JOHN CHIANG
California State Controller

NEGOTIATION AGREEMENT
COUNTYWIDE COST ALLOCATION PLAN

County of Del Norte
Crescent City, California

Date: **August 13, 2007**
Filing Ref: **DEL08**

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 A** (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
2. Audit Expense
3. Building Maintenance
4. Parks
5. Auditor-Controller
6. County Counsel
7. Information Services
8. Unemployment Insurance (ISF)
9. Health 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.

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 DEL NORTE

Original Signed By

Christie Babich
Name

Auditor-Controller
Title

August 23, 2007
Date

JOHN CHIANG
CALIFORNIA STATE CONTROLLER

Original Signed By

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

August 29, 2007
Date

Negotiated by David Smart
Telephone (916) 322-9437

cc: State and Federal Agencies

Attachment

DEL NORTE COUNTY
SUMMARY OF COSTS BY DEPARTMENT

EXHIBIT A

2007/2008 ESTIMATE 2005/2006 ACTUAL 4/30/2007 Revised 8/6/07	BOARD OF SUPERVRS 111	ASSESSOR 121	TAX COLLECT 124	CO COLLECT 125	ELECTIONS 141	VETERANS CEMETERY 134.154	ENGINEER 183	DISTRICT ATTORNEY 212	PUBLIC DEFENDER 216	TRIAL COURTS 210	CHAT OCJP 214	CHILD SUPP SVC 219
BUILDING USE	35,138	22,294	0	0	110	0	9,389	16,667	0	57,697	2,471	0
EQUIPMENT USE	2,965	4,262	459	0	0	1,447	1,111	1,784	0	0	0	0
AUDIT EXPENSE	297	368	119	50	175	3	167	526	490	0	58	1,311
BUILDING MAINTENANCE	24,550	16,059	0	0	1,753	0	5,952	23,832	0	74,796	3,261	4,718
PARKS	477	303	0	0	0	0	128	97	0	330	15	0
TREASURER	1,171	1,355	3,270	1,968	876	4	501	2,215	1,594	0	595	6,323
ADMINISTRATION	5,172	9,655	2,691	1,345	3,386	39	3,606	14,378	7,104	0	929	35,872
AUDITOR/CONTROLLER	4,679	5,267	19,536	7,846	3,515	328	5,420	8,212	4,219	1,124	2,395	21,814
COUNTY COUNSEL	65,880	0	16,707	0	0	0	0	125	0	0	0	771
INFORMATION SERVICES	12,785	45,007	0	735	29,702	0	9,791	9,154	0	1,364	128	19,542
ACTUAL	153,114	104,569	42,782	11,945	39,518	1,820	36,066	76,990	13,407	135,311	9,852	90,351
ROLL FORWARD	26,053	32,060	16,243	3,247	18,605	1,605	14,628	14,185	(4,905)	135,311	4,906	23,710
ADJUSTMENT #1	0	0	0	0	0	0	0	0	0	0	0	0
ADJUSTMENT #2	0	0	0	0	0	0	0	0	0	0	0	0
ADJUSTMENT #3	0	0	0	0	0	0	0	0	0	0	0	0
PROPOSED COSTS	179,167	136,630	59,025	15,193	58,123	3,425	50,694	91,175	8,501	270,621	14,757	114,062

DEL NORTE COUNTY
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2007/2008 ESTIMATE 2005/2006 ACTUAL 4/30/2007 Revised 8/6/07	CRT RELATED 220	SPOUSAL ABUSE 221	SRVP OCJP 222	SHERIFF 231/254	BAR-O RANCH 239/240/241	JAIL 242	JUVENILE HALL 243	PROBATION 244	AG COMMISS 251	OES 253	FISH & GAME 256	LAFCO 429	PLANNING 258	LIVESTOCK 259
BUILDING USE	540	0	0	45,378	3,382	75,043	1,923	14,739	610	199	0	0	7,039	961
EQUIPMENT USE	0	0	0	27,703	0	9,009	42,399	222	2,034	0	0	0	0	0
AUDIT EXPENSE	14	22	37	1,754	680	1,492	748	673	178	31	2	37	183	125
BUILDING MAINTENANCE	564	0	0	47,430	2,111	77,829	64,004	19,448	490	2,351	0	0	4,463	845
PARKS	2	0	0	186	0	307	0	87	0	0	0	0	96	0
TREASURER	348	11	135	6,660	4,426	4,801	3,536	3,020	879	292	30	0	917	849
ADMINISTRATION	209	346	623	55,162	16,681	34,104	19,511	16,499	4,063	(15,912)	28	541	4,662	6,089
AUDITOR/CONTROLLER	5,374	712	1,258	23,510	14,660	14,305	11,270	11,137	4,418	1,325	450	225	5,694	5,068
COUNTY COUNSEL	0	0	0	7,228	376	0	0	1,266	953	0	0	322	0	0
INFORMATION SERVICES	185	0	0	22,740	1,350	870	6,818	11,359	2,494	76,741	4	31	30,904	1,644
ACTUAL	7,235	1,091	2,053	237,751	43,667	217,760	150,209	78,449	16,119	65,028	514	1,157	53,957	15,581
ROLL FORWARD	2,807	182	80	(54,257)	1,598	(4,814)	79,840	8,500	2,189	58,383	22	(1,190)	11,774	(7,093)
ADJUSTMENT #1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ADJUSTMENT #2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ADJUSTMENT #3	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PROPOSED COSTS	10,043	1,273	2,133	183,494	45,265	212,945	230,049	86,950	18,307	123,411	536	(34)	65,731	8,487

DEL NORTE COUNTY
SUMMARY OF COSTS BY DEPARTMENT

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2007/2008 ESTIMATE 2005/2006 ACTUAL 4/30/2007 Revised 8/6/07	CDD ADMIN 260	BUILDING INSPECTION 261	GRANTS ADMINISTR 115	VICTIM/ WITNESS 215	HLTH INS SVCS 134	ROADS 311	AIRPORT 321	SPECIAL AVIATION 322	HEALTH 411	TUPP 415	PUBLIC NUISANCE 416	DRUG & ALCOHOL 417	MENTAL HEALTH 418
BUILDING USE	16,560	9,389	0	2,476	0	0	1,500	0	38	4	0	0	5,343
EQUIPMENT USE	2,699	5,818	0	0	0	0	6,242	0	5,916	0	0	0	0
AUDIT EXPENSE	319	197	928	69	3,118	2,675	359	48	902	98	34	469	2,412
BUILDING MAINTENANCE	12,353	5,952	0	3,268	0	567	5,526	0	8,481	829	0	13,717	7,705
PARKS	224	128	0	15	0	0	1,579	0	0	0	0	0	6,578
TREASURER	1,134	756	138	711	116	4,969	1,366	101	3,383	1,710	105	965	6,129
ADMINISTRATION	8,459	4,614	13,452	1,882	45,214	57,764	6,049	694	15,014	2,095	492	9,636	56,993
AUDITOR/CONTROLLER	6,487	6,084	1,827	3,158	6,400	18,194	9,549	1,248	14,139	6,119	412	6,752	22,656
COUNTY COUNSEL	22,756	0	0	0	0	2,771	2,978	0	1,693	0	0	2,040	6,113
INFORMATION SERVICES	2,556	3,070	498	3,208	54	3,078	2,625	110	16,848	412	(2,049)	(4,810)	(10,186)
ACTUAL	73,548	36,009	16,843	14,787	54,903	90,018	37,773	2,201	66,413	11,267	(1,006)	28,770	103,743
ROLL FORWARD	28,058	11,823	14,611	(3,786)	13,462	(5,951)	(1,438)	(1,018)	12,310	325	(1,107)	7,003	37,609
ADJUSTMENT #1	0	0	0	0	0	0	0	0	0	0	0	0	0
ADJUSTMENT #2	0	0	0	0	0	0	0	0	0	0	0	0	0
ADJUSTMENT #3	0	0	0	0	0	0	0	0	0	0	0	0	0
PROPOSED COSTS	101,606	47,832	31,453	11,001	68,364	84,068	36,336	1,182	78,723	11,593	(2,114)	35,773	141,353

DEL NORTE COUNTY
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2007/2008 ESTIMATE 2005/2006 ACTUAL 4/30/2007 Revised 8/6/07	SOLID WASTE 421	SOCIAL SERVICES 511/512/513	VETERANS SERVICE 531	ED/ CULTURE 611	RECREATION 711/713	FLOOD CONTROL 61	FLOOD W-1 62	FLOOD 4-A 63	FLOOD 4-C 64	CHILDREN FMLY 1ST 428	DOMESTIC VIOLENCE 560	CRESCENT FIRE 65	FORT DICK FIRE 67
BUILDING USE	0	204	0	0	5,520	0	0	0	0	0	0	0	0
EQUIPMENT USE	0	23,988	0	0	5,310	0	0	0	0	0	0	0	0
AUDIT EXPENSE	0	10,719	59	39	105	0	0	0	0	335	3	0	0
BUILDING MAINTENANCE	0	44,978	0	0	16,258	0	0	0	0	0	0	0	0
PARKS	0	527	0	0	2,895	0	0	0	0	0	0	0	0
TREASURER	202	23,719	329	109	1,695	49	45	0	41	2,769	7	2,054	655
ADMINISTRATION	3,437	134,086	1,610	860	4,608	26	60	0	43	5,812	39	3,239	971
AUDITOR/CONTROLLER	12,562	84,110	1,868	857	7,051	1,101	646	155	451	10,423	545	6,249	2,505
COUNTY COUNSEL	0	42,811	0	0	0	1,151	0	0	0	1,212	0	0	0
INFORMATION SERVICES	424	27,997	3,889	852	1,518	1,191	0	0	0	15,744	0	0	0
ACTUAL	16,626	393,139	7,756	2,717	44,959	3,517	751	155	536	36,295	594	11,542	4,131
ROLL FORWARD	(23,069)	125,557	3,018	920	24,671	347	73	5	83	10,029	(622)	873	586
ADJUSTMENT #1	0	0	0	0	0	0	0	0	0	0	0	0	0
ADJUSTMENT #2	0	0	0	0	0	0	0	0	0	0	0	0	0
ADJUSTMENT #3	0	0	0	0	0	0	0	0	0	0	0	0	0
PROPOSED COSTS	(6,444)	518,696	10,773	3,638	69,630	3,865	824	160	618	46,324	(27)	12,415	4,716

DEL NORTE COUNTY
SUMMARY OF COSTS BY DEPARTMENT

EXHIBIT A

2007/2008 ESTIMATE 2005/2006 ACTUAL 4/30/2007 Revised 8/6/07	GASQUET FIRE 68	KLAMATH FIRE 69	SMITH RIV FIRE 71	CSA1, AD1 77	SCHOOLS	HOUSING REHAB 544	BUSINESS ASST. RLF 546	MEMORIAL HALL	CHURCH TREE CSD 51	SMITH RIV CEMETERY 56	BIG ROCK CSD 57	DEL NORTE LIBRARY 70
BUILDING USE	0	0	0	0	0	0	0	1,800	0	0	0	0
EQUIPMENT USE	0	0	0	0	0	0	0	0	0	0	0	0
AUDIT EXPENSE	0	0	0	0	0	87	0	0	0	0	0	0
BUILDING MAINTENANCE	0	0	0	0	0	0	0	43,746	0	0	0	0
PARKS	0	0	0	0	0	0	0	3,156	0	0	0	0
TREASURER	531	254	958	501	513	90	0	0	30	172	647	1,515
ADMINISTRATION	847	462	1,206	1,612	0	1,268	0	0	58	48	389	2,977
AUDITOR/CONTROLLER	1,888	1,110	3,395	3,354	19,806	3,219	225	0	251	602	2,742	7,015
COUNTY COUNSEL	0	0	0	190	0	0	0	0	0	0	0	(64)
INFORMATION SERVICES	0	0	0	12,145	0	0	0	0	0	0	0	0
ACTUAL	3,267	1,826	5,560	17,803	20,318	4,665	225	48,702	339	823	3,778	11,444
ROLL FORWARD	185	(146)	1,182	(1,163)	3,744	(419)	(51)	18,039	(24)	38	456	(17)
ADJUSTMENT #1	0	0	0	0	0	0	0	0	0	0	0	0
ADJUSTMENT #2	0	0	0	0	0	0	0	0	0	0	0	0
ADJUSTMENT #3	0	0	0	0	0	0	0	0	0	0	0	0
PROPOSED COSTS	3,451	1,680	6,741	16,641	24,063	4,246	173	66,740	314	860	4,234	11,426

DEL NORTE COUNTY
SUMMARY OF COSTS BY DEPARTMENT

EXHIBIT A

2007/2008 ESTIMATE 2005/2006 ACTUAL 4/30/2007 Revised 8/6/07	RECORDER 255	OCJP TASK FORCE 233	LTCO	CHILD TRUST 279	PUBLIC AUTHORITY 430	PROP TX ADMIN 128	ASSESSOR'S REVENUE 129	JARC 114	BOAT SAFETY 232	TOTAL
BUILDING USE	13,222	2,647	0	0	2	0	0	0	0	352,285
EQUIPMENT USE	1,524	0	0	0	0	0	0	0	0	144,893
AUDIT EXPENSE	134	117	0	0	337	4	4	10	86	33,206
BUILDING MAINTENANCE	8,383	2,766	0	0	538	0	0	0	0	549,523
PARKS	180	11	0	0	0	0	0	0	0	17,321
TREASURER	1,018	748	1,014	0	131	0	0	0	232	107,387
ADMINISTRATION	4,070	2,405	0	0	(4,121)	65	60	144	1,422	616,846
AUDITOR/CONTROLLER	9,303	3,201	2,849	566	2,518	167	457	65	1,731	479,774
COUNTY COUNSEL	1,041	0	661	0	911	0	0	0	0	179,892
INFORMATION SERVICES	17,784	7,060	60	(69)	276	0	0	0	43	387,679
ACTUAL	56,659	18,955	4,584	496	592	237	521	218	3,514	2,868,805
ROLL FORWARD	6,437	4,429	712	(1,426)	(7,630)	67	162	218	3,514	666,344
ADJUSTMENT #1	0	0	0	0	0	0	0	0	0	0
ADJUSTMENT #2	0	0	0	0	0	0	0	0	0	0
ADJUSTMENT #3	0	0	0	0	0	0	0	0	0	0
PROPOSED COSTS	63,097	23,384	5,296	(929)	(7,038)	303	683	437	7,027	3,535,150