



BETTY T. YEE
California State Controller
Division of Accounting and Reporting

NEGOTIATION AGREEMENT
COUNTYWIDE COST ALLOCATION PLAN

County of Monterey
Salinas, California

Date: September 29, 2015
Filing Ref: MOT16

Pursuant to federal Office of Management and Budget (OMB) 2 CFR Part 225, the State Controller's Office formally approves the Countywide Cost Allocation Plan as described in Section I for use in the **2015-16** 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 **2013-14** fiscal year and as estimated costs for the **2015-16** 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, 2015**, 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 | 10. Capital Projects Management |
| 2. County Administrative Office | 11. Resource Management Agency |
| 3. Human Resources & Equal Opportunity | 12. Auditor-Controller |
| 4. Telecommunications | 13. Treasurer-Tax Collector |
| 5. Information Technology | 14. Revenue Division |
| 6. Risk Management & Benefits Administration | 15. County Counsel |
| 7. Fleet Management | 16. Benefit Programs Fund (ISF) |
| 8. Records Retention Center | 17. Workers' Compensation (ISF) |
| 9. Facilities & Facilities Projects Management | 18. General Liability (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 2 CFR Part 225, 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 MONTEREY

**BETTY T. YEE
CALIFORNIA STATE CONTROLLER**

BY Original signed by

BY Original signed by Anita Dagan for

Michael J. Miller

**Hitomi Sekine, Bureau Chief
Local Government Policy and Reporting
Division of Accounting and Reporting**

Name
Auditor-Controller

Title

09-30-15

09-30-15

Date

Date

**Negotiated by Sandeep Singh
Telephone (916) 445-2987**

cc: State and Federal Agencies

Attachment

COUNTYWIDE COST ALLOCATION PLAN OF MONTEREY COUNTY FOR THE YEAR ENDING JUNE 30, 2016
Based on Actual Costs for the Year Ended June 30, 2014
COST EXHIBIT

	External Overheads	Administrative Management	Information Technology Service Depts.	Resource Mgmt. Agency Service Departments	Other Service Departments	Total Net Allocation	Roll Forward	Adjustments	Total Allocation
OPERATING DEPARTMENTS									
Board of Supervisors	\$ 80,309	\$ 34,795	\$ 4,097	\$ 171,007	\$ 77,199	\$ 367,407	\$ (29,660)	\$ -	\$ 337,747
Office of Emergency Services	30,901	9,716	7,816	39,500	18,875	106,808	4,421	-	111,229
Economic Development	9,128	28,248	2,310	44,844	78,792	163,322	4,279	-	167,601
Assessor	109,924	62,972	9,800	186,412	59,493	428,601	52,842	-	481,443
Clerk/Recorder	204,659	30,431	20,739	89,938	49,473	395,240	105,009	-	500,249
Grand Jury	2,895	386	180	10,248	3,734	17,443	(5,834)	-	11,609
Enterprise Risk	9	269	-	-	195	473	-	-	473
Assessment Appeals Board	-	582	-	85	24,115	24,782	1,275	-	26,056
Clerk of the Board	19,754	8,271	2,575	50,011	18,752	99,363	(14,394)	-	84,969
Elections	4,689	35,095	3,916	1,971	49,916	95,587	(24,802)	-	70,785
Emergency Communications	73,934	109,884	130,540	59,441	104,396	478,195	40,353	-	518,548
District Attorney	338,462	230,892	55,139	361,727	164,003	1,150,223	205,815	-	1,356,038
Child Support Services	1,735	147,680	24,202	6,815	112,971	293,403	19,737	-	313,140
Public Defender	71,355	94,970	10,194	77,702	107,594	361,815	54,208	-	416,023
Coroner	36,018	19,640	16,235	59,836	12,427	144,156	29,386	-	173,542
Sheriff's Correctional Division	375,549	381,368	41,670	1,329,010	260,738	2,388,335	(294,532)	-	2,093,803
Sheriff	897,637	502,638	263,127	853,912	479,818	2,997,132	698,156	-	3,695,298
Juvenile Hall	288,919	239,200	8,683	87,795	159,070	783,667	(136,442)	-	647,225
Probation	106,902	261,333	49,382	252,147	229,769	899,530	212,737	-	1,112,267
Agricultural Commissioner	279,087	127,198	34,206	55,192	70,236	565,919	(56,362)	-	509,557
Produce Inspection	590	7,891	1,716	181	1,736	12,114	1,103	-	13,217
Building Services	155,102	54,045	982	281,391	77,030	568,550	(49,288)	-	519,262
Planning	98,747	57,554	5,015	305,628	429,367	896,311	(15,469)	-	880,842
Animal Services	79,909	33,532	7,964	37,201	1,026	159,632	(19,456)	-	140,176
Primary Health Care	39,971	385,975	51,457	40,218	253,351	770,972	102,492	-	873,464
Emergency Medical Services	20,262	19,994	27,228	2,328	13,805	83,617	15,926	-	99,543
Environmental Health	142,132	110,436	16,974	14,117	27,817	311,476	(14,160)	-	297,316
Public Guardian/Administrator	11,516	20,253	1,604	29,144	66,102	128,619	72,697	-	201,316
Children's Medical Services	2,433	73,127	12,800	4,537	49,163	142,060	3,038	-	145,098
Health	419,487	292,239	54,108	58,287	340,772	1,164,893	(106,300)	-	1,058,593
Military & Veterans' Services	1,208	13,120	2,413	12,830	10,644	40,215	10,583	-	50,798
Social Services	45,420	1,062,257	320,085	157,175	1,282,352	2,867,289	342,650	-	3,209,939
Area Agency on Aging	342	15,760	-	-	10,043	27,145	(9,830)	-	17,315
Agricultural Cooperative Extension	16,689	10,374	534	8,418	4,007	40,022	2,124	-	42,146
Parks	123,136	70,630	9,273	94,897	191,949	489,885	130,595	-	620,480
Total Operating Departments	\$ 4,088,809	\$ 4,553,753	\$ 1,196,964	\$ 4,783,945	\$ 4,840,726	\$ 19,464,197	\$ 1,332,909	\$ -	\$ 20,797,106

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Based on Actual Costs for the Year Ended June 30, 2014
COST EXHIBIT

	External Overheads	Administrative Management	Information Technology Service Depts.	Resource Mgmt. Agency Service Departments	Other Service Departments	Total Net Allocation	Roll Forward	Adjustments	Total Allocation
NON-GENERAL FUND									
Roads & Bridges	\$ 85,446	\$ 276,094	\$ 40,607	\$ 644,922	\$ 353,997	\$ 1,401,066	\$ 214,641	\$ -	\$ 1,615,707
County Library	203,169	137,037	56,190	358,886	114,946	870,228	75,525	-	945,753
IHSS PA-Administration	144	5,132	-	-	3,712	8,988	1,937	-	10,925
Fish & Game Propagation	5	7	-	5	119	136	(58)	-	78
Office for Employment Training	1,707	46,811	16,413	1,821	39,697	106,449	(13,191)	-	93,258
Community Action Partnership	167	6,058	-	-	3,086	9,311	(1,423)	-	7,888
Workforce Investment Board	204	6,673	523	-	6,129	13,529	5,395	-	18,924
Behavioral Health	84,932	623,250	81,988	19,653	406,114	1,215,937	200,077	-	1,416,014
Homeland Security Grant	236	3,669	-	-	1,916	5,821	-	-	5,821
Water Resources Agency	13,513	111,914	23,336	2,761	129,693	281,717	34,123	-	315,840
Emergency Communication - NGEN Radio Project	1,197	7,250	69,231	-	11,188	88,866	56,486	-	145,352
Natividad Medical Center	5,000	1,838,337	45,850	3,664	1,347,703	3,240,554	61,015	-	3,301,569
Resort at Nacimiento Lake	190	22,061	2,022	-	20,251	44,524	(9,272)	-	35,252
Resort at San Antonio Lake	19	2,095	-	-	2,008	4,122	(5,581)	-	(1,459)
Nacimiento Boat Patrol	2	49	-	-	104	155	(5,692)	-	(5,537)
North Shore Lake San Antonio	79	12,312	-	-	10,076	22,467	(14,322)	-	8,145
South Shore Lake San Antonio	144	19,989	88	-	16,447	36,668	(9,036)	-	27,632
Lake San Antonio & Nacimiento Administration	192	15,712	5,236	-	1,868	23,008	(6,928)	-	16,080
General Liability Insurance (ISF)	632	20,545	-	-	218,650	239,827	(283,621)	-	(43,794)
Enterprise Risk	-	-	-	-	241	241	-	-	241
Workmens' Compensation (ISF)	444	15,672	-	-	18,141	34,257	(77,128)	-	(42,871)
Benefits (ISF)	612	21,284	-	-	12,415	34,311	(204)	-	34,107
LAFCO	-	-	-	-	714	714	16,877	-	17,591
Superior Court of CA - Mo Co	1,582,472	-	-	(14,268)	(7,999)	1,560,205	411,627	-	1,971,833
RDA - Successor Agency	-	-	-	574	35,756	36,330	18,255	-	54,585
All Others	5,252	50,853	318,984	789	107,311	483,189	209,581	-	692,750
All Others (Not Occupied)	344,686	-	-	432,458	-	777,144	118,529	-	895,673
Others	-	-	-	83,275	-	83,275	(17,110)	-	66,165
Total Non-General Fund	\$ 2,330,443	\$ 3,242,803	\$ 660,967	\$ 1,534,540	\$ 2,854,285	\$ 10,623,039	\$ 980,482	\$ -	\$ 11,603,521
TOTAL	\$ 6,419,252	\$ 7,796,557	\$ 1,857,931	\$ 6,318,485	\$ 7,695,011	\$ 30,087,236	\$ 2,313,391	\$ -	\$ 32,400,627