

SONOMA COUNTY

Audit Report

CRIME STATISTICS REPORTS FOR THE DEPARTMENT OF JUSTICE PROGRAM

Chapter 1172, Statutes of 1989; Chapter 1338,
Statutes of 1992; Chapter 1230, Statutes of 1993; Chapter 933,
Statutes of 1998; Chapter 571, Statutes of 1999; Chapter 626,
Statutes of 2000; Chapter 700, Statutes of 2004

July 1, 2003, through June 30, 2012



BETTY T. YEE
California State Controller

July 2020



BETTY T. YEE
California State Controller

July 29, 2020

CERTIFIED MAIL—RETURN RECEIPT REQUESTED

Erick Roeser, Auditor-Controller-Treasurer-Tax Collector
County of Sonoma
585 Fiscal Drive, Suite 100
Santa Rosa, CA 95403

Dear Mr. Roeser:

The State Controller's Office audited the costs claimed by Sonoma County for the legislatively mandated Crime Statistics Reports for the Department of Justice Program for the period of July 1, 2003, through June 30, 2012.

The county claimed \$1,112,360 for costs of the mandated program. Our audit found that \$423,448 is allowable (\$459,951 less a \$36,503 penalty for filing late claims); and \$688,912 is unallowable because the county overstated salary and benefit costs and related indirect costs. The State made no payments to the county. The State will pay \$423,448, contingent upon available appropriations.

Following issuance of this audit report, the Local Government Programs and Services Division of the State Controller's Office will notify the county of the adjustment to its claims via a system-generated letter for fiscal year 2004-05 through fiscal year 2011-12.

If you have any questions, please contact Lisa Kurokawa, Chief, Compliance Audits Bureau, by telephone at (916) 327-3138.

Sincerely,

Original signed by

JIM L. SPANO, CPA
Chief, Division of Audits

JLS/as

Erick Roeser,
Auditor-Controller-Treasurer-Tax Collector

-2-

July 29, 2020

cc: The Honorable Susan Gorin, Chairperson
Sonoma County Board of Supervisors
Melissa Estrella-Lee, Accountant III
Sonoma County
Chris Hill, Principal Program Budget Analyst
Local Government Unit
California Department of Finance
Steven Pavlov, Finance Budget Analyst
Local Government Unit
California Department of Finance
Debra Morton, Manager
Local Reimbursement Section
State Controller's Office

Contents

Audit Report

Summary	1
Background	1
Objective, Scope, and Methodology	2
Conclusion	4
Follow-up on Prior Audit Findings	4
Views of Responsible Officials	4
Restricted Use	4
Schedule—Summary of Program Costs	5
Finding and Recommendation	9
Attachment—County’s Response to Draft Audit Report	

Audit Report

Summary

The State Controller's Office (SCO) audited the costs claimed by Sonoma County for the legislatively mandated Crime Statistics Reports for the Department of Justice Program for the period of July 1, 2003, through June 30, 2012.

The county claimed \$1,112,360 for costs of the mandated program. Our audit found that \$423,448 is allowable (\$459,951 less a \$36,503 penalty for filing late claims); and \$688,912 is unallowable because the county overstated salary and benefit costs and related indirect costs. The State made no payments to the county. The State will pay \$423,448, contingent upon available appropriations.

Background

Penal Code (PC) sections 12025 (h)(1) and (h)(3), 12031 (m)(1) and (m)(3), 13014, 13023, and 13730 (a) require local agencies to report information related to certain specified criminal acts to the California Department of Justice (DOJ). These sections were added and/or amended by Chapter 1172, Statutes of 1989; Chapter 1338, Statutes of 1992; Chapter 1230, Statutes of 1993; Chapter 933, Statutes of 1998; Chapter 571, Statutes of 1999; Chapter 626, Statutes of 2000; and Chapter 700, Statutes of 2004.

On June 26, 2008, the Commission on State Mandates (Commission) adopted a statement of decision for the Crime Statistics Reports for the Department of Justice Program. The Commission found that the test claim legislation constitutes a new program or higher level of service and imposes a reimbursable state-mandated program on city and county claimants beginning on July 1, 2001, within the meaning of Article XII B, section 6 of the California Constitution and Government Code (GC) section 17514.

On July 31, 2009, the Commission heard an amended test claim on PC section 13023 (added by Chapter 700, Statutes of 2004), which imposed additional crime reporting requirements. The Commission also found that this test claim legislation constitutes a new program or higher level of service and imposes a reimbursable state-mandated program for city and county claimants beginning on January 1, 2004. On April 10, 2010, the Commission issued a corrected statement of decision to correctly identify the operative and effective date of the reimbursable state-mandated program as January 1, 2005.

The Commission found that the following activities are reimbursable:

- A local government entity responsible for the investigation and prosecution of a homicide case to provide the DOJ with demographic information about the victim and the person or persons charged with the crime, including the victim's and person's age, gender, race, and ethnic background (PC section 13014);
- Local law enforcement agencies to report, in a manner to be prescribed by the Attorney General, any information that may be required relative to any criminal acts or attempted criminal acts to

cause physical injury, emotional suffering, or property damage where there is a reasonable cause to believe that the crime was motivated, in whole or in part, by the victim's race, ethnicity, religion, sexual orientation, or physical or mental disability, or gender or national origin (PC section 13023);

- For district attorneys to report annually on or before June 30, to the Attorney General, on profiles by race, age, gender, and ethnicity any person charged with a felony or misdemeanor under PC section 12025 (carrying a concealed firearm) or section 12031 (carrying a loaded firearm in a public place), and any other offense charged in the same complaint, indictment, or information. The Commission found that this activity is a reimbursable mandate from July 1, 2001, through January 1, 2005. (PC sections 12025 (h)(1) and (h)(3), and 12031 (m)(1) and (m)(3));
- For local law enforcement agencies to support all domestic-violence related calls for assistance with a written incident report (PC section 13730 (a), Chapter 1230, Statutes of 1993);
- For local law enforcement agency to report the following in a manner to be prescribed by the Attorney General:
 - Any information that may be required relative to hate crimes, as defined in PC section 422.55 as criminal acts committed, in whole or in part, because of one or more of the following perceived characteristics of the victim: (1) disability, (2) gender, (3) nationality, (4) race or ethnicity, (5) religion, (6) sexual orientation; and
 - Any information that may be required relative to hate crimes, defined in PC section 422.55 as criminal acts committed, in whole or in part, because of association with a person or group with one or more of the following actual or perceived characteristics: (1) disability, (2) gender, (3) nationality, (4) race or ethnicity, (5) religion, (6) sexual orientation.

The program's parameters and guidelines establish the state mandate and define reimbursement criteria. The Commission adopted the parameters and guidelines on September 30, 2010, and amended them on January 24, 2014, to clarify reimbursable costs related to domestic-violence related calls for assistance. In compliance with GC section 17558, the SCO issues claiming instructions to assist local agencies and school districts in claiming mandated program reimbursable costs.

Objective, Scope, and Methodology

The objective of our audit was to determine whether costs claimed represent increased costs resulting from the legislatively mandated Crime Statistics Reports for the Department of Justice Program. Specifically, we conducted this audit to determine whether costs claimed were supported by appropriate source documents, were not funded by another source, and were not unreasonable and/or excessive.¹

The audit period was July 1, 2003, through June 30, 2012.

¹Unreasonable and/or excessive costs include ineligible costs that are not identified in the program's parameters and guidelines as reimbursable costs.

To achieve our objective, we:

- Reviewed the annual mandated cost claims filed by the county for the audit period and identified the significant cost components of each claim as salaries, benefits, and indirect costs. Determined whether there were any errors or unusual or unexpected variances from year to year. Reviewed the activities claimed to determine whether they adhered to the SCO's claiming instructions and the program's parameters and guidelines;
- Completed an internal control questionnaire by interviewing key county staff. Discussed the claim preparation process with county staff to determine what information was obtained, who obtained it, and how it was used;
- Interviewed county staff to determine what employee classifications were involved in performing the reimbursable activities (see Finding);
- Traced productive hourly rate (PHR) calculations for all employee classifications performing the mandated activities to master payroll and Memorandum of Understanding (MOU) documentation provided by the county;
- Traced benefit rate calculations for all employee classifications performing the mandated activities to supporting documentation provided by the county;
- Assessed whether the average time increments (ATIs) claimed for each fiscal year in the audit period to perform the reimbursable activities were reasonable per the requirements of the program and supported by source documentation;
- Reviewed and analyzed the claimed domestic violence incident report counts for consistency and possible exclusions, and verified that counts were supported by the reports that the county submitted to the DOJ;
- Traced a judgmentally selected non-statistical sample of 330 of 4,392 domestic violence calls for assistance written incident reports (125 reports for fiscal year [FY] 2009-10, 125 reports for FY 2010-11, and 80 reports for FY 2011-12) to confirm that the reports were related to domestic violence calls for assistance;
- Determined whether the indirect cost rates were properly supported and applied. Recomputed the indirect cost rates for FY 2005-06 through FY 2010-11; and
- Verified that costs claimed were not funded by another source, based on discussions with the county's representative.

GC sections 12410, 17558.5, and 17561 provide the legal authority to conduct this audit. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

We limited our review of the county'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 county's financial statements.

Conclusion

As a result of performing the audit procedures, we found instances of noncompliance with the requirements described in our audit objective. We found that the county did not claim costs funded by another source; however, the costs claimed are ineligible and unsupported, as quantified in the Schedule and described in the Finding and Recommendation section of this audit report.

For the audit period, Sonoma County claimed \$1,112,360 for costs of the legislatively mandated Crime Statistics Reports for the Department of Justice Program. Our audit found that \$423,448 is allowable (\$459,951 less a \$36,503 penalty for filing late claims) and \$688,912 is unallowable. The State made no payments to the county. The State will pay \$423,448, contingent upon available appropriations.

Following issuance of this audit report, the SCO's Local Government Programs and Services Division will notify the county of the adjustment to its claims via a system-generated letter for FY 2004-05 through FY 2011-12.

Follow-up on Prior Audit Findings

We have not previously conducted an audit of the county's legislatively mandated Crime Statistics Reports for the Department of Justice Program.

Views of Responsible Officials

We issued a draft audit report on June 30, 2020. Erick Roeser, Auditor-Controller-Treasurer-Tax Collector, responded by letter dated July 10, 2020 (Attachment) stating that the county "does not agree or disagree with the findings." This audit report includes the county's complete response.

Restricted Use

This audit report is solely for the information and use of Sonoma County, the California Department of Finance, and SCO; it is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this audit report, which is a matter of public record and is available on the SCO website at www.sco.ca.gov.

Original signed by

JIM L. SPANO, CPA
Chief, Division of Audits

July 29, 2020

Schedule—
Summary of Program Costs
July 1, 2003, through June 30, 2012

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment ¹
<u>July 1, 2003, through June 30, 2004</u>			
Direct costs:			
Homicide reports	\$ 50	\$ 50	\$ -
Domestic violence related calls for assistance	27,228	35,307	8,079
Total direct costs	27,278	35,357	8,079
Indirect costs	10,580	13,712	3,132
Total direct and indirect costs	37,858	49,069	11,211
Less allowable costs that exceed costs claimed ²	-	(11,211)	(11,211)
Subtotal	37,858	37,858	-
Less late filing penalty ³	-	(3,552)	(3,552)
Total program costs	<u>\$ 37,858</u>	34,306	<u>\$ (3,552)</u>
Less amount paid by the State ⁴		-	
Allowable costs claimed in excess of amount paid		<u>\$ 34,306</u>	
<u>July 1, 2004, through June 30, 2005</u>			
Direct costs:			
Homicide reports	\$ 56	\$ 56	\$ -
Domestic violence related calls for assistance	64,252	39,220	(25,032)
Hate crime Reports	14	14	-
Total direct costs	64,322	39,290	(25,032)
Indirect costs	22,377	13,669	(8,708)
Subtotal	86,699	52,959	(33,740)
Less late filing penalty ³	-	(4,762)	(4,762)
Total program costs	<u>\$ 86,699</u>	48,197	<u>\$ (38,502)</u>
Less amount paid by the State ⁴		-	
Allowable costs claimed in excess of amount paid		<u>\$ 48,197</u>	

Schedule (continued)

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment ¹
<u>July 1, 2005, through June 30, 2006</u>			
Direct costs:			
Homicide reports	\$ 59	\$ 59	\$ -
Domestic violence related calls for assistance	70,014	41,948	(28,066)
Hate crime Reports	30	30	-
Total direct costs	70,103	42,037	(28,066)
Indirect costs	23,366	14,011	(9,355)
Subtotal	93,469	56,048	(37,421)
Less late filing penalty ³	-	(5,035)	(5,035)
Total program costs	<u>\$ 93,469</u>	51,013	<u>\$ (42,456)</u>
Less amount paid by the State ⁴		-	
Allowable costs claimed in excess of amount paid		<u>\$ 51,013</u>	
<u>July 1, 2006, through June 30, 2007</u>			
Direct costs:			
Homicide reports	\$ 61	\$ 61	\$ -
Domestic violence related calls for assistance	65,307	38,270	(27,037)
Hate crime Reports	30	30	-
Total direct costs	65,398	38,361	(27,037)
Indirect costs	22,252	13,053	(9,199)
Subtotal	87,650	51,414	(36,236)
Less late filing penalty ³	-	(4,629)	(4,629)
Total program costs	<u>\$ 87,650</u>	46,785	<u>\$ (40,865)</u>
Less amount paid by the State ⁴		-	
Allowable costs claimed in excess of amount paid		<u>\$ 46,785</u>	
<u>July 1, 2007, through June 30, 2008</u>			
Direct costs:			
Homicide reports	\$ 63	\$ 63	\$ -
Domestic violence related calls for assistance	74,596	37,698	(36,898)
Hate crime Reports	32	32	-
Total direct costs	74,691	37,793	(36,898)
Indirect costs	23,852	12,070	(11,782)
Subtotal	98,543	49,863	(48,680)
Less late filing penalty ³	-	(4,380)	(4,380)
Total program costs	<u>\$ 98,543</u>	45,483	<u>\$ (53,060)</u>
Less amount paid by the State ⁴		-	
Allowable costs claimed in excess of amount paid		<u>\$ 45,483</u>	

Schedule (continued)

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment ¹
<u>July 1, 2008, through June 30, 2009</u>			
Direct costs:			
Homicide reports	\$ 39	\$ 39	\$ -
Domestic violence related calls for assistance	65,993	39,159	(26,834)
Hate crime Reports	19	19	-
Total direct costs	66,051	39,217	(26,834)
Indirect costs	22,181	13,170	(9,011)
Subtotal	88,232	52,387	(35,845)
Less late filing penalty ³	-	(4,811)	(4,811)
Total program costs	<u>\$ 88,232</u>	47,576	<u>\$ (40,656)</u>
Less amount paid by the State ⁴		-	
Allowable costs claimed in excess of amount paid		<u>\$ 47,576</u>	
<u>July 1, 2009, through June 30, 2010</u>			
Direct costs:			
Homicide reports	\$ 58	\$ 58	\$ -
Domestic violence related calls for assistance	217,647	42,579	(175,068)
Hate crime Reports	30	30	-
Total direct costs	217,735	42,667	(175,068)
Indirect costs	72,876	14,281	(58,595)
Subtotal	290,611	56,948	(233,663)
Less late filing penalty ³	-	(4,263)	(4,263)
Total program costs	<u>\$ 290,611</u>	52,685	<u>\$ (237,926)</u>
Less amount paid by the State ⁴		-	
Allowable costs claimed in excess of amount paid		<u>\$ 52,685</u>	
<u>July 1, 2010, through June 30, 2011</u>			
Direct costs:			
Homicide reports	\$ 64	\$ 64	\$ -
Domestic violence related calls for assistance	164,108	38,519	(125,589)
Hate crime Reports	32	32	-
Total direct costs	164,204	38,615	(125,589)
Indirect costs	51,412	12,090	(39,322)
Subtotal	215,616	50,705	(164,911)
Less late filing penalty ⁵	-	(5,071)	(5,071)
Total program costs	<u>\$ 215,616</u>	45,634	<u>\$ (169,982)</u>
Less amount paid by the State ⁴		-	
Allowable costs claimed in excess of amount paid		<u>\$ 45,634</u>	

Schedule (continued)

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment ¹
<u>July 1, 2011, through June 30, 2012</u>			
Direct costs:			
Homicide reports	\$ 87	\$ 87	\$ -
Domestic violence related calls for assistance	89,509	40,709	(48,800)
Hate crime Reports	9	9	-
Total direct costs	89,605	40,805	(48,800)
Indirect costs	24,077	10,964	(13,113)
Total program costs	<u>\$ 113,682</u>	51,769	<u>\$ (61,913)</u>
Less amount paid by the State ⁴		-	
Allowable costs claimed in excess of amount paid		<u>\$ 51,769</u>	
<u>Summary: July 1, 2003, through June 30, 2012</u>			
Direct costs:			
Homicide reports	\$ 537	\$ 537	\$ -
Domestic violence related calls for assistance	838,654	353,409	(485,245)
Hate crime Reports	196	196	-
Total direct costs	839,387	354,142	(485,245)
Indirect costs	272,973	117,020	(155,953)
Total direct and indirect costs	1,112,360	471,162	(641,198)
Less allowable costs that exceed costs claimed ²	-	(11,211)	(11,211)
Subtotal	1,112,360	459,951	(652,409)
Less late filing penalty ^{3,5}	-	(36,503)	(36,503)
Total program costs	<u>\$ 1,112,360</u>	423,448	<u>\$ (688,912)</u>
Less amount paid by the State ⁴		-	
Allowable costs claimed in excess of amount paid		<u>\$ 423,448</u>	

¹ See the Finding and Recommendation section.

² GC section 17568 stipulates that the State will not reimburse any claim more than one year after the filing deadline specified in the SCO's claiming instructions. That deadline has expired for FY 2003-04.

³ The county's claims for FY 2003-04 through FY 2009-10 are initial reimbursement claims that were amended and filed on April 6, 2012. As the initial reimbursement claims were amended and filed after the filing deadline specified in the SCO's claiming instructions, they are subject to a late filing penalty as specified in GC section 17561, subdivision (d)(3), equal to 10% of allowable costs that exceed the timely filed claim, with no maximum penalty amount (for claims filed on or after September 30, 2002).

⁴ Payment amount current as of July 13, 2020.

⁵ The county's claim for FY 2010-11 is an annual reimbursement claim that was filed late on April 6, 2012. As the annual reimbursement claim was filed after the filing deadline specified in the SCO's claiming instructions, it is subject to a late filing penalty as specified in GC section 17568, equal to 10% of the allowable costs, not to exceed \$10,000.

Finding and Recommendation

FINDING— Overstated salary and benefit costs

The county claimed \$838,654 in salaries and benefits for the Domestic Violence Related Calls for Assistance cost component. We found that \$353,409 is allowable and \$485,245 is unallowable. Unallowable related indirect costs total \$155,953, for a total finding of \$641,198.

Reimbursable activities for this cost component consist of writing, reviewing, and editing incident reports. The parameters and guidelines require that a written incident report support each domestic violence related call for assistance.

To calculate the claimed salaries and benefits, the county multiplied the number of written incident reports by the ATIs necessary to process a report, then multiplied the resulting hours by a PHR and related benefit rate.

During testing, we found that the county misstated the number of domestic violence related calls for assistance in FY 2003-04, FY 2004-05, FY 2006-07, FY 2007-08, and FY 2009-10 through FY 2011-12; misstated the ATIs used to perform the mandated activities of writing, reviewing, and editing incident reports; claimed ineligible costs for a classification that did not perform the mandated activity of reviewing incident reports for the audit period; and overstated the related indirect costs. The county overstated these costs because it did not claim costs in accordance with the program's parameters and guidelines or the *State Controller's Office Mandated Cost Manual for Local Agencies*.

The following table summarizes the claimed, allowable, and overstated costs for the Domestic Violence Related Calls for Assistance cost component by fiscal year:

Fiscal Year	Salaries and Benefits			Unallowable Indirect Costs	Total Audit Adjustment
	Amount Claimed	Amount Allowable	Audit Adjustment		
2003-04	\$ 27,228	\$ 35,307	\$ 8,079	\$ 3,132	\$ 11,211
2004-05	64,252	39,220	(25,032)	(8,708)	(33,740)
2005-06	70,014	41,948	(28,066)	(9,355)	(37,421)
2006-07	65,307	38,270	(27,037)	(9,199)	(36,236)
2007-08	74,596	37,698	(36,898)	(11,782)	(48,680)
2008-09	65,993	39,159	(26,834)	(9,011)	(35,845)
2009-10	217,647	42,579	(175,068)	(58,595)	(233,663)
2010-11	164,108	38,519	(125,589)	(39,322)	(164,911)
2011-12	89,509	40,709	(48,800)	(13,113)	(61,913)
Total	\$ 838,654	\$ 353,409	\$ (485,245)	\$ (155,953)	\$ (641,198)

Incident Reports

The county provided the monthly reports to the DOJ and summary reports generated from the county's records management system (RMS). During our review of the monthly reports to the DOJ and the summary reports generated from the county's RMS, we found that the county misstated the

number of domestic violence related calls for assistance in FY 2003-04, FY 2004-05, FY 2006-07, FY 2007-08, and FY 2009-10 through FY 2011-12. The county overstated domestic violence related calls for assistance because it claimed unsupported calls that did not result in a written incident report, and included costs for providing services to contracted departments.

The parameters and guidelines state that any county, city, or city and county is eligible to submit a mandate reimbursement claim. Therefore, as all cities and counties are eligible to submit reimbursement claims, and as the county received fees for law enforcement services from its contracts, we determined that the county should only claim costs associated with the county. We determined that the costs incurred by the contract departments are unallowable because the county had already been compensated by contract fees. We recalculated the allowable costs using the supported incident report counts.

The following table summarizes the claimed, allowable, and adjusted number of domestic violence related calls for assistance written incident reports:

<u>Fiscal Year¹</u>	<u>Amount Claimed</u>	<u>Amount Allowable</u>	<u>Audit Adjustment</u>
2003-04	253	547	294
2004-05	558	568	10
2006-07	486	480	(6)
2007-08	563	474	(89)
2009-10	1,440	474	(966)
2010-11	1,112	438	(674)
2011-12	483	389	(94)
Total	<u>4,895</u>	<u>3,370</u>	<u>(1,525)</u>

¹The table identifies the fiscal years that resulted in audit adjustments.

Average Time Increments

For the audit period, the county estimated that it took 103 minutes (1.72 hours) to write and 12.5 minutes (0.21 hours) to review and edit incident reports. From FY 2003-04 through FY 2010-11, the county claimed that the Deputy Sheriff II classification performed these activities. In FY 2011-12, the county claimed that the Sheriff Officer classification performed these activities. The county provided time study documentation to support the ATIs claimed for the Sheriff's Office staff members performing the mandated activities; however, this time study documentation was based on estimates.

During testing, we conducted interviews with Sheriff's Office staff members who participated in the county's time study and who were also responsible for performing the mandated activities. Based on our interviews, we found that the Deputy Sheriff II writes and edits incident reports, but does not review the incident reports. All incident reports are reviewed by the Sergeant classification. Therefore, the ATI of

12.5 minutes (0.21 hours) claimed for the Deputy Sheriff II and Sheriff Officer classifications to review and edit incident reports is ineligible for reimbursement.

As a result of our discussions with Sheriff's Office staff members responsible for performing the mandated activities, we determined that it took a Deputy Sheriff II an average of 52.5 minutes (0.88 hours) to write and two minutes (0.03 hours) to edit incident reports, and Sergeants an average of 11.5 minutes (0.19 hours) to review incident reports. We applied these ATIs and classifications for the audit period. The county claimed overstated salary and benefit costs as a result of overstating ATIs and claiming an ineligible classification. We recalculated the allowable costs based on the allowable ATIs and classification.

The following table summarizes the claimed, allowable, and adjusted hours by fiscal year:

Fiscal Year	Hours Claimed			Hours Allowable				Audit Adjustment
	Deputy Sheriff II & Sheriff Officer		Total	Deputy Sheriff II		Sergeant	Total	
	Write Reports	Edit & Review Reports		Write Reports	Edit Reports	Review Reports		
2003-04	434.32	52.71	487.03	481.36	16.41	103.93	601.70	114.67
2004-05	957.90	116.25	1,074.15	499.84	17.04	107.92	624.80	(449.35)
2005-06	969.92	117.71	1,087.63	497.20	16.95	107.35	621.50	(466.13)
2006-07	834.30	101.25	935.55	422.40	14.40	91.20	528.00	(407.55)
2007-08	966.48	117.29	1,083.77	417.12	14.22	90.06	521.40	(562.37)
2008-09	784.52	95.21	879.73	402.16	13.71	86.83	502.70	(377.03)
2009-10	2,472.00	300.00	2,772.00	417.12	14.22	90.06	521.40	(2,250.60)
2010-11	1,908.93	231.67	2,140.60	385.44	13.14	83.22	481.80	(1,658.80)
2011-12	838.81	90.97	929.78	342.32	11.67	73.91	427.90	(501.88)
Total	10,167.18	1,223.06	11,390.24	3,864.96	131.76	834.48	4,831.20	(6,559.04)

Productive hourly rates

For the audit period, the county calculated the average PHRs for the Sheriff's Office staff members responsible for performing the mandated activities using the average annual salary for each classification. During testing, we interviewed Sheriff's Office staff members responsible for performing the mandated activities. Based on our interviews, we found that Sergeants review the incident reports, not the Deputy Sheriff II or Sheriff Officer. Therefore, the claimed PHRs for the Deputy Sheriff II for FY 2003-04 through FY 2010-11, and for the Sheriff Officer for FY 2011-12 to review the incident reports are ineligible for reimbursement.

We calculated the average PHRs for the Sergeant classification to determine the allowable salary and benefit costs that were eligible for reimbursement for this classification. We used the county's MOUs to calculate the PHRs for the Sergeant classification for the audit period. The county overstated the claimed salary and benefit costs as a result of

misstating the PHRs and claiming an ineligible classification. We recalculated the allowable costs based on allowable PHRs.

Deputy Sheriff II/Sheriff Officer

The following table summarizes the claimed, allowable, and adjusted PHR for the audit period:

<u>Fiscal Year</u>	<u>Claimed PHR</u>	<u>Allowable PHR</u>	<u>Rate Difference</u>
2003-04	36.22	-	(36.22)
2004-05	37.31	-	(37.31)
2005-06	38.62	-	(38.62)
2006-07	41.39	-	(41.39)
2007-08	41.39	-	(41.39)
2008-09	45.14	-	(45.14)
2009-10	47.78	-	(47.78)
2010-11	47.78	-	(47.78)
2011-12	63.95	-	(63.95)

Sergeant

The following table summarizes the claimed, allowable, and adjusted PHR for the audit period:

<u>Fiscal Year</u>	<u>Claimed PHR</u>	<u>Allowable PHR</u>	<u>Rate Difference</u>
2003-04	-	46.61	46.61
2004-05	-	48.00	48.00
2005-06	-	49.47	49.47
2006-07	-	50.58	50.58
2007-08	-	53.48	53.48
2008-09	-	55.18	55.18
2009-10	-	58.85	58.85
2010-11	-	59.60	59.60
2011-12	-	59.60	59.60

Criteria

Section IV of the parameters and guidelines states, in part:

To be eligible for mandated cost reimbursement for any given fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities....The claimant is only allowed to claim and be reimbursed for increased costs for reimbursable activities...Increased cost is limited to the cost of an activity that the claimant is required to incur as a result of the mandate.

Section IV – Ongoing Activities, subsection D, allows ongoing activities related to costs supporting domestic violence related calls for assistance with a written incident report, and reviewing and editing the report.

Section V of the parameters and guidelines states that cost elements must be identified for the reimbursable activities identified in section IV of the parameters and guidelines. Each reimbursable cost must be supported by source documentation. For salary and benefit costs, claimants are to report each employee implementing the reimbursable activities by name, job classification, and PHR.

Recommendation

The Crime Statistics Reports for the Department of Justice Program was suspended in the FY 2012-13 through FY 2019-20 Budget Acts. If the program becomes active again, we recommend that the county:

- Follow the mandated program claiming instructions and the parameters and guidelines when claiming reimbursement for mandated costs;
- Claim costs based on actual time increments required to perform the mandated cost activities;
- Claim costs based on the number of domestic violence related calls for assistance that are supported with a written report; and
- Calculate PHRs based on the employee classifications that perform the mandated activities using the master payroll and MOU documentation for the corresponding fiscal year.

County's Response

The County understands the Audit Report findings and recommendations; however, the County does not have enough information to agree or disagree with the findings. The State Controller's Office performed fieldwork based on parameters and guidelines established in 2010 and amended in 2014 after the claim period. Unfortunately, due to the time lapse between the claim period and audit fieldwork, some original source data is no longer available. Additionally, Sheriff Office employees that were familiar with the original claim data and rationale for historical reporting procedures have moved on or retired [in the time] between filing and audit.

The County currently has a SB90 Claim review process to support mandated program eligibility and record requirements. The County will review the Audit recommendations should this Program become active in the future.

**Attachment—
County's Response to Draft Audit Report**

ERICK ROESER
AUDITOR-CONTROLLER
TREASURER-TAX COLLECTOR

585 FISCAL DRIVE, SUITE 100
SANTA ROSA, CA 95403
PHONE (707) 565-2631
FAX (707) 565-3489



JONATHAN KADLEC
ASSISTANT AUDITOR-CONTROLLER
TREASURER-TAX COLLECTOR

AMANDA RUCH, CPA
ASSISTANT AUDITOR-CONTROLLER
TREASURER-TAX COLLECTOR

BROOKE KOOP, CPA
ASSISTANT AUDITOR-CONTROLLER
TREASURER-TAX COLLECTOR

July 10, 2020

Ms. Lisa Kurokawa, Chief
Compliance Audits Bureau
California State Controller's Office
P.O. Box 942850
Sacramento, CA 94250

RE: Crime Statistics Reports for the Department of Justice Program
July 1, 2003, through June 30, 2012

The County of Sonoma appreciates the opportunity to comment on the Crime Statistics Reports for the Department of Justice Program dated June 30, 2020.

The Audit Report notes the County claimed \$1,112,360 for the mandated program, and the Audit determined \$423,448 is allowable to be paid contingent upon available appropriations, and \$688,912 is unallowable. Detailed findings and management responses are as follows:

Finding: The County claimed \$688,912 in unallowable salaries and benefits and related indirect costs for the Domestic Violence Related Calls for Assistance cost component of the program for the audit period due to the County claiming an inaccurate number of domestic violence related calls and applying incorrect average time increments and incorrect productive hourly rates.

County response: *The County understands the Audit Report findings and recommendations; however, the County does not have enough information to agree or disagree with the findings. The State Controller's Office performed fieldwork based on parameters and guidelines established in 2010 and amended in 2014 after the claim period. Unfortunately, due to the time lapse between the claim period and audit fieldwork, some original source data is no longer available. Additionally, Sheriff Office employees that were familiar with the original claim data and rationale for historical reporting procedures have moved on or retired over the time lapse between filing and audit.*

The County currently has a SB90 Claim review process to support mandated program eligibility and record requirements. The County will review the Audit recommendations should this Program become active in the future.

The Audit Report noted the Crime Statistics Reports for the Department of Justice Program was suspended in all Budget Acts subsequent to the Audit.

Sincerely,

Erick Roeser
Auditor-Controller-Treasurer and Tax Collector
County of Sonoma

**State Controller's Office
Division of Audits
Post Office Box 942850
Sacramento, CA 94250**

<http://www.sco.ca.gov>