TOWN OF APPLE VALLEY

Audit Report

ANIMAL ADOPTION PROGRAM

Chapter 752, Statutes of 1998;
and Chapter 313, Statutes of 2004

July 1, 2007, through June 30, 2009

BETTY T. YEE
California State Controller

August 2016

BETTY T. YEE
California State Controller

August 15, 2016

The Honorable Barbara "Barb" Stanton, Mayor
Town of Apple Valley
14955 Dale Evans Parkway
Apple Valley, CA 92307

Dear Ms. Stanton:

The State Controller's Office audited the costs claimed by the Town of Apple Valley for the legislatively mandated Animal Adoption Program (Chapter 752, Statutes of 1998 and Chapter 313, Statutes of 2004) for the period of July 1, 2007, through June 30, 2009.

The town claimed $2,256,209 for the mandated program. Our audit found that $215,608 is allowable and $2,040,601 is unallowable. The costs are unallowable because the town overstated allowable costs, claimed unallowable costs and unsupported costs, claimed misclassified costs and ineligible animals, and misstated animal census data. The State made no payments to the town. The State will pay allowable costs claimed, totaling $215,608, contingent upon available appropriations.

This final audit report contains an adjustment to costs claimed by the town. If you disagree with the audit findings, you may file an Incorrect Reduction Claim (IRC) with the Commission on 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than three years following the date of this report, regardless of whether this report is subsequently supplemented, superseded, or otherwise amended.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 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/as

cc: Marc Puckett, Assistant Town Manager of Finance and Administration
Town of Apple Valley
Kofi Antobam, Assistant Director of Finance
Town of Apple Valley
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Contents

Audit Report

Summary 1

Background 1

Objectives, Scope, and Methodology 2

Conclusion 3

Views of Responsible Officials 3

Restricted Use 3

Schedule 1—Summary of Program Costs 4

Schedule 2—Summary of Care and Maintenance Costs 6

Findings and Recommendations 7

Attachment—Town's Response to Draft Audit Report

Audit Report

Summary

The State Controller's Office (SCO) audited the costs claimed by the Town of Apple Valley for the legislatively mandated Animal Adoption Program (Chapter 752, Statutes of 1998; and Chapter 313, Statutes of 2004) for the period of July 1, 2007, through June 30, 2009.

The town claimed $2,256,209 for the mandated program. Our audit found that $215,608 is allowable and $2,040,601 is unallowable. The costs are unallowable because the town overstated allowable costs, claimed unallowable costs and unsupported costs, claimed misclassified costs and ineligible animals, and misstated animal census data. The State made no payments to the town. The State will pay allowable costs claimed, totaling $215,608, contingent upon available appropriations.

Background

Food and Agriculture Code sections 31108, 31752-31753, 32001, and 32003 (added and amended by Chapter 752, Statutes of 1998) attempted to end the euthanasia of adoptable and treatable animals. The statutes expressly identify the State policy that no adoptable animal should be euthanized if it can be adopted into a suitable home and that no treatable animal should be euthanized. The legislation increases the holding period for stray and abandoned dogs, cats, and other specified animals. It also requires public or private shelters to:

- Verify the temperament of feral cats;
- Post lost-and-found lists;
- Maintain records for impounded animals; and
- Ensure that impounded animals receive necessary and prompt veterinary care.

On January 25, 1981, the Commission on State Mandates (Commission) determined that Chapter 752, Statutes of 1998, imposed a state mandate 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 February 28, 2002, corrected them on March 20, 2002, and last amended them on January 26, 2006. 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.

The California State Legislature suspended the Animal Adoption Program in the Budget Acts for fiscal year (FY) 2010-11 through FY 2015-16.

Objectives, Scope, and Methodology

We conducted this performance audit to determine whether costs claimed represent increased costs resulting from the Animal Adoption Program for the period of July 1, 2007, through June 30, 2009.

The legal authority to conduct this audit is provided by Government Code sections 12410, 17558.5, and 17561. We did not audit the town's financial statements. 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 town'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 town'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 annual claims filed with the SCO to identify any mathematical errors and performed analytical procedures to determine 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.
- Interviewed town staff to determine employee classifications involved in performing the reimbursable activities during the audit period.
- Assessed whether computer-processed data provided by the claimant to support claimed costs was complete and accurate and could be relied upon.
- Verified the validity of the claimant's raw animal data and corrected any data error entries.
- Traced costs claimed to supporting documentation that showed when the costs were incurred, the validity of such costs, and their relationship to mandated activities.
- Traced productive hourly rate calculations for town employees to supporting documentation in the town's payroll system.
- Determined whether indirect costs claimed were for common or joint purposes and whether indirect cost rates were properly supported and applied.

- Inquired whether the claimant realized any offsetting savings or reimbursements from the statutes which created the mandated program.
- Recalculated allowable costs claimed using audited data.

Conclusion

Our audit found instances of noncompliance with the requirements outlined above. These instances are described in Schedule 1 (Summary of Program Costs) and in the Findings and Recommendations section of this report.

For the audit period, the town of Apple Valley claimed $2,256,209 for costs of the Animal Adoption Program. Our audit found that $215,608 is allowable and $2,040,601 is unallowable.

The State made no payments to the town. Our audit found that $215,608 is allowable. The State will pay allowable costs, totaling $215,608, contingent upon available appropriations.

Views of Responsible Officials

We issued a draft audit report on June 8, 2016. Marc Puckett, Finance Director, responded by letter dated June 17, 2016 (Attachment), indicating "no comment" to Findings 4 and 6, disagreeing with Findings 1, 2, 3, 5, and 7, and not responding to Finding 8. This final audit report includes the town's response.

Restricted Use

This report is solely for the information and use of the Town of Apple Valley, 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

August 15, 2016

Schedule 1—
Summary of Program Costs
July 1, 2007, through June 30, 2009

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustment	Reference [1]
July 1, 2007, through June 30, 2008				
Direct costs:				
Acquiring space/facilities	$ 745,135	$ -	$ (745,135)	Finding 1
Care and maintenance of dogs, cats, and other animals [2]	76,034	19,487	(56,547)	Finding 2
Increased holding period	57,566	45,483	(12,083)	Finding 3
Maintaining non-medical records	-	31,065	31,065	Finding 5
Procuring equipment	-	5,252	5,252	Finding 6
Total direct costs	878,735	101,287	(777,448)	
Indirect costs	-	6,627	6,627	Finding 7
Total program costs [3]	$ 878,735	107,914	$ (770,821)	
Less amount paid by the State		-		
Allowable costs claimed in excess of (less than) amount paid		$ 107,914		
July 1, 2008, through June 30, 2009				
Direct costs:				
Acquiring space/facilities	$ 1,233,364	$ -	$ (1,233,364)	Finding 1
Care and maintenance of dogs, cats, and other animals [2]	77,199	14,097	(63,102)	Finding 2
Increased holding period	66,911	46,496	(20,415)	Finding 3
Lost and found lists	-	995	995	Finding 4
Maintaining non-medical records	-	31,912	31,912	Finding 5
Procuring Equipment	-	8,113	8,113	Finding 6
Total direct costs	1,377,474	101,613	(1,275,861)	
Indirect costs	-	6,081	6,081	Finding 7
Total program costs	$ 1,377,474	107,694	$ (1,269,780)	
Less amount paid by the State		-		
Allowable costs claimed in excess of (less than) amount paid		$ 107,694		
Summary: July 1, 2007, through June 30, 2009				
Direct costs:				
Acquiring space/facilities	$ 1,978,499	$ -	$ (1,978,499)	Finding 1
Care and maintenance of dogs, cats, and other animals [2]	153,233	33,584	(119,649)	Finding 2
Increased holding period	124,477	91,979	(32,498)	Finding 3
Lost and found lists	-	995	995	Finding 4
Maintaining non-medical records	-	62,977	62,977	Finding 5
Procuring equipment	-	13,365	13,365	Finding 6
Total direct costs	2,256,209	202,900	(2,053,309)	
Indirect costs	-	12,708	12,708	Finding 7
Total direct and indirect costs	$ 2,256,209	215,608	$ (2,040,601)	
Less amount paid by the State		-		
Allowable costs claimed in excess of (less than) amount paid		$ 215,608		

Schedule 1 (continued)

Cost Elements	Actual Costs Claimed	Allowable Per Audit	Audit Adjustment	Reference [1]
Summary by Object Account: July 1, 2007, through June 30, 2009				
Direct Costs:				
Salaries and benefits	$ -	$ 180,394	$ 180,394	
Materials and supplies	2,256,209	16,977	(2,239,232)	
Contract services	-	5,529	5,529	
Total direct costs	2,256,209	202,900	(2,053,309)	
Indirect costs	-	12,708	12,708	
Total direct and indirect costs	$ 2,256,209	215,608	$ (2,040,601)	
Less amount paid by the State		-		
Allowable costs claimed in excess of (less than) amount paid		$ 215,608		

[1] See the Findings and Recommendations section.

[2] See Schedule 2 – Summary of Care and Maintenance Costs.

[3] The town's original claim for FY 2007-08 totaled $278,649 and was timely filed. The town submitted an amended claim on February 16, 2010, totaling $878,735. As the amended claim was filed after the filing deadline specified in the SCO's claiming instructions, it was subject to the late penalty as specified within Government Code section 17568, equal to 10% of allowable costs, not to exceed $10,000. However, the allowable audited costs for the town's FY 2007-08 claim total $107,914, which is less than the amount originally claimed. Therefore, a late penalty is no longer applicable to the town's claim.

Schedule 2—
Summary of Care and Maintenance Costs
July 1, 2007, through June 30, 2009

Category	Total Costs Claimed (Services & Supplies)	Allowable per Audit: Salaries	Benefits	Materials & Supplies	Contract Services	Total Costs Allowable	Audit Adjustment
July 1, 2007, through June 30, 2008							
Total care and maintenance costs	$ 610,549	$ 142,572	$ 58,628	$ 17,884	$ 11,510		
Total animal census	÷ 47,666	÷ 57,701	÷ 57,701	÷ 57,701	÷ 57,701		
Cost per day	$ 12.81	2.47	1.02	0.31	0.20		
Care and Maintenance of Dogs and Cats:							
Cost per day	$ 12.81	$ 2.47	$ 1.02	$ 0.31	$ 0.20		
Number of eligible dogs and cats	x 2,844	x 1,622	x 1,622	x 1,622	x 1,622		
Reimbursable days	x 2	x 3	x 3	x 3	x 3		
Total care and maintenance costs for dogs and cats [1]	$ 72,857	$ 12,019	$ 4,963	$ 1,508	$ 973	$ 19,463	$ (53,394)
Care and Maintenance of Other "Eligible" Animals:							
Cost per day	$ 12.81	$ 2.47	$ 1.02	$ 0.31	$ 0.20		
Number of eligible other animals	x 62	x 1	x 1	x 1	x 1		
Reimbursable days	x 4	x 6	x 6	x 6	x 6		
Total care and maintenance costs for other animals	$ 3,177	$ 15	$ 6	$ 2	$ 1	$ 24	$ (3,153)
Total care and maintenance costs	$ 76,034	$ 12,034	$ 4,969	$ 1,510	$ 974	$ 19,487	$ (56,547)
July 1, 2008, through June 30, 2009							
Total care and maintenance costs	$ 694,234	$ 108,583	$ 46,518	$ 28,925	$ 11,617		
Total animal census	÷ 58,669	÷ 57,233	÷ 57,233	÷ 57,233	÷ 57,233		
Cost per day	$ 11.83	$ 1.90	$ 0.81	$ 0.51	$ 0.20		
Care and Maintenance of Dogs and Cats:							
Cost per day	$ 11.83	$ 1.90	$ 0.81	$ 0.51	$ 0.20		
Number of eligible dogs and cats	x 3,098	x 1,366	x 1,366	x 1,366	x 1,366		
Reimbursable days	x 2	x 3	x 3	x 3	x 3		
Total care and maintenance costs for dogs and cats [1]	$ 73,318	$ 7,786	$ 3,319	$ 2,090	$ 820	$ 14,015	$ (59,303)
Care and Maintenance of Other "Eligible" Animals:							
Cost per day	$ 11.83	$ 1.90	$ 0.81	$ 0.51	$ 0.20		
Number of eligible other animals	x 82	x 4	x 4	x 4	x 4		
Reimbursable days	x 4	x 6	x 6	x 6	x 6		
Total care and maintenance costs for other animals [1]	$ 3,881	$ 46	$ 19	$ 12	$ 5	$ 82	$ (3,799)
Total care and maintenance costs	$ 77,199	$ 7,832	$ 3,338	$ 2,102	$ 825	$ 14,097	$ (63,102)
Summary: July 1, 2007, through June 30, 2009							
Care and maintenance:							
Dogs and cats	$ 146,175	$ 19,805	$ 8,282	$ 3,598	$ 1,793	$ 33,478	$ (112,697)
Other "Eligible" animals	7,058	61	25	14	6	106	$ (6,952)
Total care and maintenance costs	$ 153,233	$ 19,866	$ 8,307	$ 3,612	$ 1,799	$ 33,584	$ (119,649)

[1] Differences in Total Costs Claimed column are due to rounding.

Findings and Recommendations

FINDING 1—Unallowable Acquisition of Additional Space and/or Construction of New Facilities costs

The town claimed services and supplies costs totaling $1,978,499 during the audit period under the Acquisition of Additional Space and/or Construction of New Facilities cost component. We found that the entire amount is unallowable because the town did not support, through a Board Agenda or other similar supporting documentation, that the construction was a direct result of the increased holding period requirements of this mandated program.

In its fiscal year (FY) 2008-09 claim, the town provided supporting documentation for the expenditures that it incurred in the form of a Transaction Detail Report for RDA Project Area #2 – Capital Projects. The town's detail report listed expenditures for both the land acquisition and the related expenses for the construction of the new animal shelter. The report was dated July 1, 2006, through October 25, 2010. The audit period is July 1, 2007, through June 30, 2009. Therefore, many of the expenses listed in the report are outside of the audit period.

In its claims, the town states that prior to March 2005, the town contracted with the City of Hesperia for animal shelter services. In FY 2005-06, the town established its own animal care facility. The facility was intended to be temporary; therefore, temporary capital improvements were made to an existing building to allow for the housing of animals in the town's own jurisdiction. We obtained online a "special meeting workshop" document dated February 16, 2007, wherein the Deputy Town Manager discusses "public facilities priorities." In this workshop, town officials mention that the town experienced population growth and that the existing animal shelter was only a temporary solution. We also obtained online a Town Council Meeting Agenda dated July 10, 2007, approving the award of professional service agreements for the design of the new animal shelter facility. The agenda authorized staff to "commence the process of issuing redevelopment tax allocation bonds for the Public Works and Animal Shelter facilities...." We also obtained online flyers/media releases stating that "Apple Valley's sound budget and conservative financial management have positioned the town for growth, even in the current economy. Infrastructure planning is a top priority at a time when we can get the most for our money."

Based on this information, we determined that the town's animal shelter was constructed in FY 2007-08 through FY 2008-09 because of population growth, the temporary nature of the existing shelter, and the cost-effectiveness of taking on the project at that time. However, the town did not provide documentation that complies with the requirements contained in the parameters and guidelines, stating that "constructing new facilities is necessary for the increased holding period required by Statutes of 1998, Chapter 752 and that existing facilities do not reasonably accommodate impounded stray or abandoned dogs, cats, and other specified animals that are ultimately euthanized." In other words, that the construction of new facilities was necessitated as a result of the legislative requirements of the Hayden Bill, which extended the required holding period of stray dogs, cats, and other animals.

Additionally, reimbursement for this component is limited to the proportionate share of actual costs required to plan, design, acquire, and/or build facilities in a given fiscal year based on the pro-rata representation of impounded stray or abandoned dogs, cats, and other animals that are held during the increased holding period and either die during the increased holding period or are euthanized after the increased holding period to the total population of animals housed in the facility during the entire holding period. In its claims, the town pro-rated the costs at 51.8% for FY 2007-08 and 12.9% for FY 2008-09; however, it did not provide calculations to show how it arrived at these percentages.

The parameters and guidelines (section IV.B.1–Acquisition of Additional Space and/or Construction of New Facilities) identify the following reimbursable activities:

> Beginning January 1, 1999, for acquiring additional space by purchase or lease and/or construction of new facilities to provide appropriate or adequate shelter necessary to comply with the mandated activities during the increased holding period for impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, chapter 752 that die during the increased holding period or are ultimately euthanized.
>
> Eligible claimants are entitled to reimbursement for the proportionate share of actual costs required to plan, design, acquire, and/or build facilities in a given fiscal year based on the pro rata representation of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that are held during the increased holding period specified in Sections IV (B) (3) and (4) of these parameters and guidelines and die during the increased holding period or are ultimately euthanized, to the total population of animals housed in the facility. The population of animals housed in the facilities includes those animals that are excluded from reimbursement, as specified in Sections IV (B)(3) and (4) of these parameters and guidelines during the entire holding period required by Food and Agriculture Code sections 31108, 31752, and 31753.
>
> <u>Supporting Documentation Submitted with the Initial and Subsequent Reimbursement Claims</u>
>
> Acquiring additional space and/or construction of new facilities is reimbursable only to the extent that an eligible claimant submits, with the initial and/or subsequent reimbursement claim, documentation reflecting the following:
>
> A determination by the governing board that acquiring additional space and/or constructing new facilities is necessary for the increased holding period required by Statutes of 1998, Chapter 752 because the existing facilities do not reasonably accommodate impounded stray or abandoned dogs, cats, and other specified animals that are ultimately euthanized. The determination by the governing board shall include all of the following findings:
>
> - The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in 1998. For purposes of claiming reimbursement under section IV.B.1, average Daily Census is defined as the average number of impounded stay or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 housed on any given day, in a 365-day period;

- The average daily census of impounded stray or abandoned dogs, cats, and other animals specified in Statutes of 1998, Chapter 752 that were impounded in a given year under the holding periods required by Food and Agriculture Code sections 31108, 31752, and 31753, as added or amended by Statutes of 1998, Chapter 752;
- Existing facilities are not appropriately configured and/or equipped to comply with the increased holding period required by Statutes of 1998, Chapter 752;
- Remodeling existing facilities is not feasible or is more expensive than acquiring additional space and/or constructing new facilities to comply with the increased holding period required by Statutes 1998, chapter 752; and
- Contracting with existing private or public shelters in the area to house the increase of impounded stray or abandoned dogs, cats, or other animas specified in Statutes 1998, chapter 752 is not feasible or is more expensive than acquiring additional space and/or contracting new facilities to comply with the increased holding period required by Statutes 1998, chapter 752. This finding should include the cost to contract with existing shelters.

Documentation requirements may be satisfied in whole or in part by staff agenda items, staff reports, minutes of governing board meetings, transcripts of governing board meetings, certification by the governing board describing the finding and determination and/or a resolution adopted by the governing board pursuant to Food and Agriculture Code section 31755, as added by Statutes of 1999, Chapter 81 (Assembly Bill 1482).

The parameters and guidelines (section IV – Reimbursable Activities) state that:

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 documentation to show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities.

Recommendation

The Animal Adoption Program was suspended in the FY 2010-11 through FY 2015-16 Budget Acts. If the program becomes active, we recommend that the town ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

Town's Response

Issue 1: Town did not support, through a Board Agenda or other similar supporting document, that the construction was a direct result of the increased holding period requirements of this mandate program.

Because the SCO is requesting specific wording to "prove" the facility construction was necessary due to increased space needed due to changes in State Law (Hayden Bill) we believe page two, Section E of the attached "Request For Qualifications/Request for Proposals (RFQ/RFP)" to Provide Architectural Design Services for New Municipal Services Animal Shelter Facility addresses this concern:

"The Project: The project will include design of a purpose built Animal Shelter Facility including office space. The proposed Animal Control Shelter will be designed to increase the hold time for potentially adoptable animals and improve customer service."

This RFQ/RFP was released on April 2, 2007, resulting from the authorization by the Town Council following the special meeting in February 2007 and a meeting in March 2007.

Further: At the July 10, 2007 Town Council Meeting when the Town Council approved the Architectural Design Contract for the Animal Shelter Facility, the minutes do not reflect the entire conversation of the Town Council. If you listen to the discussion that led to the approval of the Notice to Proceed with Design of the Shelter, there was clearly discussion regarding the lack of space and need to expand the facility.

At 1:32:37 of the recording of the July 10, 2007 Town Council Meeting, Councilman Jasper makes the comment regarding the need of building a new animal shelter is because it is "Mandated by the State to take care of our animals."

http://www.applevalley.org/government/view-meetlngs-online
http://applevalley.granicus.com/MediaPlayer.php?view_id=19&clip_id=471

It should also be noted that in our formula (which for some reason the SCO did not see in our claims) only requested a percentage of costs that were determined to be related only to the population increase due to the changes in the Hayden Bill, and not other growth factors.

We believe that we have shown that one of the main reasons that necessitated the construction of the new shelter was the changes to State law that increased animal populations by lengthening holding periods and request that funds requested for this component be restored.

Issue 2: Many of the costs claimed occurred outside of the audit period.

The SCO Draft Audit documents do not list the specific costs that they believe did not occur within the eligible audit period. We would appreciate additional clarification on which specific items may require additional explanation and support and will be happy to provide more detailed information.

Issue 3: Calculations to support the percentages claimed per fiscal year not provided.

Calculations used to determine the percentage of facility costs claimed were included in both the FY 2007-08 and the FY 2008-09 actual and amended claims.

The formula appears on Page 7 of the FY 2007-08 amended claim and on Page 6 of the FY 2008-09 amended claim.

The formula appears directly in the FORM AA-2, Acquiring Space/Facilities page in the actual original claims.

In the amended claims, they are the first pages to appear after all the FORMs AA-2.

> We have attached them again for your convenience and are not sure why these pages were not visible in the claims reviewed by the SCO. We are assuming that the auditor did not request these pages from us because they had already determined the costs were not eligible due to Issue 1, discussed and addressed above.
>
> We are happy to review and discuss how these percentages were calculated.
>
> In summary, we believe we have addressed the concerns raised by the SCO auditor above, and request that amounts claimed for facility costs be restored.

SCO's Comment

The finding and recommendation remain unchanged.

The town addressed its comments to Finding 1 under three subheadings as follows:

> Issue 1: Town did not support, through a Board Agenda or other similar supporting document, that the construction was a direct result of the increased holding period requirements of this mandate program
>
> Issue 2: Many of the costs claimed occurred outside of the audit period
>
> Issue 3: Calculations to support the percentages claimed per fiscal year not provided

We will address the town's responses to the issues in the same order they were presented.

Issue 1

In its response, the town provides a document titled "Request for Qualifications/Request for Proposals (RFQ/RFP) to Provide Architectural Design Services for New Municipal Services Animal Shelter Facility" dated April 2, 2007. The town states that the following language appearing on page two, Section E of this document provides the necessary wording to support that the construction of the new facility was a direct result of the increased holding period requirements of this mandated program:

> The Project: The project will include design of a purpose built Animal Shelter Facility including office space. The proposed Animal Control Shelter will be designed to increase the hold time for potentially adoptable animals and improve customer service.

The town also states:

> Further: At the July 10, 2007 Town Council Meeting when the Town Council approved the Architectural Design Contract for the Animal Shelter Facility, the minutes do not reflect the entire conversation of the Town Council. If you listen to the discussion that led to the approval of the Notice to Proceed with Design of the Shelter, there was clearly discussion regarding the lack of space and need to expand the facility.

> At 1:32:37 of the recording of the July 10, 2007 Town Council Meeting, Councilman Jasper makes the comment regarding the need of building a new animal shelter is because it is Mandated by the State to take care of our animals.

The town believes that it has satisfied the supporting documentation requirements for this component and that the costs claimed be restored. We disagree. The supporting documentation requirements contained in the parameters and guidelines for claiming construction costs are very specific. The documentation must reflect the following:

> Constructing new facilities is necessary for the increased holding period required by Statutes of 1998, Chapter 752 and that existing facilities do not reasonably accommodate impounded stray or abandoned dogs, cats, and other specified animals that are ultimately euthanized.

A statement is also required noting that existing facilities are not configured or equipped to comply with the increased holding period requirements. The language contained in the RFQ/RFP and July 10, 2007 Town Council Meeting Agenda, as cited in the town's response, does not satisfy the supporting documentation requirements as contained in the parameters and guidelines.

Issue 2

In its response, the town stated the following:

> The SCO Draft Audit documents do not list the specific costs that they believe did not occur within the eligible audit period. We would appreciate additional clarification on which specific items may require additional explanation and support and will be happy to provide more detailed information.

As stated earlier, in its FY 2008-09 claim, the town provided a Transaction Detail Report for RDA Project Area #2- Capital Projects as support for the costs it incurred to construct the new shelter. The report is dated for the period of July 1, 2006, through October 25, 2010, and the expenditures listed total $11,008,301. The town claimed costs for the audit period based on $11,008,301 (before pro-rated percentages were applied). The audit period is July 1, 2007, through June 30, 2009. Therefore, there are expenses listed on this transaction detail report that are outside of the audit period. Even if the town had submitted appropriate supporting documentation that constructing the new facilities was necessary as a result of the increased holding period requirements of this mandated program, many of the costs claimed would be unallowable, as they were incurred outside of the audit period.

Issue 3

In its response, the town stated the following:

> Calculations used to determine the percentage of facility costs claimed were included in both the FY 2007-08 and the FY 2008-09 actual and amended claims. The formula appears on page 7 of the FY 2007-08 amended claim and on page 6 of the FY 2008-09 amended claim. The formula appears directly in the FORM AA-2, Acquiring Space/Facilities page in the actual original claims. In the amended claims, they are the first pages to appear after all the FORMs AA-2…

The SCO conducted the audit based on the town's amended claims that it filed for both FY 2007-08 and FY 2008-09. On FORM AA-2 of its amended claims, the town pro-rated the costs according to "percentage allowable per State formula" (51.8% for FY 2007-08, and 12.9% for FY 2008-09). As stated earlier, the town did not provide with its claims the calculations to show how it arrived at these percentages. In its response, the town provided a worksheet for both fiscal years titled "State Formula," showing how it arrived at these percentages. Regardless, as stated, the costs claimed are unallowable due to lack of supporting documentation that constructing the new facilities was necessary as a result of the increased holding period requirements of this mandated program. Therefore, the computations showing how the town arrived at the pro-rata percentages claimed is not a consideration at this point.

FINDING 2—Overstated Care and Maintenance costs

The town claimed direct costs totaling $153,233 ($146,175 for dogs and cats and $7,058 for other animals) during the audit period for the Care and Maintenance cost component. We found that $33,584 is allowable and $119,649 is unallowable. The costs are unallowable because the town claimed unallowable services and supplies costs; misclassified costs; did not correctly calculate the annual census and the eligible number of dogs, cats and other animals; and did not correctly apply the care and maintenance formula.

The following table summarizes the claimed, allowable, and audit adjustment amounts for care and maintenance costs for the audit period. Refer to Schedule 2 (Summary of Care and Maintenance Costs) for further details.

	Amount Claimed			Amount Allowable			
Fiscal Year	Dogs/Cats	Other Animals	Total Claimed	Dogs/Cats	Other Animals	Total Allowable	Audit Adjustment
2007-08	$ 72,857	$ 3,177	$ 76,034	$ 19,463	$ 24	$ 19,487	$ (56,547)
2008-09	73,318	3,881	77,199	14,015	82	14,097	(63,102)
Total	$ 146,175	7,058	$ 153,233	$ 33,478	$ 106	$ 33,584	$ (119,649)

The parameters and guidelines (section IV.B.3–Care and Maintenance for Impounded Stray or Abandoned Dogs and Cats that Die During the Increased Holding Period or Are Ultimately Euthanized) identify the following reimbursable activities:

> Beginning July 1, 1999 – Providing care and maintenance during the increased holding period for impounded stray or abandoned dogs and cats that die during the increased holding period or are ultimately euthanized. The increased holding period shall be measured by calculating the difference between three days from the day of capture and four or six business days from the day after impoundment.

The parameters and guidelines (section IV.B.4 – Care and Maintenance for Impounded Stray or Abandoned Animals specified in Food and Agriculture Code section 31753 that Die During the Increased Holding Period or Are Ultimately Euthanized) also state:

> Beginning January 1, 1999 – For providing care and maintenance for. . . stray or abandoned rabbits, guinea pigs, hamsters, pot-bellied pigs, birds, lizards, snakes, turtles, and tortoises legally allowed as personal property that die during the increased holding period or are ultimately euthanized.
>
> Eligible claimants are *not* entitled to reimbursement for the care and maintenance of the following population of dogs and cats and other animals:
>
> - Stray or abandoned dogs, cats, and other animals that are irremediably suffering from a serious illness or severe injury,
> - Newborn stray or abandoned dogs, cats, and other animals that need maternal care and have been impounded without their mothers,
> - Stray or abandoned dogs, cats and other animals too severely injured to move or when a veterinarian is not available and it would be more humane to dispose of the animal,
> - Owner-relinquished dogs, cats, and other animals, and
> - Stray or abandoned dogs, cats, and other animals that are ultimately redeemed, adopted, or released to a nonprofit animal rescue or adoption organization.

The parameters and guidelines state that claimants may elect to use either the Actual Cost Method or the Time Study Method to claim costs for the care and maintenance of impounded stray or abandoned dogs, cats, and other animals that die during the increased holding period or are ultimately euthanized. The county elected to use the actual cost method to claim these costs.

The parameters and guidelines specify the following steps for claiming costs using the Actual Cost Method:

> Actual Cost Method – Under the actual cost method, actual reimbursable care and maintenance costs per animal per day are computed for an annual claim period, as follows:
>
> a) Determine the total annual cost of care and maintenance for all dogs, cats and other animals impounded at a facility. Total cost of care and maintenance includes labor, materials, supplies, indirect costs, and contract services.
>
> b) Determine the average daily census of all dogs, cats and other animals. For purposes of claiming reimbursement under IV.B.3, average daily census is defined as the average number of all dogs and cats at a facility housed on any given day, in 365-day period and the average number of all other animals at a facility housed on any given day, in a 365-day period.
>
> c) Multiply the average daily census of dogs, cats and other animals by 365 = the yearly census of dogs and cats and the yearly census of other animals.

d) Divide the total annual cost of care by the yearly census of dogs and cats to calculate the cost per dog and cat per day and by the yearly census of other animals to calculate the cost per other animal per day.

e) Multiply the cost per animal per day by the number of impounded stay or abandoned dogs, cats and other animals that die during the increased holding period or are ultimately euthanized by each reimbursable day.

Reimbursable days for cats and dogs is the difference between three days from the day of capture, and four or six business days from the day after impoundment. The reimbursable days for other animals are four or six days from the day after impoundment.

Care and Maintenance Formula

The town elected to use the Actual Cost Method to claim costs. The parameters and guidelines provide for a formula-driven methodology to determine allowable mandated costs for the care and maintenance of dogs and cats, and other animals. The use of this method requires a claimant to calculate the total amount of eligible costs incurred to provide care and maintenance for the animals housed in its shelter(s). This total is divided by the annual census of animals housed in the shelter(s) to determine a cost per animal per day.

The next element of the formula is adding the number of stray and abandoned animals that died of natural causes during the holding period plus those animals that were euthanized after the required holding period. This total number of animals is then multiplied by the cost per animal per day. The resulting amount represents allowable costs for providing care and maintenance. Our calculations took into consideration that the required holding period does not include Saturday as a business day. This is consistent with an Appellate Court decision in *Purifoy v. Howell* dated March 26, 2010.

The mandate reimburses claimants for costs associated with animals that were not relinquished, redeemed, adopted, or released to a nonprofit agency—and for animals for which the local agency was unable to assess fees to recover such costs. Costs incurred by the town for care and maintenance consisted of salaries and benefits, materials and supplies, contract services, and related indirect costs (related indirect costs are addressed separately in Finding 7).

Claimed

The town used an incorrect methodology to claim costs for care and maintenance during the audit period. The town calculated care and maintenance costs by taking total expenditures incurred within Department 2130 (Animal Shelter), subtracting costs for the Spay/Neuter Program (account 8988), adding in a 40% overhead factor for the Municipal Services Director, and dividing the overall total of this calculation by the annual census of animals to determine the cost per animal per day. The cost per animal per day was then multiplied by the number of dogs and cats, and other animals euthanized during the year. The number of dogs and cats euthanized during the year was multiplied by

a factor of two to correspond to the number of extra days in the holding period, and the number of other animals had been multiplied by a factor of four.

This methodology is incorrect for a number of reasons. First, using the total of costs incurred within the animal shelter less costs for the spay and neuter program assumes that *all* of the remaining costs were 100% related to the care and maintenance of animals. This is an incorrect assumption, as certain non-reimbursable activities take place within the animal shelter, such as animal licensing and adoption. In addition, certain activities take place that are not related to care and maintenance, such as employee education and training, meetings and conferences, office-related expenditures, and costs for veterinary medical services. Allowable costs for these activities are claimable under a different cost component. There is no language in the parameters and guidelines permitting claimants the option to claim costs for multiple cost components using the Actual Cost Method option prescribed for care and maintenance activities. In addition, the factors unique to claiming costs for care and maintenance are not found within the other cost components.

Allowable

We worked with town representatives to determine which employee classifications performed care and maintenance activities and to what extent. We also obtained actual cost data for materials and supplies and contract services costs that were directly related to care and maintenance activities. The town provided its animal census database for the audit period; we used the database to determine the annual census of animals, as well as the numbers of eligible animals. We calculated indirect costs related to care and maintenance activities separately within Finding 7.

Schedule 2 (Summary of Care and Maintenance Costs) summarizes the adjustments that we made to claimed costs for animal care and maintenance. These adjustments consisted of changes to total annual costs incurred by the town for animal care and maintenance (salaries, benefits, materials and supplies, and contract services) and animal census data used to determine the cost per animal per day. The schedule also shows the changes to the number of eligible animals and the number of reimbursable days that we used to determine reimbursable costs for each year of the audit period.

Salaries and Benefits

The town did not claim salaries and benefits for the audit period. Rather, it claimed costs for salaries and benefits, materials and supplies, contract services, and indirect costs under the category of services and supplies, resulting in misclassified costs.

During the course of the audit, we requested that the town provide the actual salary amounts paid to those employee classifications directly involved with the care and maintenance function. Due to record-retention and software issues, the town provided salary information for FY 2007-08 only. In the absence of supporting documentation for FY 2008-09 salary amounts, we proposed and the town agreed to use FY 2007-08 salary

amounts as a base and applied the 2008-09 CPI index of 1.01%. Refer to Finding 8 for further information on the analysis of salaries and benefits.

We also requested the duty statements for such classifications to assist in determining the percentage of the daily workload that was devoted to caring for and maintaining animals. Animal shelter management provided a list of personnel who participate in the care and maintenance functions. Management also provided information relating to the level of involvement of each classification according to the employee's job duty description and staffing requirements during the audit period.

The following table details the percent of animal care and maintenance per employee classification for the town's animal shelter as determined by shelter management.

FY 2007-08 and FY 2008-09	
Employee Classification:	
Animal Shelter Attendant/Assistant	60%
Animal Control/Customer Service Technician	5%
Animal Control Officer	5%
Animal Control Supervisor	5%
Registered Veterinary Technician	20%
Animal Shelter Supervisor	5%
	100%

Animal Shelter Attendant/Assistant

Based on discussions with shelter management, the Animal Shelter Attendant/Assistant classification performed the bulk of the care and maintenance activities during the audit period. The town determined that this classification performed 60% of the care and maintenance activities. The remaining duties included reviewing applications for adoptions, counseling citizens, assisting with screening calls, overseeing volunteer and work release, and other duties as assigned.

Animal Control/Customer Service Technician

Based on discussions with shelter management, the Animal Control/Customer Service Technician classification performed a minimal amount of care and maintenance activities during the audit period, as the classification is mostly administrative in nature. The town determined that this classification performed 5% of the care and maintenance activities. The remaining duties included staffing the front counter, clerical tasks, issuing dog licenses, screening calls, and dispatching.

Animal Control Officer

Based on discussions with shelter management, the Animal Control Officer classification performed a minimal amount of care and maintenance activities during the audit period, as the classification is mostly in the field, retrieving stray dogs and cats and working with citizens. The town determined that this classification performed 5% of the care and maintenance activities, including morning cleaning and feeding of dogs. The remaining duties included running citizen calls, paperwork follow-up, door-to-door canvassing, and administrative hearings.

Animal Control Supervisor

Based on discussions with shelter management, the Animal Control Supervisor classification performed minimal amounts of care and maintenance activities during the audit period. Similar to the Animal Control Officer, this classification is mostly in the field with some administrative duties. The town determined that this classification performed 5% of the care and maintenance activities, including morning cleaning and feeding of dogs. The remaining duties included running calls, paperwork follow-up, door-to-door canvassing, administrative hearings, and employee evaluations.

Registered Veterinary Technician

Based on discussions with shelter management, we determined that the Registered Veterinary Technician classification performed some amount of care and maintenance activities during the audit period. The town determined that this classification performed 20% of the care and maintenance activities, including routine animal care. The remaining duties included paraprofessional veterinary medical care and other duties as assigned.

Animal Shelter Supervisor

Based on discussions with shelter management, we determined that the Animal Shelter Supervisor classification performed a minimal amount of care and maintenance activities during the audit period, as this classification is mostly supervisory and administrative. The town determined that this classification performed 5% of the care and maintenance activities. The remaining duties included assisting management, conducting facility inspections, creating reports, and overseeing personnel.

Calculation

Based on our inquiries, we concurred with the above percentages of employee classification involvement as determined by the town. Once we determined the employee classifications involved in the care and maintenance of animals and the extent of their involvement, we calculated allowable costs for labor, including the applicable percentages of actual salaries and benefits costs incurred by the town for this cost component.

The following table summarizes the salaries and benefits amounts that we used in the care and maintenance formula by fiscal year:

Fiscal Year	Amount Claimed	Amount Supported	Difference
Salaries and benefits:			
2007-08	$ -	$ 201,200	$ 201,200
2008-09	-	155,101	155,101
Total, salaries and benefits	$ -	$ 356,301	$ 356,301

Materials and Supplies

The town claimed materials and supplies costs totaling $153,233 during the audit period ($146,175 for dogs and cats and $7,058 for other animals). As detailed above, the town used an incorrect methodology to claim care and maintenance costs. The town misclassified all of the costs as services and supplies rather than materials and supplies. It also co-mingled estimated salaries and benefits, materials and supplies, contract services, and various other expenditures. These co-mingled costs included items that are not reimbursable under the Care and Maintenance cost component.

In order to determine allowable material and supplies costs, we worked in conjunction with shelter management to identify materials and supplies costs eligible for reimbursement for the Care and Maintenance cost component. The town provided expenditure reports and line item descriptions of the costs for both the Animal Shelter Department (2130) and the Animal Control Department (2120). We identified materials and supplies costs related to the care and maintenance of all animals in the following accounts:

- Account 7305 – Animal Food Supplies
- Account 7370 – Special Department Expense
- Account 9026 – Equipment Maintenance (parts)
- Account 7265 – Office Supplies
- Account 7277 – Printing
- Account 7655 – Cleaning Service and Sanitary Supplies

We excluded certain expenditures posted to these accounts that were not used for care and maintenance activities.

Dogs and Cats

The town claimed $72,857 in materials and supplies costs for dogs and cats for FY 2007-08 and $73,318 for FY 2008-09. As mentioned above, these costs consisted of various expenditures that were co-mingled and misclassified as services and supplies. We worked with shelter staff to determine the actual amounts of materials and supplies costs incurred for care and maintenance activities of all animals for each year of the audit period.

The following table shows the amount of materials and supplies claimed, the amount supported, and the difference by fiscal year:

Fiscal Year	Expenditure Category	Amount Claimed	Amount Supported	Difference
2007-08				
	Co-mingled animal shelter costs	$ 72,857	$ -	$ (72,857)
	7305 - Animal Food Supplies	-	10,222	10,222
	7370 - Special Dept. Expense	-	7,016	7,016
	9026 - Equipment Maintenance (parts)	-	294	294
	7265 - Office Supplies	-	8	8
	7277 - Printing	-	344	344
		$ 72,857	$ 17,884	$ (54,973)
2008-09				
	Co-mingled animal shelter costs	$ 73,318	$ -	$ (73,318)
	7305 - Animal Food Supplies	-	12,464	12,464
	7370 - Special Dept. Expense	-	11,704	11,704
	7655 - Cleaning Service & Sanitary Supplies	-	4,108	4,108
	9026 - Equipment Maintenance (parts)	-	649	649
		$ 73,318	$ 28,925	$ (44,393)
Total, materials and supplies		$ 146,175	$ 46,809	$ (99,366)

Other Animals

The town claimed $3,177 in materials and supplies costs for other animals for FY 2007-08 and $3,881 for FY 2008-09. These costs consisted of various expenditures that were co-mingled and misclassified as services and supplies. We worked with shelter staff to determine the actual amounts of materials and supplies costs incurred for care and maintenance of all animals for each year of the audit period. Allowable costs for other animals are already included in the table above.

The following table shows the amount of materials and supplies costs claimed, the amount supported, and the difference by fiscal year:

Fiscal Year	Expenditure Category	Amount Claimed	Amount Supported	Difference
2007-08				
	Co-mingled animal shelter costs	$ 3,177	$ -	$ (3,177)
2008-09				
	Co-mingled animal shelter costs	$ 3,881	$ -	$ (3,881)
Total, materials and supplies		$ 7,058	$ -	$ (7,058)

The following table summarizes the gross amount of materials and supplies costs claimed, the amount supported, and the difference by fiscal year. We used the totals in the amount supported column in the care and maintenance formula for both dogs and cats and other animals for each fiscal year of the audit period.

	Gross Amount of Materials and Supplies		
Fiscal Year	Amount Claimed	Amount Supported	Difference
2007-08	$ 76,034	$ 17,884	$ (58,150)
2008-09	77,199	28,925	(48,274)
Total	$ 153,233	$ 46,809	$ (106,424)

Contract Services

The town did not claim contract services costs during the audit period, as all costs were co-mingled and claimed as services and supplies. During the course of the audit, the town provided expenditure reports and line item descriptions for utilities costs incurred during the audit period.

FY 2007-08

Per shelter management, all of the town's utilities were billed to the Public Services Account through one master bill. Costs could not be broken down for the animal shelter, except for the water bill. The water company was able to provide a breakdown of the amount paid by the town for services to the animal shelter address. Using utility cost data that was available for FY 2008-09, we allocated electricity and natural gas costs applicable to FY 2007-08 based on animal census data for the two fiscal years. The percent difference in the animal census for FY 2007-08 compared to FY 2008-09 was 1.01. Therefore, we multiplied the electricity and natural gas costs in FY 2008-09 by a factor of 1.01% to arrive at costs for FY 2007-08.

FY 2008-09

Beginning with FY 2008-09, the town started billing utilities separately to each department, with the exception of phone and trash. Therefore, we were able to identify utilities costs for electricity, natural gas, and water in the town's expenditure reports for the animal shelter (Department 2130).

We held discussions with shelter management, who determined that the following pro-rata percentages should be applied to utility costs as they relate to the care and maintenance of animals:

- Water at 85% – the town reasoned that almost all of the water consumed by the shelter is a direct result of care and maintenance of the animals—for example, providing water, washing down and sanitizing the kennels and stalls, and washing bedding. There was no landscaping to water, only one restroom for staff, and a small kitchen sink.

- Electricity and natural gas at 85% – the town reasoned that during the audit period, staff and animals were housed at the old shelter, where staff had to continually keep swamp coolers running in the summer and heaters running during the winter to keep the animals comfortable. The facility also has a gas-powered laundry dryer.

We reviewed the town's assessment of utility costs incurred for care and maintenance activities and found that the city's determination of the pro-rata percentages is reasonable.

The following table summarizes the actual costs, the costs claimed, the allowable pro-rata percentage, the allowable costs, and audit adjustment amounts for contract services by fiscal year:

Fiscal Year	Expenditure	Actual Cost	Amount Claimed	Pro-Rata Percentage Allowable	Amount Allowable	Audit Adjustment
2007-08						
	Electricity	$ 7,456	$ -	85%	$ 6,338	$ 6,338
	Natural Gas	5,248	-	85%	4,461	4,461
	Water	837	-	85%	711	711
		$ 13,541	$ -		$ 11,510	$ 11,510
2008-09						
	Electricity	$ 7,395	$ -	85%	$ 6,286	$ 6,286
	Natural Gas	5,205	-	85%	4,425	4,425
	Water	1,066	-	85%	906	906
		$ 13,666	$ -		$ 11,617	$ 11,617
Total, contract services		$ 27,207	$ -		$ 23,127	$ 23,127

Animal Census Data

The yearly animal census refers to the total number of days that all animals were housed in the town's shelter. The actual cost formula requires the eligible cost of care to be divided by the yearly census to arrive at an average cost per animal per day. The cost per animal per day is then multiplied by the number of "eligible" animals (defined further) and the number of increased days.

The town provided the actual animal census information from its Shelter Pro database system for the audit period. We worked in conjunction with shelter management to determine the allowable animal census per fiscal year. Management verified the validity of the raw data and corrected any data entry errors. For example, staff corrected animal data showing negative days impounded, zeroes shown for the number of animals impounded, and other obvious inconsistencies in the raw data. We applied the exclusions per the parameters and guidelines to the raw animal data provided by the town.

The following table summarizes the claimed and allowable animal census information by fiscal year:

Fiscal Year	Animal Census: Census Claimed	Animal Census: Census Allowable	Animal Census: Difference
2007-08	47,666	57,701	10,035
2008-09	58,669	57,233	(1,436)
Total	106,335	114,934	8,599

Eligible Dogs, Cats, and Other Animals

To verify the eligible animal population, we ran a query of all animals that fit the following reimbursement criteria:

Eligible dogs and cats:

- Died of natural causes during the increased holding period: died on days 4, 5, and 6
- Ultimately euthanized: euthanized on day 7 of the holding period and beyond

Eligible Other Animals:

- Died of natural causes during the increased holding period: died on days 2, 3, 4, 5, and 6 (animals that died on day 1 were not included because they were most likely irremediably suffering from a serious illness or injury or were too severely injured to move and it may have been more humane to dispose of the animal)
- Ultimately euthanized: euthanized on day 7 of the holding period and beyond

The town overstated the number of eligible dogs, cats, and other animals for each year of the audit period. In order to determine the correct number of eligible animals for each fiscal year of the audit period, we requested animal data from the town. We applied the number of eligible animals to the actual cost formula for all years of the audit period. We consistently applied the exclusions per the parameters and guidelines to the raw animal data provided by the town.

The following table summarizes the claimed and allowable eligible animals used in the care and maintenance formula for the audit period by fiscal year:

Fiscal Year	Eligible Animals Claimed: Dogs/Cats	Eligible Animals Claimed: Other Animals	Eligible Animals Claimed: Total Claimed	Eligible Animals Allowable: Dogs/Cats	Eligible Animals Allowable: Other Animals	Eligible Animals Allowable: Total Allowable
2007-08	2,844	62	2,906	1,622	1	1,623
2008-09	3,098	82	3,180	1,366	4	1,370
Total	5,942	144	6,086	2,988	5	2,993

Reimbursable Days

For both fiscal years of the audit period, the town claimed two reimbursable days for dogs and cats and four reimbursable days for other animals. The town's claims state that the mandate added two extra holding days for dogs and cats and four extra holding days for other animals. In fact, the mandate required shelters to keep dogs and cats and other animals for four business days after the day of impoundment, excluding Saturdays, Sundays, and legal holidays. Prior to this mandated program, the law stated that dogs and cats must be kept for 72 hours from the time of impoundment, and there was no requirement for other animals. As a result of the "four business days" holding requirement, the average number of increased holding days per week for dogs and cats is three days and for other animals is six days. The town did not correctly apply the increased holding period requirement of this mandate when calculating the number of reimbursable days.

An Appellate Court decision in *Purifoy v. Howell* dated March 26, 2010, determined that Saturday is not considered a business day for the purposes of this mandated program. Therefore, for the audit period, we determined that the increased holding period for dogs and cats is three days and the increased holding period for other animals is six days.

Assembly Bill 222

Assembly Bill 222 (Chapter 97, Statutes of 2011) was enacted on July 25, 2011, and took effect January 1, 2012. This bill states that a "business day" includes any day that a public or private animal shelter is open to the public for at least four hours, excluding state holidays. This bill was applicable beginning January 1, 2012 and does not affect the audit period covered in this audit.

Recommendation

The Animal Adoption Program was suspended in the FY 2010-11 through FY 2015-16 Budget Acts. If the program becomes active, we recommend that the town ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

Town's Response

> The Town consultant calculated our Care and Maintenance Costs in a different, more aggregate manner than what the SCO auditor is proposing. We do not believe this to be incorrect and feel that once corrections are made to the Auditor's assumptions and calculations, the two methods will yield similar eligible costs.
>
> ***Issue 1: SCO did not allow actual time for various employees for Care and Maintenance calculation and erroneously concluded that staff time across positions had total 100%. This is not accurate and we believe the:***
>
> **Animal Shelter Attendant's time** should be classified as 85% directly related to care and maintenance activities as originally identified by the Shelter representative before the SCO auditor required that she reduce the time.

Animal Shelter Supervisor's time should be classified as 10% directly related to care and maintenance instead of the 5% allowed. The original allocation was 10% before the auditor instructed Apple Valley staff to reduce the percentages to total to 100% between all positions. This was an erroneous direction as there is no requirement that the positions have to equal 100%.

Also most of the remaining time of the Supervisor is spent on supervisory and administrative general functions, and that time should be included in the Indirect Cost Rate calculation discussed later in this document.

We have attached emails that took place on April 13, 2016 between the Auditor and the Shelter representative, Adriana Atteberry asking that she detail the time spent by each position caring and maintaining the animals. When the Ms. Atteberry, responds, the auditor calls her and instructs her to downwardly revise her allocations of time so that everyone's time spent caring for animals added together totals to 100%. When the percentage is still too high - the auditor then emails and says another 5% needs to be cut (which is later reduced from the Shelter Supervisors time allocation.)

These demands made by the auditor was incorrect and do not result in an amount that reflects actual reimbursable time and cost spent on Care and Maintenance activities. There is no reason why the total must add to 100% between a group of employees. Each position can spend varying amounts of time on an activity -to the maximum of 100% per person.

The SCO decision to restrict the allocation of time spent on the entire group of people to 100% is illogical and arbitrary.

We request that the allocations of time spent be based on actual amounts originally specified by the Shelter Manager. (See the following email copies)

Issue 2: Overhead costs allowed by the SCO were understated.

We have attached overhead calculations (ICRP rates for the SHELTER department for FY 2007-08 and FY 2008-09 which indicate the actual overhead rates are much higher than the default 10% rate allowed).

We request that these actual rates be used. (See attached)

SCO's Comment

The finding and recommendation remain unchanged.

In its response, the town makes several comments regarding this finding.

First, the town states that:

> . . . the town consultant calculated our Care and Maintenance costs in a different, more aggregate manner that what the SCO auditor is proposing. We do not believe this to be incorrect and feel that once corrections are made to the auditor's assumptions and calculations, the two methods will yield similar eligible costs.

The manner in which costs must be claimed for the various components of this mandated program is not an issue "proposed" by the SCO. For the Care and Maintenance cost component, the parameters and guidelines state that claimants may elect to use either the Actual Cost Method or the Time Study Method to claim costs. The town elected to use the actual cost method. The parameters and guidelines provide for a specific formula-driven methodology (the care and maintenance formula) to determine allowable mandated costs using the Actual Cost Method. As described in detail above, the town applied this methodology incorrectly. The SCO calculated allowable costs using the Actual Cost Method and the prescribed care and maintenance formula as outlined in the parameters and guidelines. The parameters and guidelines do not provide for multiple methods of applying the care and maintenance formula.

Second, the town states that the "SCO did not allow actual time for various employees for Care and Maintenance calculation and erroneously concluded that staff time across positions had total 100%." Specifically, the town requests that: (1) the "**Animal Shelter Attendant's time** should be classified as 85% directly related to care and maintenance activities as originally identified by the Shelter representative before the SCO auditor required that she reduce the time" and (2) the "**Animal Shelter Supervisor's time** should be classified as 10% directly related to care and maintenance instead of the 5% allowed." The town goes on to state that "each position can spend varying amounts of time on an activity – to the maximum of 100% per person."

The town did not claim salaries and benefits for the audit period. In the absence of supporting documentation for actual salary and benefit costs incurred for the care and maintenance of animals during the course of the audit, we requested duty statements for the employee classifications directly involved in care and maintenance activities in order to assist in determining the percentage of the daily workload that staff devoted to caring for and maintaining the animals. The duty statements are very detailed in the description of essential job functions for each classification. For example, the duty statement for the Animal Shelter Attendant classification lists 11 essential job functions, one of which describes care and maintenance activities. The duty statement for the Animal Shelter Supervisor classification lists 21 essential job functions, one of which describes care and maintenance activities. Contrary to what the town believes, it is not reasonable to apply 100% of any classification's workload solely to care and maintenance activities. Based on the detailed duty statements provided, these employees are also performing many activities that are reimbursable under other components of this mandated program (necessary and prompt veterinary care, maintaining non-medical records, lost and found lists), as well as various administrative activities and non-mandated activities.

Lastly, the town states that overhead costs allowed by the SCO for this component were understated. This issue is addressed separately under Finding 7- Allowable Indirect Costs.

FINDING 3—Overstated Increased Holding Period costs

The town claimed a total of $124,477 for services and supplies costs under the Increased Holding Period cost component. We found that $91,979 is allowable and $32,498 is unallowable. The costs are unallowable because the town claimed unallowable services and supplies costs, misclassified costs, and used an incorrect methodology for claiming costs.

The following tables summarize the claimed, allowable, and unallowable costs for the Increased Holding Period cost component for the audit period by fiscal year:

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
Services and supplies:			
2007-08	$ 57,566	$ -	$ (57,566)
2008-09	66,911	-	(66,911)
Subtotal, services and supplies	$124,477	$ -	$(124,477)

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
Salaries and benefits:			
2007-08	$ -	$ 45,483	$ 45,483
2008-09	-	46,496	46,496
Subtotal, salaries and benefits	$ -	$ 91,979	$ 91,979

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
Total direct costs:			
2007-08	$ 57,566	$ 45,483	$ (12,083)
2008-09	66,911	46,496	(20,415)
Total	$124,477	$ 91,979	$ (32,498)

Services and Supplies

The town claimed $124,477 for services and supplies for the audit period. We found that the entire amount is unallowable. Under this component, claimants are reimbursed for making animals available for owner redemption on either one weekday evening or one weekend day. The town made animals available for owner redemption during the audit period by staying open to the public for six hours on Saturdays.

The town claimed costs for this component by using total shelter costs incurred in animal shelter (Department 2130) less costs reported in account 8988 (Spay/Neuter Program). This revised total for shelter cost was then divided by 2,912, a number described as "total hours of facility operations" in the town's claims. The resulting amount was described as the "cost per hour" to operate the entire shelter, which was then multiplied by the number of hours that the town's shelter was open during the year

on Saturdays (312) to calculate claimed costs.
The town's methodology for claiming costs under this component is incorrect. Using total costs incurred by the animal shelter (less spay and neuter costs) to determine an hourly amount to operate the animal shelter assumes that all of the remaining costs incurred to operate the shelter on Saturdays are reimbursable. This assumption is not consistent with the requirements of this mandated program. For example, costs incurred for non-reimbursable activities such as animal licensing, adoption, and euthanasia are not reimbursable at any time. In addition, costs incurred for animal care and maintenance were claimed under that cost component, yet were not factored out in the town's calculations for this cost component. Moreover, the town misclassified the costs as "services and supplies" costs rather than as salary and benefit costs.

Salaries and Benefits

As mentioned above, the town did not claim salaries and benefits during the audit period. Instead, it used an incorrect methodology for calculating allowable costs and then misclassified them as services and supplies. We found that the town incurred a total of $91,979 in allowable salaries and benefits for the audit period.

Hours of Operation

For each year of the audit period, the town provided support that its animal shelter was open to the public on Saturdays from 9:00 a.m. to 3:00 p.m., for a total of six hours per employee performing the reimbursable activities. The shelter met the requirements of the mandate by making animals available for owner redemption on the weekend day.

The shelter's hours of operation are essential in determining the allowable hours to comply with the Increased Holding Period cost component. For both fiscal years of the audit period, the town correctly claimed and was able to support that the shelter was open to the public on Saturdays from 9:00 a.m. to 3:00 p.m., for a total of six hours per allowable employee.

Staffing Requirements

We discussed with shelter management the staffing requirements to make animals available for owner redemption on Saturdays, when the shelter was open to the public, in comparison to Sundays, when the shelter was closed. We also obtained staffing schedules for the town's shelter to determine the number of increased positions necessary to perform the reimbursable activities.

The town did not claim employee classifications under this component. The staffing schedules for both fiscal years of the audit period show that on Sundays, when the shelter was closed to the public, the shelter was staffed with just one Animal Shelter Attendant/Assistant. However, when the shelter was open to the public on Saturdays, the shelter was staffed with the following:

- Two Animal Shelter Attendants/Assistants;

- One Shelter Supervisor;
- Two Animal Control/Customer Service Technicians; and
- Two Animal Control Officers in FY 2007-08 and one in FY 2008-09.

Based on the staffing schedules provided, the increased staff positions on Saturdays needed to perform the reimbursable activities consisted of one Animal Shelter Attendant/Assistant, one Animal Shelter Supervisor, and two Animal Control/Customer Service Technicians. We excluded the Animal Control Officers, as this position would not be responsible for assisting owners with redeeming their pets but instead would be performing duties in the field.

The following table shows the claimed and the allowable employee classifications determined to be the increased positions necessary to comply with making the animals available for owner redemption. In addition, the table summarizes the total hours claimed and allowable:

	Fiscal Year		
	2007-08	2008-09	Totals
Claimed			
Hours claimed	6	6	
x Weeks per year	52	52	
Total hours claimed	312	312	624
Allowable			
Animal Shelter Supervisor	1	1	
Animal Shelter Attendant/Assistant	1	1	
Animal Control/Customer Service Technician	2	2	
Total employee positions	4	4	
x Hours allowed per position	6	6	
x Weeks per year	52	52	
Total hours allowable	1,248	1,248	2,496

Indirect Costs

The indirect costs applicable for this cost component, totaling $6,478 for the audit period, were calculated separately. See Finding 7, Allowable Indirect Costs, for the calculations.

The parameters and guidelines (section IV.B.4–Using the Holding Period of Four Business Days After the Day of Impoundment) state that the following activities are reimbursable beginning January 1, 1999, for impounded animals specified in Food and Agriculture Code section 31753 (“other animals”), and beginning July 1, 1999, for impounded dogs and cats for either:

1. Making the animal available for owner redemption on one weekday evening until at least 7:00 p.m., or one weekend day; or
2. For those local agencies with fewer than three full time employees or that are not open during all regular weekday business hours, establishing a procedure to enable owner to reclaim their animals by appointment at a mutually agreeable time when the agency would otherwise be closed.

The parameters and guidelines (section IV – Reimbursable Activities) state that:

> 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 documentation to show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities.

The parameters and guidelines (section V.A.1 – Salaries and Benefits) state that:

> Claimants must 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 Animal Adoption Program was suspended in the FY 2010-11 through FY 2015-16 Budget Acts. If the program becomes active, we recommend that the town ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

Town's Response

> Costs were calculated by the consultant in a different, more aggregate manner the SCO auditor is proposing. We do not believe this to be incorrect and believe that once certain SCO errors are corrected, the two methods will yield similar eligible costs.
>
> ***Issue 1: Overhead costs were understated.***
>
> We have attached an overhead (ICRP rate for the SHELTER department for FY 2007-08 and FY 2008-09 which indicate the actual overhead rates are much higher than the default 10% rate allowed).
>
> We request that these actual rates be used. (See attached calculations)

SCO's Comment

The finding and recommendation remain unchanged.

The town states that overhead costs allowed by the SCO for this component were understated. This issue is addressed separately under Finding 7- Allowable Indirect Costs.

FINDING 4—
Allowable Lost and Found Lists costs

The town did not claim any costs under the Lost and Found Lists cost component during the audit period. We found that $995 is allowable under this cost component.

Contract Services

During the course of the audit, the town submitted invoices for various expenditures. Using these invoices, we found that the town incurred costs for the purchase of Multiple Options animal data software in FY 2008-09. The invoice details the various services and options provided with the software package, along with the associated costs. We found that under the "services" portion of the invoice, the option titled PetFinder Support is applicable to this component. The total cost for the PetFinder Support was $995. We ultimately determined that the entire amount is related to this mandated activity and $995 is allowable in contract services costs.

Salaries and Benefits

The town did not claim costs under this component and, therefore, did not claim salaries and benefits. During the course of the audit, the town was able to provide support that it complied with the five reimbursable activities outlined for this component. However,the town would have to perform a time study for the activities of providing lost and found information to the public in order to determine allowable salary and benefit costs. Though given the option, the town did not perform a time study during the course of the audit.

The parameters and guidelines allow reimbursement, beginning January 1, 1999, for providing owners of lost animals and those who find lost animals with all of the following:

1. Ability to list the animals they have lost or found on lost-and-found lists maintained by the local agency;
2. Referrals to animals listed that may be the animals the owner or finders have lost or found;
3. The telephone numbers and addresses of other pounds and shelters in the same vicinity;
4. Advice as to means of publishing and disseminating information regarding lost animals; and
5. The telephone numbers and addresses of volunteer groups that may be of assistance in locating lost animals.

Recommendation

The Animal Adoption Program was suspended in the FY 2010-11 through FY 2015-16 Budget Acts. If the program becomes active, we recommend that the town ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

Town's Response

The town replied "no comment" to the audit finding.

SCO's Comment

The finding and recommendation remain unchanged.

FINDING 5—Allowable Maintaining Non-Medical Records costs

The town did not claim costs under the Maintaining Non-Medical Records cost component. However, during the course of the audit, we found that the town incurred a total of $62,977 in allowable costs ($60,242 for salaries and benefits, and $2,735 for contract services).

The following table summarizes the combined claimed, allowable, and adjusted direct costs for the Maintaining Non-Medical Records cost component by fiscal year:

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
Total direct costs:			
2007-08	$ -	$ 31,065	$ 31,065
2008-09	-	31,912	31,912
Total	$ -	$ 62,977	$ 62,977

Salaries and Benefits

The town did not claim salaries and benefits during the audit period. However, the town conducted a time study during the course of the audit to determine the average amount of time spent by various employee classifications processing non-medical animal records. We found that $60,242 is allowable.

The following table summarizes the claimed, allowable, and audit adjustment amounts for salaries and benefits for the Maintaining Non-Medical Records cost component by fiscal year:

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
Salaries and benefits:			
2007-08	$ -	$ 31,065	$ 31,065
2008-09	-	29,177	29,177
Total, salaries and benefits	$ -	$ 60,242	$ 60,242

Time Study

During the course of the audit, the town conducted a time study for this cost component from April 16, 2016, through April 25, 2016. The town studied the time required to process records for incoming animals and the final disposition of animals. The six employee classifications of Animal Services Technician, Animal Control Officer, Animal Shelter Supervisor, Animal Health Technician, Office Assistant, and Shelter Specialist participated in the time study. However, three of the classifications that participated in the time study were not applicable during the audit period: Animal Health Technician, Office Assistant, and Shelter Specialist. The Animal Services Technician classification was called Animal Control Technician during the audit period; these two positions are considered the same classification.

Taking into consideration the classifications that actually existed during the audit period, we applied the following classifications to the audit period:

- Animal Services Technician (equivalent to Animal Control/ Customer Service Technician)
- Animal Control Officer
- Animal Shelter Supervisor

The time study determined that it takes an average of 3.51 minutes to process incoming animal records and an average of 4.55 minutes to process records for the final disposition of animals. However, three of the employee classifications that participated in the time study did not exist during the audit period, as previously noted. Regardless, we determined that the total amounts of time required to process animal records were adequately established by the town's time study and should not be revised. Therefore, we allocated the number of minutes spent by these three classifications in the town's time study to the three classifications that existed during the audit period.

Number of Animal Records Processed

During the course of the audit, we obtained the town's raw animal data for FY 2007-08 and FY 2008-09 from its animal tracking software system database. We applied the time study results to the number of animal records processed based on this data. For purposes of the Maintaining Non-Medical Records cost component, the allowable number of animal records is the total number processed by the facility during the fiscal year, with no exclusions.

The following table summarizes the number of non-medical records processed for the audit period by fiscal year:

	Fiscal Year		
	2007-08	2008-09	Totals
Intake	5,961	5,480	11,441
Final Disposition	5,961	5,480	11,441

The following table identifies the involvement level of employee classifications that processed non-medical records during the audit period, based on the time study that the town conducted:

Employee Classification	Percentage Involvement
Incoming Animal Records:	
Animal Control Technician	60%
Animal Control Officer	36%
Animal Shelter Supervisor	4%
	100%
Final Disposition Animal Records:	
Animal Control Technician	56%
Animal Control Officer	20%
Animal Shelter Supervisor	24%
	100%

To determine allowable salaries and benefits, we applied the results of the town's time study to the employee classifications that performed the activities. We determined that costs totaling $60,242 were allowable for salaries and benefits.

Contract Services

The town did not claim costs under the Maintaining Non-Medical Records cost component. However, we found that the town incurred $2,735 in contract services costs for the purchase of animal data software in FY 2008-09.

During the course of the audit, the town submitted invoices for various expenditures. Using these invoices, we found that the town incurred costs for the purchase of Multiple Options animal data software in FY 2008-09. The invoice details the various services and options provided with the software, along with the associated costs. Under the Shelter Management System Software portion of the invoice, the base cost for the SQL version of the software package was $10,500. In addition, the total of the various options added together was $21,695, for a subtotal of $32,195. The town was then given a 10% discount, making the final total $28,975.50. We found that the option titled "kennel management" was applicable to this component. The other options listed, such as "point of sales," "accounts receivable," and "dispatching system," among others, do not pertain to this component. The cost for the "kennel management" portion was $2,000; we found the entire amount to be allowable, as the kennel management activites complied with the mandated activity of processing records for incoming animals and the final disposition of animals. We then calculated the pro-rata percent that the kennel management option represented out of all the options listed. We applied the resulting 7% to the base cost of the software package ($10,500) in order to determine the proportionate share of that cost that was related to this component, totaling $735. Allowable contract services consisted of $2,000 for the kennel management portion of the software and $735 for the proportionate share of the base software package cost, for a total of $2,735.

Indirect Costs

The indirect costs applicable for this cost component, totaling $4,244 for the audit period, were calculated separately. See Finding 7, Allowable Indirect Costs, for the calculations.

The parameters and guidelines (section IV.B.8–Maintaining Non-Medical Records) identify the following reimbursable activities:

> Beginning January 1, 1999 – Maintaining non-medical records on animals that are either taken up, euthanized after the holding period, or impounded. Such records shall include the following:
>
> - The date the animal was taken up, euthanized, or impounded;
> - The circumstances under which the animal is taken up, euthanized, or impounded;
> - The names of the personnel who took up, euthanized, or impounded the animal; and
> - The final disposition of the animal, including the name of the person who euthanized the animal or the name and address of the adopting party.

The parameters and guidelines (section IV.B.8–Maintaining Non-Medical Records) identify the following reimbursable activity:

> The cost of Software license renewal contracts, to the extent these costs are not claimed as an indirect cost under these parameters and guidelines, is eligible for reimbursement under Section V (A) (2) of the parameters and guidelines. If the computer software is utilized in some way that is not directly related to the maintenance of records specified in this section, only the pro rata portion of the software license renewal contract that is used for compliance with this section is reimbursable.

Recommendation

The Animal Adoption Program was suspended in the FY 2010-11 through FY 2015-16 Budget Acts. If the program becomes active, we recommend that the town ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

Town's Response

> ***Issue 1: It appears the SCO made a clerical error In FY 2008-09.***
>
> One table shows allowable costs of $31,912 and another of $29,177.
>
> ***Issue 2: Overhead costs were understated.***
>
> We have attached overhead calculations (ICRP rates for the SHELTER department for FY 2007-08 and FY 2008-09 which indicate the actual overhead rates are much higher than the default 10% rate allowed).
>
> We request that these actual rates be used. (See attached calculations)

SCO's Comment

The finding and recommendation remain unchanged.

The town states that "It appears the SCO made a clerical error in FY 2008-09. One table shows allowable costs of $31,912 and another of $29,177." The reference to $29,177 in FY 2008-09 is for salaries and benefits. The town also incurred allowable contract services costs totaling $2,735 in FY 2008-09. The allowable salary and benefit costs combined with the allowable contract services costs total $31,912 in allowable direct costs for FY 2008-09 and is correctly presented.

The town also states that overhead costs allowed by the SCO for this component were understated. This issue is addressed separately under Finding 7- Allowable Indirect Costs.

FINDING 6—Allowable Procuring Equipment costs

The town did not claim any costs under the Procuring Equipment cost component during the audit period. However, we identified costs in the Capital Equipment and Communications Equipment expense accounts for the animal shelter, and in the Capital Outlay expense account for animal control. The town provided support for these costs and we classified them under both materials and supplies and fixed assets. We found that $13,365 is allowable under this cost component.

The following table summarizes the claimed, allowable, and audit adjustment amounts for total direct costs for the audit period by fiscal year:

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
Direct costs:			
2007-08	-	6,630	6,630
2008-09	-	6,735	6,735
Total	$ -	$ 13,365	$ 13,365

Materials and Supplies

The town did not include any materials and supplies costs under this cost component in its claims for the audit period. However, the town provided support for materials and supplies costs not claimed that are eligible for reimbursement under the mandated program. We found that $5,252 in materials and supplies costs is allowable for this component.

The following table summarizes the costs claimed, the supported costs, the allowable pro-rata percentage, and the allowable costs for materials and supplies by fiscal year:

Fiscal Year	Amount Claimed	Supported Costs	Pro-Rata Percentage Allowable	Amount Allowable	Audit Adjustment
Materials and supplies:					
2007-08	-	$ 4,170	100%	$ 4,170	$ 4,170
2008-09	-	1,082	100%	1,082	1,082
Subtotal, materials and supplies	$ -	$ 5,252		$ 5,252	$ 5,252

For FY 2007-08, the town incurred costs totaling $4,170. The following costs came from animal shelter (Department 2130) expense accounts:

- A cat resting shelf for the cat area ($953);
- Shelving/storage to keep animal food off of the floor and reduce rodent activity ($446 and $738);
- Benches/tools to keep food off of the floor ($438); and
- Radios for shelter attendants to communicate with one another ($287).

The following costs came from animal control (Department 2120) expense accounts:

- Feral cat dens for the feral cat area of the shelter ($941); and
- A hutch to house rabbits ($317).

For FY 2008-09, the town incurred costs totaling $1,082. These costs came from animal shelter (Department 2130) expense accounts, and consisted of the following:

- Four compact refrigerators to store drugs and medications for the animals ($916); and
- Radios for shelter attendants to communicate with one another ($166).

We interviewed shelter management and staff, who provided a reasonable explanation of how this equipment was necessary to comply with the reimbursable activities of the mandated program. In addition, shelter management stated, and we accepted, that each piece of equipment was used solely for mandated activities.

Fixed Assets

The town did not include any fixed asset costs under this cost component in its claims for the audit period. However, the town provided support for fixed asset costs not claimed that are eligible for reimbursement under the mandated program. We found that $8,113 is allowable in fixed asset costs for this component.

The following table summarizes the costs claimed, the supported costs, the allowable pro-rata percentage, and the allowable costs for fixed assets by fiscal year:

Fiscal Year	Amount Claimed	Supported Costs	Percentage Allowable	Amount Allowable	Audit Adjustment
Fixed assets:					
2007-08	$ -	$ 2,460	100%	$ 2,460	$ 2,460
2008-09	-	5,653	100%	5,653	5,653
Subtotal, fixed assets	$ -	$ 8,113		$ 8,113	$ 8,113

For FY 2007-08, the town incurred costs totaling $2,460. The costs came from animal shelter (Department 2130) expense accounts and were for the purchase of a sloped dog, kennel hard roof. The town identified additional costs in the amount of $5,980 for FY 2007-08 for purchase of of a nine-unit bank of stainless steel cages to house the animals. However, the town did not provide an invoice for this expense; therefore, the cost is unallowable because it is unsupported. For FY 2008-09, the town identified costs totaling $5,653. This cost also came from the Department 2130 expense accounts and was for the purchase of stainless steel cages to house small dogs and puppies.

We interviewed shelter management and staff, who provided a reasonable explanation of how this equipment was necessary to comply with the reimbursable activities of the mandated program. In addition, shelter management stated, and we accepted, that each piece of equipment was used solely for mandated activities.

The parameters and guidelines (section IV.B.10) identify the following reimbursable activity:

> Beginning January 1, 1999 for procuring medical, kennel, and computer equipment necessary to comply with the reimbursable activities listed in Section IV (B) for the parameters and guidelines, to the extent these costs are not claimed as an indirect cost under Section V (B) of the parameters and guidelines. If the medical, kennel, and computer equipment is utilized in some way not directly related to the mandated program or the population of animals listed in Section IV (B), only the pro rata portion of the activity that is used for the purposes of the mandated program is reimbursable.

The parameters and guidelines (section IV – Reimbursable Activities) state that:

> 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 documentation to show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities.

Recommendation

The Animal Adoption Program was suspended in the FY 2010-11 through FY 2015-16 Budget Acts. If the program becomes active, we recommend that the town ensure that claimed costs include only eligible costs, are based on actual costs, and are properly supported.

Town's Response

The town replied "no comment" to the audit finding.

SCO's Comment

The finding and recommendation remain unchanged.

FINDING 7—Allowable indirect costs

The town did not claim reimbursement for indirect costs for the audit period. However, the town incorporated overhead costs into the Care and Maintenance (Finding 2) cost component. We found that $12,708 in indirect costs is allowable.

Fiscal Year	Claimed Indirect Costs	Allowable Indirect Costs	Audit Adjustment
2007-08	$ -	$ 6,627	$ 6,627
2008-09	-	6,081	6,081
Total	$ -	$ 12,708	$ 12,708

Overhead costs

As stated, the town did not claim indirect costs for the audit period. The town did, however, incorporate overhead costs into the Care and Maintenance cost component by adding in a 40% overhead factor for the Municipal Services Director when computing total annual shelter costs. Including a calculated overhead cost into the care and maintenance formula is incorrect. The parameters and guidelines state that claimants either have the option of using 10% of direct labor, excluding fringe benefits, or preparing an ICRP if the indirect cost rate claimed exceeds 10%.

Indirect cost rate

During the course of the audit, the town elected to use the option of using 10% of direct labor, excluding fringe benefits, to claim indirect costs for the audit period. The Assistant Director of Finance decided this was the best option because the town's record-retention period had expired and because the town switched software during the audit period, making many records unavailable.

Allowable Salaries

As a result of our audit, we determined allowable salaries and benefits for the audit period. As noted above, the town elected to use the 10% of direct labor option to claim indirect costs. Accordingly, allowable indirect costs for the audit period are based solely on allowable salaries.

The following table summarizes the claimed, allowable, and audit adjustment amounts to salaries by fiscal year:

Fiscal Year	Claimed Salaries	Allowable Salaries	Audit Adjustment
2007-08	$ -	$ 66,277	$ 66,277
2008-09	-	60,809	60,809
Total	$ -	$ 127,086	$ 127,086

Allowable indirect costs for the audit period were computed by applying the 10% indirect cost rate to total allowable salaries shown in the table above.

The parameters and guidelines (section V.B. – Indirect Costs) state that:

> 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 to other activities, as appropriate, indirect costs are those remaining to be allocated to benefited cost objectives. A cost may not be allocated as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been claimed as a direct cost.
>
> Claimants have the option of using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal (ICRP) pursuant to the Office of Management and Budget (OMB) Circular A-87.

Recommendation

The Animal Adoption Program was suspended in the FY 2010-11 through FY 2015-16 Budget Acts. If the program becomes active, we recommend that the town ensure that its indirect cost rates are properly calculated and are applied to the same direct cost base that was used to calculate the rate.

Town's Response

> Costs calculated by consultant in a different, more aggregate manner than the SCO auditor is proposing. We do not believe this to be incorrect and believe that once the costs listed above and correct ICRP rate are applied, the two methods will yield similar eligible costs.

> **ANIMAL SHELTER & ANIMAL CONTROL SUPERVISORS SHOULD BE CLASSIFIED AS 70% INDIRECT.** 50% of time is spent assisting management, meeting vendors, conducting facility inspections, creating reports, training and motivating personnel + 20% monitoring controlled substances in the Shelter.
>
> **ANIMAL CONTROL TECHNICIANS SHOULD BE CLASSIFIED AS 25% INDIRECT.** A portion of the AC Technicians job duties include answering agency phones and answering general questions. This is a general, shared, indirect activity and cost.
>
> **SCO DID NOT INCLUDE ANY ADMIN AND CLERICAL SUPPORT PROVIDED BY THE MUNICIPAL SERVICES DEPARTMENT.** The Town budgeted for these activities in the Municipal Services Department, therefore an allocation of their time/costs providing administrative and clerical support to the Shelter should be allowed. We have provided a reasonable approach to distributing these costs based on agency budget history.
>
> Because the SCO calculate the costs in a different manner than originally submitted and calculated by the Town (which was based on aggregate costs which did not require preparation of an ICRP, the State must give us the opportunity to respond and support our costs with actual overhead (ICRP) rates.
>
> Informal conversations with staff are not binding. This is our Town's first State Mandate audit and we are not familiar with the State Mandate procedures. Upon conversation with our consultant, accepting the 10% default rate is not in our best interest and State Mandate guidelines require that you use actual ICRP calculations. Those actual calculations are attached.
>
> We believe the rates attached are accurate, reasonable, and should be applied to the direct salary costs allowed in the SCO audit.

SCO's Comment

The finding and recommendation remain unchanged.

In its response, the town states the following:

> Because the SCO calculated the costs in a different manner than originally submitted and calculated by the town (which was based on aggregate costs which did not require preparation of an ICRP), the State must give us the opportunity to respond and support our costs with actual overhead (ICRP) rates.

The town did not claim reimbursement for indirect costs for the audit period, nor did it submit an ICRP. As stated above, the town incorporated overhead costs into the Care and Maintenance cost component by adding a 40% overhead factor for the Municipal Services Director when computing total annual shelter costs. Including a calculated overhead cost into the care and maintenance formula is an incorrect method for calculating and claiming indirect costs. The town's statement that it claimed costs based on "aggregate costs which do not require the preparation of an ICRP" is also incorrect. The parameters and guidelines state that claimants have two options for calculating indirect costs: using

10% of direct labor, excluding fringe benefits, or preparing an ICRP. The town did neither.

The town also states that "accepting the 10% default rate is not in our best interest and State Mandate guidelines *require* [emphasis added] that you use actual ICRP calculations." As stated above, using actual ICRP calculations is one of two acceptable methods for claiming indirect costs per the parameters and guidelines. The town did not use either method, as it did not claim reimbursement for indirect costs. We held discussions with the town's Assistant Director of Finance during the audit and he elected to use the option of 10% of direct labor, excluding fringe benefits, to determine allowable indirect costs for the audit period. The town's Assistant Director of Finance explained that this was the best option, due to the unavailability of many records for the audit period. With many of the components of this audit, supporting documentation was not available because the town's record-retention period had expired and the town switched software during the audit period. Therefore, the town's Assistant Director of Finance concluded that all of the necessary data to compile an accurate and complete ICRP for the audit period would likely be unavailable.

With its response to the draft audit report, the town submitted calculations for an ICRP for both fiscal years of the audit period. Submitting an ICRP at this time would require us to re-open the audit and conduct further fieldwork to analyze and verify the indirect cost rates that the town is now proposing. However, the indirect costs that are allowable for the audit period were calculated using an acceptable methodology as prescribed in the parameters and guidelines. Further, the town agreed with this method as being the best option, in discussions that took place on April 12, 2016. Therefore, we are not considering the additional information provided for indirect cost rate calculations.

FINDING 8—Allowable productive hourly rates and benefit rates

For both fiscal years of the audit period, the town did not claim salaries or benefits. Instead, it claimed all costs under services and supplies. Therefore, we calculated allowable productive hourly rates for the audit period.

Allowable Productive Hourly Rates

During the course of the audit, the town did not provide payroll reports for either of the two fiscal years of the audit period. Town management explained that the town record retention policy is seven years. The start of our audit was right at the seven-year mark. Additionally, the town switched software sometime during the audit period, so many records could not be retrieved. However, the town was able to provide a report titled "Earnings History by GL#" for FY 2007-08, which was found in town files and had previously been generated from the town's payroll system. The report provided town employee names, employee ID numbers, and total salaries paid for the fiscal year. Management confirmed that the totals do not include any kind of benefits. Along with this report, the town submitted a table that was not generated from the town's system, but rather compiled by the mandated cost consultant, listing employee names and their hourly productive rate. We explained to

town management that the hourly rates listed in this table could not be used to calculate allowable costs, as the table was created outside of the district's system and was not accompanied by supporting documentation showing how the rates were calculated.

FY 2007-08

For FY 2007-08, we performed our own calculations of productive hourly rates using the information that was available in the town's FY 2007-08 Earnings History report. Because this report was not as comprehensive as a typical payroll report, we had to obtain certain information from other sources. We matched employee names shown on the report to the productive hourly rate table mentioned above in order to identify employee classifications/titles. In the absence of actual annual productive hours for each employee, we defaulted to the SCO's claiming instructions and used 1,800 productive hours in our calculations. We divided each employee's total salary amount by 1,800 hours to arrive at a productive hourly rate. We then grouped employees of the same classification together to arrive at an average productive hourly rate for each classification for the fiscal year. However, in three instances we did not use 1,800 hours, as it was evident from the employees' yearly salary amounts that they were not full-time. We asked the town's Assistant Director of Finance to clarify these items. He was able to work with the town's personnel department to identify the approximate hours worked by each of these three employees based on information from their personnel files.

FY 2008-09

Because the town was able to provide salary information only for FY 2007-08, we devised an alternative methodology to determine allowable productive hourly rates for FY 2008-09. We used the calculated average productive hourly rates per classification from FY 2007-08 as a base, and multiplied these figures by the FY 2008-09 CPI Index (1.01%). The resulting figures were the allowable average productive hourly rates per classification for FY 2008-09. We obtained the CPI Index from the California Department of Finance's website under Financial and Economic Data, CPI and Deflators. We discussed this methodology with the town's Assistant Director of Finance, and he agreed that in the absence of supporting documentation, this was the best approach.

We applied the calculated average productive hourly rates per classification to the various cost components to determine allowable salary and benefit costs.

Benefit Rates

As mentioned previously, for both fiscal years of the audit period, the town did not claim salaries or benefits. Instead, it claimed all costs under services and supplies. Therefore, we calculated allowable benefit rates for the audit period.

Allowable Benefit Rates

We calculated the allowable benefit rate for both fiscal years of the audit period by obtaining the year-to-date expenditure reports for both the Animal Control Department (2120) and the Animal Shelter Department (2130). For both fiscal years, we calculated total salaries and total benefits separately. To determine each fiscal year's applicable employee benefit rate, we used data from the year-to-date expenditure reports and divided total benefits by total salaries to arrive at a benefit rate. We performed this calculation for both departments. Due to record-retention issues and changes in software during the audit period, the town was able to provide payroll information only for FY 2007-08. In the payroll information provided, employees of the same classification appeared under both the 2120 account and the 2130 account, making it difficult to apply the applicable benefit rate to each classification when calculating allowable salary and benefit amounts. Therefore, for both fiscal years, we calculated the average benefit rate of the two departments as follows:

FY 2007-08

Animal Control Department calculated benefit rate: 39.64%
Animal Shelter Department calculated benefit rate: 42.6%
Average benefit rate for fiscal year: 41.12%

FY 2008-09

Animal Control Department calculated benefit rate: 42.76%
Animal Shelter Department calculated benefit rate: 42.92%
Average benefit rate for fiscal year: 42.82%

We applied the average benefit rates to the allowable productive hourly rates to arrive at salary and benefit costs for the audit period. The exception is the Care and Maintenance cost component, wherein the average benefit rates were applied to actual salaries.

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.

The SCO's claiming instructions state that one of three options may be used 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. (The 1,800 annual productive hours excludes time for paid holidays, vacation earned, sick leave taken, informal time off, jury duty, and military leave taken.)

Recommendation

The Animal Adoption Program was suspended in the FY 2010-11 through 2015-16 Budget Acts. If the program becomes active, we recommend that the town ensure that productive hourly rates and benefit rates are calculated in accordance with the guidance provided in the SCO's claiming instructions.

Town's Response

The town did not respond to the audit finding.

SCO's Comment

The finding and recommendation remain unchanged.

OTHER ISSUE—Necessary and Prompt Veterinary Care

Though there was no finding relating to the Necessary and Prompt Veterinary Care component, in its response, the town questioned why "the SCO did not allow any reimbursement for the Necessary and Prompt Veterinary Care component as these costs are eligible for reimbursement."

Town's Response

> The Town reviewed the proposed Findings and question why the SCO did not allow any reimbursement for the Prompt and Necessary Veterinary Care Component as these costs are eligible for reimbursement.
>
> The Town request the following amounts be added to our allowable reimbursement:
>
> FOR FY 2007-08 =$10,608 (includes vaccine costs and employee salary)
> FOR FY 2008-09 =$10,298 (includes vaccine costs and employee salary)
>
> These costs were derived as follows:
>
> In FY 2007-08, the Town expended $13,280.13 for purchasing wellness vaccines.
>
> The SCO audit determined that 5,961 animals were taken in during that fiscal year, therefore: Wellness Vaccine Costs: $13,280.13/ 5,961 = $2.23 per animal for wellness vaccine $2.23 x 1,622 eligible animals allowed for FY 2007-08 = $3,614
>
> In FY 2008-09, the Town expended $16,160 for purchasing wellness vaccines.
>
> The SCO audit determined that 5,480 animals were taken in during that fiscal year, therefore: Wellness Vaccine Costs: $ 16,160/ 5,480 = $2.95 per animal for wellness vaccine $2.95 x 1,366 eligible animals allowed for FY 2008-09 = $4,030

> Personnel costs to conduct the animal check up to determine if it is treatable and to administer the wellness vaccine was calculated based on time study staff conducted after receiving the SCO preliminary draft audit response. {See the following pages.)
>
> It was determined that an average of 86 seconds (or 1.43 minutes) was spent by the Registered Veterinary Technician per animal to conduct an initial exam upon intake and to determine whether the animal is treatable and then to give a wellness vaccine to the treatable animals.
>
> We submit that this is a reasonable and fair approach to capturing some of these eligible costs denied us in the audit. We request that these costs be restored to our claims.

SCO's Comment

The town is requesting reimbursement for vaccine costs, as well as salary and benefit costs, for conducting an initial physical exam to determine an animal's baseline health and to administer a wellness vaccine for both fiscal years of the audit period. The salary and benefit costs that the town is requesting reimbursement for are based on a two-day time study that the town conducted from May 18, 2016, to May 20, 2016.

The town did not claim any costs for this component for the audit period. We informed the town on numerous occasions (via email on July 13, 2015, October 14, 2015, February 29, 2016, and March 15, 2016, and by telephone on October 26, 2015, and October 29, 2015) that in order to determine allowable salary and benefit costs for the audit period, it would need to conduct a time study for this cost component. The span of this audit has been nearly a year, which is reasonable time for the town to plan and initiate a time study for this cost component. In addition, the results of a two-day time study that the town conducted post-exit conference do not appear adequate to determine allowable costs for the audit period. Similar to our comments above for the indirect cost rate information provided, examining the town's time study at this time would require us to re-open the audit and conduct additional fieldwork to analyze and verify the accuracy of the information provided.

Lastly, during fieldwork, we informed the town that in order to determine allowable materials and supplies costs for the purchase of wellness vaccines, the town would need to provide supporting documentation in the form of invoices in order to determine a unit cost per vaccine. Such information was not provided during the course of the audit or in the response to the draft audit report.

Attachment—
Town's Response to Draft Audit Report

Town of Apple Valley

A Better Way of Life

June 17, 2016

Mr. Jeffrey Brownfield
Chief of Division of Audits
State Controller's Office
P.O. Box 942850
Sacramento, CA 94250-5874

Dear Mr. Brownfield,

Please accept the Town of Apple Valley's response to the State Controller's Office (SCO) June 8, 2016 Draft Audit Report of the Animal Adoption Program for the period of July 1, 2007 through June 30, 2009.

Please see the attached document for our detailed responses to your findings.

We believe the responses submitted were prepared in accordance with the claiming instruction, Statement of Decision, and the Parameters and Guidelines adopted by the Commission. We are willing to provide additional documentation upon request.

Please contact me at (760) 240-7000 or our consultant Annette Chinn at (916) 939-7901 with any questions.

Sincerely,

Marc Puckett
Finance Director

MISSING ITEM 1 - PROMPT AND NECESSARY VET CARE

The Town reviewed the proposed Findings and question why the SCO did not allow any reimbursement for the **Prompt and Necessary Veterinary Care Component** as these costs are eligible for reimbursement.

The Town request the following amounts be added to our allowable reimbursement:

FOR FY 07-08 = $10,608 (includes vaccine costs and employee salary)

FOR FY 08-09 - $10,298 (includes vaccine costs and employee salary)

These costs were derived as follows.

In FY 2007-08, the Town expended $13,280.13 for purchasing wellness vaccines.

The SCO audit determined that 5,961 animals were taken in during that fiscal year, therefore:

Wellness Vaccine Costs: $13,280.13/ 5,961 = $2.23 per animal for wellness vaccine

$2.23 x 1,622 eligible animals allowed for FY 2007-08 = $3,614

In FY 2008-09, the Town expended $16,160 for purchasing wellness vaccines.

The SCO audit determined that 5,480 animals were taken in during that fiscal year, therefore:

Wellness Vaccine Costs: $ 16,160/ 5,480 = $2.95 per animal for wellness vaccine

$2.95 x 1,366 eligible animals allowed for FY 2008-09 = $4,030

Personnel costs to conduct the animal check up to determine if it is treatable and to administer the wellness vaccine was calculated based on time study staff conducted after receiving the SCO preliminary draft audit response. (See the following pages.)

It was determined that an average of 86 seconds (or 1.43 minutes) was spent by the Registered Veterinary Technician per animal to conduct an initial exam upon intake and to determine whether the animal is treatable and then to give a wellness vaccine to the treatable animals.

We submit that this is a reasonable and fair approach to capturing some of these eligible costs denied us in the audit. We request that these costs be restored to our claims.

PROMPT AND NECESSARY VET CARE

TIME STUDY FOR VET TECH = 1.43 MIN (or TO EXAMINE ANIMAL TO DETERMINE IF IT IS TREATABLE & GIVE VACCINE

FY 07--08	=	1.43/60 MINUTES	X	5,961 TOTAL NUMBER OF ANIMAL TAKEN IN	X	$ 49.23 VET TECH PROG HRLY RATE	=	$	6,994.17
						* (salary = $49,533/1800 hrs + 41% benefit rate + 78.9% ICRP)			
COST OF VACCINES				1,622 TOTAL NUMBER OF ELIGIBLE ANIMALS	X	$ 2.23 UNIT COST OF WELLNESS VACCINES	=	$	3,613.51
		TOTAL						$	10,607.69
FY 08--09	=	1.43/60 MINUTES	X	5,480 TOTAL NUMBER OF ANIMAL TAKEN IN	X	$ 48.00 VET TECH PROG HRLY RATE	=	$	6,268.76
						* (salary = $50,020/1800 hrs + 42.8% ben rate + 72.7% ICRP)			
COST OF VACCINES				1,366 TOTAL NUMBER OF ELIGIBLE ANIMALS	X	$ 2.95 UNIT COST OF WELLNESS VACCINES	=	$	4,029.70
		TOTAL						$	10,298.46

Subj: **RE: FW: 2007-08 Salary Data to Confirm**
Date: 5/23/2016 8:43:38 A.M. Pacific Daylight Time
From: AAtteberry@applevalley.org
To: AChinnCRS@aol.com

Here are the number 2007-08

Euthanasia Solution (Telazol & Fatal plus Solution) $3,618.54
Wellness vaccines $13,280.13
Microchips $9,116.70

Thank you,
Adriana Atteberry
Administrative Secretary
22131 Powhatan Rd. | Apple Valley, CA 92307
760-240-7000 ext. 7558 | *Fax 760-247-6487*

aatteberry@applevalley.org
AVanimalservices@applevalley.org

AVAS

From: AChinnCRS@aol.com [mailto:AChinnCRS@aol.com]
Sent: Wednesday, May 18, 2016 9:36 AM
To: Adriana Atteberry
Cc: Kofi Antobam; Nikki Salas; Gina Schwin-Whiteside
Subject: Re: FW: 2007-08 Salary Data to Confirm

Thank you everyone!

Another thing I noticed that was missing was any reimbursement for time to provide "Prompt and Necessary Veterinary Care."

Did the auditor discuss this with you?

In my other audit of this program, the State had us do a time study for the time for this process (see attached) and then calculated the unit cost of the wellness vaccines administered to the adoptable animals.

Can you do something like this for a day or two? Also find the cost of wellness vaccines back in 2007-08?

We should be able to get another few thousand of dollars back for this component.

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 5/17/2016 3:09:10 P.M. Pacific Daylight Time, AAtteberry@applevalley.org writes:

Subj: **RE: FW: 2007-08 Salary Data to Confirm**
Date: 5/23/2016 11:37:43 A.M. Pacific Daylight Time
From: AAtteberry@applevalley.org
To: AChinnCRS@aol.com

Here is for 2008-09
Euthanasia Solution (Telazol & Fatal plus Solution) $3,932.34
Wellness vaccines $16,160.00
Microchips $4,856.50

Thank you,
Adriana Atteberry
Administrative Secretary
22131 Powhatan Rd. | Apple Valley, CA 92307
760-240-7000 ext. 7558 | *Fax 760-247-6487*

aatteberry@applevalley.org
AVanimalservices@applevalley.org

From: AChinnCRS@aol.com [mailto:AChinnCRS@aol.com]
Sent: Monday, May 23, 2016 11:05 AM
To: Adriana Atteberry
Subject: Re: FW: 2007-08 Salary Data to Confirm

So, if the intake numbers from the State are correct for FY 2007-08:

Wellness Vaccine Costs: $13,280.13/ 5,961 = $2.23 per animal for wellness vaccine

$2,23 x 1,622 eligible animals allowed for FY 2007-08 = $3,612

I assumed that other animals don't get the vaccine (only dogs and cats)

The Town should be reimbursed An additional $3,612 for FY 07-08 wellness vaccine costs.

I calculate the 08-09 costs to after you send those numbers.

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 5/23/2016 8:43:38 A.M. Pacific Daylight Time, AAtteberry@applevalley.org writes:

| Here are the number

Time Study Form for Necessary and Prompt Veterinary Care - Initial Physical Examination

Employee Name (printed):
Employee Classification: Animal Control Officer or Animal Care Technician (circle one)

Task: **Initial Physical Examination of Stray Animal**

Time Study Start Date: 5/18/2016

Time Study End Date: 5/20/2016

By signing this document, I certify under penalty of perjury under the laws of the State of California that the information documented below is true and correct.

Employee Signture: K Hall Employee Name (printed): Kristin Hall Date: 5/20/16

Supervisor Signature: Supervisor name (printed): Date:

Description:

This time study is being conducted in compliance of Paramaters and Guidelines Part IV, Section B, Item 3-9 "Necessary and Prompt Veterinary Care" (Civ. Code, 88 1834 and 1846) Beginning January 1, 1999 - Providing "necessary and prompt veterinary care" for stray and abandoned animals, other than injured cats and dogs given emergency treatment, that die during the holding period or are ultimately euthanized, during the holding periods specified in Statutes of 1998, Chapter 752.

"Necessary and prompt veterinary care" means all reasonably necessary medical procedures performed by a veterinarian or someone under the supervision of a veterinarian to make stray or abandoned animals "adoptable". The following veterinary procedures, if conducted, are eligible for reimbursement:

»An initial physical examination of the animal to determine the animal's baseline health status and classification as "adoptable, " "treatable, " or "non-rehabilitatable. "

Staff are to document the time it takes to complete the above action on stray animals impounded into the facility. All doocumented entres must be verifed by the employees supervisor.

Explanation of Terms:

Date: Day initial physical examination was completed
Impound Number: Impound number of animal being examined
Animal Species: Specie of animal being examinted
Examination Time (secs.): The total time, in seconds, it took to perform the initial examinaiton on animal.
Determined Animal Status: The status of the animal deterimined after the examination either Healthy, Treatable, Rehabilitatable, or Untreatable)

Time Study Animal Information Data:

Date	Impound Number	Animal Species	Examination Time (secs.)	Determined Animal Status	Employee Init.	Supervisor Init.

Date	Impound #	Species	Exam. Time (secs)	Determined Animal Status	Employee Initials	Supervisor Initials
5/19/16	05 14 16 8	feline	67	Healthy		
5/19/16	05 14 16 9	feline	43	Healthy		
5/19/16	05 14 16 10	feline	45	Healthy		
5/19/16	05 14 16 11	feline	42	Healthy		
5/19/16	05 14 16 12	feline	45	Healthy		
5/19/16	05 17 16 42	feline	73	Healthy		
5/19/16	05 18 16 11	feline	61	Healthy		
5/19/16	05 19 16 7	feline	71	Healthy		
5/19/16	05 19 16 7	feline	80	Healthy		
5/20/16	04 21 16 38	feline	68	Healthy		
5/20/16	04 01 16 10	feline	61	Treatable		
5/20/16	04 01 16 9	feline	43	Treatable		
5/20/16	05 05 16 32	feline	50	Treatable		
5/20/16	04 01 16 11	feline	44	Treatable		
5/20/16	04 01 16 8	feline	43	Treatable		
5/20/16	04 13 16 9	feline	45	Treatable		
5/20/16	04 14 16 13	feline	46	Treatable		
5/20/16	04 01 16 25	feline	49	Treatable		
5/20/16	04 01 16 26	feline	41	Treatable		
5/20/16	04 01 16 7	feline	62	Healthy		
5/20/16	03 22 16 5	feline	69	Healthy		
5/20/16	05 19 16 17	feline	137	Rehabilitatable		
5/20/16	05 20 16 4	feline	47	Treatable		
5/20/16	05 20 16 5	feline	40	Treatable		
5/20/16	05 20 16 6	feline	44	Treatable		
5/20/16	05 20 16 7	feline	41	Treatable		

Date	Impound #	Species	Exam. Time (secs)	Determined Animal Status	Employee Initials	Supervisor Initials
5/30/16	05 28 16 34	canine	83	healthy		
5/30/16	05 30 16 6	canine	103	healthy		
5/30/16	05 30 16 3	canine	143	treatable		
5/30/16	05 30 16 4	canine	133	treatable		
5/31/16	05 23 16 9	canine	115	healthy		
5/31/16	05 20 16 25	canine	102	healthy		
5/31/16	05 20 16 26	canine	101	healthy		
5/31/16	05 19 16 1	canine	124	healthy		
5/31/16	05 24 16 24	canine	113	healthy		
5/31/16	05 30 16 5	canine	111	healthy		
5/31/16	05 31 16 18	canine	109	healthy		
5/31/16	05 31 16 20	canine	95	healthy		
5/31/16	05 31 16 24	canine	123	healthy		
5/31/16	05 31 16 25	canine	131	healthy		

Exan time from time study	in secornds	
feline	67	
	43	
	45	
	42	
	45	
	73	
	61	
	71	
	80	
	68	
	61	
	43	
	45	
	46	
	49	
	41	
	62	
	69	
	137	
	47	
	40	
	44	
	41	
Canine	83	
	103	
	416	
	133	
	115	
	102	
	101	
	124	
	113	
	111	
	109	
	95	
	123	
	131	
	86 seconds	1.432 minutes

Finding 1) Unallowable Acquisition of Additional Space and /or Construction of New Facility Costs

Issue 1: Town did not support, through a Board Agenda or other similar supporting document, that the construction was a direct result of the increased holding period requirements of this mandate program.

Because the SCO is requesting specific wording to "prove" the facility construction was necessary due to increased space needed due to changes in State Law (Hayden Bill) we believe page two, Section E of the attached "Request For Qualifications/Request for Proposals (RFQ/RFP)" to Provide Architectural Design Services for New Municipal Services Animal Shelter Facility addresses this concern:

"**The Project: The project will include design of a purpose built Animal Shelter Facility including office space. The proposed Animal Control Shelter will be designed to increase the hold time for potentially adoptable animals and improve customer service.**"

This RFQ/RFP was released on April 2, 2007, resulting from the authorization by the Town Council following the special meeting in February 2007 and a meeting in March 2007.

Further: At the July 10, 2007 Town Council Meeting when the Town Council approved the Architectural Design Contract for the Animal Shelter Facility, the minutes do not reflect the entire conversation of the Town Council. If you listen to the discussion that led to the approval of the Notice to Proceed with Design of the Shelter, there was clearly discussion regarding the lack of space and need to expand the facility.

At 1:32:37 of the recording of the July 10, 2007 Town Council Meeting, Councilman Jasper makes the comment regarding the need of building a new animal shelter is because it is "Mandated by the State to take care of our animals."

http://www.applevalley.org/government/view-meetings-online

http://applevalley.granicus.com/MediaPlayer.php?view_id=19&clip_id=471

It should also be noted that in our formula (which for some reason the SCO did not see in our claims) only requested a percentage of costs that were determined to be related only to the population increase due to the changes in the Hayden Bill, and not other growth factors.

We believe that we have shown that one of the main reasons that necessitated the construction of the new shelter was the changes to State law that increased animal populations by lengthening holding periods and request that funds requested for this component be restored.

Issue 2: Many of the costs claimed occurred outside of the audit period.

The SCO Draft Audit documents do not list the specific costs that they believe did not occur within the eligible audit period. We would appreciate additional clarification on which specific items may require additional explanation and support and will be happy to provide more detailed information.

Issue 3: Calculations to support the percentages claimed per fiscal year not provided.

Calculations used to determine the percentage of facility costs claimed were included in both the FY 2007-08 and the FY 2008-09 actual and amended claims

The formula appears on Page 7 of the FY 2007-08 amended claim and on Page 6 of the FY 2008-09 amended claim.

The formula appears directly in the FORM AA-2, Acquiring Space/Facilities page in the actual original claims.

In the amended claims, they are the first pages to appear after all the FORMs AA-2.

We have attached them again for your convenience and are not sure why these pages were not visible in the claims reviewed by the SCO. We are assuming that the auditor did not request these pages from us because they had already determined the costs were not eligible due to Issue 1, discussed and addressed above.

We are happy to review and discuss how these percentages were calculated.

In summary, we believe we have addressed the concerns raised by the SCO auditor above, and request that amounts claimed for facility costs be restored.

STATE FORMULA

(note - there was no facility in animal stats) (existing unit) Facility

	1998-99 TOTAL			2008-09 TOTAL	EUTH	ELIGIBLE ADC
dogs	1,566	1,404	pre-hayden bill	2,714	1,309	6,545
cats	552	544	pre-hayden bill	2,232	1,789	8,945
other	18			269	75	375
total	2,236			5,215	3,173	15,865
Total Animal ADC pre hayden bill	6,672 (B)		17558.3 allowable size	24,730 (F)	total dogs/cat	15,490 (G)
ADC census dog/cat	6,654 (D)					
sq feet of animal/day	0.71 (C)					

sq footage = 11,776
4,710 (A)

allowable sq ft eligible
4,374.35 dog/cat
+ 264.75 other
4,639.09 total

12.9% allowable per my formula of new sqft applied to new facility sq footage

or

14.8% allowable of the change in sq feet

eligible percent per state formula ==

NOTE - I only had 8 months of 1998-98 animal stats - annualized it.

NOTE FACILITY IN 1999 WAS USED BY 3 AGENCIES - SPLIT CALCED BY POPULATION (in 2000)

VICTORVILLE	=	64,029	47%
APPLE VALLEY	=	54,230	40%
ADELANTO	=	18,130	13%

new facility

sq footage
36,000 (E)

	15,490	(G)	(eligible dog &cats)
	375	(H)	(eligible other)
	10,935.87		
	8,984	(I)	this is the total population x eligible sq ft
		(J)	reduction due to decrease in population
	8,984	(K)	I ÷ J
83%		(L)	this is the eligible % of the population
	4,374	(M)	this is the sq feet allowed for the dogs and cats
4,639			
	265	(N)	this is the sq feet for the OTHER animals
	14.8%	(P)	allowable sq ft as % of increase facility size

applied to change in sq feet

12.89% applied to actual new facility sq footage

STATE FORMULA

(note - there was no facility in 1998)

	animal stats 2005	old facility sq footage	2007-08	new facility sq footage	
		5,500 (A)		36,000	(E)
dogs	1,727	pre-hayden bill	3,167		
cats	690	pre-hayden bill	1,927		
other			292		
total	2,417		5,386		
daily census pre hayden bill	7,251	(B) = (D)	26,930	(F)	
sq feet of animal/day	0.76	(C)			

	10,188	(G)
	1,168	(H)
	8,171	(I)
	6,756	(J)
	14,927	(K)
	100%	(L)
	14,927	(M)
	886	(N)
eligible percent per state formula ==	51.8%	(P)

Town of Apple Valley
14955 Dale Evans Parkway
Apple Valley, CA 92307

Town of Apple Valley

REQUEST FOR QUALIFICATIONS/REQUEST FOR PROPOSALS (RFQ/RFP)

TO PROVIDE ARCHITECTURAL DESIGN SERVICES FOR

NEW MUNICIPAL SERVICES ANIMAL SHELTER FACILITY

Release Date: April 2, 2007

Deadline for Submittal: April 27, 2007 at 4:00 p.m.

Section I. INTRODUCTION

A. Overview

The Town of Apple Valley desires to retain the services of an Architectural Design Firm ("Consultant") to provide professional Architectural Design services to provide designs, cost estimates, and construction support for the Town of Apple Valley's New Animal Shelter and Offices. The specific projects are described in Section I. Paragraph E. below.

To be considered in the selection process, interested firms must submit six (6) copies of their response to this RFQ/RFP including all items described in Section IV, SUBMITTAL REQUIREMENTS. All responses must be received in the Town offices no later than **4:00 p.m., April 27, 2007 at the Town of Apple Valley, 14955 Dale Evans Parkway, Apple Valley, CA, 92307.**

Each applicant shall bear all costs associated with their proposal. All submitted proposals shall become and remain the property of the Town of Apple Valley.

Proposals or additional information received after the submittal deadline will not be considered in the selection process.

B. Submittals shall be addressed or hand delivered to:

Town of Apple Valley
Office of the Deputy Town Manager
ATTN: Patty Saady, Deputy Town Manager
14955 Dale Evans Parkway
Apple Valley, CA 92307

The envelope must be clearly marked:

Town Hall – New Animal Shelter Facility
Response to RFQ/RFP

C. Compensation Rates

Consultant selection is qualification-based. The Town will negotiate with the top-ranked firms the fee and hourly rates for Consulting Services for the project. If negotiations are not successful, the Town will attempt negotiations with the second ranked firm, and so on. The agreed-upon fee and hourly rates will be incorporated into the Professional Services Agreement (PSA). A sealed estimated fee proposal is being requested as part of this RFQ/RFP. The Estimated Fee Proposal will not be part of the selection criteria. Sealed fee proposals will be opened after the ranking has been completed and will be considered when negotiating a Professional Services Agreement.

D. Insurance Coverage

The selected Consultants will be required to maintain specific insurance during the life of the PSA, as defined in the PSA. The Town's standard PSA is available upon request.

E. Project Description

Background: The current Animal Control Shelter is located on approximately 3 acres of land and shares buildings and parking with the Public Works Facility. Office space along with cat adoption, dog quarantine, and small dog adoption is housed in a 2400 sq. ft. renovated residential dwelling unit. An additional 5000 square feet of warehouse area is utilized for indoor dog runs and a cat observation area. A 600 square foot outbuilding is used as a euthanasia room and animal treatment room. Animal food and supplies are stored in a freestanding shed. Other buildings located on site are the Public Works offices and warehouse.

The Municipal Services Department is currently located in approximately 4000 square feet of office space at the Civic Center. This space will eventually be needed for expansion of the Police Department.

The Project: The project will include design of a purpose built Animal Shelter Facility including office space. The proposed Animal Control Shelter will be designed to increase the hold time for potentially adoptable animals and improve customer service. Public education programs related to animal care and behavior modification will also be a priority.

The Project will construct an Animal Control Shelter; with adequate office space for staff, reception area and animal intake/adoption rooms with adequate communication

systems such as intercoms and paging capabilities; buildings to house indoor/outdoor kennels and runs for large dogs, indoor small dog/puppy kennels, intake cat cages, cat adoption room, get acquainted areas, outside runs, tortoise habitat, aviary, reptile cages, shaded corrals and a barn for keeping of horses, goats, pigs, and other livestock. The facility should include wellness and exercise room, education/wildlife training room and conference room(s) including audio-visual capability, outdoor break and lunch area with windbreak and shade cover, separate outdoor area for work-release inmate arrival, check-in and assignment, an examination room, grooming room/facility, quarantine room, isolation facilities for incoming animals (separate buildings for dogs and cats to minimize stress on the animals), veterinary office/surgery suite, sally port, secured parking for 100 vehicles including two horse trailers and paved public parking.

This project should include the following considerations:

- Identify office, kennel and storage space necessary to accommodate growth needs over the twenty (20) year planning horizon.
- Identify a cleaning system and location of chemical room to reduce noise of these systems which tend to be very noisy.
- The new building will include separate locker rooms and restrooms with showers for male and female employees and a break area for employees.
- The new Animal Shelter Facility shall be designed and constructed in conformance with all State and local codes, and shall conform to the Town of Apple Valley Development Code and Americans with Disabilities Act requirements, latest addition.
- The new facility will utilize skylights and other design elements to provide natural lighting to all possible areas, air conditioning in office spaces, evaporative cooling and air conditioning capability in kennel areas, heating, alarm and fire sprinkler systems. Additionally, green technology, such as alternative heating, ice-cooling, solar and/or photovoltaic power generation capabilities shall be considered and addressed.
- The ventilation system should be designed to filter airborne diseases and minimize the cross contamination of animals.
- The installation of parking lot light standards, security gate and lighting and landscaping shall be provided in conformance with the Town of Apple Valley Development Code. Future water supply, sewer service, irrigation, telephone, internet, radio communication, and electrical conduit stubs shall be provided for future phased areas, including installation of purple irrigation pipe for future conversion to reclaimed water uses.

F. Reservation of Rights Statement

The Town reserves the right to accept or reject any or all responses, terminate the solicitation process at any time for any reason, and waive any and all minor deficiencies in any and all submissions if it determines such action is in the best interests of the Town.

The Town will not be under any obligation to award any contracts or to use any agreement to its limits. Based on specific project needs, the Town may extend the time limit of any agreement.

G. Cost of Proposal Preparation

The Town assumes no obligation in the solicitation of this general statement of interest and qualifications and all costs of responding to this solicitation shall be borne by the interested consultants.

H. Confidentiality of Proposals

All proposals will be maintained as confidential until the Selection Committee recommends award. Submissions will become the property of the Town. They will not be returned.

After a contract has been formally awarded, the unsuccessful consultants will be allowed to review all proposals submitted during the selection process unless the information was certified as proprietary by the Applicant. All Applicants should clearly identify any proprietary information contained in their submission.

Section II. BACKGROUND, PROJECT DESCRIPTION, AND SCOPE OF SERVICES

A. Scope of Services (Requirements Statement)

1. The Town anticipates professional service needs for the following disciplines:

   a. Architectural Design services for the New Animal Shelter Facility and Offices including sub consultants for:

      - Electrical Engineering
      - Mechanical Engineering
      - Civil and/or Structural Engineering
      - Fire Protection Engineering
      - Communications Engineering

   b. The scope of services shall include, but are limited to, all or part of the following:

      A. Preliminary Design - Provide supporting materials that outline proposed conceptual design of the Animal Shelter Facility and Offices. Services shall include forecasting required growth in staffing for facilities for a twenty (20) year timeframe. At a minimum the preliminary drawings should show:

      - Building footprints
      - Building coverage (floor area/lot area)
      - Site design - Preliminary drainage, utilities, street improvements, grading
      - Exterior elevations - Single vs. multi-story
      - Gross and rentable square feet - layout/space planning
      - Additional Parking area - Configuration, total stalls provided

- Site Plan showing existing utilities, property lines, easements and setbacks, maps and photographs, existing topography
- Landscape and pedestrian circulation with major design features
- Conceptual grading, drainage, and utilities
- Programming and project scope development
- Schematic design and design development and presentation to the Town Council
- Preparation of construction documents and specifications
- Development of detailed project schedules and cost estimates
- Assistance during bidding and construction
- Construction monitoring and support
- Shop drawing review and approval
- Coordination and preparation of change orders
- Project meeting coordination and minutes preparation
- "As-built" drawing preparation
- Internal and regulatory agency project approval coordination
- Warranty phase advise

B. Cost Estimate - The cost estimates should be in significant detail, and encompass the cost of on and off-site infrastructure, and planned improvements to the site. Because the envisioned project will support multiple users, costs not associated with the land improvements and building construction should be accounted for. At a minimum the cost estimates should include:

- Site development costs
- Design fees –Architecture, Engineering, Landscaping
- Construction costs - Site work (inc. landscaping), Building, Entitlements & Permit Costs
- Development Fees
- Inspection Costs
- Legal & Accounting
- Contingencies

C. Timelines - Estimated time involved to complete major sections of the above scope of work and provide deliverable to Town. Timelines should be in adequate detail that will enable the Town to secure information necessary to complete the above assignment and make appropriate budgetary and

personnel appropriations and allocations. A Gantt or PERT chart would be the preferred deliverable for this component of the scope of work.

D. Final Report

Six (6) copies of responses, documentation and data pertinent to the action items identified in the Scope of Work should be bound (spiral) and presented to the Town.

2. Excluded Services
   a. None

Section III. CONSULTANT'S MINIMUM QUALIFICATIONS

To be considered for the project, Consultant must meet the following minimum requirements:

A. Architectural Firm/Team as a Whole
   1. Firm must be licensed to practice in California.
   2. Has provided Architectural Design services for at least seven (7) years..
   3. Has provided architectural design for at least three (3) completed Public Projects, similar in scope to the projects covered by this RFQ/RFP, with construction budgets in the range of $1 million to $15 million.
   4. Has the ability to provide staffing and resources necessary to meet the schedules and needs of a variety of projects.
   5. Can meet the minimum insurance requirements detailed in the Professional Services Agreement (Sample PSA available upon request).

B. Additional Desirable Architectural Firm/Team Qualifications
   1. It is a preference of the Town that senior staff selected for this project will be located within a 2-hour commute from the Town of Apple Valley Town Hall offices.
   2. Demonstrated ability to produce well-coordinated and detailed designs that minimize change orders.
   3. Demonstrated ability to analyze and refute unwarranted claims and change orders by contractor.

Section IV. SUBMITTAL REQUIREMENTS

Part One. General Requirements

A. Introduction

Firms or persons wishing to respond to this RFQ/RFP must supply six (6) copies of their submittal. The nature and form of response is at the responder's discretion, but we require that submittals follow the outline indicated below and not exceed a total of thirty (30) pages, including all advertising, cover letters, and other typed or printed material. To aid in our efforts to recycle paper, we request that the submission be bound in a 3-ring binder type notebook, rather than plastic spiral. The following information is required:

B. Background Information

1. Legal name, address, and telephone and fax numbers of the principal office (national headquarters) and local office. If services will be provided from additional locations, provide this information for these sites also.
2. Year established.
3. Type of organization (partnership, corporation, etc.).
4. Name, title, address and telephone and fax number (E-mail address if available) of the person to whom correspondence should be directed.
5. Approximate billings per year for the past five years.
6. Description of the scope of services usually provided.
7. Description of any pending litigation or litigation that was settled in the past three years.

C. Organization

1. Provide an organizational chart showing the roles and responsibilities of proposed staff and any sub consultants. It is imperative that the Consultant identify the specific sub consultant(s) who would assist in the design of this project.
2. Describe how your firm is organized to provide the services required for these projects.

D. Qualifications – Provide Documentation demonstrating the following:

1. Previous experience in design of the subject project.
2. Knowledge of Building Codes and State Regulations that govern the design of buildings.
3. Identify the Project Manager who would be assigned overall responsibility for this project. Indicate their qualifications/experience in managing similar projects, and their time with the firm. This person should be the one representing your firm for the interview, should your firm be short-listed.
4. Provide a list of other key personnel who would be assigned to work on the project, their proposed project roles, and resumes listing relevant work experience for each person.

E. Information on Past Projects

1. Identify and describe a minimum of three (3) projects (total) that are similar in scope and cost to the subject project. Describe your firm's role in each of those projects. Also, indicate the role of staff proposed to be part of the project team for the projects included in this RFQ/RFP.
2. Describe you previous working relationship and design experience with proposed sub consultants.

F. Client References

1. Complete "Consultant's Relevant Experience" page at the end of this RFQ/RFP identifying the name and title of the person responsible for the project in the

contracting agency (Owner Reference), as well as a current address and telephone number, for each of the projects identified above.

2. Include their names, telephone and fax numbers and e-mail addresses.
3. Include a description of the projects, construction value, and describe your firm's participation in the project.

Part Two – Estimated Fee Proposal

A. Part Two shall be an Estimated Fee Proposal, which will not be part of the selection criteria. Six (6) copies of Part Two shall be submitted separately in a sealed envelope within the sealed proposal package and clearly marked as follows:

SEALED ESTIMATED FEE PROPOSAL FOR:
New Animal Shelter Facility

B. The Estimated Fee Proposal must include the methodology used in calculating the fee. Include as much information as necessary to detail and define your proposed fee for this project.

Part Three - Optional Proposer's Conference

An Optional Proposer's Conference will be held on **Friday, April 13, 2007 at 10:00 a.m.** in the Council Chambers located at the Town of Apple Valley, Town Hall, 14955 Dale Evans Parkway, Apple Valley, CA. Staff will be available to answer questions and provide clarifying information on the project.

Section V. SELECTION PROCEDURE

1. A Review Panel appointed by the Town Manager will rank the firms according to the criteria shown below.
2. The identity of the Review Panel will not be revealed.
3. The Review Panel will review the submissions and recommend a short list of firms to be interviewed by the Panel.
4. All firms will be notified in writing of the short list.
5. The length of time allowed for the total interview will be up to forty-five (45) minutes, including twenty (20) minutes allowed for the consultant's presentation and followed by the question and answer period.
6. Fees and contract negotiations are not within the purview of the Review Panel and the sole purpose of the Review Panel is to rank the interviewed firms
7. The interviewed firms will be notified in writing of their final ranking

Section VI. EVALUATION CRITERIA (Maximum Score 100 points)

	Possible Points
1. History and resource capability to perform required services	10
2. Experience with similar projects, including projects for public sector	15
3. Evaluation of assigned personnel	15
4. Evaluation of proposed sub-consultants	10
5. Firm's general design style	5
6. Demonstrated ability to produce well-coordinated and detailed designs	10
7. Management approach to, and past performance with, project cost and schedule control	10
8. Interview	25

Section VII. ATTACHMENT

Consultant's Relevant Experience

Parcel information map

CONSULTANT'S RELEVANT EXPERIENCE

PROJECT NAME: _____ NEW OR REMODEL? _____

LOCATION (City & State): _____

CONSTRUCTION COST: $_____ AREA (sf): _____ DATES _____ to _____

OWNER: _____

OWNER REFERENCE: _____ PHONE No. _____

PROJECT DESCRIPTION: _____

MEMBERS OF YOUR PROPOSED TEAM WHO WORKED ON THIS PROJECT:

1. _____ 2. _____ 3. _____

PROJECT NAME: _____ NEW OR REMODEL? _____

LOCATION (City & State): _____

CONSTRUCTION COST: $_____ AREA (sf): _____ DATES _____ to _____

OWNER: _____

OWNER REFERENCE: _____ PHONE No. _____

PROJECT DESCRIPTION: _____

MEMBERS OF YOUR PROPOSED TEAM WHO WORKED ON THIS PROJECT:

1. _____ 2. _____ 3. _____

PROJECT NAME: _____ NEW OR REMODEL? _____

LOCATION (City & State): _____

CONSTRUCTION COST: $_____ AREA (sf): _____ DATES _____ to _____

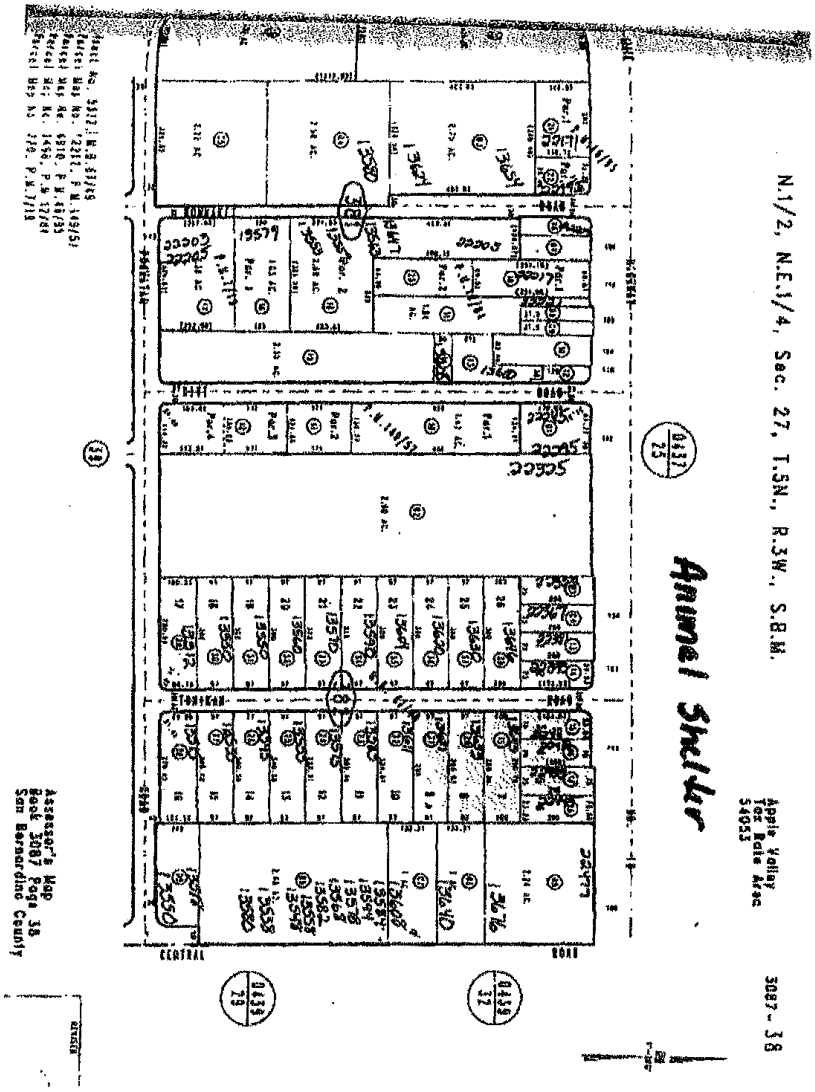
OWNER: _____

OWNER REFERENCE: _____ PHONE No. _____

PROJECT DESCRIPTION: _____

MEMBERS OF YOUR PROPOSED TEAM WHO WORKED ON THIS PROJECT:

1. _____ 2. _____ 3. _____


N.1/2, N.E.1/4, Sec. 27, T.5N., R.3W., S.B.M.
Animal Shelter
Apple Valley
Tax Rate Area
54053
3087-38
Assessor's Map
Book 3087 Page 38
San Bernardino County
CENTRAL
ROAD

Finding 2) Overstated Care and Maintenance Costs

The Town consultant calculated our Care and Maintenance Costs in a different, more aggregate manner than what the SCO auditor is proposing. We do not believe this to be incorrect and feel that once corrections are made to the Auditor's assumptions and calculations, the two methods will yield similar eligible costs.

Issue 1: SCO did not allow actual time for various employees for Care and Maintenance calculation and erroneously concluded that staff time across positions had total 100%. This is not accurate and we believe the:

> **Animal Shelter Attendant's time** should be classified as 85% directly related to care and maintenance activities as originally identified by the Shelter representative before the SCO auditor required that she reduce the time.
>
> **Animal Shelter Supervisor's time** should be classified as 10% directly related to care and maintenance instead of the 5% allowed. The original allocation was 10% before the auditor instructed Apple Valley staff to reduce the percentages to total to 100% between all positions. This was an erroneous direction as there is no requirement that the positions have to equal 100%.
>
> Also most of the remaining time of the Supervisor is spent on supervisory and administrative general functions, and that time should be included in the Indirect Cost Rate calculation discussed later in this document.

We have attached emails that took place on April 13,2016 between the Auditor and the Shelter representative, Adriana Atteberry asking that she detail the time spent by each position caring and maintaining the animals. When the Ms. Atteberry, responds, the auditor calls her and instructs her to downwardly revise her allocations of time so that everyone's time spent caring for animals added together totals to 100%. When the percentage is still too high – the auditor then emails and says another 5% needs to be cut (which is later reduced from the Shelter Supervisors time allocation.)

These demands made by the auditor was incorrect and do not result in an amount that reflects actual reimbursable time and cost spent on Care and Maintenance activities. There is no reason why the total must add to 100% between a group of employees. Each position can spend varying amounts of time on an activity – to the maximum of 100% per person.

The SCO decision to restrict the allocation of time spent on the entire group of people to 100% is illogical and arbitrary.

We request that the allocations of time spent be based on actual amounts originally specified by the Shelter Manager. (See the following email copies)

Issue 2 Overhead costs allowed by the SCO were understated.

We have attached overhead calculations (ICRP rates for the SHELTER department for FY 2007-08 and FY 2008-09 which indicate the actual overhead rates are much higher than the default 10% rate allowed).

We request that these actual rates be used. (See attached

Thank you,
Adriana Atteberry
Administrative Secretary
22131 Powhatan Rd. | Apple Valley, CA 92307
760-240-7000 ext. 7558 | *Fax 760-247-6487*

aatteberry@applevalley.org
AVanimalservices@applevalley.org

From: AArghestani@sco.ca.gov [mailto:AArghestani@sco.ca.gov]
Sent: Wednesday, April 13, 2016 11:43 AM
To: Adriana Atteberry
Subject: RE: Percent of Care and Maintenance

Hi Adriana,

For the Animal Shelter Supervisor, I see you have 5% administering medications, first aid, etc. highlighted rather than the 10% providing care to impounded animals. If we correctly use the 10% providing care to impounded animals, that will make the grand total 105%. Could you revise the numbers one last time so that the grand total is 100%?

Thanks so much.

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: Adriana Atteberry [mailto:AAtteberry@applevalley.org]
Sent: Wednesday, April 13, 2016 11:20 AM
To: Arghestani, Amy <AArghestani@sco.ca.gov>
Subject: RE: Percent of Care and Maintenance

Classifications in which care and maintenance activities are mentioned in the Class Characteristics or elsewhere in the statement:

1. **ANIMAL SHELTER SUPERVISIOR – 50 % Assisting management, meet vendors, conduct facility inspections, create reports, train and motivate personnel, other duties as assigned and 10 % providing care to impounded animals, 5 % administering medications, first aid and vaccinations on animals, 15 % monitor euthanasia process and help with euthanasia, 20% monitor controlled substance.**
2. **REGISTERED VETERINARY TECHNICIAN – 10% Reviewing applications for adoptions and counseling citizens, 10%**

Subj: **FW: Percent of Care and Maintenance per Employee Classification**
Date: 5/5/2016 3:46:38 P.M. Pacific Daylight Time
From: AAtteberry@applevalley.org
To: AChinnCRS@aol.com

Thank you,
Adriana Atteberry
Administrative Secretary
22131 Powhatan Rd. | Apple Valley, CA 92307
760-240-7000 ext. 7558 | *Fax 760-247-6487*

aatteberry@applevalley.org
AVanimalservices@applevalley.org

From: Adriana Atteberry
Sent: Wednesday, April 13, 2016 8:57 AM
To: 'AArghestani@sco.ca.gov'
Subject: RE: Percent of Care and Maintenance per Employee Classification

Yes, is 10:00 am okay?

Thank you,
Adriana Atteberry
Administrative Secretary
22131 Powhatan Rd. | Apple Valley, CA 92307
760-240-7000 ext. 7558 | *Fax 760-247-6487*

aatteberry@applevalley.org
AVanimalservices@applevalley.org

From: AArghestani@sco.ca.gov [mailto:AArghestani@sco.ca.gov]
Sent: Wednesday, April 13, 2016 8:20 AM
To: Adriana Atteberry
Subject: RE: Percent of Care and Maintenance per Employee Classification

Good morning Adriana,

Do you have a few moments to discuss this morning? Whatever time is good with you.

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: Adriana Atteberry [mailto:AAtteberry@applevalley.org]
Sent: Tuesday, April 12, 2016 4:44 PM
To: Arghestani, Amy <AArghestani@sco.ca.gov>
Subject: RE: Percent of Care and Maintenance per Employee Classification

The percentage for the following are:

Classifications in which care and maintenance activities are mentioned in the Class Characteristics or elsewhere in the duty statement:

1. **ANIMAL SHELTER SUPERVISIOR – 50 % Assisting management, meet vendors, conduct facility inspections, create reports, train and motivate personnel, other duties as assigned and 10 % providing care to impounded animals, 10 % administering medications, first aid and vaccinations on animals, 15 % monitor euthanasia process and help with euthanasia, 15% monitor controlled substance.**
2. **REGISTERED VETERINARY TECHNICIAN – 2.5% Reviewing applications for adoptions and counseling citizens, 2.5% Assisting on screening calls, 2% Overseeing volunteer and work release, 85% caring/maintaining the animals, 3% Maintaining inventory on all controlled substances as required by law and 5% other duties as assigned**
3. **ANIMAL CONTROL TECHNICIAN – 25 % Maintaining shelter disinfecting kennels and 75% front counter, clerical, issue dog license, screens calls, dispatching.**
4. **ANIMAL SHELTER ATTENDANT – 5% Reviewing applications for adoptions and counseling citizens, 5% Assisting on screening calls, 5% Overseeing volunteer and work release, 80% caring/maintaining the animals and 5% other duties as assigned.**
5. **ANIMAL SHELTER ASSISTANT – 5% Reviewing applications for adoptions and counseling citizens, 5% Assisting on screening calls, 5% Overseeing volunteer and work release, 80% caring/maintaining the animals and 5% other duties as assigned**

Classifications in which care and maintenance activities are NOT mentioned in the Class Characteristics or elsewhere in the duty statement:

6. **ANIMAL CONTROL SUPERVISOR – Barbara Cornett – 5 % Shelter (morning cleaning/feeding of dogs) and 95% Animal Control (running calls, paperwork follow up, door to door canvassing, Administrative Hearings and employee evaluations)**
7. **ANIMAL CONTROL OFFICER I – Joshua Hall, Wayland Moyer – 10% (morning cleaning/feeding of dogs) and 90% Animal Control (running calls, paperwork follow up, door to door canvassing, Administrative Hearings)**
8. **ANIMAL CONTROL OFFICER II – Brent Thibodeaux, Dianne Sulzberger - 10% (morning cleaning/feeding of dogs) and 90% Animal Control (running calls, paperwork follow up, door to door canvassing, Administrative Hearings)**

Thank you,

Adriana Atteberry
Administrative Secretary
22131 Powhatan Rd. | Apple Valley, CA 92307
760-240-7000 ext. 7558 | *Fax 760-247-6487*

aatteberry@applevalley.org
AVanimalservices@applevalley.org

From: AArghestani@sco.ca.gov [mailto:AArghestani@sco.ca.gov]
Sent: Monday, November 30, 2015 2:30 PM
To: Gina Schwin-Whiteside; Adriana Atteberry
Cc: Kofi Antobam
Subject: FW: Percent of Care and Maintenance per Employee Classification

Below is the additional email I would like to follow up on. Due to file size, the email and accompanying PDF attachment that is mentioned will not go through as one email. Therefore, I will be breaking the PDF file into two separate documents and sending them separately.

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: Arghestani, Amy
Sent: Tuesday, November 10, 2015 1:07 PM
To: 'Gina Schwin-Whiteside' <gwhiteside@applevalley.org>
Cc: 'Adriana Atteberry' <AAtteberry@applevalley.org>
Subject: Percent of Care and Maintenance per Employee Classification

Good afternoon Gina,

During my visit, you provided duty statements (job descriptions) for the various employee classifications that comprised the shelter staff during the audit period (FY 2007-08 and FY 2008-09). For your reference, I have attached these as a PDF document. The purpose of requesting duty statements is to assist us in determining the percentage of the daily workload that each classification devoted to caring fo and maintaining the animals (cleaning, feeding and grooming). The goal is to assign a pro-rata percentage to those classifications involved in care and maintenance activities, where the sum of all percentages equal to 100%. After reviewing the job duty statements that were provided, we found the following:

Classifications in which care and maintenance activities are mentioned in the Class Characteristics or elsewhere in the duty statement:

1. **ANIMAL SHELTER SUPERVISIOR**

2. REGISTERED VETERINARY TECHNICIAN
3. ANIMAL CONTROL TECHNICIAN
4. ANIMAL SHELTER ATTENDANT
5. ANIMAL SHELTER ASSISTANT

Classifications in which care and maintenance activities are NOT mentioned in the Class Characteristics or elsewhere in the duty statement:

6. ANIMAL CONTROL SUPERVISOR
7. ANIMAL CONTROL OFFICER I
8. ANIMAL CONTROL OFFICER II

From this analysis, it appears that five out of eight classifications were involved in care and maintenance activities to varying degrees. For these five classifications, please assign a percentage of care and maintenance involvement and provide a brief description as to why you assigned that percentage. If you believe that the remaining three classifications were also involved in care and maintenance activities to a certain extent, please explain their involvement that is not currently reflected in the duty statement and also provide a percentage of involvement.

Please contact me should you have any questions.

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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=

FINDING 3 – OVERSTATED INCREASED HOLDING PERIOD COSTS

Costs were calculated by the consultant in a different, more aggregate manner the SCO auditor is proposing. We do not believe this to be incorrect and believe that once certain SCO errors are corrected, the two methods will yield similar eligible costs.

Issue 1: Overhead costs were understated.

We have attached an overhead (ICRP rate for the SHELTER department for FY 2007-08 and FY 2008-09 which indicate the actual overhead rates are much higher than the default 10% rate allowed).

We request that these actual rates be used. (See attached calculations)

FINDING 4 – NO COMMENT

FINDING 5 – ALLOWABLE MAINTENANCE OF NON MEDICAL RECORDS COSTS

Issue 1: It appears the SCO made a clerical error in FY 2008-09.

One table shows allowable costs of $31,912 and another of $29,177.

Issue 2: Overhead costs were understated.

We have attached overhead calculations (ICRP rates for the SHELTER department for FY 2007-08 and FY 2008-09 which indicate the actual overhead rates are much higher than the default 10% rate allowed).

We request that these actual rates be used. (See attached calculations)

FINDING 6 – NO COMMENT

FINDING 7 – ALLOWABLE INDIRECT COSTS

Costs calculated by consultant in a different, more aggregate manner than the SCO auditor is proposing. We do not believe this to be incorrect and believe that once the costs listed above and correct ICRP rate are applied, the two methods will yield similar eligible costs.

- **ANIMAL SHELTER & ANIIMAL CONTROL SUPERVISORS SHOULD BE CLASSIFIED AS 70% INDIRECT.** 50% of time is spent assisting management, meeting vendors, conducting facility inspections, creating reports, training and motivating personnel + 20% monitoring controlled substances in the Shelter.

- **ANIMAL CONTROL TECHNICIANS SHOULD BE CLASSIFIED AS 25% INDIRECT.** A portion of the AC Technicians job duties include answering agency phones and answering general questions. This is a general, shared, indirect activity and cost.

- **SCO DID NOT INCLUDE ANY ADMIN AND CLERICAL SUPPORT PROVIDED BY THE MUNICIPAL SERVICES DEPARTMENT**
  The Town budgeted for these activities in the Municipal Services Department, therefore an allocation of their time/costs providing administrative and clerical support to the Shelter should be allowed. We have provided a reasonable approach to distributing these costs based on agency budget history.

Because the SCO calculate the costs in a different manner than originally submitted and calculated by the Town (which was based on aggregate costs which did not require preparation of an ICRP, the State must give us the opportunity to respond and support our costs with actual overhead (ICRP) rates.

Informal conversations with staff are not binding. This is our Town's first State Mandate audit and we are not familiar with the State Mandate procedures. Upon conversation with our consultant, accepting the 10% default rate is not in our best interest and State Mandate guidelines require that you use actual ICRP calculations. Those actual calculations are attached.

We believe the rates attached are accurate, reasonable, and should be applied to the direct salary costs allowed in the SCO audit.

ICRP INPUT SCREEN

Agency: Town of Apple Valley

	Fiscal Year	Department	ICRP Rate	Depart. Ben Rate
Dept 1	2007-08	Animal Shelter	73.3%	42.6%
Dept 2	2008-09	Animal Shelter	67.0%	42.9%
Dept 3			#DIV/0!	#DIV/0!
Dept 4	2007-08	Animal Shelter & Control	78.9%	41.0%
Dept 5	2008-09	Animal Shelter & Control	72.7%	42.8%
Dept 6				
Dept 7				
Dept 8				
Dept 9				
Dept 10				

© COST RECOVERY SYSTEMS, INC.

INDIRECT COST RATE PROPOSAL
Town of Apple Valley
Animal Shelter
Fiscal Year
2007-08

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs	
Salaries & Benefits						
Salaries & Wages		$317,850		$43,549	$274,301	
Overtime		$700			$700	
Benefits	42.6%	$135,411		$18,553	$116,858	
Total		$453,961		$62,102	$391,859	
Services & Supplies						
Uniform Expense		$1,672		$1,672		
Office Supplies		$256		$256		
Hardware/Software Supplies		$762		$762		
Printing		$632		$632		
Subscriptions		$130		$130		
Misc. Costs		$142		$142		
Special Dept Supplies		$13,683		$12,173	$1,510	allowed by SCO as a direct cost
Contract Services		$2,544		$2,544	$49	allowed by SCO as a direct cost
Drugs/Vaccines		$26,986		$23,372	$3,614	requested as a direct costs under prompt & necessary
Sites Removal/D&D Removal		$5,700		$5,700		
Emergency Vet Services		$3,918		$3,918		
Spay Neutering Program		$32,647			$32,647	
Membership & Dues		$119		$119		
Meetings & Conference		$82		$82		
Mileage Expense		$96		$96		
Education & Training		$4,110		$4,110		
Advertising		$833		$833		
Gasoline		$965		$965		
Vehicle Maint		$39		$39		
Equip Maint		$294		$294		
Communication Equip		$287		$287		
Small Tools		$1,350		$1,350		
Animal Food		$10,203		$10,203		
Capital Equip		$8,522	$7,954	$568		
Total		$115,972	$7,954	$70,247	$37,820	$108,067
Capital Expenditures						
Total						
Total Expenditures		$569,933	$7,954	$132,349	$429,679	
Cost Plan Costs						
Allocated costs:						
• Municipal Serv Director (23%)		$135,283		$31,115		
• Admin Secretary (Kelsey) 23% of Municipal Services dept		$48,600		$11,178		
Animal Control Tech (5) (12.5% of time to answer shelter phones)		$26,845		$26,845		
Total		$210,728		$69,138		
Total Alloc. Indirect Costs		$780,661	$7,954	$201,487	$429,679	

ICRP RATE = 73.3%
(Rate is Based on Salaries)

$201,487 = Total Allowable Indirect Costs
$275,001 Total Direct Salaries

Town of Apple Valley
Animal Shelter
Fiscal Year
2007-08

Name/Position	100% Admin. or Support Staff Annual Salary
Animal Shelter Supervisor (70%)	$43,549
(50% pure admin + 20% monitoring controller substances)	

TOTAL INDIRECT SALARIES **$43,549**

INDIRECT COST RATE PROPOSAL
Town of Apple Valley
Animal Shelter & Control
Fiscal Year
2007-08

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$683,663		$142,390	$541,263
Overtime		$8,996			$8,996
Benefits	41.0%	$280,407		$58,402	$222,005
Total		$973,066		$200,792	$772,264
Services & Supplies					
Uniform Expense		$4,720		$4,720	
Office Supplies		$1,164		$1,164	
Hardware/Software Supplies		$762		$762	
Printing		$3,056		$3,056	
Subscriptions		$509		$509	
Misc. Costs		$142		$142	
Special Dept Supplies		$19,711		$17,609	$2,102
Contract Services		$2,724		$1,899	$825
Drugs/Vaccines		$26,986		$23,372	$3,614
Stiles Removal/D&D Removal		$11,570		$11,570	
Emergency Vet Services		$3,918		$3,918	
Spay Neutering Program		$87,445			$87,445
Membership & Dues		$424		$424	
Meetings & Conference		$432		$432	
Mileage Expense		$96		$96	
Education & Training		$6,570		$6,570	
Advertising		$2,375		$2,375	
Gasoline		$21,464		$21,464	
Vehicle Maint		$2,557		$2,557	
Equip Maint		$685		$685	
Communication Equip		$758		$758	
Small Tools		$1,694		$1,694	
Animal Food		$10,203		$10,203	
County Public Health		$2,525		$2,525	
Safety Equip		$40		$40	
Legal Services		$21,936		$21,936	
Total		$234,466		$140,480	$93,986
Capital Expenditures					
Capital Equip		$15,191	$14,178	$1,013	
Total		$15,191	$14,178	$1,013	
Total Expenditures		$1,222,713	$14,178	$342,285	$866,250
Cost Plan Costs					
Allocated costs:					
- Municipal Services Dirctr (50%)		$135,283		$67,642	
- Admin Secretary (Kelley) 50%		$48,600		$24,300	
Total		$183,883		$91,942	
Total Alloc. Indirect Costs		$1,406,596	$14,178	$434,226	$866,250

ICRP RATE = 78.9%
(Rate is Based on Salaries)

$434,226 = Total Allowable Indirect Costs
$550,259 Total Direct Salaries

		SHELTER	CONTOL	
Salaries & Wages		$317,850	$365,803	
Overtime		$700	$8,296	
Benefits	42.6%	$135,411	$144,996	39.6%
Total		$453,961	$519,095	
Uniform Expense		$1,672	$3,048	
Office Supplies		$256	$908	
Hardware/Software Supplies		$762		
Printing		$632	$2,424	
Subscriptions		$130	$379	
Misc. Costs		$142		
SCO direct Special Dept Supplies		$13,083	$6,028	
SCO direct Contract Services		$2,544	$180	
req direct Drugs/Vaccines		$26,986		
Stiles Removal/D&D Removal		$5,700	$5,870	
Emergency Vet Services		$3,918		
Spay Neutering Program		$32,647	$54,798	
Membership & Dues		$119	$305	
Meetings & Conference		$82	$350	
Mileage Expense		$96		
Education & Training		$4,110	$2,460	
Advertising		$833	$1,542	
Gasoline		$965	$20,499	
Vehicle Maint		$39	$2,518	
Equip Maint		$294	$391	
Communication Equip		$287	$471	
Small Tools		$1,350	$344	
Animal Food		$10,203		
County Public Health			$2,525	
Safety Equip			$40	
Legal Services			$21,936	
Total		$107,450	$127,016	
Capital Equip		$8,522	$6,569	
Total		$8,522	$6,569	
		$569,933	$652,780	$1,222,713

Town of Apple Valley
Animal Shelter & Control
Fiscal Year
2007-08

Name/Position	100% Admin. or Support Staff Annual Salary
Animal Shelter Supervisor (70%)	$43,549
(50% pure admin + 20% monitoring controller substances)	
Animal Control Supervisor (70%)	$45,151
Animal Control Tech (5)	$53,690
(25% front counter answering calls)	

TOTAL INDIRECT SALARIES **$142,390**

Town of Apple Valley
Legislatively Mandated Animal Adoption Program
Fiscal Years (FY's) 2007-08 and 2008-09
Audit ID # S15-MCC-0033
Care and Maintenance - Summary

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
Salaries:			
2007-08	$ -	$ 12,034	$ 12,034
2008-09	-	7,832	7,832
Subtotal, salaries	$ -	$ 19,866	$ 19,866
Benefits:			
2007-08	$ -	$ 4,969	$ 4,969
2008-09	-	3,338	3,338
Subtotal, benefits	$ -	$ 8,307	$ 8,307

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
Salaries and Benefits:			
2007-08	$ -	$ 17,003	$ 17,003
2008-09	-	11,170	11,170
Total, salaries and benefits	$ -	$ 28,173	$ 28,173

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
Services and Supplies (Materials and Supplies)			allowed direct
2007-08	$ 76,034	$ 1,510	$ (74,524)
2008-09	77,199	2,102	(75,097)
Subtotal, materials & supplies	$ 153,233	$ 3,612	$(149,621)

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
Contract services			allowed direct
2007-08	$ -	$ 49	$ 49
2008-09	-	825	825
Subtotal, contract services	$ -	$ 874	$ 874
Total Direct Costs			
2007-08	$ 76,034	$ 18,562	$ (57,472)
2008-09	77,199	14,097	(63,102)
Total	$ 153,233	$ 32,659	$(120,574)

Finding 2 - Overstated Care and Maintenance Costs

EXPENDITURE REPORT FY07-08

TOAV

For the Period: 7/1/2007 to 6/30/2008	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund: 101 - General Fund							
Expenditures							
Dept: 302 Code Enforcement							
725.000 Public Information	2,000.00	2,000.00	294.00	0.00	0.00	1,706.00	14.7
727.000 Grafitti Removal & Supplies	42,000.00	42,000.00	45,173.96	6,682.00	0.00	-3,173.96	107.6
730.704 Transfer - 704	0.00	0.00	-1,428.00	-1,428.00	0.00	1,428.00	0.0
732.000 Special Dept Supplies/Exp	5,500.00	5,500.00	4,403.40	4,222.01	0.00	1,096.60	80.1
740.000 Contract Services	20,000.00	20,000.00	50,432.49	5,465.00	0.00	-30,432.49	252.2
745.000 Legal Services	6,000.00	6,000.00	12,592.98	2,390.51	0.00	-6,592.98	209.9
760.000 Membership & Dues	1,000.00	1,000.00	1,265.00	195.00	0.00	-265.00	126.5
761.000 Meetings & Conferences	0.00	0.00	1,967.56	0.00	0.00	-1,967.56	0.0
763.000 Education & Training	6,500.00	6,500.00	65.00	0.00	0.00	6,435.00	1.0
801.000 Advertising	1,500.00	1,500.00	1,428.00	294.00	0.00	72.00	95.2
809.000 Gasoline, Diesel, Oil	24,000.00	24,000.00	28,931.10	5,990.25	0.00	-4,931.10	120.5
810.000 Vehicle Maintenance	15,000.00	15,000.00	11,383.05	47.91	0.00	3,616.95	75.9
813.000 Equipment Maintenance	1,500.00	1,500.00	306.46	306.46	0.00	1,193.54	20.4
839.000 Communications Equip	0.00	0.00	735.63	0.00	0.00	-735.63	0.0
840.000 Small Tools	1,000.00	1,000.00	1,032.80	203.42	0.00	-32.80	103.3
905.000 Capital Equipment	23,000.00	43,302.00	43,187.57	0.00	0.00	114.43	99.7
Code Enforcement	1,079,060.00	1,098,362.00	1,160,178.29	123,000.62	0.00	-60,816.29	105.5
Dept: 304 Animal Shelter							
701.000 Salaries Regular	306,500.00	306,500.00	317,850.38	35,402.55	0.00	-11,350.38	103.7
702.000 Salaries Part-Time	11,600.00	11,600.00	0.00	0.00	0.00	11,600.00	0.0
703.000 Overtime	2,000.00	2,000.00	700.37	100.95	0.00	1,299.63	35.0
710.000 Cafeteria Benefits	67,200.00	67,200.00	66,337.51	5,437.50	0.00	862.49	98.7
711.000 PERS	68,300.00	68,300.00	64,159.32	10,342.72	0.00	4,140.68	93.9
713.000 Medicare	4,641.00	4,641.00	4,913.57	539.17	0.00	-272.57	105.9
715.000 FICA	720.00	720.00	0.00	0.00	0.00	720.00	0.0
716.000 Uniform Expenses	1,500.00	1,500.00	1,671.91	113.14	0.00	-171.91	111.5
721.000 Office Supplies/Exp	2,000.00	2,000.00	255.94	143.68	0.00	1,744.06	12.8
722.000 Hardware/Software Supplies/Exp	1,600.00	1,600.00	761.77	565.77	0.00	838.23	47.6
723.000 Printing	2,000.00	2,000.00	632.00	12.93	0.00	1,368.00	31.6
724.000 Subscriptions	250.00	250.00	130.00	0.00	0.00	120.00	52.0
729.000 Miscellaneous Costs	0.00	0.00	142.43	142.43	0.00	-142.43	0.0
732.000 Special Dept Supplies/Exp	15,000.00	15,645.00	13,663.19	3,242.75	0.00	1,981.81	87.5
740.000 Contract Services	5,000.00	5,000.00	2,544.45	2,450.00	0.00	2,455.55	50.9
740.302 Drugs/Vaccinations	20,000.00	20,000.00	26,985.79	4,523.77	0.00	-6,985.79	134.9
740.303 Stiles Removal/D & D Removal	5,500.00	5,500.00	5,700.00	1,425.00	0.00	-200.00	103.6
740.305 Emergency Vet Service	6,000.00	6,000.00	3,918.00	348.67	0.00	2,082.00	65.3
740.306 Spay/Neuter Program	30,000.00	30,000.00	32,647.25	4,453.50	0.00	-2,647.25	108.8
760.000 Membership & Dues	250.00	250.00	119.00	0.00	0.00	131.00	47.6
761.000 Meetings & Conferences	0.00	0.00	81.63	71.63	0.00	-81.63	0.0
762.000 Mileage Exp/Allowance	0.00	0.00	95.75	95.75	0.00	-95.75	0.0
763.000 Education & Training	3,000.00	3,000.00	4,109.54	1,402.24	0.00	-1,109.54	137.0
801.000 Advertising	2,500.00	2,500.00	832.83	0.00	0.00	1,667.17	33.3
809.000 Gasoline, Diesel, Oil	0.00	0.00	964.61	181.25	0.00	-964.61	0.0
810.000 Vehicle Maintenance	0.00	0.00	39.00	0.00	0.00	-39.00	0.0
813.000 Equipment Maintenance	2,000.00	2,000.00	294.15	165.15	0.00	1,705.85	14.7
839.000 Communications Equip	0.00	0.00	286.70	198.36	0.00	-286.70	0.0
840.000 Small Tools	0.00	871.00	1,350.13	1,350.13	0.00	-479.13	155.0
855.000 Animal Food Supplies	10,000.00	10,000.00	10,203.02	2,337.29	0.00	-203.02	102.0
905.000 Capital Equipment	17,000.00	16,129.00	8,522.46	8,522.46	0.00	7,606.54	52.8
Animal Shelter	584,561.00	585,206.00	569,932.70	83,569.79	0.00	15,273.30	97.4
Dept: 401 Planning							
701.000 Salaries Regular	425,840.00	425,840.00	504,487.01	51,146.52	0.00	-78,647.01	118.5
702.000 Salaries Part-Time	26,800.00	26,800.00	16,441.40	2,551.10	0.00	10,358.60	61.3
710.000 Cafeteria Benefits	72,400.00	72,400.00	60,900.00	5,075.00	0.00	11,500.00	84.1
711.000 PERS	100,844.00	100,844.00	111,500.27	17,307.64	0.00	-10,656.27	110.6
713.000 Medicare	6,450.00	6,450.00	7,656.84	775.53	0.00	-1,206.84	118.7
714.000 Deferred Comp	9,300.00	9,300.00	10,891.03	919.09	0.00	-1,591.03	117.1
715.000 FICA	1,670.00	1,670.00	1,019.36	158.16	0.00	650.64	61.0
721.000 Office Supplies/Exp	1,500.00	1,500.00	1,310.02	0.00	0.00	189.98	87.3

For the Period: 7/1/2007 to 6/30/2008	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund: 101 - General Fund							
Expenditures							
Dept: 300 Public Services - Admin							
703.000 Overtime	100.00	100.00	63.51	0.00	0.00	36.49	63.5
710.000 Cafeteria Benefits	19,200.00	19,200.00	17,400.00	1,450.00	0.00	1,800.00	90.6
711.000 PERS	42,163.00	42,163.00	47,568.06	7,476.43	0.00	-5,405.06	112.8
713.000 Medicare	2,500.00	2,500.00	2,758.56	309.30	0.00	-258.56	110.3
714.000 Deferred Comp	7,100.00	7,100.00	7,275.84	598.13	0.00	-175.84	102.5
721.000 Office Supplies/Exp	1,000.00	1,000.00	851.58	0.00	0.00	148.42	85.2
722.000 Hardware/Software Supplies/Exp	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	0.0
723.000 Printing	0.00	0.00	107.75	0.00	0.00	-107.75	0.0
724.000 Subscriptions	300.00	300.00	82.00	0.00	0.00	218.00	27.3
730.000 Operating Transfer	-160,415.00	-160,415.00	-160,415.04	-13,367.92	0.00	0.04	100.0
760.000 Membership & Dues	500.00	500.00	0.00	0.00	0.00	500.00	0.0
761.000 Meetings & Conferences	1,500.00	1,500.00	614.78	224.00	0.00	885.22	41.0
763.000 Education & Training	300.00	300.00	0.00	0.00	0.00	300.00	0.0
809.000 Gasoline, Diesel, Oil	1,500.00	1,500.00	961.38	290.67	0.00	538.62	64.1
810.000 Vehicle Maintenance	1,000.00	1,000.00	56.62	0.00	0.00	943.38	5.7
Public Services - Admin	106,943.00	106,943.00	115,462.45	19,075.29	0.00	-8,519.45	108.0
Dept: 301 Animal Control							
701.000 Salaries Regular	331,700.00	331,700.00	365,802.56	37,372.85	0.00	-34,102.56	110.3
702.000 Salaries Part-Time	11,600.00	11,600.00	0.00	0.00	0.00	11,600.00	0.0
703.000 Overtime	10,500.00	10,500.00	8,296.34	1,242.46	0.00	2,203.66	79.0
710.000 Cafeteria Benefits	67,200.00	67,200.00	59,812.49	5,437.50	0.00	7,387.51	89.0
711.000 PERS	73,900.00	73,900.00	79,406.34	12,827.04	0.00	-5,506.34	107.5
713.000 Medicare	4,810.00	4,810.00	5,778.28	560.11	0.00	-968.28	120.1
716.000 Uniform Expenses	2,000.00	2,000.00	3,048.35	199.50	0.00	-1,048.35	152.4
721.000 Office Supplies/Exp	2,000.00	2,000.00	907.73	79.01	0.00	1,092.27	45.4
722.000 Hardware/Software Supplies/Exp	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	0.0
723.000 Printing	3,000.00	3,000.00	2,424.38	331.87	0.00	575.62	80.8
724.000 Subscriptions	250.00	250.00	379.00	0.00	0.00	-129.00	151.6
732.000 Special Dept Supplies/Exp	12,000.00	12,000.00	6,028.26	3,959.69	0.00	5,971.74	50.2
740.000 Contract Services	0.00	0.00	179.50	119.50	0.00	-179.50	0.0
740.301 County Public Health	2,500.00	2,500.00	2,525.00	0.00	0.00	-25.00	101.0
740.303 Stiles Removal/D & D Removal	7,000.00	7,000.00	5,870.00	1,425.00	0.00	1,130.00	83.9
740.306 Spay/Neuter Program	30,000.00	30,000.00	54,798.00	12,552.00	0.00	-24,798.00	182.7
745.000 Legal Services	5,500.00	5,500.00	21,935.58	4,767.85	0.00	-16,435.58	398.8
760.000 Membership & Dues	250.00	250.00	305.00	0.00	0.00	-55.00	122.0
761.000 Meetings & Conferences	2,500.00	2,500.00	350.18	0.00	0.00	2,149.82	14.0
763.000 Education & Training	3,500.00	5,300.00	2,460.31	1,820.00	0.00	2,839.69	46.4
801.000 Advertising	2,500.00	2,500.00	1,542.00	0.00	0.00	958.00	61.7
809.000 Gasoline, Diesel, Oil	15,000.00	15,000.00	20,498.74	4,872.63	0.00	-5,498.74	136.7
810.000 Vehicle Maintenance	10,000.00	10,000.00	2,517.51	205.03	0.00	7,482.49	25.2
813.000 Equipment Maintenance	1,000.00	1,000.00	390.81	276.81	0.00	609.19	39.1
839.000 Communications Equip	0.00	0.00	470.97	0.00	0.00	-470.97	0.0
840.000 Small Tools	0.00	0.00	343.53	343.53	0.00	-343.53	0.0
841.000 Safety Equipment	0.00	0.00	39.60	0.00	0.00	-39.60	0.0
905.000 Capital Equipment	8,000.00	8,000.00	6,668.94	6,160.23	0.00	1,331.06	83.4
Animal Control	607,710.00	609,510.00	652,779.40	94,652.63	0.00	-43,269.40	107.1
Dept: 302 Code Enforcement							
701.000 Salaries Regular	603,060.00	603,060.00	633,307.48	61,385.51	0.00	-30,247.48	105.0
702.000 Salaries Part-Time	41,900.00	41,900.00	52,039.15	5,501.70	0.00	-10,139.15	124.2
703.000 Overtime	10,000.00	10,000.00	6,010.13	737.66	0.00	3,989.87	60.1
710.000 Cafeteria Benefits	115,200.00	115,200.00	107,300.00	8,700.00	0.00	7,900.00	93.1
711.000 PERS	139,100.00	139,100.00	137,312.12	20,662.68	0.00	1,787.88	98.7
713.000 Medicare	9,700.00	9,700.00	10,271.31	976.36	0.00	-571.31	105.9
715.000 FICA	2,600.00	2,600.00	1,970.80	213.55	0.00	629.20	75.8
716.000 Uniform Expenses	4,250.00	4,250.00	4,671.44	352.50	0.00	-421.44	109.9
721.000 Office Supplies/Exp	750.00	750.00	1,239.10	149.17	0.00	-489.10	165.2
722.000 Hardware/Software Supplies/Exp	1,000.00	1,000.00	3,000.00	0.00	0.00	-2,000.00	300.0
723.000 Printing	2,000.00	2,000.00	1,047.33	12.93	0.00	952.67	52.4
724.000 Subscriptions	500.00	500.00	238.43	0.00	0.00	261.57	47.7

INDIRECT COST RATE PROPOSAL
Town of Apple Valley
Animal Shelter
Fiscal Year
2008-09

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs	
Salaries & Benefits						
Salaries & Wages		$383,216		$45,151	$338,165	
Overtime		$1,778			$1,778	
Benefits	42.9%	$164,524		$19,379	$145,145	
Total		$549,518		$64,530	$485,088	
Services & Supplies						
Uniform Expense		$2,328		$2,328		
Office Supplies		$407		$407		
Hardware/Software Supplies		$6,030	$4,824	$1,206		
Printing		$219		$219		
Subscriptions		$204		$204		
Misc. Costs						
Special Dept Supplies		$16,551		$4,847	$11,704	allowed by SCO
Contract Services		$9,601		$9,601		allowed by SCO
Drugs/Vaccines		$22,332		$18,302	$4,030	requested direct cost
Sites Removal/D&D Removal		$5,700		$5,700		
Emergency Vet Services		$2,250		$2,250		
Spay Neutering Program		$45,337			$45,337	
Membership & Dues		$125		$125		
Meetings & Conference		$845		$845		
Mileage Expense		$270		$270		
Education & Training		$1,717		$1,717		
Advertising		$208		$208		
Gasoline		$670		$670		
Vehicle Maint		$224		$224		
Equip Maint		$692		$692		
Communication Equip		$166		$166		
Small Tools						
Animal Food		$11,764		$11,764		
Utilities : Electricity		$7,395		$7,395		
Utilities : Natural Gas		$5,205		$5,205		
Utilities : Water		$1,066		$1,066		
Security		$877		$877		
Bldg Maintenance		$9,807		$9,807		
County Public Health		-$25		-$25		
Total		$151,965	$4,824	$96,070	$61,071	
Capital Expenditures						
Capital Equip		$26,935	$27,006	$1,929		
Total		$28,935	$27,006	$1,929		
Total Expenditures		$730,518	$31,830	$152,529	$546,159	
Cost Plan Costs						
Allocated costs:						
- Municipal Serv Director (28%)		$136,636		$35,525		
- Admin Secretary (KeTey) 28% of Municipal Services dept		$49,085		$12,762		
Animal Control Tech (5) (12.5% of time to answer shelter phones)		$27,113		$27,113		
Total		$212,835		$75,401		
Total Alloc. Indirect Costs		$943,353	$31,830	$227,930	$546,159	

ICRP RATE = 67.0%
(Rate is Based on Salaries)

$227,930 = Total Allowable Indirect Costs
$339,943 Total Direct Salaries

Town of Apple Valley
Animal Shelter
Fiscal Year
2008-09

Name/Position	100% Admin. or Support Staff Annual Salary
Animal Shelter Supervisor (70%)	$45,151
(50% pure admin + 20% monitoring controller substances)	

TOTAL INDIRECT SALARIES **$45,151**

INDIRECT COST RATE PROPOSAL
Town of Apple Valley
Animal Shelter & Control
Fiscal Year
2008-09

Description of Costs		Total Costs	Excludable Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Salaries & Benefits					
Salaries & Wages		$756,622		$144,528	$612,094
Overtime		$9,002			$9,002
Benefits	42.8%	$324,187		$61,925	$262,262
Total		$1,089,811		$206,453	$883,358
Services & Supplies					
Uniform Expense		$4,765		$4,765	
Office Supplies		$3,803		$3,803	
Hardware/Software Supplies		$8,084		$6,982	$2,102
Printing		$1,937		$1,937	
Subscriptions		$522		$522	
Misc. Costs		$360		$368	
Special Dept Supplies		$21,442		$20,617	$825
Contract Services		$10,239		$10,238	
Drugs/Vaccines		$22,359		$18,329	$4,030
Sites Removal/D&D Removal		$11,400		$11,400	
Emergency Vet Services		$2,250		$2,250	
Spay Neutering Program		$96,104			$96,104
Membership & Dues		$125		$125	
Meetings & Conference		$1,883		$1,883	
Mileage Expense		$270		$270	
Education & Training		$3,132		$3,132	
Advertising		$512		$512	
Gasoline		$17,202		$17,202	
Vehicle Maint		$5,094		$5,094	
Equip Maint		$734		$734	
Communication Equip		$540	$432	$108	
Small Tools					
Animal Food		$11,764		$11,764	
Legal Services		$6,739		$6,739	
Safety Equip		$64		$64	
County Public Health		$2,500		$2,500	
Utilities		$2,008		$2,008	
Building Maintenance		$9,807		$9,807	
Total		$245,666	$432	$142,173	$103,061
Capital Expenditures					
Capital Equipment		$97,514	$91,013	$6,500.93	
Total		$97,514	$91,013	$6,501	
Total Expenditures		$1,432,991	$91,445	$355,127	$986,419
Cost Plan Costs					
Allocated costs:					
- Municipal Services Clerk (52%)		$136,636		$71,051	
- Admin Secretary (Kelley) 52%		$49,086		$25,525	
Total		$185,722		$96,575	
Total Alloc. Indirect Costs		$1,618,713	$91,445	$451,703	$986,419

ICRP RATE = 72.7%
(Rate is Based on Salaries)

$451,703 = Total Allowable Indirect Costs
$621,096 Total Direct Salaries

		SHELTER	CONTROL	
	Salaries & Wages	$383,255	$373,367	
	Overtime	$1,839	$7,163	
	Benefits 42.9%	$164,524	$159,663	42.8%
	Total	$549,618	$540,193	
	Uniform Expense	$2,328	$2,457	
	Office Supplies	$407	$3,396	
SCO direct	Hardware/Software Supplies	$6,030	$2,054	
	Printing	$219	$1,718	
	Subscriptions	$204	$318	
	Misc. Costs		$368	
SCO direct	Special Dept Supplies	$17,428	$4,014	
	Contract Services	$9,601	$637	
req direct	Drugs/Vaccines	$22,307	$52	
	Sites Removal/D&D Removal	$5,700	$5,700	
	Emergency Vet Services	$2,250		
	Spay Neutering Program	$45,337	$50,767	
	Membership & Dues	$125		
	Meetings & Conference	$845	$1,038	
	Mileage Expense	$270		
	Education & Training	$1,717	$1,415	
	Advertising	$216	$296	
	Gasoline	$670	$16,532	
	Vehicle Maint	$224	$4,870	
	Equip Maint	$692	$42	
	Communication Equip	$166	$374	
	Small Tools			
	Animal Food	$11,764		
	Legal Services		$6,739	
	Safety Equipment		$64	
	County Public Health		$2,500	
	Utilities		$2,008	
	Building Maintenance	$9,807		
	Total	$138,307	$107,359	
	Capital Equipment	$35,000	$62,514	
	Total	$35,000	$62,514	
		$722,925	$710,066	

Town of Apple Valley
Animal Shelter & Control

Fiscal Year
2008-09

Name/Position	100% Admin. or Support Staff Annual Salary
Animal Shelter Supervisor (70%)	$45,151
(50% pure admin + 20% monitoring controller substances)	
Animal Control Supervisor (70%)	$45,151
Animal Control Tech (5)	
(25% front counter answering calls)	$54,227

TOTAL INDIRECT SALARIES **$144,528**

Town of Apple Valley
Legislatively Mandated Animal Adoption Program
Fiscal Years (FY's) 2007-08 and 2008-09
Audit ID # S15-MCC-0033
Care and Maintenance - Summary

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
Salaries:			
2007-08	$ -	$ 12,034	$ 12,034
2008-09	-	7,832	7,832
Subtotal, salaries	$ -	$ 19,866	$ 19,866
Benefits:			
2007-08	$ -	$ 4,969	$ 4,969
2008-09	-	3,338	3,338
Subtotal, benefits	$ -	$ 8,307	$ 8,307

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
Salaries and Benefits:			
2007-08	$ -	$ 17,003	$ 17,003
2008-09	-	11,170	11,170
Total, salaries and benefits	$ -	$ 28,173	$ 28,173

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
Services and Supplies (Materials and Supplies)			allowed direct
2007-08	$ 76,034	$ 1,510	$ (74,524)
2008-09	77,199	2,102	(75,097)
Subtotal, materials & supplies	$ 153,233	$ 3,612	$(149,621)

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment
Contract services			allowed direct
2007-08	$ -	$ 49	$ 49
2008-09	-	825	825
Subtotal, contract services	$ -	$ 874	$ 874
Total Direct Costs			
2007-08	$ 76,034	$ 18,562	$ (57,472)
2008-09	77,199	14,097	(63,102)
Total	$ 153,233	$ 32,659	$(120,574)

Finding 2 - Overstated Care and Maintenance Costs

FY 08-09

ANIMAL SERVICES - FIELD SERVICES 001-2120

Code	Expenditure Classification	Actual Expense 2008-09	Actual Expense 2009-10	Amended Budget 2010-11	Estimated Year End 2010-11	% of Budget Expended	Adopted Budget 2011-12
	Personnel Services						
7010	Salaries & Wages - Permanent	373,367	389,193	408,250	402,283	98.5%	410,729
7030	Salaries & Wages - Overtime	7,163	11,249	8,000	12,474	155.9%	8,000
7110	Cafeteria Benefits	67,478	59,178	68,625	68,449	99.7%	70,093
7120	Deferred Comp		2,290	3,485	2,266	65.0%	3,481
7150	Medicare	6,021	5,926	5,975	6,231	104.3%	5,956
7160	PERS	86,164	82,189	88,000	84,106	95.6%	101,175
	Total Personnel	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	Operations & Maintenance						
7180	Uniform Expense	2,457	2,634	2,500	3,000	120.0%	3,000
7205	Advertising	296	140	1,250	1,250	100.0%	1,000
7223	Disposal Services				388		1,025
7229	Education & Training	1,415	261	2,000	2,000	100.0%	900
7241	Meetings & Conferences	1,038	828	2,000	2,000	100.0%	900
7247	Memberships & Dues	0	205	250	250	100.0%	250
7259	Miscellaneous	368	70				0
7265	Office Supplies	3,396	1,965	1,500	2,250	150.0%	2,250
7277	Printing	1,718	2,230	2,500	2,500	100.0%	2,000
7289	Subscriptions	318	408	400	400	100.0%	300
7295	Utilities	2,008	5,137	26,225	38,246	145.8%	38,000
7310	Assessment District Costs		800		760		1,773
7330	Hardware/Software Supplies	2,054	510	4,500	4,500	100.0%	4,000
7360	Safety and security						675
7370	Special Department Supplies	4,014	572	5,400	5,400	100.0%	5,000
7655	Building maintenance				750		500
8940	Contracted Services	637	1,543	1,200	1,000	83.3%	750
8944	County Public Health	2,500	2,500	2,500	2,500	100.0%	2,500
8956	Drugs/Vaccinations	52	0	0	0		0
8960	Emergency Veterinary Services	0			(68)		0
8972	Legal Services	6,739	826	3,000	500	16.7%	500
8988	Spay/Neuter Program	50,767	48,065	38,000	38,000	100.0%	35,000
8992	Stiles Removal/D&D Removal	5,700	5,825	6,000	6,000	100.0%	6,000
9013	Communications Equipment	374	0	0	0		0
9026	Equipment Maintenance	42	95	500	300	60.0%	300
9052	Gasoline, Diesel and Oil	16,532	13,763	18,000	14,000	77.8%	14,000
9065	Leased Equipment			3,578	3,578	100.0%	4,800
9078	Safety Equipment	64	0	0	0		500
9091	Vehicle Maintenance	4,870	1,348	4,000	4,000	100.0%	3,000
	Total Operations & Maintenance	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	Capital Expenditures						
9120	Capital Outlay	62,514	313	0	0		0
	Total Capital Expenditures	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	Department Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Personnel Schedule	Actual 2008-09	Actual 2009-10	Actual 2010-11	Adopted 2011-12
Animal Services Manager		0.50	0.50	0.50
Animal Services Supervisor	1	1	1	1
Senior Animal Services Officer	1	0	1	1
Animal Services Officer II	3	2	3	3
Animal Services Officer I	0	2	0	0
Animal Services Technician	2.5	2.5	2.5	2.5
Senior Clerk-Office Assistant	0	0	0	0
Totals	7.5	8.00	8.00	8.00

ANIMAL SERVICES - SHELTER 1001-7130

Code	Expenditure Classification	Actual Expense 2008-09	Actual Expense 2009-10	Amended Budget 2010-11	Estimated Year End 2010-11	% of Budget Expended	Adopted Budget 2011-12
	Personnel Services						
7010	Salaries & Wages - Permanent	383,255	463,735	445,839	445,839	100.0%	445,408
7020	Salaries & Wages - Part-time	0		25,188	52,000	206.4%	66,173
7030	Salaries & Wages - Overtime	1,839	4,305	1,800	4,000	222.2%	1,800
7110	Cafeteria Benefits	78,021	82,564	75,268	71,237	94.6%	74,687
7120	Deferred Comp		2,290	3,485	2,200	63.1%	3,482
7130	FICA	0		0	1,562		4,103
7150	Medicare	5,778	7,304	6,925	7,486	108.1%	7,418
7160	PERS	80,725	100,607	102,605	95,404	93.0%	109,717
	Total Personnel	549,618	660,805	661,110	579,728	102.5%	712,788
	Operations & Maintenance						
7180	Uniform Expense	2,328	1,257	3,000	2,000	66.7%	3,000
7205	Advertising	216		1,000	1,000	100.0%	750
7223	Disposal Services		440		1,000		1,400
7229	Education & Training	1,717	678	2,000	2,000	100.0%	750
7241	Meetings and Conferences	845	455	500	500	100.0%	500
7247	Memberships and Dues	125		125	125	100.0%	200
7253	Mileage Exp/Allowance	270			0		0
7259	Miscellaneous	0			5		50
7265	Office Supplies	407	262	1,000	1,250	125.0%	1,000
7277	Printing/Department Supplies	219	704	1,000	1,000	100.0%	1,000
7285	Small Tools	0			0		50
7289	Subscriptions	204	380	150	100	66.7%	150
7295	Utilities		31,920	26,225	38,246	145.8%	38,000
7305	Animal Food Supplies	11,764	11,429	10,000	15,000	150.0%	15,000
7310	Assessment District costs		800				1,773
7330	Hardware/Software	6,030	510	4,000	4,000	100%	3,000
7360	Safety & Security		495		700		700
7370	Special Department Supplies	17,428	16,816	10,000	10,000	100.0%	9,000
7655	Building Maintenance	9,807	9,650	13,500	9,000	66.7%	8,000
8940	Contracted Services	9,601	14,661	10,000	15,000	150.0%	16,200
8956	Drugs and Vaccinations	22,307	20,571	20,000	22,800	114.0%	20,000
8960	Veterinary Services	2,250	695	1,000	5,000	500.0%	4,000
8988	Adoption Spay / Neuter	45,337	41,749	35,000	42,000	120.0%	40,000
8992	Stiles Removal/D&D Removal	6,700	5,825	6,000	5,900	98.3%	6,000
9013	Communications Equipment	166		100	100	0.0%	50
9026	Equipment Maintenance	692	483	1,000	1,000	100.0%	400
9052	Gasoline, Diesel, Oil	670	756	1,000	1,000	100.0%	1,000
9065	Leased Equipment		11,487	3,578	3,578	100.0%	4,800
9091	Vehicle Maintenance	224	34				750
	Total Operations & Maint.	138,307	172,057	150,178	182,667	121.6%	176,650
9120	Capital Equipment	36,000	3,237	0			0
	Total Operations, Maint. & Capital	174,307	175,294	150,178	182,667	121.6%	176,650
	Department Total	723,925	836,099	811,288	762,395	94.0%	889,438

ANIMAL SERVICES - SHELTER (100/2130)

Code	Expenditure Classification	Actual Expense 2008-09	Actual Expense 2009-10	Amended Budget 2010-11	Estimated Year End 2010-11	% of Budget Expended	Adopted Budget 2011-12

Personnel Schedule	Actual 2008-09	Actual 2009-10	Actual 2010-11	Adopted 2011-12
Animal Services Manager		0.50	0.50	0.50
Animal Shelter Supervisor	1	1	1	1
Animal Services Technician	2.5	2.5	2.5	2.5
Animal Shelter Specialist	4	4	4	4
Registered Veterinary Tech	1	1	1	1
Part-time Shelter Assistant	0	0	0	0
Senior Office Assistant	0	0	0	0
Total	8.5	9.00	9.00	9.00

CODE ENFORCEMENT 1001-1110

Code	Expenditure Classification	Actual Expense 2008-09	Actual Expense 2009-10	Amended Budget 2010-11	Estimated Year End 2010-11	% of Budget Expended	Adopted Budget 2011-12
	Personnel Services						
7010	Salaries & Wages - Permanent	632,643	606,926	572,585	572,585	100.0%	575,390
7020	Salaries & Wages - Part-time	58,523	61,242	71,175	61,228	86.0%	66,068
7030	Salaries & Wages - Overtime	2,787	247	2,000	2,000	100.0%	2,000
7110	Cafeteria Benefits	117,748	114,060	105,000	102,902	98.0%	103,173
7120	Deferred Comp		2,474		2,529		2,536
7130	FICA	2,248	2,318	2,785	2,401	86.2%	2,854
7150	Medicare	10,296	9,825	10,175	9,466	93.0%	9,394
7160	PERS	145,672	137,000	136,000	129,198	95.0%	148,246
	Total Personnel	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	Operations & Maintenance						
7180	Uniform Cleaning	5,000	3,842	4,150	4,150	100.0%	5,000
7205	Advertising	718	775	500	500	100.0%	500
7229	Education & Training	3,122	1,866	1,000	1,000	100.0%	500
7241	Meetings & conferences	0	187	400	400	100.0%	200
7247	Membership & dues	711	831	850	850	100.0%	850
7259	Miscellaneous	3,579					0
7265	Office Supplies	1,038	684	400	400	100.0%	800
7277	Printing	562	492	500	500	100.0%	1,000
7289	Subscriptions	234	634	1,200	1,200	100.0%	1,200
7295	Utilities: Phones				1,782		7,200
7325	Grafitti Supplies & Removal costs	39,007	49,759	60,000	60,000	100.0%	45,000
7330	Hardware/Software Supplies	150	517	500	500	100.0%	2,000
7350	Public Information	0	259	1,500	1,500	100.0%	1,500
7370	Special Dept Supplies/Exp	2,845	3,833	1,000	1,000	100.0%	1,000
7970	Small Tools	179		500	500	100.0%	500
8940	Contracted Services	55,833	99,366	50,000	50,000	100.0%	45,000
8972	Legal Services	20,913	229	5,000	5,000	100.0%	5,000
9013	Communications Equipment	282					0
9026	Equipment Maintenance	0	730	800	800	100.0%	800
9052	Gasoline, Diesel, oil	21,922	19,243	18,000	18,000	100.0%	19,000
9065	Leased Equipment		13,602		381		2,065
9091	Vehicle Maintenance	10,059	8,030	10,000	10,000	100.0%	10,000
9610-4910	Transfer Tire Amnesty Grant		(4,528)				
	Total Operations & Maintenance	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	Capital Expenditures						
9120	Capital Outlay	0	6,958		0	0.0%	0
	Total Capital Expenditures	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	Total Operation [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	Department Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Personnel Schedule	Actual 2008-09	Actual 2009-10	Actual 2010-11	Adopted 2011-12
Code Enforcement Manager	2	1	1	1
Senior Code Enforcement Ofcr	1	1	0	0
Code Enforcement Officer II	7	7	8	7
Community Enhancement Ofcr	0.5	0.5	0.5	0.5
Code Enforcement Technician	3	3	3	2
Part-time Code Enforcment Tech	1	1	1	1
Senior Office Assistant	0	0	0	0
Total	14.5	13.5	13.5	11.5

Town of Apple Valley
FY 2007-08

Municipal Services Administrative Cost Allocation
(Based on actual salary expenditures by Division)

		Actual Salary Costs (full and part time)	
Divisions Directed::			
Animal Shelter	$	317,850	23% 50%
Animal Control	$	365,802	27%
Waste Management	$	2,724	0%
Transit	$	-	
Code Enforcement	$	685,346	50%
TOTAL	$	1,371,722	100%

There are two positions that oversee the Departments listed above
The Municipal Services Director, Gina Whiteside,
and the Administrative Secretary

This portion of their salaries were allocated as an overhead costs were added
as an allocation to the ICRP (Overhead rate for the Shelter)

Town of Apple Valley
FY 2008-09

Municipal Services Administrative Cost Allocation
(Based on Budgeted salary expenditures by Division)

		Actual Salary Costs (full and part time)	
Divisions Directed::			
Animal Shelter	$	383,255	26% 52%
Animal Control	$	373,367	26%
Waste Management			
Transit	$	-	
Code Enforcement	$	691,166	48%
TOTAL	$	1,447,788	100%

There are two positions that oversee the Departments listed above
The Municipal Services Director, Gina Whiteside,
and the Administrative Secretary

This portion of their salaries were allocated as an overhead costs were added
as an allocation to the ICRP (Overhead rate for the Shelter)

Fiscal Year 2007/08 Annual Budget
Table of Contents

Introduction 1
Summary of Key Points 5
State Required Resolutions 15
Organizational Chart 21
Master Staffing Plan 22
Five Year Capital Improvement Program 27
Summary of All Funds 30
Summary of General Fund 31
Summary of Transfers to Other Funds 32
General Fund Revenues 33

General Government
- Summary & Organizational Chart 43-46
- Town Council 47
- Public Information 49
- Town Manager 54
- Deputy Town Manager 57
- Town Clerk 61
- Town Attorney 64
- Municipal Services 65
- Administrative Services 71
- Finance 75
- General Government 79
- Public Facilities 82

Public Safety
- Summary & Police Organizational Chart 88-89
- Public Safety/Sheriff 90
- Emergency Preparedness 93

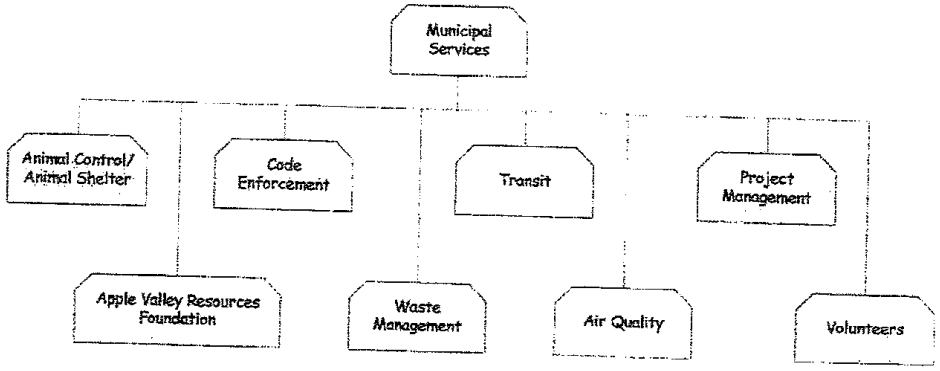
Public / Community Services
- Summary & Organizational Chart 98-99
- Public Services Administration 100
- Animal Control 103
- Animal Shelter 107
- Code Enforcement 111

Community Development
- Summary & Organizational Chart 118-119
- Planning 120
- Building & Safety 124
- Engineering 126

Restricted Funds
- Restricted Funds Summary 130
- Street Maintenance/Gas Tax 131
- Local Transportation Fund 137
- Capital Improvement Program 138
- Measure I 140
- Waste Management 144
- Wastewater 148
- General Government Facilities- Infrastructure 156
- Debt Service Fund COP's 157
- Parks & Recreation Organizational Chart 160
- Parks & Recreation 161
- Quimby Fund 177
- Municipal Services Grant Fund 178

Economic & Community Development/RDA/CDBG
- Summary & Organizational Chart 183-184
- State Required Resolution 185
- Economic & Community Dev./RDA/CDBG 187

TOWN OF APPLE VALLEY
MUNICIPAL SERVICES
ORGANIZATION CHART 2007-2008



Town of Apple Valley
Department Operating Statement
Budget Appropriation for Fiscal Year Ending June 30, 2008
Department: Municipal Services - Account Number 101-111

Code	Expenditure Classification	Actual Expense 2002-03	Actual Expense 2003-04	Actual Expense 2004-05	Actual Expense 2005-06	Budget Approp. 2006-07	Estimated Year End 2006-07	% Used	Budget Approp. 2007-08
	Personnel Services								
701	Salaries & Wages	144,830	159,985	176,206	196,005	198,500	199,733	101%	372,360
703	Salaries & Wages - Overtime	636	0	0	0	0	0	0%	0
	Total Salaries	145,466	159,985	176,206	196,005	198,500	199,733	101%	372,360
	Benefits								
711	PERS	15,913	26,119	36,636	42,505	39,700	45,662	115%	82,958
710	Cafeteria Benefits	21,084	21,082	23,984	26,514	31,100	26,100	84%	48,000
713	Medicare	2,164	2,315	2,468	2,925	2,900	2,985	103%	5,399
714	Deferred Comp	0	0	0	4,397	0	6,384	0%	6,890
	Total Benefits	39,161	49,516	63,088	76,341	73,700	81,130	110%	143,247
	Total Personnel	184,627	209,501	239,294	272,346	272,200	280,863	103%	515,607
	Operations & Maintenance								
721	Office Supplies Supplies unique to the operation of the Municipal Service's department including grant management, and the volunteer program	591	876	739	967	1,250	1,999	160%	1,500
722	Computer Supplies Specialty software for grant management	2,563	1,636	194	0	2,500	2,500	100%	1,600

Department: Municipal Services - Account Number 101-111

Code	Expenditure Classification	Actual Expense 2002-03	Actual Expense 2003-04	Actual Expense 2004-05	Actual Expense 2005-06	Budget Approp. 2006-07	Estimated Year End 2006-07	% Used	Budget Approp. 2007-08
723	Printing Grant proposals, picture enlargement, Summer Youth Volunteer Program, including advertising posters, and job applications	0	212	1,351	782	500	377	75%	1,000
724	Subscriptions Publications to assist in identification of grant opportunities. Grants for Cities and Towns, Guide to Federal Funding, Funding Law Enforcement.	1,391	1,191	1,408	1,077	1,000	500	50%	1,000
725	Public Information Preparation of brochures, route maps, Garden Party, Volunteer Program, Commercial Recycling								1,500
729	Miscellaneous Moved to .732 and	0	403	355	114	500	500	100%	0
732	Special Department Supplies Fundraising Activities targeting potential donors for various Town Projects (i.e., Civic Center Park),					500	500		1,000

Department: Municipal Services - Account Number 101-111

Code	Expenditure Classification	Actual Expense 2002-03	Actual Expense 2003-04	Actual Expense 2004-05	Actual Expense 2005-06	Budget Approp. 2006-07	Estimated Year End 2006-07	% Used	Budget Approp. 2007-08
740	Contract Services Architectural and Engineering Services for construction projects handled by the department				6,170		103		2,500
760	Memberships & Dues Appropriate organizational dues, including Association of Fund Raising Professionals, Project Management and other required memberships for grant applications	0	499	250	250	250	200	80%	250
761	Meetings & Conferences Staff's attendance at National, State, and Local meetings & conferences.	2,763	3,543	4,113	195	5,000	3,516	70%	5,000
762	Mileage Allowance for Director and mileage for manager and staff to attend required meetings and/or conferences	0	234	0	900	5,000	4,641	93%	6,300
763	Education & Training Tuition reimbursement	1,363	2,150	2,632	1,973	4,000	5,143	129%	4,500
801	Advertising Advertising for volunteer program, requests for proposals and bid documents for construction projects handled by the department				390				500
809	Gasoline, Diesel, Oil				789		0		0
810	Vehicle Maintenance	1,768	787	1,374	1,860	0	0	0%	0

Department: Municipal Services - Account Number 101-111

Code	Expenditure Classification	Actual Expense 2002-03	Actual Expense 2003-04	Actual Expense 2004-05	Actual Expense 2005-06	Budget Approp. 2006-07	Estimated Year End 2006-07	% Used	Budget Approp. 2007-08
862	Volunteer Program								
	Volunteer Program, including recognition luncheon (COP's, ECS,. etc.), Volunteer Service Awards, and premiums for special events								5,000
	Total Operation and Maintenance costs.	7,308	8,594	8,410	15,467	20,500	19,978	97%	31,650
	Capital Expenditures								
905	Capital Expenditures	0	0	0	5,205	200,000	0	100%	0
907.922	Bus shelters								15,000
	Transfer to 704 fund for Civic Center Park				84,581	0	(4,727)	100%	0
	East Parking Lot Expansion				176,696	0	177,000	100%	0
	Sub-Total	191,935	218,095	247,704	554,295	492,700	473,116	4	562,257
730	Grant Administrative Revenues Allocation	0	0	(20,000)	0	0	0	0%	0
730	Lewis Center Allocation	18,000	0	0	0	0	0	0%	0
730	Transfer to Other Funds			(172,000)	196,500	(73,230)	(73,231)		(168,677)
	Department Total	209,935	218,095	55,704	750,795	419,470	399,884	95%	393,580

Personnel Schedule	Actual 2002-03	Actual 2003-04	Actual 2004-05	Actual 2005-06	Actual 2006-07	Proposed 2007-08
Director of Municipal Services	1	1	1	1	1	1
Municipal Services Manager*						1
Grant Specialist	1	1	1	1	1	1
Administrative Secretary	1	1	1	1	1	1
Secretary*						1
Total	3	3	3	3	3	5

*Moved from Community Services budget

Municipal Services

Program Description: The Municipal Services Department directs the administration of the animal control, animal shelter, waste management, transit, code enforcement and grant administration programs of the Town of Apple Valley. In addition, Municipal Services is responsible for coordinating construction management of Civic Center Park and directing the activities of the Apple Valley Community Resource Foundation. The department is instrumental in identifying alternative funding sources, including grants, which assist in implementing projects that fulfill the Council's Vision 2010. The department maintains close liaison with representatives from Federal, State and Local Government agencies to closely analyze and monitor opportunities that will provide funds for priority projects.

Programmatic Changes: This year's budget proposal includes merging the Community Services administrative budget into the recently formed Municipal Services Department. Expenditures include operations and maintenance for the various divisions handled by the department. In addition to administering the community-wide programs of public transportation, solid waste disposal, and transit, the department will be expanding the volunteer program to include a comprehensive volunteer program and voluntary recycling program for commercial businesses.

The existing volunteer program will be enhanced to provide an opportunity for teenagers to become involved in their community. Volunteers will receive personal motivation, professional awareness and skill building training that will benefit the community and provide valuable work experience. The Volunteen Program will be promoted through a summer volunteer program and a school year volunteer program. The Summer Internship Program for Youth will employ teenagers from Apple Valley, both for Town Hall and in field positions during the summer break. Students will receive hands-on experience in performing assigned and supervised tasks which will vary from department to department. The Better Options Search for Students (BOSS) program will be offered throughout the school year during which eligible students will be invited to spend one or more periods of the school day working for the Town. The program plans to involve teenagers in job experiences that will develop skills, promote a good work ethic and enhance each individual's chances of obtaining rewarding employment. By the end of the term, teens will have taken a survey exploring their own interests and talents, worked alongside a Town employee, performed various supervised tasks, filled out time sheets, gone through a mock interview as a prospective employee, and prepared a resumé. Those who successfully complete the programs will take with them numerous hours of meaningful job experience and a letter of recommendation from the Town.

Continuing with the direction of Council to obtain voluntary involvement from the business community in recycling efforts, staff will be implementing a comprehensive educational program for commercial recycling. Beginning in Fiscal 2007-08, the Municipal Services Department will offer free "waste audits" to businesses to see if they are missing opportunities to recycle and save money. Large stores already bale and backhaul cardboard, film plastic and other materials. Smaller stores may not realize they may be able to reduce their trash bill by putting in a recycling dumpster to collect all recyclables. Businesses that have sufficient manpower may prefer to collect paper, cardboard and beverage containers and sell them to a recycling center. Staff will contact individual businesses and the Chamber of Commerce to make this service available to the business community. In 2006, residential recycling recovered 7,591 tons -- commercial 1,227 tons. Our goal is to increase the number of commercial businesses participating in town-wide recycling efforts.

The Municipal Services Department continues its role of preparing and implementing grant applications for various departments, including the Apple Valley Fire Protection District. Once funded, Municipal Services monitors and evaluates the grant programs to ensure compliance with guidelines of the funding agency. Current grant administration managed by this department includes, but is not limited to, the Wastewater Treatment Plant project, Beverage Container Recycling Program, Traffic Safety Program, and various funded grants from the California Department of Parks. Per Council Direction, grant funds are used for the implementation of the programs and are not targeted for administrative costs of the Municipal Services Department

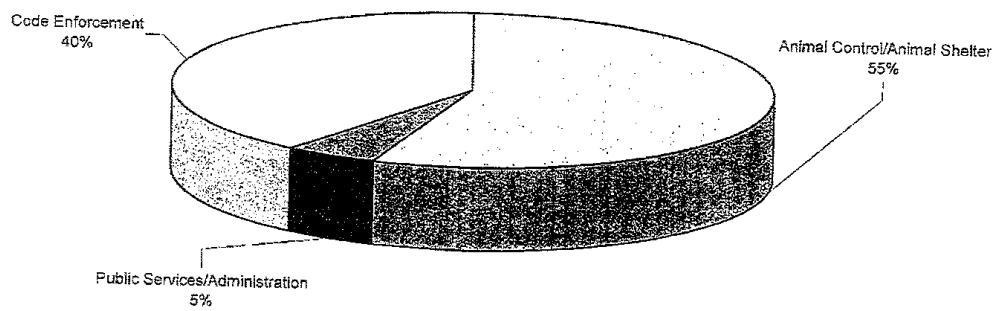
Funding Source:			
	General Fund Revenue	$393,580	(70%)
	Waste Management Fund	$112,457	(20%)
	Street Maintenance Fund	$ 28,113	(5%)
	Wastewater Enterprise Fund	$ 28,113	(5%)

Fiscal Year 2009/10 Annual Budget
Table of Contents

Introduction	1
Summary of Key Points	4
State Required Resolutions	15
Organizational Chart	23
Master Staffing Plan	24
Five Year Capital Improvement Plan	28
Summary of All Funds	31
Summary of General Fund	32
Summary of Transfers to Other Funds	33
General Fund Revenue	35
General Government	43
Summary	44
Organizational Chart	45
Town Council	46
Town Attorney	48
Town Manager	49
Finance	51
Town Clerk	55
Public Information	58
Administrative Services	61
Information Technology	64
General Government	66
Public Facilities	69
Public Safety	73
Summary	74
Police Organizational Chart	75
Public Safety / Sheriff	76
Emergency Preparedness	78
Public Services	81
Summary	82
Organizational Chart	83
Animal Control	84
Animal Shelter	87
Public Services Administration	91
Code Enforcement	93
Development Services	97
Summary	98
Organizational Chart	99
Building & Safety	100
Engineering	101
Planning	102
Restricted Funds	105
Restricted Funds Summary	106
Street Maintenance / Gas Tax	107
Local Transportation Fund	113
Measure I	114
Proposition 1B	117
Parks and Recreation	119
Parks and Recreation Organizational Chart	120
Parks & Recreation Quimby Fund	150
Debt Service Fund: COP's	151
Capital Improvement Program	152
General Government Facilities	153
Parks and Recreation Grant Fund	154
Wastewater	156
Waste Management	163
Golf Course	167
Economic Development / RDA/ CDBG	169
Summary	170
Organizational Chart	171
State Required Resolution	172
Economic & Community Development / RDA / CDBG	179

2009/10 Public/Municipal Services Expenditures

Animal Control/Animal Shelter	1,535,645
Public Services/Administration	143,441
Code Enforcement	1,101,163
Total-Public Services	2,780,249



Town of Apple Valley
Department Operating Statement
Budget Appropriation for Fiscal Year Ending June 30, 2010
Department: Animal Shelter 1001-2130

Code	Expenditure Classification	Actual Expense 2004-05	Actual Expense 2005-06	Actual Expense 2006-07	Actual Expense 2007-08	Adopted Budget 2008-09	Estimated Year End 2008-09	% Used	Proposed Budget 2009-10
	Personnel Services								
7010	Salaries & Wages - Permanent		194,928	277,365	317,850	353,750	359,775	101.7%	472,200
7020	Salaries & Wages - Part-time		4,742	11,703	0	0		0.0%	
7030	Salaries & Wages - Overtime		3,450	907	700	2,000	1,500	75.0%	1,800
7110	Cafeteria Benefits		44,433	58,000	66,338	73,500	73,613	100.2%	94,500
7120	Deferred Comp								3,165
7130	FICA		294	531		0		0.0%	
7150	Medicare		3,181	4,598	4,914	5,129	5,591	109.0%	6,850
7160	Pers		39,666	55,419	64,159	78,812	74,040	93.9%	103,150
	Total Personnel		290,694	408,523	453,961	513,191	514,518	100.3%	681,665
	Operations & Maintenance								
7180	Uniform Expense Uniforms for shelter staff and volunteers		1,075	616	1,672	1,800	2,350	130.6%	2,000
7205	Advertising Newspaper and radio ads for Pet Fair, various adoption promotions, fundraisers, etc.		1,015	1,847	833	2,000	1,000	50.0%	1,500
7229	Education & Training Animal Care Expo, Western States, Online training, reimbursement		208	780	4,110	3,000	1,500	50.0%	3,000
7241	Meetings and Conferences Reimbursement to meetings and conferences HSU online training for shelter staff		0	0	82	1,500	900	60.0%	1,000
7247	Memberships and Dues NAVTA, CVMA		0	0	119	250	125	100.0%	200
7253	Mileage Exp/Allowance Vehicle allowance for Director, mileage reimbursement for staff				96	0	0		1,600
7259	Miscellaneous Moved to Special Department Supplies		10,198	0	142	0	0	0.0%	0
7265	Office Supplies Adoption packet folders/labels, cds., receipt books, animal id collars, pens, paper, etc.		3,507	0	256	1,800	1,000	55.6%	1,500

Town of Apple Valley
Department Operating Statement
Budget Appropriation for Fiscal Year Ending June 30, 2010
Department: Code Enforcement - Account Number 1001-3110

Code	Expenditure Classification	Actual Expense 2004-05	Actual Expense 2005-06	Actual Expense 2006-07	Actual Expense 2007-08	Adopted Budget 2008-09	Estimated Year End 2008-09	% Used	Proposed Budget 2009-10
	Personnel Services								
7010	Salaries & Wages - Permanent	286,952	460,900	569,841	633,307	639,950	590,261	92.2%	611,400
7020	Salaries & Wages - Part-time	36,328	41,994	36,945	52,039	66,900	55,065	82.3%	67,950
7030	Salaries & Wages - Overtime	15,036	13,590	8,688	6,010	10,000	5,000	50.0%	5,000
7110	Cafeteria Benefits	55,245	79,943	105,157	107,300	126,000	109,845	87.2%	115,500
7130	FICA	1,254	633	894	1,971	2,509	2,112	84.2%	4,213
7150	Medicare	5,927	7,723	9,154	10,271	10,394	9,687	93.2%	9,850
7160	PERS	76,533	104,647	129,900	137,312	139,100	135,953	97.7%	133,550
	Total Personnel	477,275	709,430	860,579	948,210	994,853	907,923	91.3%	947,463
	Operations & Maintenance								
7180	Uniform Cleaning and purchasing polos, etc	2,719	5,640	5,638	4,671	4,250	4,000	94.1%	4,000
7205	Advertising Legal advertising required of Code Enforcement activity	0	311	536	1,428	1,500	750	50.0%	1,000
7229	Education & Training Various training programs to improve skills of staff including CACEO certification, tuition reimbursement.	2,806	3,101	2,815	65	6,500	2,000	30.8%	5,500
7241	Meetings & conferences							0.0%	
7247	Membership & dues CACEO memberships for officers		525	347	1,968 1,265	1,000	788	78.8%	750
7253	Mileage Vehicle allowance for Director, mileage reimbursement for staff	100	0	0	0	0	0	0.0%	0
7259	Miscellaneous	703	773	293	0	0	14	0.0%	0
7265	Office Supplies	1,067	1,092	1,052	1,239	750	968	129.1%	750
7277	Printing Increased citations, violation notices, educational flyers, slides, film developing, receipts books, name badges.	494	1,413	2,460	1,047	2,000	500	25.0%	1,500
7289	Subscriptions LANE Guide, Uniform Building Code, Uniform Housing Code, and related publications.	85	85	90	238	500	100	20.0%	450
7325	Grafitti Supplies Matched paint grafitti removal and patch removal program, with both increasing costs and volume of grafitti.	7,209	20,725	42,812	45,174	50,000	41,000	82.0%	42,000
7330	Hardware/Software Supplies	349	667	236	3,000	1,000	500	50.0%	500

Town of Apple Valley
Department Operating Statement
Budget Appropriation for Fiscal Year Ending June 30, 2010
Department: Animal Control 1001-2120

Code	Expenditure Classification	Actual Expense 2004-05	Actual Expense 2005-06	Actual Expense 2006-07	Actual Expense 2007-08	Adopted Budget 2008-09	Estimated Year End 2008-09	% Used	Proposed Budget 2009-10
	Personnel Services								
7010	Salaries & Wages - Permanent	257,620	240,436	263,128	365,803	365,225	359,000	98.3%	401,000
7020	Salaries & Wages - Part-time	3,098	3,504	11,003	0	0		0.0%	
7030	Salaries & Wages - Overtime	16,585	10,494	9,360	8,296	10,500	7,800	74.3%	8,950
7110	Cafeteria Benefits	34,303	45,783	43,500	59,812	73,500	67,650	92.0%	73,500
7120	Deferred Comp								3,165
7130	FICA			487	0			0.0%	
7150	Medicare	4,043	4,261	4,408	5,778	5,296	5,772	109.0%	5,815
7160	PERS	44,652	49,257	61,956	79,406	81,368	86,475	106.3%	87,600
	Total Personnel	360,301	353,735	393,842	519,095	535,889	526,697	98.3%	580,030
	Operations & Maintenance								
7180	Uniform Expense Cleaning. Purchase of boots, jackets, belts, hats	1,250	2,886	1,395	3,048	3,500	3,000	85.7%	3,000
7205	Advertising Newspaper and radio ads for public education clinics, rabies clinics, seminars, Pet Fair	0	0	1,041	1,542	1,500	1,000	66.7%	1,250
7229	Education & Training Skills training for officers and staff	458	5,294	2,795	2,460	3,000	2,000	66.7%	2,700
7241	Meetings & Conferences Staffs attendance to meetings and training seminars related to animal control, hotel expenses	0	542	469	350	3,000	1,500	50.0%	2,700
7247	Memberships & Dues National Animal Control Association	100	205	180	305	300	200	66.7%	250
7253	Mileage Exp/Allowance Vehicle allowance for Director, mileage reimbursement for staff.		196	246	0	0	0		1,600
7259	Miscellaneous	22,408	3,276	0	0	0	0		0
7265	Office Supplies Dog license tags, rings, & and envelopes, Animal laws revision handbooks, office supplies for Animal Control.	7,474	2,372	915	908	1,500	2,400	160.0%	1,500

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Division of Audits
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S15-MCC-0033