriff's

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[13] *Kinlaw v. State of California* (1991) 54 Cal.3d 326, 331-334; Government Code sections 17551 and 17552.

[14] *County of Sonoma, supra,* 84 Cal.App.4th 1265, 1280, citing *City of San Jose v. State of California* (1996) 45 Cal.App.4th 1802, 1817.

[15] The required contents of a test claim are now codified at Government Code section 17553.

Department. The Commission takes jurisdiction over these statutes and code sections, along with the executive orders pled, and these will be analyzed below for the imposition of a reimbursable state mandated program.

In addition, San Bernardino Community College District filed interested party comments on the draft staff analysis on September 7, 2007, requesting that the test claim findings be made for the legal requirements "for all police departments and law enforcement agencies, and not exclude school district police departments without a compelling reason." On December 5, 2007, a request was received from DOF to postpone the hearing on *ICAN* until a final decision is reached in *Department of Finance v. Commission on State Mandates*, [California Court of Appeal Case No. C056833 (POBOR)]. In order to allow the County of Los Angeles claim to move forward on the December 6, 2007 hearing agenda, the test claim statutes and executive orders pled in 00-TC-22, as they may apply to other types of local governmental entities, were severed and consolidated with another pending test claim, *Child Abuse and Neglect Reporting*, 01-TC-21, filed by the San Bernardino Community College District. Therefore, *this* statement of decision is limited to findings for cities and counties.

Issue 2: Do the test claim statutes and executive orders mandate a new program or higher level of service on cities and counties within the meaning of article XIII B, section 6 of the California Constitution?

A test claim statute or executive order mandates a new program or higher level of service within an existing program when it compels a local agency or school district to perform activities not previously required, or when legislation requires that costs previously borne by the state are now to be paid by local government.[16] Thus, in order for a statute to be subject to article XIII B, section 6 of the California Constitution, the statutory language must order or command that local governmental agencies perform an activity or task, or result in "a transfer by the Legislature from the State to cities, counties, cities and counties, or special districts of complete or partial financial responsibility for a required program for which the State previously had complete or partial financial responsibility."[17]

The test claim allegations will be analyzed by areas of activities, as follows: (a) mandated reporting of child abuse and neglect (b) distributing the Suspected Child Abuse Report Form; (c) reporting between local departments; (d) investigation of suspected child abuse, and reporting to and from the state Department of Justice; (e) notifications following reports to the Child Abuse Central Index; and (f) record retention. The prior law in each area will be identified.

(A) Mandated Reporting of Child Abuse and Neglect

Penal Code Section 11166, Subdivision (a):

Penal Code section 11166,[18] subdivision (a), as pled, provides that "a mandated reporter shall make a report to an agency specified in Section 11165.9 whenever the mandated reporter, in his

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[16] *Lucia Mar Unified School Dist., supra*, 44 Cal.3d 830, 836.

[17] California Constitution, article XIII B, section 6, subdivision (c).

[18] As added by Statutes 1980, chapter 1071; amended by Statutes 1981, chapter 435, Statutes 1982, chapter 905, Statutes 1984, chapter 1423, Statutes 1986, chapter 1289, Statutes 1987, chapter 1459, Statutes 1988, chapters 269 and 1580, Statutes 1990, chapter 1603, Statutes 1992,

or her professional capacity or within the scope of his or her employment, has knowledge of or observes a child whom the mandated reporter knows or reasonably suspects has been the victim of child abuse or neglect. The mandated reporter shall make a report to the agency immediately or as soon as is practicably possible by telephone and the mandated reporter shall prepare and send a written report thereof within 36 hours of receiving the information concerning the incident." Penal Code section 11165.9 requires reports be made "to any police department, sheriff's department, county probation department if designated by the county to receive mandated reports, or the county welfare department. It does not include a school district police or security department."

Mandated child abuse reporting has been part of California law since 1963, when Penal Code section 11161.5 was first added. Former Penal Code section 11161.5, as amended by Statutes 1974, chapter 348, required specified medical professionals, public and private school officials and teachers, daycare workers, summer camp administrators, and social workers to report on observed non-accidental injuries or apparent sexual molest, by making a report by telephone and in writing to local law enforcement and juvenile probation departments, or county welfare or health departments. The code section began:

> (a) In any case in which a minor is brought to a physician and surgeon, dentist, resident, intern, podiatrist, chiropractor, or religious practitioner for diagnosis, examination or treatment, or is under his charge or care, or in any case in which a minor is observed by any registered nurse when in the employ of a public health agency, school, or school district and when no physician and surgeon, resident, or intern is present, by any superintendent, any supervisor of child welfare and attendance, or any certificated pupil personnel employee of any public or private school system or any principal of any public or private school, by any teacher of any public or private school, by any licensed day care worker, by an administrator of a public or private summer day camp or child care center, or by any social worker, and it appears to the [reporting party] from observation of the minor that the minor has physical injury or injuries which appear to have been inflicted upon him by other than accidental means by any person, that the minor has been sexually molested, or that any injury prohibited by the terms of Section 273a has been inflicted upon the minor, he shall report such fact by telephone and in writing, within 36 hours, to both the local police authority having jurisdiction and to the juvenile probation department;[19] or in the alternative, either to the county welfare department, or to the county health department. The report shall state, if known, the name of the minor, his whereabouts and the character and extent of the injuries or molestation.

The list of "mandated reporters," as they are now called, has grown since 1975. The detailed list, now found at Penal Code section 11165.7,[20] includes all of the original reporters and now also

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chapter 459, Statutes 1993, chapter 510, Statutes 1996, chapters 1080 and 1081, and Statutes 2000, chapter 916.

[19] Subdivision (b) provided that reports that would otherwise be made to a county probation department are instead made to the county welfare department under specific circumstances.

[20] Added by Statutes 2000, chapter 916.

includes: teacher's aides and other classified school employees; county office of education employees whose employment requires regular child contact; licensing workers; peace officers and other police or sheriff employees; firefighters; therapists; medical examiners; animal control officers; film processors; clergy and others.

The Commission finds that the duties alleged are not required of local entities, but of mandated reporters as individual citizens. The statutory scheme requires duties of individuals, identified by either their profession or their employer, but the duties are not being performed on behalf of the employer or for the benefit of the employer, nor are they required by law to be performed using the employer's resources. Penal Code section 11166 also includes the following provision, criminalizing the failure of mandated reporters to report child abuse or neglect:[21]

> Any mandated reporter who fails to report an incident of known or reasonably suspected child abuse or neglect as required by this section is guilty of a misdemeanor punishable by up to six months confinement in a county jail or by a fine of one thousand dollars ($1,000) or by both that fine and punishment.

Failure to make an initial telephone report, followed by preparation and submission of a written report within 36 hours, on a form designated by the Department of Justice, subjects the mandated reporter to criminal liability. This criminal penalty applies to mandated reporters as individuals and does not extend to their employers. In addition, under Penal Code section 11172, mandated reporters are granted immunity as individuals for any reports they make: "No mandated reporter shall be civilly or criminally liable for any report required or authorized by this article, and *this immunity shall apply even if* the mandated reporter acquired the knowledge or reasonable suspicion of child abuse or neglect *outside of his or her professional capacity or outside the scope of his or her employment*." [Emphasis added.] Therefore, the Commission finds that the duties are required of mandated reporters as individuals, and Penal Code section 11166, subdivision (a), does not mandate a new program or higher level of service on local governments for the activities required of mandated reporters.

Definitions of Child Abuse and Neglect: Penal Code Sections 11165.1, 11165.2, 11165.3, 11165.4, 11165.5, and 11165.6:

Penal Code section 11165.6,[22] as pled, defines "child abuse" as "a physical injury that is inflicted by other than accidental means on a child by another person." The code section also defines the term "child abuse or neglect" as including the statutory definitions of sexual abuse (§ 11165.1[23]), neglect (§ 11165.2[24]), willful cruelty or unjustifiable punishment (§ 11165.3[25]),

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[21] This provision was moved to Penal Code section 11166 by Statutes 2000, chapter 916. Prior to that, the misdemeanor provision was found at section 11172, as added by Statutes 1980, chapter 1071.

[22] As repealed and reenacted by Statutes 2000, chapter 916.

[23] Added by Statutes 1987, chapter 1459; amended by Statutes 1997, chapter 83 and Statutes 2000, chapter 287. Derived from former Penal Code section 11165 and 11165.3.

[24] Added by Statutes 1987, chapter 1459. Derived from former Penal Code section 11165.

[25] Added by Statutes 1987, chapter 1459.

unlawful corporal punishment or injury (§ 11165.4[26]), and abuse or neglect in out-of-home care (§ 11165.5[27]).

The test claim alleges that all of the statutory definitions of abuse and neglect in the Child Abuse and Neglect Reporting Act result in a reimbursable state-mandated program. While the definitional code sections alone do not require any activities, they do require analysis to determine if, in conjunction with the other test claim statutes, they mandate a new program or higher level of service by increasing the "scope of child abuse and neglect that is initially reported to child protective services,"[28] as suggested by the claimant.

Former Penal Code section 11161.5 mandated child abuse reporting when "the minor has physical injury or injuries which appear to have been inflicted upon him by other than accidental means by any person, that the minor has been sexually molested, or that any injury prohibited by the terms of Section 273a has been inflicted upon the minor." The prior law of Penal Code section 273a[29] follows:

> (1) Any person who, under circumstances or conditions likely to produce great bodily harm or death, willfully causes or permits any child to suffer, or inflicts thereon unjustifiable physical pain or mental suffering, or having the care or custody of any child, willfully causes or permits the person or health of such child to be injured, or willfully causes or permits such child to be placed in such situation that its person or health is endangered, is punishable by imprisonment in the county jail not exceeding 1 year, or in the state prison for not less than 1 year nor more than 10 years.
>
> (2) Any person who, under circumstances or conditions other than those likely to produce great bodily harm or death, willfully causes or permits any child to suffer, or inflicts thereon unjustifiable physical pain or mental suffering, or having the care or custody of any child, willfully causes or permits the person or health of such child to be injured, or willfully causes or permits such child to be placed in such situation that its person or health may be endangered, is guilty of a misdemeanor.

The Commission finds that the definition of child abuse and neglect found in prior law was very broad, and required mandated child abuse reporting of physical and sexual abuse, as well as non-accidental acts by any person which could cause mental suffering or physical injury. Prior law

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[26] Added by Statutes 1987, chapter 1459; amended by Statutes 1988, chapter 39, and Statutes 1993, chapter 346.

[27] Added by Statutes 1987, chapter 1459; amended by Statutes 1988, chapter 39, Statutes 1993, chapter 346, and Statutes 2000, chapter 916. The cross-reference to section 11165.5 was removed from section 11165.6 by Statutes 2001, chapter 133.

[28] Test Claim Filing, page 13.

[29] Added by Statutes 1905, chapter 568; amended by Statutes 1963, chapter 783, and Statutes 1965, chapter 697. The section has since had the penalties amended, but the description of the basic crime of child abuse and neglect remains good law at Penal Code section 273a.

also required mandated reporting of situations that injured the health or may endanger the health of the child, caused or permitted by any person.

The Commission finds these sweeping descriptions of reportable child abuse and neglect under prior law encompass every part of the statutory definitions of child abuse and neglect, as pled. Even though the definitions have been rewritten, in *Williams v. Garcetti* (1993) 5 Cal.4th 561, 568, the Court stated a fundamental rule of statutory construction: "'Where changes have been introduced to a statute by amendment it must be assumed the changes have a purpose ....' " [Citation omitted.] That purpose is not necessarily to change the law. 'While an intention to change the law is usually inferred from a material change in the language of the statute [citations], a consideration of the surrounding circumstances may indicate, on the other hand, that the amendment was merely the result of a legislative attempt to clarify the true meaning of the statute.'" The Commission finds that the same acts of abuse or neglect that are reportable under the test claim statutes were reportable offenses under pre-1975 law.

Penal Code section 11165.1 provides that "sexual abuse," for purposes of child abuse reporting, includes "sexual assault" or "sexual exploitation," which are further defined. Sexual assault includes all criminal acts of sexual contact involving a minor, and sexual exploitation refers to matters depicting, or acts involving, a minor and "obscene sexual conduct." Prior law required reporting of "sexual molestation," as well as "unjustifiable physical pain or mental suffering."

"Sexual molestation" is not a defined term in the Penal Code. However, former Penal Code section 647a, now section 647.6, criminalizes actions of anyone "who annoys or *molests* any child under the age of 18." In a case regularly cited to define "annoy or molest," *People v. Carskaddon* (1957) 49 Cal.2d 423, 425-426, the California Supreme Court found that:

> The primary purpose of the above statute is the 'protection of children from interference by sexual offenders, and the apprehension, segregation and punishment of the latter.' (*People v. Moore, supra*, 137 Cal.App.2d 197, 199; *People v. Pallares*, 112 Cal.App.2d Supp. 895, 900 [246 P.2d 173].) The words 'annoy' and 'molest' are synonymously used (Words and Phrases, perm. ed., vol. 27, 'molest'); they generally refer to conduct designed 'to disturb or irritate, esp. by continued or repeated acts' or 'to offend' (Webster's New Inter. Dict., 2d ed.); and as used in this statute, they ordinarily relate to 'offenses against children, [with] a connotation of abnormal sexual motivation on the part of the offender.' (*People v. Pallares, supra*, p. 901.) Ordinarily, the annoyance or molestation which is forbidden is 'not concerned with the state of mind of the child' but it is 'the objectionable acts of defendant which constitute the offense,' and if his conduct is 'so lewd or obscene that the normal person would unhesitatingly be irritated by it, such conduct would 'annoy or molest' within the purview of' the statute. (*People v. McNair*, 130 Cal.App.2d 696, 697-698 [279 P.2d 800].)

By use of the general term "sexual molestation" in prior law, rather than specifying sexual assault, incest, prostitution, or any of the numerous Penal Code provisions involving sexual crimes, the statute required mandated child abuse reporting whenever there was evidence of "offenses against children, [with] a connotation of abnormal sexual motivation." Thus, sexual abuse was a reportable offense under prior law, as under the definition at Penal Code section 11165.1.

Penal Code section 11165.2 specifies that "neglect," as used in the Child Abuse and Neglect Reporting Act, includes situations "where any person having care or custody of a child willfully causes or permits the person or health of the child to be placed in a situation such that his or her person or health is endangered," "*including* the intentional failure of the person having care or custody of a child to provide adequate food, clothing, shelter, or medical care." Not providing adequate food, clothing, shelter, or medical care is tantamount to placing a child "in such situation that its person or health may be endangered," as described in prior law, above. Thus the same circumstances of neglect were reportable under prior law, as under the definition pled.

The prior definition of child abuse included situations where "[a]ny person … willfully causes or permits any child to suffer, or inflicts thereon unjustifiable physical pain or mental suffering." The current definition of "willful cruelty or unjustifiable punishment of a child," found at Penal Code section 11165.3 carries over the language of Penal Code section 273a, without distinguishing between the misdemeanor and felony standards.[30]

The definition of unlawful corporal punishment or injury, found at Penal Code section 11165.4, as pled, prohibits "any cruel or inhuman corporal punishment or injury resulting in a traumatic condition." Again, prior law required reporting of any non-accidental injuries, "willful cruelty," and "unjustifiable physical pain or mental suffering," which encompasses all of the factors described in the definition for reportable "unlawful corporal punishment or injury." The current law also excludes reporting of self-defense and reasonable force when used by a peace officer or school official against a child, within the scope of employment. This exception actually narrows the scope of child abuse reporting when compared to prior law.

Penal Code section 11165.5 defines "abuse or neglect in out-of-home care" as all of the previously described definitions of abuse and neglect, "where the person responsible for the child's welfare is a licensee, administrator, or employee of any facility licensed to care for children, or an administrator or employee of a public or private school or other institution or agency." Prior law required reporting of abuse by "any person," and neglect by anyone who had a role in the care of the child.[31] Thus any abuse reportable under section 11165.5, would have been reportable under prior law, as detailed above. As further evidence of this redundancy, Statutes 2001, chapter 133, effective July 31, 2001, removed the reference to "abuse or neglect in out-of-home care" from the general definition of "child abuse and neglect" at Penal Code section 11165.6.

Therefore, the Commission finds that Penal Code sections 11165.1, 11165.2, 11165.3, 11165.4, 11165.5, and 11165.6, do not mandate a new program or higher level of service by increasing the scope of child abuse and neglect reporting.

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[30] Penal Code section 273a distinguishes between those "circumstances or conditions likely to produce great bodily harm or death" (felony), and those that are not (misdemeanor).

[31] *People v. Toney* (1999) 76 Cal.App.4th 618, 621-622: "No special meaning attaches to this language [care or custody] "beyond the plain meaning of the terms themselves. The terms 'care or custody' do not imply a familial relationship but only a willingness to assume duties correspondent to the role of a caregiver." (*People v. Cochran* (1998) 62 Cal.App.4th 826, 832, 73 Cal.Rptr.2d 257.)"

Penal Code Section 11165.7:

The claimant also requests reimbursement for training mandated reporters. The test claim filing, at page 43, makes the following allegation (all brackets are in the claimant's original text):

> Mandated reporters [Section 11165.7] report child abuse [as defined in Section 11165.6] that is suspected [Section 11166(a)] and such reporters are required to undergo training in accordance with Section 11165.7 subdivisions (c) and (d):
>
> > "(c) Training in the duties imposed by this article shall include training in child abuse identification and training in child abuse reporting. As part of that training, school districts shall provide to all employees being trained a written copy of the reporting requirements and a written disclosure of the employees' confidentiality rights.
> >
> > (d) School districts that do not train the employees specified in subdivision (a) in the duties of child care custodians under the child abuse reporting laws shall report to the State Department of Education the reasons why this training is not provided."

Claimant's quote of Penal Code section 11165.7,[32] subdivisions (c) and (d) is accurate, as amended by Statutes 2000, chapter 916. Penal Code section 11165.7, subdivision (a), is the list of professions that are mandated reporters; subdivision (b), as pled, provided that volunteers who work with children "are encouraged to obtain training in the identification and reporting of child abuse."

The specific language regarding training in the test claim statute refers to school districts.[33] A separate test claim was filed for training activities on this same code section by San Bernardino Community College District on behalf of school districts. This will be heard by the Commission at a separate hearing: *Child Abuse and Neglect Reporting* (01-TC-21). The analysis for Penal Code section 11165.7 in this test claim is limited to cities and counties.

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[32] Added by Statutes 1987, chapter 1459; amended by Statutes 1991, chapter 132, Statutes 1992, chapter 459, and Statutes 2000, chapter 916.

[33] Although this is addressed in more detail in the 01-TC-21 test claim, some history of Penal Code section 11165.7 is helpful to put the training language into legislative context. Prior to amendment by Statutes 2000, chapter 916, subdivision (a) did not provide the complete list of mandated reporters, but instead defined the term "child care custodian" for the purposes of the Child Abuse and Neglect Reporting Act. The definition provided that a "child care custodian" included "an instructional aide, a teacher's aide, or a teacher's assistant employed by any public or private school, who has been trained in the duties imposed by this article, if the school district has so warranted to the State Department of Education; [and] a classified employee of any public school who has been trained in the duties imposed by this article, if the school has so warranted to the State Department of Education." All other categories of "child care custodian" defined in former Penal Code section 11165.7, including teachers, child care providers, social workers, and many others, were not dependent on whether the individual had received training on being a mandated reporter.

The Commission finds, based on the plain meaning of the statute,[34] that there is no express duty in the test claim statute for local agencies, as employers or otherwise, to provide training to mandated reporters in child abuse identification and reporting. Rather, as described in *Planned Parenthood, supra*, 181 Cal.App.3d 245, 259, at footnote 4: "[t]he Legislature has enacted numerous provisions to ensure these occupational categories [mandated reporters] receive the necessary training in child abuse detection. (See, e.g., Bus. & Prof. Code, §§ 28, 2089, 2091.)" So, while the Business and Professions Code requires that specific professionals, including psychologists, clinical social workers, marriage and family therapists, physicians, and surgeons, receive training on mandated child abuse reporting as part of their initial licensing and continuing education requirements, the training is not required to be provided by local agency employers pursuant to the test claim statutes.[35] Therefore, the Commission finds that Penal Code section 11165.7, subdivisions (c) and (d), does not mandate a new program or higher level of service on local agencies for training mandated reporters.

(B) Distributing the Suspected Child Abuse Report Form:

Penal Code Section 11168, Including Former Penal Code Section 11161.7, and the "Suspected Child Abuse Report" Form SS 8572:

Penal Code section 11161.7 was added by Statutes 1974, chapter 836, and required DOJ to issue an optional form, for use by medical professionals to report suspected child abuse. Then, Statutes 1977, chapter 958, one of the test claim statutes, amended section 11161.7 and for the first time required a mandatory reporting form to be adopted by DOJ, to be distributed by county welfare departments.

The 1980 reenactment of the child abuse reporting laws moved the provision to Penal Code section 11168,[36] which now requires:

> The written reports required by Section 11166 shall be submitted on forms adopted by the Department of Justice after consultation with representatives of the various professional medical associations and hospital associations and county probation or welfare departments. Those forms shall be distributed by the agencies specified in Section 11165.9.

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[34] "If the terms of the statute are unambiguous, the court presumes the lawmakers meant what they said, and the plain meaning of the language governs." (*Estate of Griswold* (2001) 25 Cal.4th 904, 911.)

[35] The activity of training on the requirements of the Child Abuse and Neglect Reporting Act, is one that, while not explicitly required by the plain language of the statute, may be found to be one "of the most reasonable methods of complying with the mandate" during the parameters and guidelines part of the test claim process. California Code of Regulations, title 2, section 1183.1, subdivision (a)(4), requires the parameters and guidelines to contain a description of the reimbursable activities, including "those methods not specified in statute or executive order that are necessary to carry out the mandated program."

[36] As added by Statutes 1980, chapter 1071 and amended by Statutes 2000, chapter 916. Derived from former Penal Code section 11161.7, added by Statutes 1974, chapter 836, and amended by Statutes 1977, chapter 958.

The Commission finds that agencies specified in section 11165.9 did not have a duty to distribute the state-issued "Suspected Child Abuse Report" (Form SS 8572), or any other child abuse reporting form, prior to Statutes 1977, chapter 958. Therefore, the Commission finds that Penal Code section 11168, as pled, mandates a new program or higher level of service, as follows:

> *Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:*
>
> - Distribute the child abuse reporting form adopted by the Department of Justice (currently known as the "Suspected Child Abuse Report" Form SS 8572) to mandated reporters.

(C) Reporting Between Local Departments

Accepting and Referring Initial Child Abuse Reports when a Department Lacks Jurisdiction: Penal Code Section 11165.9:

Penal Code section 11165.9,[37] as pled, requires:

> Reports of suspected child abuse or neglect shall be made by mandated reporters to any police department, sheriff's department, county probation department if designated by the county to receive mandated reports, or the county welfare department. It does not include a school district police or security department. Any of those agencies shall accept a report of suspected child abuse or neglect whether offered by a mandated reporter or another person, or referral by another agency, even if the agency to whom the report is being made lacks subject matter or geographical jurisdiction to investigate the reported case, unless the agency can immediately electronically transfer the call to an agency with proper jurisdiction. When an agency takes a report about a case of suspected child abuse or neglect in which that agency lacks jurisdiction, the agency shall immediately refer the case by telephone, fax, or electronic transmission to an agency with proper jurisdiction.

As discussed above, the prior law of Penal Code section 11161.5, subdivision (a), required the mandated reporters to report child abuse "by telephone and in writing, within 36 hours, to both the local police authority having jurisdiction and to the juvenile probation department; or in the alternative, either to the county welfare department, or to the county health department."

Thus, police, sheriff's, probation, and county health and welfare departments were required to accept mandated child abuse reports under prior law;[38] however, one aspect of Penal Code section 11165.9 creates a new duty. Now, local police, sheriff's, probation or county welfare departments, *even when they lack jurisdiction* over the reported incident "shall accept a report of suspected child abuse or neglect whether offered by a mandated reporter or another person, or referral by another agency" unless they take action to immediately transfer the telephone call to the proper agency. Otherwise, they must accept the report, and then forward it "immediately" by telephone, fax or electronic transmission to the proper agency. Prior law placed the burden solely on the mandated reporter to file the report with an agency with proper jurisdiction. With the change made by Statutes 2000, chapter 916, a local police, sheriff's, probation or county welfare department with improper jurisdiction must take affirmative steps to accept and refer a

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[37] As added by Statutes 2000, chapter 916. Derived from former Penal Code section 11165.

[38] Former Penal Code section 11161.5, subdivision (a).

child abuse report, rather than simply telling a caller that they have contacted the wrong department. Therefore, the Commission finds that Penal Code section 11165.9, as added by Statutes 2000, chapter 916, mandates a new program or higher level of service, as follows:

> *Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:*
>
> - Transfer a call electronically or immediately refer the case by telephone, fax, or electronic transmission, to an agency with proper jurisdiction, whenever the department lacks subject matter or geographical jurisdiction over an incoming report of suspected child abuse or neglect.

Cross-Reporting of Suspected Child Abuse or Neglect from County Welfare and Probation Departments to the Law Enforcement Agency with Jurisdiction and the District Attorney's Office:
Penal Code Section 11166, Subdivision (h):[39]

Penal Code section 11166, subdivision (h), as pled, requires reporting from the county probation or welfare departments to the law enforcement agency with jurisdiction, and to the district attorney's office. The law requires county welfare or probation departments to report by telephone, fax or electronic transmission "every known or suspected instance of child abuse or neglect" to the law enforcement agency with jurisdiction, the local agency responsible for investigation of Welfare and Institutions Code section 300 cases (such as a child protective services department), and to the district attorney's office. There is an exception to reporting cases to law enforcement and the district attorney when they only involve general neglect, or an inability to provide "regular care due to the parent's substance abuse." If an initial telephone report is made, a written report by mail, fax or electronic transmission must follow within 36 hours.

Statutes 2000, chapter 916, operative January 1, 2001, modified the reporting requirements by allowing the initial reports to be made by fax or electronic means, rather than initially by telephone. Thus, there is now the option of meeting the mandate requirements in a single step if the initial report is made by fax or electronic transmission. Statutes 2005, chapter 713, operative January 1, 2006, following the filing of the test claim, made the same change for reports from law enforcement agencies. This statute also re-lettered the subdivisions from (h) to (j).

The prior law of former section 11161.5, subdivision (a), required "cross-reporting" by county welfare or health departments to the local police authority with jurisdiction and juvenile probation departments, as follows:

> Whenever it is brought to the attention of a director of a county welfare department or health department that a minor has physical injury or injuries which appear to have been inflicted upon him by other than accidental means by any person, that a minor has been sexually molested, or that any injury prohibited by the terms of Section 273a has been inflicted upon a minor, he shall file a report

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[39] Subsequent amendments (not pled) re-lettered subdivision (h). The subdivision is now lettered (j). For consistency with the pleadings, the subdivision will be referred to as (h) in the discussion.

without delay with the local police authority having jurisdiction and to the juvenile probation department as provided in this section.

Thus, prior law did require county welfare departments to file a report of suspected child abuse or neglect "with the local police authority with jurisdiction," "without delay."[40] However, all of the other local child abuse cross-reporting duties were added by Statutes 1980, chapter 1071, or in later amendments.

The Commission finds that Penal Code section 11166[41] mandates a new program or higher level of service on county probation and welfare departments for the following activities, as of the beginning of the reimbursement period, July 1, 1999:

A county probation department shall:

- Report by telephone immediately, or as soon as practically possible, to the law enforcement agency having jurisdiction over the case, to the agency given the responsibility for investigation of cases under Section 300 of the Welfare and Institutions Code, and to the district attorney's office every known or suspected instance of child abuse, as defined in Penal Code section 11165.6, except acts or omissions coming within subdivision (b) of section 11165.2, or reports made pursuant to section 11165.13 based on risk to a child which relates solely to the inability of the parent to provide the child with regular care due to the parent's substance abuse, which shall be reported only to the county welfare department.
- Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under this subdivision.

  As of January 1, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours.

A county welfare department shall:

- Report by telephone immediately, or as soon as practically possible, to the agency given the responsibility for investigation of cases under Section 300 of the Welfare and Institutions Code, and to the district attorney's office every known or suspected instance of child abuse, as defined in Penal Code section 11165.6, except acts or omissions coming within subdivision (b) of section 11165.2, or reports made pursuant to section 11165.13 based on risk to a child which relates solely to the inability of the parent to

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[40] A common definition of the word "immediately," which is used in the current statute, is "without delay," which is used in the prior law. (American Heritage Dict. (4th ed. 2000).)

[41] As added by Statutes 1980, chapter 1071; amended by Statutes 1981, chapter 435, Statutes 1982, chapter 905, Statutes 1984, chapter 1423, Statutes 1986, chapter 1289, Statutes 1987, chapter 1459, Statutes 1988, chapters 269 and 1580, Statutes 1990, chapter 1603, Statutes 1992, chapter 459, Statutes 1993, chapter 510, Statutes 1996, chapters 1080 and 1081, and Statutes 2000, chapter 916.

provide the child with regular care due to the parent's substance abuse, which shall be reported only to the county welfare department.

This activity does not include making an initial report of child abuse and neglect from a county welfare department to the law enforcement agency having jurisdiction over the case, which was required under prior law to be made "without delay."

- Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency, including the law enforcement agency having jurisdiction over the case, to which it is required to make a telephone report under this subdivision.

  As of January 1, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours.

Cross-Reporting of Suspected Child Abuse or Neglect from the Law Enforcement Agency to the the County Welfare and Institutions Code Section 300 Agency, County Welfare, and the District Attorney's Office:
Penal Code Section 11166, Subdivision (i):[42]

Penal Code section 11166, subdivision (i) provides the requirement that law enforcement agencies must relay known or suspected child abuse and neglect reports by telephone to the Welfare and Institutions Code section 300 agency for the county, and to the district attorney's office, with an exception for reporting cases of general neglect to the district attorney. The law enforcement agency must also cross-report to the county welfare department all reports of suspected child abuse or neglect alleged to have occurred as a result of the action of a person responsible for the child's welfare. A written report by mail, fax or electronic transmission must follow any telephone report within 36 hours.

Statutes 2000, chapter 916, operative January 1, 2001, modified the reporting requirements by allowing the initial reports to be made by fax or electronic means, rather than initially by telephone. Thus, there is now the option of meeting the mandate requirements in a single step if the initial report is made by fax or electronic transmission. Statutes 2005, chapter 713, operative January 1, 2006, following the filing of the test claim, made the same change for reports from law enforcement agencies. This statute also re-lettered the subdivisions from (i) to (k).

The Commission finds that Penal Code section 11166, subdivision (i)[43] mandates a new program or higher level of service on city and county law enforcement agencies for the following activities, as of the beginning of the reimbursement period, July 1, 1999:

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[42] Subsequent amendments (not pled) re-lettered subdivision (i). The subdivision is now lettered (k). For consistency with the pleadings, the subdivision will be referred to as (i) in the discussion.

[43] As added by Statutes 1980, chapter 1071; amended by Statutes 1981, chapter 435, Statutes 1982, chapter 905, Statutes 1984, chapter 1423, Statutes 1986, chapter 1289, Statutes 1987, chapter 1459, Statutes 1988, chapters 269 and 1580, Statutes 1990, chapter 1603, Statutes 1992, chapter 459, Statutes 1993, chapter 510, Statutes 1996, chapters 1080 and 1081, and Statutes 2000, chapter 916.

A city or county law enforcement agency shall:

- Report by telephone immediately, or as soon as practically possible, to the agency given responsibility for investigation of cases under Welfare and Institutions Code section 300 and to the district attorney's office every known or suspected instance of child abuse reported to it, except acts or omissions coming within Penal Code section 11165.2, subdivision (b), which shall be reported only to the county welfare department.
- Report to the county welfare department every known or suspected instance of child abuse reported to it which is alleged to have occurred as a result of the action of a person responsible for the child's welfare, or as the result of the failure of a person responsible for the child's welfare to adequately protect the minor from abuse when the person responsible for the child's welfare knew or reasonably should have known that the minor was in danger of abuse.
- Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under this subdivision.

  As of January 1, 2006, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours.

Receipt of Cross-Reports by District Attorney's Office: Penal Code Section 11166, Subdivisions (h) and (i):

The claimant also alleges that Penal Code section 11166, by requiring cross-reporting of suspected child abuse *to* the district attorney, imposes a consequential "duty of the District Attorney to receive, monitor or audit those reports."[44] The activity of "receiving" the suspected child abuse reports on the part of the district attorney is one that is implicit as a reciprocal duty in response to the requirement that law enforcement, probation and county welfare departments provide such reports. Therefore, the Commission finds that Penal Code section 11166 also mandates a new program or higher level of service, as follows:

A district attorney's office shall:

- Receive reports of every known or suspected instance of child abuse reported to law enforcement, county probation or county welfare departments, except acts or omissions of general neglect coming within Penal Code section 11165.2, subdivision (b).

The test claim includes a declaration from the Los Angeles County District Attorney's Office, stating that the agency "is required to audit each case so reported and ensure that, pursuant to the test claim legislation, appropriate investigative agency's reports are completed by these agencies." As described by the California Supreme Court in *Dix v. Superior Court* (1991) 53 Cal.3d 442, 451, "[t]he prosecutor ordinarily has sole discretion to determine whom to charge, what charges to file and pursue, and what punishment to seek." The test claim statutes have not altered that level of independence, nor has the plain meaning of the test claim statutes required any new duties of the district attorney's office to monitor or audit the reports received. To the

[44] Claimant's February 15, 2002 Comments, page 14.

extent that such follow-up activities are necessary, they are part of the prosecutor's ordinary, discretionary, duty to determine whom and what to charge, as described in the *Dix* case.

Therefore, the Commission finds that the activities of monitoring and auditing the suspected child abuse reports, as alleged, are not required by the plain meaning of the test claim statutes, and they do not mandate a new program or higher level of service upon the district attorney's office.

Reporting to Licensing Agencies:
Penal Code Section 11166.2:

Penal Code section 11166.2, [45] as pled, "any agency specified in Section 11165.9 shall immediately or as soon as practically possible report by telephone to the appropriate licensing agency" when suspected child abuse or neglect "occurs while the child is being cared for in a child day care facility, involves a child day care licensed staff person, or occurs while the child is under the supervision of a community care facility or involves a community care facility licensee or staff person." In addition, the reporting agency "shall also send, fax, or electronically transmit a written report thereof within 36 hours of receiving the information." Finally, the reporting "agency shall send the licensing agency a copy of its investigation report and any other pertinent materials."

Statutes 2001, chapter 133, operative July 31, 2001, following the filing of the test claim, modified the reporting requirements by allowing agencies to make the initial reports by fax or electronic means, rather than initially by telephone. Thus, reporting agencies now have the option of meeting the mandate requirements in a single step if they make the initial report by fax or electronic transmission.

No cross-reports were required to be made to community care licensing or other licensing agencies under prior law. Therefore, the Commission finds Penal Code section 11166.2 mandates a new program or higher level of service, for the following new activity:

> *Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:*
>
> - Report by telephone immediately or as soon as practically possible to the appropriate licensing agency every known or suspected instance of child abuse or neglect when the instance of abuse or neglect occurs while the child is being cared for in a child day care facility, involves a child day care licensed staff person, or occurs while the child is under the supervision of a community care facility or involves a community care facility licensee or staff person. The agency shall also send, fax, or electronically transmit a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under this subdivision. The agency shall send the licensing agency a copy of its investigation report and any other pertinent materials.
>
> As of July 31, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours.

[45] As added by Statutes 1985, chapter 1598 and amended by Statutes 1987, chapter 531; Statutes 1988, chapter 269; Statutes 1990, chapter 650; and Statutes 2000, chapter 916.

Additional Cross-Reporting in Cases of Child Death:
Penal Code Section 11166.9, Subdivisions (k) and (l):

Claimant also alleges in comments filed on February 15, 2002, at page 17, that new activities were required when Penal Code section 11166.9 was amended by Statutes 1999, chapter 1012, adding subdivisions (k) and (l).[46] Previously the code section addressed the statewide effort to identify and address issues related to child deaths, but did not require any mandatory activities of local government.

With the amendment by Statutes 1999, chapter 1012, Penal Code section 11166.9, subdivision (k) requires "Law enforcement and child welfare agencies shall cross-report all cases of child death suspected to be related to child abuse or neglect whether or not the deceased child has any known surviving siblings."

In addition, pursuant to subdivision (l), the county child welfare department must also create a record in a state reporting system regarding the case of a child death. Therefore, the Commission finds that Penal Code section 11166.9, subdivisions (k) and (l), mandates a new program or higher level of service, for the following new activities:

A city or county law enforcement agency shall:

- Cross-report all cases of child death suspected to be related to child abuse or neglect to the county child welfare agency.

A county welfare department shall:

- Cross-report all cases of child death suspected to be related to child abuse or neglect to law enforcement.
- Create a record in the Child Welfare Services/Case Management System (CWS/CMS) on all cases of child death suspected to be related to child abuse or neglect.
- Enter information into the CWS/CMS upon notification that the death was subsequently determined not to be related to child abuse or neglect.

[46] As added by Statutes 1992, chapter 844 and amended by Statutes 1995, chapter 539; Statutes 1997, chapter 842; Statutes 1999, chapter 1012; Statutes 2000, chapter 916. This code section has since been renumbered Penal Code section 11174.34, by Statutes 2004, chapter 842, without amending the text. For consistency with the pleadings, the section will be referred to as 11166.9 in the discussion.

(D) Investigation of Suspected Child Abuse, and Reporting to and from the State Department of Justice

Penal Code Sections 11165.12, 11166, Subdivision (a), 11169, Subdivision (a), and 11170; and the Automated Child Abuse Reporting System (ACAS): California Code of Regulations, Title 11, Sections 901, 902, and 903; and the "Child Abuse Investigation Report" Form SS 8583:

Penal Code section 11169, subdivision (a),[47] as pled, requires "[a]n agency specified in section 11165.9," to forward a written report to DOJ, by mail, fax or electronic transmission "of every case it investigates of known or suspected child abuse or neglect which is determined not to be unfounded," other than cases of general neglect. The reports are required to be in a form approved by DOJ.

Penal Code section 11165.12[48] provides the definitions of unfounded, substantiated and inconclusive reports. Each requires a determination "by the investigator who conducted the investigation." Unfounded reports -- those which have been found following an active investigation to be false, inherently improbable, the result of an accidental injury, or otherwise not satisfying the statutory definition of child abuse and neglect -- are not to be reported to DOJ. Thus, only substantiated and inconclusive reports are to be forwarded to DOJ, pursuant to section 11169, subdivision (a), as described above.

California Code of Regulations, title 11, section 901, provides definitions for the Automated Child Abuse System, or ACAS. Section 902 states the purpose of ACAS "as the index of investigated reports of suspected child abuse received," and is a reference file "used to refer authorized individuals or entities to the underlying child abuse investigative files maintained at the reporting CPA."[49] The Commission finds that California Code of Regulations, title 11, sections 901 or 902, do not require any activities that are not otherwise described in statute, and thus do not mandate a new program or higher level of service.

Penal Code section 11169, subdivision (a) provides that "[t]he reports required by this section shall be in a form approved by the Department of Justice and may be sent by fax or electronic transmission." California Code of Regulations, title 11, section 903, designates the current form SS 8583 as "the standard reporting form for submitting summary reports of child abuse to DOJ," and describes mandatory information which must be included on the form "in order for it to be considered a "retainable report" by DOJ and entered into ACAS."

The prior law, former Penal Code section 11161.5, subdivision (a), required all written child abuse reports received by the police to be forwarded to the state, as follows:

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[47] As added by Statutes 1980, chapter 1071 and amended by Statutes 1981, chapter 435, Statutes 1985, chapter 1598, Statutes 1988, chapters 269 and 1497, Statutes 1997, chapter 842, and Statutes 2000, chapter 916.

[48] As added by Statutes 1987, chapter 1459 and amended by Statutes 1990, chapter 1330, Statutes 1997, chapter 842, and Statutes 2000, chapter 916.

[49] "CPA" refers to "child protective agency," which is defined in California Code of Regulations, title 11, section 901, subdivision (f), as referring back to the agencies listed in Penal Code section 11165.9.

> Copies of all written reports received by the local police authority shall be forwarded to the Department of Justice.

Thus, prior law only required a local police authority that received a written report of child abuse to forward a copy of the report to the state, as received.

The claimant further alleges that "investigation" is newly required by the test claim statutes and regulations, in order to complete Form SS 8583, pled as an executive order, for submittal to DOJ. The state agencies dispute that investigation is a new activity. DSS, in comments filed December 10, 2001, states: "Department staff believes that the requirement for the county welfare department to conduct an independent investigation in response to allegations of abuse and neglect is not a newly imposed duty." Neither DSS nor DOF's comments cite any provision of law demonstrating that independent investigation of child abuse reports was required by prior law.

Claimant correctly cites the 1999 *Alejo v. City of Alhambra* appellate court decision,[50] in which the court found that the duty to investigate reports of suspected child abuse and neglect is mandatory. The *Alejo* case concerned a claim of "negligence per se" against the city and the individual police officer for failing to investigate a report from a father that his three-year-old son was being physically abused by the mother's live-in boyfriend. The negligence per se doctrine is used to litigate situations where a violation of a statute or regulation ultimately leads to an injury of a type that the law was intended to prevent. In this case, the court found that the police violated a statute that required the investigation of child abuse reports, which led to the three-year-old child being further abused by the mother's boyfriend. First, the court determined that the police have no general duty to investigate individual reports of child abuse or neglect:

> We acknowledge, as a general rule one has no duty to come to the aid of another. (*Williams v. State of California* (1983) 34 Cal.3d 18, 23 [192 Cal.Rptr. 233, 664 P.2d 137].) Accordingly, there is no duty owed by police to individual members of the general public because "[a] law enforcement officer's duty to protect the citizenry is a general duty owed to the public as a whole." (*Von Batsch v. American Dist. Telegraph Co.* (1985) 175 Cal.App.3d 1111, 1121 [222 Cal.Rptr. 239].) Therefore, absent a special relationship or a statute creating a special duty, the police may not be held liable for their failure to provide protection. (*Id.* at p. 1122.)[51]

Since the court determined that the police have a general duty to protect the public at large, but not a duty to protect specific individuals in the absence of another statute, the opinion then examines whether any specific statute was violated by the police for failing to investigate the report of child abuse. The court determined that Penal Code section 11166, subdivision (a), "creates such a duty."[52]

> As we read section 11166, subdivision (a), it imposes two mandatory duties on a police officer who receives an account of child abuse.

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[50] *Alejo v. City of Alhambra* (1999) 75 Cal.App.4th 1180.

[51] *Id.* at page 1185.

[52] *Ibid.*

> Although section 11166, subdivision (a) does not use the term "investigate," *it clearly envisions some investigation in order for an officer to determine whether there is reasonable suspicion to support the child abuse allegation and to trigger a report to the* county welfare department and the district attorney under section 11166, subdivision (i) and to the *Department of Justice under section 11169, subdivision (a).* The latter statute provides in relevant part: "A child protective agency shall forward to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse which is determined not to be unfounded .... A child protective agency shall not forward a report to the Department of Justice unless it has conducted an active investigation and determined that the report is not unfounded, as defined in Section 11165.12." An "unfounded" report is one "which is determined by a child protective agency investigator to be false, to be inherently improbable, to involve an accidental injury, or not to constitute child abuse, as defined in Section 11165.6." (§ 11165.12, subd. (a).) "Child abuse" is defined in section 11165.6 as "a physical injury which is inflicted by other than accidental means on a child by another person."
>
> ¶…¶
>
> Contrary to the city's position, the duty to investigate and report child abuse is mandatory under section 11166, subdivision (a) if a reasonable person in Officer Doe's position would have suspected such abuse. The language of the statute, prior cases and public policy all support this conclusion.[53]

Thus, the court finds that the test claim statutes do mandate investigation, and the Commission must follow this statement of law when reaching its conclusions in this test claim. However, the court was not examining the law from a mandates perspective, and made the finding based on current law. For its purposes, the court had no need to determine whether the earlier versions of the child abuse reporting law initially created the duty to investigate.

The investigation activity identified in the test claim is one that is necessary in order to complete the state "Child Abuse Investigation Report" Form SS 8583. Penal Code section 11169, subdivision (a), as added by Statutes 1980, chapter 1071, and substantively amended by Statutes 1985, chapter 1598, provides that the "agency specified in Section 11165.9" must first conduct an active investigation to determine whether the child abuse or severe neglect "report is not unfounded" before sending a completed report form to the state.[54] No earlier statutes required any determination of the validity of a report of child abuse or neglect before completing a child abuse investigative report form and forwarding it to the state. Therefore, the Commission finds that an investigation sufficient to determine whether a report of suspected child abuse or neglect is unfounded, substantiated, or inconclusive, as defined by Penal Code section 11165.12, is newly mandated by Penal Code section 11169, subdivision (a), as described by the court in *Alejo*.[55]

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[53] *Id.* at pages 1186-1187. [Emphasis added.]

[54] Penal Code section 11169.

[55] *Alejo v. City of Alhambra, supra*, 75 Cal.App.4th 1180, 1186.

The Commission finds that Penal Code section 11169, subdivision (a), the California Code of Regulations, title 11, section 903, and the state "Child Abuse Investigation Report" Form SS 8583, mandate a new program or higher level of service, as follows:

> *Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:*
>
> - Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice.
> - Forward to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse or severe neglect which is determined to be substantiated or inconclusive, as defined in Penal Code section 11165.12. Unfounded reports, as defined in Penal Code section 11165.12, shall not be filed with the Department of Justice. If a report has previously been filed which subsequently proves to be unfounded, the Department of Justice shall be notified in writing of that fact. The reports required by this section shall be in a form approved by the Department of Justice and may be sent by fax or electronic transmission.

(E) Notifications Following Reports to the Child Abuse Central Index

Penal Code Section 11169, Subdivision (b):

Penal Code section 11169, subdivision (b), as amended by Statutes 2000, chapter 916, for the first time requires that when "an agency specified in section 11165.9," forwards a report of suspected child abuse or neglect to DOJ:

> the agency shall also notify in writing the known or suspected child abuser that he or she has been reported to the Child Abuse Central Index. The notice required by this section shall be in a form approved by the Department of Justice. The requirements of this subdivision shall apply with respect to reports forwarded to the department on or after the date on which this subdivision becomes operative.

DSS's December 10, 2001 comments concur with the claimant that written notification is a new activity, but disputes the claim for reimbursement based upon the existing funding scheme. DOF's comments on the test claim filing similarly acknowledge "that this particular requirement was added to the child abuse reporting scheme after 1975, and that it may result in trace cost increases to the claimant," but concludes that such costs are subject to a federal-state-local funding ratio and "not subject to state subvention."

The Commission finds that the statute requires an entirely new duty that was not mandated by prior law. Therefore, the Commission finds that the plain language of Penal Code section 11169, subdivision (b), mandates a new program or higher level of service, for the following new activity:

> *Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:*

- Notify in writing the known or suspected child abuser that he or she has been reported to the Child Abuse Central Index, in any form approved by the Department of Justice, at the time the "Child Abuse Investigation Report" is filed with the Department of Justice.

The potential reimbursement period for this activity begins no earlier than January 1, 2001—the operative date of Statutes 2000, chapter 916.

Penal Code Section 11170:

Penal Code section 11170[56] describes the duties of the DOJ to maintain the Child Abuse Central Index and make reports available. It refers to reports made pursuant to Penal Code section 11169. As described above, Penal Code section 11169 requires reports to be made by "an agency specified in Section 11165.9." When "submitting agency," "investigating agency" or similar terms are used in Penal Code section 11170, the statute refers back to the agencies that submitted the initial Child Abuse Investigation Reports pursuant to section 11169—which in turn are the agencies identified in Penal Code section 11165.9.

The pre-1975 law of former Penal Code section 11161.5 provided that if the DOJ records resulted in reports or information being returned to the reporting agency, the reports received were required to be made available to specified individuals "having a direct interest in the welfare of the minor" and others, including probation and child welfare departments, as follows:

> Reports and other pertinent information received from the department shall be made available to: any licensed physician and surgeon, dentist, resident, intern, podiatrist, chiropractor, or religious practitioner with regard to his patient or client; any director of a county welfare department, school superintendent, supervisor of child welfare and attendance, certificated pupil personnel employee, or school principal having a direct interest in the welfare of the minor; and any probation department, juvenile probation department, or agency offering child protective services.

Penal Code section 11170, subdivision (b)(1), requires that after information is received by "an agency that submits a report pursuant to Section 11169" from the DOJ "that is relevant to the known or suspected instance of child abuse or severe neglect reported by the agency," "[t]he agency shall make that information available to the reporting medical practitioner, child custodian, guardian ad litem" or appointed counsel, "or the appropriate licensing agency, if he or she is treating or investigating a case of known or suspected child abuse or severe neglect." While the requirement is similar to prior law, there was no duty in prior law for the reporting agency to make reports and information available to the child custodian, guardian ad litem, appointed counsel or licensing agency. Therefore, the Commission finds that Penal Code section 11170, subdivision (b)(1) mandates a new program or higher level of service for the following activity:

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[56] As added by Statutes 1980, chapter 1071; amended by Statutes 1981, chapter 435, Statutes 1982, chapter 162, Statutes 1984, chapter 1613, Statutes 1985, chapter 1598, Statutes 1986, chapter 1496, Statutes 1987, chapter 82, Statutes 1989, chapter 153, Statutes 1990, chapters 1330 and 1363, Statutes 1992, chapters 163 and 1338, Statutes 1993, chapter 219, Statutes 1996, chapter 1081, Statutes 1997, chapters 842, 843, and 844, Statutes 1999, chapter 475, and Statutes 2000, chapter 916.

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Make relevant information available, when received from the Department of Justice, to the child custodian, guardian ad litem appointed under section 326, or counsel appointed under section 317 or 318 of the Welfare and Institutions Code, or the appropriate licensing agency, if he or she is treating or investigating a case of known or suspected child abuse or severe neglect.

Another new provision, Penal Code section 11170, subdivision (b)(2) creates a duty for the agency that investigated a mandated report of child abuse to report back to the mandated reporter on the conclusion of the investigation. Penal Code section 11170, subdivision (b)(2) refers to the investigating agency of a report made pursuant to Penal Code section 11166, subdivision (a), which in turn requires mandated reports be made to agencies specified in section 11165.9. There was no duty in prior law for agencies listed in 11165.9 to provide such information, therefore, the Commission finds that Penal Code section 11170, subdivision (b)(2), mandates a new program or higher level of service for the following activity:

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Inform the mandated reporter of the results of the investigation and of any action the agency is taking with regard to the child or family, upon completion of the child abuse investigation or after there has been a final disposition in the matter.

Penal Code section 11170, subdivision (b)(5), now numbered (b)(6),[57] requires the DOJ to make information available to "investigative agencies or probation officers, or court investigators" "responsible for placing children or assessing the possible placement of children" regarding any known or suspected child abusers residing in the home. When such information is received by an investigating agency, the statute requires that the agency notify the person that they are in the Child Abuse Central Index. There was no duty in prior law for the investigating agency to provide such information; therefore, the Commission finds that Penal Code section 11170, subdivision (b)(5), now (b)(6), mandates a new program or higher level of service for the following activity:

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Notify, in writing, the person listed in the Child Abuse Central Index that he or she is in the index, upon receipt of relevant information concerning child abuse or neglect investigation reports contained in the index from the Department of Justice when investigating a home for the placement of dependant children. The notification shall include the name of the reporting agency and the date of the report.

Claimant alleges that there is a new program or higher level of service required by Penal Code section 11170, subdivision (b)(6)(A), now renumbered (b)(8)(A).[58] The subdivision, as pled,

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[57] This subdivision was renumbered by Statutes 2004, chapter 842.

[58] This subdivision was renumbered by Statutes 2004, chapter 842.

provides that an investigating party, including any agency named in section 11169 that is required to make reports to the Child Abuse Central Index (these are the agencies receiving child abuse and neglect reports pursuant to section 11165.9), as well as district attorney's offices, and county licensing agencies, that receives information from the state Child Abuse Central Index is:

> responsible for obtaining the original investigative report from the reporting agency, and for drawing independent conclusions regarding the quality of the evidence disclosed, and its sufficiency for making decisions regarding investigation, prosecution, licensing, or placement of a child.

The Commission finds that the words "responsible for" in this statute are vague and ambiguous, and may be interpreted alternatively as either mandatory (e.g. "investigators *shall obtain* the original report,") or discretionary, (e.g. if the investigator finds it necessary for the investigation, they are to obtain the original report from the local reporter, rather than from the state.) Therefore it is necessary to look at extrinsic evidence of legislative intent.[59] The statutory language was added by Statutes 1990, chapter 1330 (Sen. Bill No. (SB) 2788), as double joined with Statutes 1990, chapter 1363 (Assem. Bill No. (AB) 3532.) The legislative history for SB 2788 yields a reading of "responsible for" as a mandatory term. Specifically, the Assembly Public Safety Committee, Republican Analysis, (Reg. Sess. 1989-1990) on SB 2788, version dated August 28, 1990, states:

> this bill would *require* any appropriate person or agency responsible for child care oversight to, upon notification that a report exist[s], seek the original information pertaining to the incident and make an independent decision on the merits of the report for investigation, prosecution or licensure determination. [Emphasis added.] [60]

Therefore, the Commission finds that Penal Code section 11170, subdivision (b)(6)(A), now (b)(8)(A), mandates a new program or higher level of service, as follows:

> *Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department, county licensing agency, or district attorney's office shall:*

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[59] "Because the words themselves provide no definitive answer, we must look to extrinsic sources." *People v. Woodhead* (1987) 43 Cal.3d 1002, 1008.

[60] The court in *Kaufman & Broad Communities, Inc. v. Performance Plastering, Inc.* (2005) 133 Cal.App.4th 26, 31, "set forth a list of legislative history documents that have been recognized by the California Supreme Court or this court as constituting cognizable legislative history," including reports of the Assembly Committee on Public Safety (*supra* at p. 33.)

Further, although an author's letter to the Governor is not a reliable form of legislative history on its own, Sen. Newton R. Russell's August 31, 1990 letter to the Governor is consistent with the committee analysis cited above: "SB 2788 will also insert language stating that all authorized persons and agencies, if conducting either child abuse or child care licensing investigation, and having access to information form the CACI, are required to obtain, and make independent conclusions from, the original child abuse report." [Emphasis in original.]

- Obtain the original investigative report from the reporting agency, and draw independent conclusions regarding the quality of the evidence disclosed, and its sufficiency for making decisions regarding investigation, prosecution, licensing, or placement of a child, when a report is received from the Child Abuse Central Index.

Penal Code section 11170, subdivision (c) requires that the DOJ provide information from the Child Abuse Central Index "to any agency responsible for placing children pursuant to …the Welfare and Institutions Code," section 305 et seq., "upon request," when relevant to a child's potential "placement with a responsible relative pursuant to" Welfare and Institutions Code sections 281.5, 305, and 361.3.

Welfare and Institutions Code section 305 et seq. refers to temporary custody and detention of dependent children. Welfare and Institutions Code section 281.5 refers to placement by a probation officer; section 305 refers to temporary custody by "any peace officer";[61] and section 361.3 concerns placement with a relative by "the county social worker and court." Thus, when any law enforcement agency, probation department, or child welfare department receives information regarding placement of a child with a relative from DOJ, as described in Penal Code section 11170, subdivision (c), the agency receiving the information is statutorily obligated to notify the individual "that he or she is in the index." There was no duty in prior law to provide such information; therefore, the Commission finds that Penal Code section 11170, subdivision (c), mandates a new program or higher level of service for the following activity:

> *Any city or county law enforcement agency, county probation department, or county welfare department shall:*
>
> - Notify, in writing, the person listed in the Child Abuse Central Index that he or she is in the index, upon receipt of relevant information concerning child abuse or neglect reports contained in the index from the Department of Justice regarding placement with a responsible relative pursuant to Welfare and Institutions Code sections 281.5, 305, and 361.3. The notification shall include the location of the original investigative report and the submitting agency. The notification shall be submitted to the person listed at the same time that all other parties are notified of the information, and no later than the actual judicial proceeding that determines placement.

Also, the claimant, at page 34 of the test claim filing, alleges that Penal Code section 11170, subdivision (d) requires that the claimant "provide certain information when necessary for out-of-state law enforcement agencies." The Commission finds that the subdivision is directed solely to "the department," which, when used through the rest of section 11170, refers to the state Department of Justice. The context of subdivision (d) does not suggest a different usage was intended.[62] Therefore the Commission finds that Penal Code section 11170, subdivision (d), does not mandate a new program or higher level of service.

Similarly, claimant alleges a mandate from Penal Code section 11170, subdivision (e), which provides that an individual may make a request to DOJ to "determine if he or she is listed in the

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[61] Peace officers are defined at Penal Code section 830 et seq.

[62] "Terms ordinarily possess a consistent meaning throughout a statute." *People v. Standish* (2006) 38 Cal.4th 858, 870.

Child Abuse Central Index." If they are listed, DOJ is required to provide "the date of the report and the submitting agency." Then "[t]he requesting person is responsible for obtaining the investigative report from the submitting agency pursuant to paragraph (13) of subdivision (a) of Section 11167.5." Penal Code section 11167.5 indicates that reports are available pursuant to the Public Records Act (Gov. Code, § 6250, et seq.) The duties expressed in Penal Code section 11170, subdivision (e) are imposed on the state or individuals; any related activities for local governments are required by prior law, specifically Government Code section 6253 of the Public Records Act, not the test claim statutes. Therefore, the Commission finds that Penal Code section 11170, subdivision (e), does not mandate a new program or higher level of service.

(F) Record Retention

Penal Code Section 11169, Subdivision (c):

Penal Code section 11169, subdivision (c), requires:

> Agencies shall retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice pursuant to subdivision (a) for the same period of time that the information is required to be maintained on the Child Abuse Central Index pursuant to this section. Nothing in this section precludes an agency from retaining the reports for a longer period of time if required by law.

The time for retention of records on the Child Abuse Central Index is controlled by Penal Code section 11170,[63] as follows:

> (3) Information from an inconclusive or unsubstantiated report filed pursuant to subdivision (a) of Section 11169 shall be deleted from the Child Abuse Central Index after 10 years if no subsequent report concerning the same suspected child abuser is received within that time period. If a subsequent report is received within that 10-year period, information from any prior report, as well as any subsequently filed report, shall be maintained on the Child Abuse Central Index for a period of 10 years from the time the most recent report is received by the department.

Reading the two sections together, the record retention period for each of the underlying local investigatory files is a minimum of 10 years, much longer if a subsequent report on the same suspected child abuser is received during the 10 year period. DSS and DOF dispute the claim for mandate reimbursement for record retention activities. DSS asserts that the duty to retain the child protective agency's investigative file documenting each investigation is not a new duty, citing Welfare and Institutions Code section 10851 and regulatory requirements for three years

[63] As added by Statutes 1980, chapter 1071; amended by Statutes 1981, chapter 435, Statutes 1982, chapter 162, Statutes 1984, chapter 1613, Statutes 1985, chapter 1598, Statutes 1986, chapter 1496, Statutes 1987, chapter 82, Statutes 1989, chapter 153, Statutes 1990, chapters 1330 and 1363, Statutes 1992, chapters 163 and 1338, Statutes 1993, chapter 219, Statutes 1996, chapter 1081, Statutes 1997, chapters 842, 843, and 844, Statutes 1999, chapter 475, and Statutes 2000, chapter 916.

of records retention.[64] DOF also cites the pre-existing three-year record retention requirement, and concludes that "the longer retention requirement for child abuse investigation records imposes no new costs, and may in fact avoid the costs of record destruction. Finally, if the records are stored electronically, a longer retention period should result in no additional costs whatsoever." The Commission notes that the Welfare and Institutions Code record retention requirement is only applicable to public social services records. Records required to be held by city police and county sheriff's departments are only subject to the more general Government Code sections 26202 and 34090, which allow counties and cities, respectively, to authorize destruction of records after two years.

Statutes 1997, chapter 842 added the records retention requirements to Penal Code sections 11169 and 11170, resulting in a longer records retention period than otherwise required by prior law; thus mandating a higher level of service. Therefore, the Commission finds that Penal Code section 11169, subdivision (c) mandates a new program or higher level of service, for the following:

Any city or county police or sheriff's department, or county probation department if designated by the county to receive mandated reports shall:

- Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of 8 years for counties and cities (a higher level of service above the two-year record retention requirement pursuant to Gov. Code §§ 26202 (cities) and 34090 (counties).) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years.

A county welfare department shall:

- Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of 7 years for welfare records (a higher level of service above the three-year record retention requirement pursuant to Welf. & Inst. Code, § 10851.) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years.

Issue 3: Do the test claim statutes found to mandate a new program or higher level of service also impose costs mandated by the state pursuant to Government Code section 17514?

Reimbursement under article XIII B, section 6 is required only if any new program or higher level of service is also found to impose "costs mandated by the state." Government Code section 17514 defines "costs mandated by the state" as any *increased* cost a local agency is required to incur as a result of a statute or executive order that mandates a new program or higher level of service. The claimant alleges costs in excess of $200, the minimum standard at the time of filing the test claim, pursuant to Government Code section 17564.

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[64] DSS also cites the record retention requirement for juvenile courts (Welf. & Inst. Code, § 826), but it is irrelevant to the test claim allegations which address the records of the investigating agency, not those of the courts.

The only Government Code section 17556 exception that may apply to this test claim with respect to counties is subdivision (e), which provides, that "[t]he commission shall not find costs mandated by the state," if:

> …
>
> (e) The statute, executive order, or an appropriation in a Budget Act or other bill provides for offsetting savings to local agencies or school districts that result in no net costs to the local agencies or school districts, or includes additional revenue that was specifically intended to fund the costs of the state mandate in an amount sufficient to fund the cost of the state mandate.

Both DSS and DOF's December 10, 2001 comments assert that there are state funds available that can be used for new state-mandated child abuse reporting-related activities. However, neither letter was specific in stating what funds were available for the activities.

On May 9, 2007, Commission staff requested that the state agencies provide additional information in this regard, to "identify what funds have been appropriated and allocated to each county for child abuse and neglect reporting and investigation services." On July 20, 2007, DOF filed a response to the request, stating that:

> Counties receive allocations from: 1) Title IV-E federal funds, 2) Temporary Assistance for Needy Families (TANF) block grants, 3) Title XIX Funds, 4) Title XX Funds, 5) Title IV-B Funds, and 6) the General Fund. Funds are appropriated in the annual Budget Act under Item 5180-151-0001. Additionally, transfer authority exists in other budget items that may be used for activities associated with ICAN. Attached for your reference is a compact disc (CD) containing the Budget Act appropriations (Item 5180-151-0001) for fiscal years 1999-2000 through 2006-2007. The sections contain the funds appropriated for Department of Social Services' local assistance programs. Please note that these appropriations do not specify the multiple programs or specific activities that may be funded with the appropriation.
>
> The following describes the purpose of the various funds allocated to the counties.
>
> - General Fund appropriations are used to match Title IV-E funds based on the 70/30 (state/county) share of nonfederal funds. Title IV-E funds and General Fund appropriations are also used to provide "augmentation funds" to counties beyond the predetermined formulas based on caseload. Augmentation funding occurs when a county has spent its share and additional money is needed to support County Welfare Services (CWS) programs.
> - TANF funds and county funds pay for emergency assistance, including investigation and crisis resolution activities performed by social workers.
> - Title IV-B funds are used to provide services and support to preserve families, protect children, and prevent child abuse and neglect.
> - Title IV-E funds can be used for case management and emergency assistance activities as well as training and professional development of a child welfare workforce. These funds are budgeted based on a county welfare department's

caseload and the number of social worker staff and clerical staff, using the specific county's salaries, benefits, and associated overhead costs.

- Title XIX funds are used for medical care assistance of CWS programs.
- Title XX funds are used to provide for more flexibility in the delivery of child welfare services. These funds are not used for medical care or employee wages.

DOF's CD also includes copies of the DSS County Fiscal Letters from 1999-2000 through 2006-2007, as well as a table summarizing county welfare funding for those fiscal years.

Despite all of the documentation provided, there is no evidence in the record to demonstrate that the mandated activities have been offset or funded by the state or federal government in a manner and amount "sufficient to fund the cost of the state mandate." On the contrary, Welfare and Institutions Code section 10101 indicates that "the state's share of the costs of the child welfare program shall be 70 percent of the actual nonfederal expenditures for the program or the amount appropriated by the Legislature for that purpose, whichever is less." Conversely, counties must have a share of costs for child welfare services of at least 30 percent of the nonfederal expenditures. Even the augmentation funds are only available, according to DOF's letter, "when a county has spent *its share* and additional money is needed." In addition, the funding information is limited to county welfare departments and does not include costs incurred by local law enforcement, when they perform the mandated activities identified.

DOF's December 10, 2001 comments cite the *County of Fresno, supra,* 53 Cal.3d. at page 487, to conclude that because test claim activities are jointly funded, "the test claim legislation is not subject to state subvention." The *County of Fresno* decision addressed a challenge to the constitutionality of Government Code section 17556, subdivision (d), which provides an exception to a finding of costs mandated by the state when the local government may pay for the new activities through service charges, fees, or assessments. In determining that the limit expressed by subdivision (d) was constitutional, the California Supreme Court stated that "the Constitution requires reimbursement only for those expenses that are recoverable solely from taxes." However, contrary to DOF's suggestion, the *County of Fresno* decision does not apply as this test claim does not have facts addressing available fees, service charges, or assessments for mandatory child abuse reporting.

Government Code section 17556, subdivision (e) requires that there must be "no net costs," or appropriated funds must be "*specifically intended* to fund the costs of the state mandate in an *amount sufficient* to fund the cost of the state mandate." To interpret the law as the December 10, 2001 state agency comments urge would render much of the language of Government Code section 17556, subdivision (e) meaningless. The Commission finds that section 17556, subdivision (e) does not apply to disallow a finding of costs mandated by the state, but that all claims for reimbursement for the approved activities must be offset by any program funds already received and applied to the program from non-local sources. There is no evidence that the counties are required to use the funds identified by DOF for the expenses of the mandated activities.

Thus, for the activities listed in the conclusion below, the Commission finds that the new program or higher level of service also imposes costs mandated by the state within the meaning

of Government Code section 17514, and none of the exceptions of Government Code section 17556 apply.

CONCLUSION

The Commission concludes that Penal Code sections 11165.9, 11166, 11166.2, 11166.9, 11168 (formerly 11161.7), 11169, 11170, as added or amended by Statutes 1977, chapter 958, Statutes 1980, chapter 1071, Statutes 1981, chapter 435, Statutes 1982, chapters 162 and 905, Statutes 1984, chapters 1423 and 1613, Statutes 1985, chapter 1598, Statutes 1986, chapters 1289 and 1496, Statutes 1987, chapters 82, 531 and 1459, Statutes 1988, chapters 269, 1497 and 1580, Statutes 1989, chapter 153, Statutes 1990, chapters 650, 1330, 1363 and 1603, Statutes 1992, chapters 163, 459 and 1338, Statutes 1993, chapters 219 and 510, Statutes 1996, chapters 1080 and 1081, Statutes 1997, chapters 842, 843 and 844, Statutes 1999, chapters 475 and 1012, and Statutes 2000, chapter 916; and executive orders California Code of Regulations, title 11, section 903, and "Child Abuse Investigation Report" Form SS 8583, mandate new programs or higher levels of service within the meaning of article XIII B, section 6 of the California Constitution, and impose costs mandated by the state pursuant to Government Code section 17514, for cities and counties for the following specific new activities:

Distributing the Suspected Child Abuse Report Form:

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Distribute the child abuse reporting form adopted by the Department of Justice (currently known as the "Suspected Child Abuse Report" Form SS 8572) to mandated reporters. (Pen. Code, § 11168, formerly § 11161.7.)[65]

Reporting Between Local Departments
Accepting and Referring Initial Child Abuse Reports when a Department Lacks Jurisdiction:

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Transfer a call electronically or immediately refer the case by telephone, fax, or electronic transmission, to an agency with proper jurisdiction, whenever the department lacks subject matter or geographical jurisdiction over an incoming report of suspected child abuse or neglect. (Pen. Code, § 11165.9.)[66]

Cross-Reporting of Suspected Child Abuse or Neglect from County Welfare and Probation Departments to the Law Enforcement Agency with Jurisdiction and the District Attorney's Office:

A county probation department shall:

- Report by telephone immediately, or as soon as practically possible, to the law enforcement agency having jurisdiction over the case, to the agency given the

[65] As added by Statutes 1980, chapter 1071 and amended by Statutes 2000, chapter 916. Derived from former Penal Code section 11161.7, as amended by Statutes 1977, chapter 958.

[66] As added by Statutes 2000, chapter 916, operative January 1, 2001.

responsibility for investigation of cases under Section 300 of the Welfare and Institutions Code, and to the district attorney's office every known or suspected instance of child abuse, as defined in Penal Code section 11165.6, except acts or omissions coming within subdivision (b) of section 11165.2, or reports made pursuant to section 11165.13 based on risk to a child which relates solely to the inability of the parent to provide the child with regular care due to the parent's substance abuse, which shall be reported only to the county welfare department. (Pen. Code, § 11166, subd. (h), now subd. (j).)[67]

- Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under this subdivision.

  As of January 1, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours. (Pen. Code, § 11166, subd. (h), now subd. (j).)[68]

A county welfare department shall:

- Report by telephone immediately, or as soon as practically possible, to the agency given the responsibility for investigation of cases under Section 300 of the Welfare and Institutions Code, and to the district attorney's office every known or suspected instance of child abuse, as defined in Penal Code section 11165.6, except acts or omissions coming within subdivision (b) of section 11165.2, or reports made pursuant to section 11165.13 based on risk to a child which relates solely to the inability of the parent to provide the child with regular care due to the parent's substance abuse, which shall be reported only to the county welfare department.

  This activity does not include making an initial report of child abuse and neglect from a county welfare department to the law enforcement agency having jurisdiction over the case, which was required under prior law to be made "without delay." (Pen. Code, § 11166, subd. (h), now subd. (j).)[69]

- Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency, including the law enforcement agency having jurisdiction over the case, to which it is required to make a telephone report under this subdivision.

  As of January 1, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours. (Pen. Code, § 11166, subd. (h), now subd. (j).)[70]

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[67] As added by Statutes 1980, chapter 1071; amended by Statutes 1981, chapter 435, Statutes 1982, chapter 905, Statutes 1984, chapter 1423, Statutes 1986, chapter 1289, Statutes 1987, chapter 1459, Statutes 1988, chapters 269 and 1580, Statutes 1990, chapter 1603, Statutes 1992, chapter 459, Statutes 1993, chapter 510, Statutes 1996, chapters 1080 and 1081, and Statutes 2000, chapter 916.

[68] *Ibid.*

[69] *Ibid.*

[70] *Ibid.*

Cross-Reporting of Suspected Child Abuse or Neglect from the Law Enforcement Agency to the the County Welfare and Institutions Code Section 300 Agency, County Welfare, and the District Attorney's Office:

A city or county law enforcement agency shall:

- Report by telephone immediately, or as soon as practically possible, to the agency given responsibility for investigation of cases under Welfare and Institutions Code section 300 and to the district attorney's office every known or suspected instance of child abuse reported to it, except acts or omissions coming within Penal Code section 11165.2, subdivision (b), which shall be reported only to the county welfare department. (Pen. Code, § 11166, subd. (i), now subd. (k).)[71]
- Report to the county welfare department every known or suspected instance of child abuse reported to it which is alleged to have occurred as a result of the action of a person responsible for the child's welfare, or as the result of the failure of a person responsible for the child's welfare to adequately protect the minor from abuse when the person responsible for the child's welfare knew or reasonably should have known that the minor was in danger of abuse. (Pen. Code, § 11166, subd. (i), now subd. (k).)[72]
- Send a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under this subdivision.

  As of January 1, 2006, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours. (Pen. Code, § 11166, subd. (i), now subd. (k).)[73]

Receipt of Cross-Reports by District Attorney's Office:

A district attorney's office shall:

- Receive reports of every known or suspected instance of child abuse reported to law enforcement, county probation or county welfare departments, except acts or omissions of general neglect coming within Penal Code section 11165.2, subdivision (b). (Pen. Code, § 11166, subds. (h) and (i), now subds. (j) and (k).)[74]

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[71] As added by Statutes 1980, chapter 1071; amended by Statutes 1981, chapter 435, Statutes 1982, chapter 905, Statutes 1984, chapter 1423, Statutes 1986, chapter 1289, Statutes 1987, chapter 1459, Statutes 1988, chapters 269 and 1580, Statutes 1990, chapter 1603, Statutes 1992, chapter 459, Statutes 1993, chapter 510, Statutes 1996, chapters 1080 and 1081, and Statutes 2000, chapter 916.

[72] *Ibid.*

[73] *Ibid.*

[74] As added by Statutes 1980, chapter 1071; amended by Statutes 1981, chapter 435, Statutes 1982, chapter 905, Statutes 1984, chapter 1423, Statutes 1986, chapter 1289, Statutes 1987, chapter 1459, Statutes 1988, chapters 269 and 1580, Statutes 1990, chapter 1603, Statutes 1992, chapter 459, Statutes 1993, chapter 510, Statutes 1996, chapters 1080 and 1081, and Statutes 2000, chapter 916.

Reporting to Licensing Agencies:

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Report by telephone immediately or as soon as practically possible to the appropriate licensing agency every known or suspected instance of child abuse or neglect when the instance of abuse or neglect occurs while the child is being cared for in a child day care facility, involves a child day care licensed staff person, or occurs while the child is under the supervision of a community care facility or involves a community care facility licensee or staff person. The agency shall also send, fax, or electronically transmit a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it is required to make a telephone report under this subdivision. The agency shall send the licensing agency a copy of its investigation report and any other pertinent materials.

  As of July 31, 2001, initial reports may be made by fax or electronic transmission, instead of by telephone, and will satisfy the requirement for a written report within 36 hours. (Pen. Code, § 11166.2.)[75]

Additional Cross-Reporting in Cases of Child Death:

A city or county law enforcement agency shall:

- Cross-report all cases of child death suspected to be related to child abuse or neglect to the county child welfare agency. (Pen. Code, § 11166.9, subd. (k), now § 11174.34, subd. (k).)[76]

A county welfare department shall:

- Cross-report all cases of child death suspected to be related to child abuse or neglect to law enforcement. (Pen. Code, § 11166.9, subd. (k), now § 11174.34, subd. (k).)[77]
- Create a record in the Child Welfare Services/Case Management System (CWS/CMS) on all cases of child death suspected to be related to child abuse or neglect. (Pen. Code, § 11166.9, subd. (l), now § 11174.34, subd. (l).)[78]
- Enter information into the CWS/CMS upon notification that the death was subsequently determined not to be related to child abuse or neglect. (Pen. Code, § 11166.9, subd. (l), now § 11174.34, subd. (l).)[79]

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[75] As added by Statutes 1985, chapter 1598 and amended by Statutes 1987, chapter 531; Statutes 1988, chapter 269; Statutes 1990, chapter 650; and Statutes 2000, chapter 916.

[76] As amended by Statutes 1999, chapter 1012, operative January 1, 2000. This code section has since been renumbered as Penal Code section 11174.34, without amendment, by Statutes 2004, chapter 842.

[77] *Ibid.*

[78] *Ibid.*

[79] *Ibid.*

Investigation of Suspected Child Abuse, and Reporting to and from the State Department of Justice

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Complete an investigation to determine whether a report of suspected child abuse or severe neglect is unfounded, substantiated or inconclusive, as defined in Penal Code section 11165.12, for purposes of preparing and submitting the state "Child Abuse Investigation Report" Form SS 8583, or subsequent designated form, to the Department of Justice. (Pen. Code, § 11169, subd. (a); Cal. Code Regs., tit. 11, § 903, "Child Abuse Investigation Report" Form SS 8583.) [80]
- Forward to the Department of Justice a report in writing of every case it investigates of known or suspected child abuse or severe neglect which is determined to be substantiated or inconclusive, as defined in Penal Code section 11165.12. Unfounded reports, as defined in Penal Code section 11165.12, shall not be filed with the Department of Justice. If a report has previously been filed which subsequently proves to be unfounded, the Department of Justice shall be notified in writing of that fact. The reports required by this section shall be in a form approved by the Department of Justice and may be sent by fax or electronic transmission. (Pen. Code, § 11169, subd. (a); Cal. Code Regs., tit. 11, § 903, "Child Abuse Investigation Report" Form SS 8583.) [81]

Notifications Following Reports to the Child Abuse Central Index

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, or county welfare department shall:

- Notify in writing the known or suspected child abuser that he or she has been reported to the Child Abuse Central Index, in any form approved by the Department of Justice, at the time the "Child Abuse Investigation Report" is filed with the Department of Justice. (Pen. Code, § 11169, subd. (b).)[82]
- Make relevant information available, when received from the Department of Justice, to the child custodian, guardian ad litem appointed under section 326, or counsel appointed under section 317 or 318 of the Welfare and Institutions Code, or the appropriate licensing agency, if he or she is treating or investigating a case of known or suspected child abuse or severe neglect. (Pen. Code, § 11170, subd. (b)(1).)[83]

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[80] Code section as added by Statutes 1980, chapter 1071, amended by Statutes 1981, chapter 435, Statutes 1985, chapter 1598, Statutes 1988, chapters 269 and 1497, Statutes 1997, chapter 842, and Statutes 2000, chapter 916. Regulation as filed and operative July 17, 1998.

[81] *Ibid.*

[82] As amended by Statutes 1997, chapter 842, Statutes 1999, chapter 475, and Statutes 2000, chapter 916. The potential reimbursement period for this activity begins no earlier than January 1, 2001—the operative date of Statutes 2000, chapter 916.

[83] As added by Statutes 1980, chapter 1071; amended by Statutes 1981, chapter 435, Statutes 1982, chapter 162, Statutes 1984, chapter 1613, Statutes 1985, chapter 1598, Statutes 1986,

- Inform the mandated reporter of the results of the investigation and of any action the agency is taking with regard to the child or family, upon completion of the child abuse investigation or after there has been a final disposition in the matter. (Pen. Code, § 11170, subd. (b)(2).)[84]

- Notify, in writing, the person listed in the Child Abuse Central Index that he or she is in the index, upon receipt of relevant information concerning child abuse or neglect investigation reports contained in the index from the Department of Justice when investigating a home for the placement of dependant children. The notification shall include the name of the reporting agency and the date of the report. (Pen. Code, § 11170, subd. (b)(5), now subd. (b)(6).)[85]

Any city or county police or sheriff's department, county probation department if designated by the county to receive mandated reports, county welfare department, county licensing agency, or district attorney's office shall:

- Obtain the original investigative report from the reporting agency, and draw independent conclusions regarding the quality of the evidence disclosed, and its sufficiency for making decisions regarding investigation, prosecution, licensing, or placement of a child, when a report is received from the Child Abuse Central Index. (Pen. Code, § 11170, subd. (b)(6)(A), now (b)(8)(A).)[86]

Any city or county law enforcement agency, county probation department, or county welfare department shall:

- Notify, in writing, the person listed in the Child Abuse Central Index that he or she is in the index, upon receipt of relevant information concerning child abuse or neglect reports contained in the index from the Department of Justice regarding placement with a responsible relative pursuant to Welfare and Institutions Code sections 281.5, 305, and 361.3. The notification shall include the location of the original investigative report and the submitting agency. The notification shall be submitted to the person listed at the same time that all other parties are notified of the information, and no later than the actual judicial proceeding that determines placement. (Pen. Code, § 11170, subd. (c).)

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chapter 1496, Statutes 1987, chapter 82, Statutes 1989, chapter 153, Statutes 1990, chapters 1330 and 1363, Statutes 1992, chapters 163 and 1338, Statutes 1993, chapter 219, Statutes 1996, chapter 1081, Statutes 1997, chapters 842, 843, and 844, Statutes 1999, chapter 475, and Statutes 2000, chapter 916.

[84] *Ibid.*

[85] As amended by Statutes 1997, chapter 844, Statutes 1999, chapter 475, and Statutes 2000, chapter 916. This subdivision was renumbered by Statutes 2004, chapter 842.

[86] *Ibid.*

Record Retention

Any city or county police or sheriff's department, or county probation department if designated by the county to receive mandated reports shall:

- Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of 8 years for counties and cities (a higher level of service above the two-year record retention requirement pursuant to Gov. Code §§ 26202 (cities) and 34090 (counties).) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years. (Pen. Code, § 11169, subd. (c).)[87]

A county welfare department shall:

- Retain child abuse or neglect investigative reports that result in a report filed with the Department of Justice for a minimum of 7 years for welfare records (a higher level of service above the three-year record retention requirement pursuant to Welf. & Inst. Code, § 10851.) If a subsequent report on the same suspected child abuser is received within the first 10-year period, the report shall be maintained for an additional 10 years. (Pen. Code, § 11169, subd. (c).)[88]

The Commission concludes that any test claim statutes, executive orders and allegations not specifically approved above, do not mandate a new program or higher level of service, or impose costs mandated by the state under article XIII B, section 6.

[87] As amended by Statutes 1997, chapter 842.

[88] *Ibid.*