



JOHN CHIANG
California State Controller

**NEGOTIATION AGREEMENT
COUNTYWIDE COST ALLOCATION PLAN**

County of Butte
Oroville, California

Date: February 9, 2007
Filing Ref: BUT08

Pursuant to federal Office of Management and Budget (OMB) Circular A-87, the State Controller's Office formally approves the Countywide Cost Allocation Plan as described in Section I for use in the **2007-08** fiscal year. This approval is subject to the conditions contained in Section III.

Departmental indirect cost proposals should clearly identify those costs that have been distributed through Sections I and II of this agreement in accordance with the guidelines of the responsible grantor agency for that department. Further, data processing systems may be subject to grantor agency approval prior to the reimbursement of certain costs allocated, billed, or cost applied from the Data Processing Department.

**SECTION I: COSTS DISTRIBUTED THROUGH COUNTYWIDE COST
ALLOCATIONS**

The indirect overhead and support service costs listed in **Exhibit B** (attached) are formally approved as actual costs for the **2005-06** fiscal year and as estimated costs for the **2007-08** fiscal year on a "fixed with carry-forward" basis. These costs may be included as part of the costs of the county departments indicated effective **July 1, 2007**, for further allocation to federal grants and contracts performed by the respective county departments.

**SECTION II: COSTS DISTRIBUTED THROUGH BILLING OR COST
TRANSFER MECHANISMS**

- | | |
|--|---------------------------------------|
| 1. Employee Fringe Benefits | 12. Unemployment Insurance (ISF) |
| 2. County Administrative Office | 13. Medical Liability Insurance (ISF) |
| 3. General Services | 14. Transit Self-Insurance (ISF) |
| 4. Auditor-Controller | 15. Miscellaneous Insurance (ISF) |
| 5. Purchasing | 16. Buildings and Grounds (ISF) |
| 6. Treasurer-Tax Collector | 17. Utilities (ISF) |
| 7. Personnel | 18. Motor Pool (ISF) |
| 8. County Counsel | 19. Central Duplicating (ISF) |
| 9. Information Systems (ISF) | 20. Central Stores (ISF) |
| 10. General Liability Insurance (ISF) | 21. Communications |
| 11. Worker's Compensation Insurance
(ISF) | |

In addition to Section I, which provides for services furnished but not billed, the services listed above are furnished and billed to state/local departments and agencies.

Direct charges from the above centers should be billed or cost applied in accordance with the procedures established by the county as described in its Countywide Cost Allocation Plan and may be included as part of the costs of the county departments indicated in Section I.

SECTION III: CONDITIONS

A. LIMITATIONS: Use of the amounts contained in this Negotiation Agreement are subject to any statutory or administrative limitations and, when ultimately allocated to individual grants or contracts through the indirect cost proposals of each county department, are applicable only to the extent that funds are available. Acceptance of the amounts agreed to herein is predicated on the conditions: (1) that no costs other than those incurred by the county were included for distribution in its Countywide Cost Allocation Plan as finally accepted, and that such costs are legal obligations of the county and allowable under the governing cost principles, (2) that similar types of costs have been accorded consistent accounting treatment, and (3) that the information provided by the county that was used as the basis for acceptance of the amounts agreed to herein is not subsequently found to be materially incomplete or inaccurate.

B. CHANGES: Fixed amounts contained in this Negotiation Agreement are based on the organizational structure and the accounting system in effect at the time the proposal was submitted. Significant changes in the organizational structure or changes in the method of accounting for costs that materially affect the amount of reimbursement resulting from use of the amounts in this Negotiation Agreement will require prior approval of the authorized representative of the responsible negotiation agency. Failure to obtain such approval may result in subsequent audit disallowances.

C. FIXED AMOUNTS: The fixed amounts contained in Section I of this agreement are based on an estimate of the costs that will be incurred during the period to which the amounts apply. When the actual costs for this period are determined, any differences between the fixed costs used as an estimate and the actual costs will be considered in a subsequent agreement.

D. BILLED COSTS: Charges for the services cited in Section II will be billed or cost applied in accordance with the procedures established by the county and recorded on the books of the cost center providing the service. Such charges will be based on the actual allowable costs, as defined by OMB Circular A-87, incurred by the cost center responsible for providing the service. Any differences between the billed allowable costs and the actual allowable costs for a particular accounting period will be considered in a subsequent agreement.

E. NOTIFICATION TO STATE AND FEDERAL AGENCIES: Copies of this document will be provided to other state and federal agencies as a means of notifying them of this approval.

F. SPECIAL REMARKS: None.

SECTION IV: ACCEPTANCE

COUNTY OF BUTTE

**JOHN CHIANG
CALIFORNIA STATE CONTROLLER**

Original Signed By

Original Signed By

Larry Chapin

**Michael J. Havey, Chief
Bureau of Payments
Division of Accounting and Reporting**

Name

Accounting Manager

Title

February 22, 2007

March 5, 2007

Date

Date

**Negotiated by Tillman Sherman
Telephone (916) 327-2284**

cc: State and Federal Agencies

Attachment

EXHIBIT B
 BUTTE COUNTY
 SPACE USE & EQUIPMENT DEPRECIATION SUMMARY SCHEDULE
 FY 2005-2006
 FOR 2007-2008 COST PLAN

RECEIVING DEPARTMENT	DEPT CODE	ANNUAL SPACE USE	ANNUAL EQUIP USE	ANNUAL FED./ STATE DEPREC EXPENSE	2005-06 ACTUAL TOTAL	2003-04 ACTUAL	ROLL FORWARD	2007-08 CLAIM
BOARD OF SUPERVISORS	010006	4,455	761		5,216	3,720	1,496	6,712
ADMINISTRATION	020001	5,084	25,758		30,842	8,085	22,757	53,599
CLERK OF THE BOARD	020002	816	1,632		2,448	2,133	315	2,763
GENERAL SERVICES	020003	310	5,757		6,067	718	5,349	11,416
AUDITOR	050	10,046	42,328		52,374	52,785	(411)	51,963
PURCHASING	060002	758	0		758	758	0	758
EMERGENCY SERVICES	060003	658	14,754	(14,754)	658	7,309	(6,651)	(5,993)
TREASURER	070	6,335	15,498		21,833	23,423	(1,590)	20,243
ASSESSOR	080	19,951	7,020		26,971	47,190	(20,219)	6,752
PERSONNEL	090	6,500	522		7,022	5,835	1,187	8,209
COUNTY COUNSEL	100	4,464	1,214		5,678	3,966	1,712	7,390
ELECTIONS	130001	5,943	10,363		16,306	46,692	(30,386)	(14,080)
W SOUTHSIDE COMMUNITY CENTER	180303	0	1,319		1,319	464	855	2,174
N PW - GENERAL SERVICES	181	0	741		741	889	(148)	593
GRANT MATCHING- CAA	1820004	344	0		344	344	0	344
UNALLOCATED	224	10,231	0		10,231	10,231	0	10,231
CONSOLIDATED COURTS	250001	143,081	0	0	143,081	143,081	0	143,081
DA ADMIN	320001	25,053	51,177	(21,919)	54,311	66,883	(12,572)	41,739
CHILD SUPPORT INVESTIGATIONS	320002	0	0	0	0	0	0	0
DA CHILD ABDUCTION	320003	0	7,890	(7,890)	0	0	0	0
DA GRANTS	320004	0	0	0	0	0	0	0
DA FRAUD UNIT	320005	0	45,201	(45,201)	0	0	0	0
DA STATE COPS	321	0	12,708	(12,708)	0	0	0	0
SHERIFF- ADMIN	360001	12,185	69,543	(6,140)	75,588	122,233	(46,645)	28,943
SHERIFF- OPERATIONS	360002	14,558	241,906	(46,833)	209,631	209,836	(205)	209,426
SHERIFF- INCARCERATION	360003	265,779	51,541	(6,915)	310,405	297,352	13,053	323,458
SHERIFF- MIOCR GRANT	360006	0	0	0	0	0	0	0
SHERIFF- RURAL COUNTY SUPPLEMENT	360007	0	40,708	(40,708)	0	0	0	0
SHERIFF- SPEC ENFORCEMENT	360008	0	63,272	(26,935)	36,337	44,059	(7,722)	28,615
SHERIFF- NARCOTICS TASK FORCE	360011	0	3,482	(3,482)	0	0	0	0
SHERIFF- CLEEP - HIGH TECH EQUIP	360012	0	20,408	(20,408)	0	0	0	0
JAIL- CONSENT DECREE	361	0	0		0	0	0	0
SHERIFF-STATE COPS ENF	362	0	44,132	(12,850)	31,282	0	31,282	62,564
SHERIFF-STATE COPS JAIL	363	0	6,922		6,922	0	6,922	13,844
JUVENILE HALL,	420001	40,992	17,773		58,765	52,936	5,829	64,594
PROBATION	430001	3,889	80,661	(64,763)	19,787	33,939	(14,152)	5,635

RECEIVING DEPARTMENT	DEPT CODE	ANNUAL SPACE USE	ANNUAL EQUIP USE	ANNUAL FED./ STATE DEPREC EXPENSE	2005-06 ACTUAL TOTAL	2003-04 ACTUAL	ROLL FORWARD	2007-08 CLAIM
PROBATION-VICTIM WITNESS	4300006	0	0		0	0	0	0
PROBATION-BD OF CONTROL	4300087	0	0		0	0	0	0
BUILDING INSPECTION	440002	0			0		0	0
SUBDIV INSPECT	440004	635	1,071		1,706	1,706	0	1,706
DEVELOPMENT SERVICES	440001	6,454	30,046		36,500	39,491	(2,991)	33,509
WATER DIVISION	441	1,090	0		1,090	1,090	0	1,090
FIRE PROTECTION	450001	34,442	260,793	(7,121)	288,114	318,763	(30,649)	257,465
FIRE PROTECTION - VOLUNTEER	450002	0	440,555	(12,935)	427,620	261,903	165,717	593,337
FIRE ANCILLARY SERVICES	450003	0	94,661	(75,293)	19,368	11,770	7,598	26,966
POWER LINE INSPECT PRGM	450004	0	0		0	7,091	(7,091)	(7,091)
AGRICULTURE	460001	1,750	17,899		19,649	36,009	(16,360)	3,289
RECORDER	470001	7,828	62,857		70,685	45,947	24,738	95,423
PLANNING COMMISSION	480001	0			0		0	0
ANIMAL CONTROL	490	0	21,462		21,462	13,873	7,589	29,051
BUTTE MEADOWS RECREATION GRANT	510	0	1,259	(1,259)	0	0	0	0
FISH & GAME	520	0	0		0	0	0	0
DEPARTMENT OF PUBLIC WORKS	533	14,017	334,561	(334,561)	14,017	14,017	0	14,017
DPW-CONSTRUCTION & MAINTENANCE	533002			0	0	0	0	0
DPW-SHOP & STORES	533003			0	0	0	0	0
PW-TRANSIT SYST OPERATIONS	531002	0	0		0	0	0	0
PUBLIC HEALTH - GENERAL	540001	2,657	32,387	(21,599)	13,445	11,254	2,191	15,636
PH - ENVIRONMENTAL HLTH	540003	1,045	17,828		18,873	25,896	(7,023)	11,850
MENTAL HEALTH - GENERAL	541001	3,239	89,279	(43,308)	49,210	83,710	(34,500)	14,710
MH-ACHOHOL & DRUG SERVICES	541002	0	8,714	(4,272)	4,442	5,495	(1,053)	3,389
CHILD SUPPORT SERVICES	550001	0	47,715	(47,715)	0	0	0	0
WELFARE-ADMINISTRATION	570001	0	71,912	(71,912)	0	0	0	0
WELFARE-GAIN	570002	0			0	0	0	0
WELFARE-ELIGIBILITY	570003	0	1,276		1,276	0	1,276	2,552
WELFARE-PROTECTIVE SERVICES	570004	0	14,244	(14,244)	0	0	0	0
WELFARE - CALWORKS	570006	0	70,826	(70,826)	0	0	0	0
WELFARE - PUBLIC GUARDIAN	570008	0	0		0	0	0	0
PURCHASING SURPLUS	601	0	3,296	(944)	2,352	(4,732)	7,084	9,436
INSTITUTIONAL/CORRECTION	602	0	0		0	0	0	0
VETERAN'S SERVICE OFFICER	605	266	0		266	266	0	266
LIBRARY - LITERACY GRANT	629	0	14,349	14,349	28,698	0	28,698	57,396
LIBRARIES	630	71,420	14,487		85,907	92,746	(6,839)	79,068
FARM ADVISOR	631	1,036	5,224		6,260	10,665	(4,405)	1,855
MEM HALLS	641	25,535	0		25,535	8,335	17,200	42,735
INFORMATION SYSTEMS	704	3,487	204,921	(1,186)	207,222	123,048	84,174	291,396
GENERAL LIABILITY INS.	710001	445	0		445	445	0	445
WORKER'S COMPENSATION	711	0	594		594	594	0	594
CO BLDG. & GRNDS	720	4,493	36,424		40,917	59,464	(18,547)	22,370
MOTOR POOL	722	0	0		0	9,068	(9,068)	(9,068)
DUPLICATING	723	229	2,542		2,771	4,222	(1,451)	1,320
STORES	724	543	4,765		5,308	4,247	1,061	6,369

RECEIVING DEPARTMENT	DEPT CODE	ANNUAL SPACE USE	ANNUAL EQUIP USE	ANNUAL FED./ STATE DEPREC EXPENSE	2005-06 ACTUAL TOTAL	2003-04 ACTUAL	ROLL FORWARD	2007-08 CLAIM
COMMUNICATION	725	569	69,923		70,492	53,638	16,854	87,346
NEAL ROAD LANDFILL	757	2,792	391,459		394,251	349,304	44,947	439,198
NEAL ROAD SEPTAGE	758	0	335		335	335	0	335
NRL USED OIL RECYCLING GRANT	759	0	2,666		2,666	0	2,666	5,332
MODULAR FURNITURE	800000	0	6,566		6,566	11,355	(4,789)	1,777
CSA 114 CHICO NITRATE STUDY	814	0	402		402	402	0	402
CSA 4 SIERRA DEL ORO DRNG	904	0	0		0	0	0	0
CSA 25 SHASTA UNION DRAINAGE	924	0	1,217		1,217	6,905	(5,688)	(4,471)
CSA 24 CHICO/HUD CRK DRNG	925	0	4,216		4,216	0	4,216	8,432
TOTALS		765,404	3,267,722	(1,024,332)	3,008,794	2,793,183	215,611	3,224,405
		765,404	3,267,722	(1,024,332)	3,008,794	2,793,183	0	3,224,405

FOOTNOTE: The actual depreciation expense is for equipment purchased with county funds and excludes all State & Federal funded purchases.

FOOTNOTE: Butte County has changed the threshold for Fixed Asset Purchases from \$2,500 to \$5,000 as of 6/30/01.

FOOTNOTE: Butte County Transit Systems are no longer under the operation of Butte County - moved to BCAG 7/1/05. Departments 751, 752, 754 and 755. Zero roll forward. Cleared 755 actual for FY 03-04 of \$4,556.

FOOTNOTE: Butte County Southside Community Center changed budget unit and fund.

FOOTNOTE: Butte County Superior Court equipment has been transferred to the Court as of 7/1/05.