

# AUDITOR-CONTROLLER/ TREASURER/TAX COLLECTOR



COUNTY OF SAN BERNARDINO

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**LARRY WALKER**  
Auditor-Controller/  
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November 7, 2013

John McMahon, Sheriff-Coroner  
Sheriff's Department  
655 East Third Street  
San Bernardino, CA 92415-0061

## **SUBJECT: REVIEW OF SAN BERNARDINO COUNTY SHERIFF-CORONER'S LAW ENFORCEMENT CITY CONTRACTS**

### **Introductory Remarks**

In compliance with Article V, Section 6, of the San Bernardino County Charter and County Policy 02-02 on Operational Internal Auditing, we reviewed the San Bernardino County Sheriff-Coroner's (SBSO) revenue contracts for law enforcement services with the contract cities. Our review was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors.

This document neither recommends nor ratifies any policy regarding level of law enforcement services or subsidy of those services. It is solely for determination of the cost of providing law enforcement services to contract cities to allow comparison with the contracted amounts.

### **Background**

The County Administrative Office requested the Internal Audits Section of the Auditor-Controller/Treasurer/Tax Collector's office (ATC IAS) to conduct a review of the SBSO's revenue contracts for law enforcement services. Costs can be either direct or indirect. Direct costs are easily attributable to a specific activity. An example of direct costs is the salary and benefits of a contract city's patrol deputies. Indirect costs are less easily attributable and must be allocated using some base to divide the cost among activities that share the activity. An example of an indirect cost is the County's payroll processing cost for paying those deputies. Cost allocation is accepted in government and industry as an efficient and reasonable method to allocate indirect costs. We used Sheriff authorized positions as the basis for allocating indirect costs throughout this review. Please see Appendix A—Glossary and Appendix B—Cost Methodology Narrative for more information.

An assumption was made that grant expenditures equal grant revenues. Therefore, grant activity was excluded from the cost allocation.

### **Objectives, Scope and Methodology**

Our audit objective was to evaluate the amount of allowable costs recovered from the Sheriff's revenue contracts with the contract cities for law enforcement services for reasonableness using a cost allocation methodology. We reviewed the law enforcement contracts for the town of Apple Valley and the cities of Adelanto, Big Bear Lake, Chino Hills, Grand Terrace, Hesperia, Highland, Loma Linda, Needles, Rancho Cucamonga, Twentynine Palms, Victorville and Yucaipa. The audit period reviewed was July 1, 2011 through June 30, 2012. Our audit included:

- review of relevant studies
- analysis of the city law enforcement contracts
- review of Sheriff expenditures and revenues
- interviews of Sheriff staff
- other audit procedures considered necessary

On May 2, 2013, we met with the SBSO to discuss our methodology. The SBSO suggested an acceptable alternative approach to allocate the costs to the cities and unincorporated area, which we followed in this report.

### **Conclusion**

\$28.6 million of costs for centralized support and specialized law enforcement services were not passed through to the contract cities during the audit period. In the absence of written criteria regarding what is a general overhead cost or a board resolution for services made available to all portions of a county pursuant to California Government Code 51350, we are unable to determine whether this is an authorized subsidy or an under-recovery of costs.

In addition, billing the total hours of each deputy and then crediting leave time back to the cities is inefficient. Use of productive hours, which excludes leave time, when billing the contract cities would follow the County's customary methodology, reduce the Sheriff's cost of creating credit memos and keep the contracted revenue closer to the actual revenue received.

We have listed our recommendations for improvement in the Findings and Recommendations section of this report.

We sent a draft report to the department and discussed our observations with management on August 20, 2013.

## **Findings and Recommendations**

### **Finding 1: Net Unrecovered Cost for Contract City Services is \$28.6 Million**

Government Code section 51350 requires the County to charge a city all those costs that are incurred in providing the services so contracted or authorized subject to three exceptions:

- General overhead costs of operation of the county government. Government Code section 51350 defines general overhead costs as those costs that a county would incur regardless of whether or not it provided a service under contract to a city.
- Services made available to all portions of a county as determined by resolution of the Board of Supervisors.
- Contracts or agreements in effect on December 31, 1983.

The SBSO agrees with our determination that Coroner, detention, court, and security services as well as part of the Sheriff's executive staff are Countywide legally required costs benefiting all jurisdictions as defined by Government Code 51350 and so should not be included in the full cost calculation. Please see Appendix D—Org Code Analysis for more information.

California Government Code 26614 states that search and rescue expenses must be borne by the County. The County's Board of Supervisors authorized the Sheriff to conduct these activities in ordinance number 3209 in 1988. Therefore, all search and rescue costs were excluded from the cost allocation. From January 1, 2011 through December 31, 2012, 9% of SBSO Aviation airtime was used for search and rescue activities so this amount has also been excluded from the cost allocation.

Per County Policy 02-09, Budgeting Policy, the full cost of service should be calculated for all County services to provide a basis for setting fees or charges. Full cost should include direct and indirect costs. This calculation needs to be reviewed and updated annually.

The costs for centralized support and the following specialized law enforcement services were not passed through to the contract cities during the audit period: non-Search and Rescue Aviation, Detectives, Intelligence, Scientific Investigations, Special Operations, and Specialized Enforcement Division. The contracts only include a portion of the Countywide Cost Allocation Plan (COWCAP) charges applicable to the services provided to the contract law enforcement cities. Please see Appendix C—Cost Allocation for Fiscal Year 2011/12 for additional details.

Historically, the cost recovery for law enforcement contracts did not include centralized support and specialized law enforcement services so the contract cities were charged less than full cost. In addition, the Sheriff's system of invoicing did not provide the ability to track the invoiced charges within FAS by city or type of charge, making calculation of full cost more difficult. The total cost of the law enforcement services to the contract cities was determined to be \$137.3 million. The stated contracted amount was \$108.7 million. We concluded that the amount the contract cities were not charged was \$28.6 million in fiscal year 2011/12. The distribution of

unbilled costs to each contract city using the sworn staff as shown in the Fiscal Year 2011/12 city contracts is shown below:

Table 1: Summary of City Contract Financial Information (FY 2011/12)

	Full Cost Allocation	Contract Amount	Net Unrecovered Costs
Adelanto	\$ 5,330,348	\$ 4,285,923	\$ 1,044,425
Apple Valley	12,877,677	10,288,133	2,589,544
Big Bear Lake	2,959,341	2,434,154	525,187
Chino Hills	13,130,181	10,480,055	2,650,126
Grand Terrace	2,371,008	1,877,107	493,901
Hesperia	13,130,181	10,904,430	2,225,751
Highland	8,080,111	6,547,101	1,533,010
Loma Linda	3,492,123	2,721,618	770,505
Needles	2,469,484	1,770,541	698,943
Rancho Cucamonga	34,087,969	26,866,047	7,221,922
Twentynine Palms	3,641,100	2,739,200	901,900
Victorville	23,482,823	18,581,273	4,901,550
Yucaipa	7,953,859	5,921,464	2,032,395
Yucca Valley	4,267,309	3,288,518	978,791
	<u>\$ 137,273,514</u>	<u>\$ 108,705,564</u>	<u>\$ 28,567,950</u>

For more details, see Appendix B—Cost Methodology Narrative.

**Recommendation:**

Legal analysis should be completed and policy decisions should be made regarding which costs are general overhead costs and those services made available to all portions of a county as determined by resolution of the board of supervisors under Government Code 51350. Once completed, calculate and charge the remaining full cost when providing law enforcement services.

In addition, the SBSO should use a different FAS org code for each city and use different object/revenue source codes for contract revenue, additional service charges and contract credits to facilitate tracking of actual costs. This should assist with calculating the full cost for the next annual contract for each city’s law enforcement services and provide a clear audit trail for billing and receipts.

**Management’s Response:**

The Department agrees that a Board resolution is necessary to establish which costs are general overhead and those services that are made available to all portions of the county. In the absence of a Board resolution, the Department’s current practice is consistent with neighboring counties with respect to the services made available to all portions of the county and therefore not billable

to contract cities. A resolution delineating these countywide services would substantially reduce the “net unrecovered costs” identified in the audit.

The Department already has separate org codes for tracking contract city costs. Revenues are deposited into one revenue source with a separate GRC for each city. To further isolate contract city activities, in 2012-13 the Department established a separate FAS budget unit for the city law enforcement contracts (AAA-SHC). Through this process the Department is continuing to refine its cost accounting practices. While the actual labor cost is appropriately identified for the personnel assigned to the standalone contract cities, the Department needs to develop a process to track actual city labor costs in the dual operation stations. In dual operation stations the available labor pool provides services to both the contract city and the unincorporated area.

**Auditor’s Response:**

The SBSO’s planned actions will substantially correct the deficiencies noted in the finding.

**Finding 2: Invoicing Processes Need to be Improved**

The County currently uses productive hours—the average annual hours an employee works excluding any time off—for its cost claims for grants from state and federal agencies as directed by the Code of Federal Regulations, Title 2, Subtitle 2, Chapter II, Part 225—Cost Principles for State, Local and Indian Tribal Governments (formerly OMB Circular A-87).

The fiscal year 2011/12 city law enforcement contracts do not clearly state how many hours are represented by each stated position. The Sheriff gives credits to contract cities whenever a contract employee is sick for more than two weeks. These credits imply that the stated contract positions are for 2080 hours and not for the more appropriate productive hours, on average, of 1700.

The Sheriff only uses productive hours to determine how many employees are required to provide the level of service each city requires. SBSO does not use productive hours in its contract billing process. Not using productive hours causes the Sheriff to incur additional costs to create quarterly credit memos for the contracted employees’ sick leave time of more than two weeks. It also may reduce the amount of revenue received from the contract cities below the contracted amount.

**Recommendation:**

Use the productive hours analysis calculated by ATC each year to determine how many hours encompass an annual contracted position. See Appendix E—Fiscal Year 2011/12 Productive Hours Analysis. This will follow the customary methodology used by the County, reduce the Sheriff’s cost of creating credits each quarter for contract employees’ extended sick leave time, and keep the contracted revenue closer to the actual revenue received. If position hours fall below the productive hours, a one-time annual credit could be issued at the end of the fiscal year.

**Management's Response:**

More information is necessary before a decision can be made regarding this recommendation since it appears this method may require more staff and be ultimately more time consuming than the current method. Tracking actual hours worked would require an EMACS report to be run by pay period for each person (not position) assigned to the contract cities. The report would need to be continually updated to account for employees transferred in and out of each contract city. While the Department is interested in exploring ATC's recommendation, it would require ATC to work with the Department to develop the appropriate methodology to accomplish this. Exceptions would have to be made for positions that cities request to be intentionally left vacant for costs savings. These credits would still need to occur regularly, not as a one-time annual event.

**Auditor's Response:**

The SBSO's response indicates a willingness to explore the recommended action. ATC's Management Services Section will work with the SBSO to develop a more efficient methodology.

Thank you very much for the cooperation extended by your staff during the course of this audit.

Respectfully submitted,

Larry Walker  
Auditor-Controller/Treasurer/Tax Collector  
San Bernardino County

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Auditor-Controller Audit Committee

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## Appendix A--Glossary

Allocation	Allocation is simply a means of dividing a pool of costs and assigning those costs to various subunits. It is important to realize that allocation does not affect the total cost. Total cost is neither reduced nor increased by allocation. Allocation may result in layering using a multi-cost allocation process.
Cost Objective	The purpose for which costs are measured. Costs are allocated to the cost object and they are either direct or indirect costs.
Direct Cost	A cost that can be identified specifically with a particular final cost objective. The final cost objectives for this study include contract cities, unincorporated area, and general County overhead.
Indirect Cost	A cost that cannot be readily assignable to the cost objectives specifically benefited without effort disproportionate to the results achieved. The indirect costs in this study include the centralized support costs and specialized law enforcement costs.
Fixed Cost	Describes cost behavior that remains constant with the change in the volume of services provided to a city. Generally the use of variable/fixed costing requires a cost accounting system.
Variable Cost	Describes cost behavior that varies with the change in the volume of services provided to a city. Generally the use of variable/fixed costing requires a cost accounting system.
Productive Hours	Describes the number of annual hours available to a filled position to produce work as a normal course of the job. The calculation is based on the total available hours of 2080 less the non-productive hours to arrive at, on average, 1700 hours. Non-productive hours include, vacation, sick leave, holiday, administrative leave, jury duty, military leave, training, etc. The non-productive hours vary by position and year, therefore, a time study or analysis of annual historical payroll data is required to determine an average for the group.

## Appendix A--Glossary

Centralized Support	Is an allocation category that includes costs relating to Countywide administration, training, range, media, computer operations, communications, insurance, and COWCAP. Please see Appendix D--Org Code Analysis for specific mapping of org to category.
Specialized Law Enforcement	Is an allocation category that includes costs relating to non-Search and Rescue Aviation, Detectives, Intelligence, Scientific Investigations, Specialized Enforcement and Special Ops. Please see Appendix D--Org Code Analysis for specific mapping of org to category.
General County Overhead	Government Code section 51350 defines general overhead costs as those costs that a county would incur regardless of whether or not it provided a service under contract to a city.
OMB	United States federal government's Office of Management and Budget
COWCAP	California State Controller approved Countywide cost allocation plan (COWCAP) prepared in accordance with OMB Circular A-87. COWCAP is used to identify general fund support costs received by operating programs (e.g. Sheriff Department).
FAS	The County of San Bernardino's financial accounting system (FAS). FAS is used by all County departments and agencies to manage financial transactions and produce financial reports.

## **INTRODUCTION**

This narrative should be used to help facilitate the reader's understanding of the figures and calculations presented in Appendix C--Cost Allocation for Fiscal Year 2011/12. Cost allocation is a methodology used to proportionately distribute indirect costs to benefiting functions using a defined base. This methodology is generally accepted per OMB A-87 guidelines available at <http://www.whitehouse.gov/omb/>.

## **EXPENDITURES**

Utilizing a Financial Accounting System (FAS) Shadow query, we identified Sheriff General Fund (AAA SHR) expenditures for fiscal year 2011/12 and reconciled them to the annual FAS FZ395 report, excluding capital assets (those items with an object code in the 4,000s), for a total of \$438.7 million. We then added Countywide Cost Allocation Plan (COWCAP) expenditures of \$4.6 million related to equipment use and software depreciation that was not charged to the Sheriff Department. Per OMB A-87, COWCAP employs a fifteen-year useful life for equipment and vehicles. We determined that the actual useful life for patrol vehicles is five years. Therefore, an additional \$1.8 million was added to the expenditure total to arrive at \$445.1 million.

## **CATEGORIZATION**

AAA SHR employs 180 org codes in FAS to account for its various operations. For allocation purposes, we grouped these 180 org codes into four categories and thirteen functions. Please see Appendix D--Org Code Analysis for specific mapping of org to category.

## **BASE**

Per OMB A-87, cost allocation requires a defined base. We determined that the most appropriate base is authorized positions for sworn and non-sworn staff. The staff-based counts were obtained from the SBPOS002 "Authorized VS Assigned Positions" EMACS report dated June 22, 2012.

## **ALLOCATION OF CENTRALIZED SUPPORT – 1<sup>ST</sup> ALLOCATION**

The Centralized Support category includes costs relating to Countywide administration, training, range, media, computer operations, communications, insurance, and COWCAP. We identified this category as Countywide variable indirect costs. While benefiting all jurisdictions within the County, the individual orgs within these indirect costs increase or decrease proportionately as the County adds or removes contract city services. Applying a cost allocation methodology, the Centralized Support category has been identified as the first allocation. The first allocation costs are allocated proportionately to the remaining three categories using authorized position count of all staff, sworn and civilian, as a base. Note that the Sheriff's and Undersheriff's position costs were removed from the cost allocation because they were identified as general overhead costs benefiting all jurisdictions based upon our interpretation of California Government Code (GC)

## Appendix B--Cost Methodology Narrative

51350. Further, the allocation of COWCAP costs exclude those costs which are directly allocable to the General County category (e.g. building depreciation associated with detentions).

### **GENERAL COUNTY OVERHEAD COSTS**

Costs relating to coroner, court, detention, grants, search and rescue, security and jails are included in the General County Overhead category. Government Code section 51350 defines general overhead costs as those costs that a county would incur regardless of whether or not it provided a service under contract to a city. Further, California Government Code 26614 states that search and rescue expenses must be borne by the County. The County's Board of Supervisors authorized the Sheriff to conduct these activities in ordinance number 3209 in 1988. Thus, all costs relating to General County Overhead were removed from the calculation after the first allocation.

### **ALLOCATION OF SPECIALIZED LAW ENFORCEMENT SERVICES – 2<sup>nd</sup> ALLOCATION**

Costs relating to non-search and rescue aviation, detectives, intelligence, scientific investigations, specialized enforcement and special ops are included in the specialized law enforcement services category. We identified this category as Countywide variable indirect costs. While benefiting all jurisdictions within the County, the individual orgs within these indirect costs increase or decrease proportionately as the County adds or removes contract city services. Applying a cost allocation methodology, the specialized law enforcement services category has been identified as the second allocation. The second allocation costs are allocated proportionately to the remaining category (cities & unincorporated area) using authorized sworn officer positions as a base.

### **CONTRACT CITIES & UNINCORPORATED AREA**

Utilizing a FAS Shadow query, we identified the direct costs associated with the contract cities and unincorporated area at the org level and applied the indirect costs through the 1st and 2nd allocations. We determined that of the \$445 million in AAA SHR allocable expenditures, \$208.3 million was attributable to the contract cities and unincorporated area.

Based on city and unincorporated sworn staffing levels presented in the SBPOS002 "Authorized VS Assigned Positions" EMACS report dated June 22, 2012, we determined that 825 sworn staff are assigned to the contract cities and unincorporated area. Since total costs of \$208.3 million are attributable to the contract cities and unincorporated area, we divided \$208.3 million by the 825 sworn staff to arrive at a fully loaded cost of \$252.5 thousand per sworn staff. The law enforcement contracts for fiscal year 2011/12 state that 543.7 sworn staff were assigned to the contract cities. Multiplying the fully loaded cost per sworn staff by the number of sworn staff assigned to the contract cities, results in \$137.3 million. These are the full costs to the contract cities.

## Appendix B--Cost Methodology Narrative

We analyzed the fiscal year 2011/12 contracts with the cities and determined that \$108.7 million was the combined stated city charge, and thus we concluded that the net unrecovered cost from the contract cities was \$28.6 million in fiscal year 2011/12.

# Appendix C--Cost Allocation for Fiscal Year 2011/12

## SHERIFF

Details	Amount
Current Expenditures (FZ395 less 4,000s)	438,731,458
Add	
Unbilled COWCAP	4,562,941
Unbilled Vehicle Depreciation	<u>1,823,021</u>
Total Allocable	<u>445,117,420</u>

### Layer & Allocate

Category Function	(A)	(B)	(C) Actual Expenditure FY 2011/12	(D) <sup>2</sup> Dist of 1st Alloc. Central Support	(E) SubTotal 1	(F) Less: Unallocated Costs	(G) SubTotal 2	(H) <sup>3</sup> Dist of 2nd Alloc. Support Units	(I) Grand Total
	ALL	SW							
<b>Centralized Support</b>									
Central Support Costs	453	95	57,675,874	(57,675,874)	-				
COWCAP - Central Support			13,413,101	(13,413,101)	-				
<b>General County</b>									
CORONER	54	28	7,287,125	1,344,590	8,631,715	(8,631,715)	-		
COURT	212	170	27,496,455	5,278,761	32,775,216	(32,775,216)	-		
DETENTION	1,184	526	135,031,812	29,481,382	164,513,194	(164,513,194)	-		
GRANTS	111	47	13,901,089	2,763,880	16,664,969	(16,664,969)	-		
Search & Rescue, Security, Jails	14	11	3,017,682	348,597	3,366,289	(3,366,289)	-		
AVIATION (Search & Rescue 9%)	3	2	684,216	74,699	758,915	(758,915)	-		
SHERIFF EXE STAFF (Hoops & Fonzi)	2	2	847,946	49,800	897,746	(897,746)	-		
COWCAP - General County			9,194,009	-	9,194,009	(9,194,009)	-		
<b>Support Units</b>									
AVIATION (Less Search & Rescue 9%)	28	18	6,918,184	697,195	7,615,379	-	7,615,379	(7,615,379)	-
DETECTIVES	46	36	7,123,434	1,145,392	8,268,825	-	8,268,825	(8,268,825)	-
INTELLIGENCE	18	9	2,166,894	448,197	2,615,091	-	2,615,091	(2,615,091)	-
SCIENTIFIC INVESTIGATIONS	53	3	4,907,882	1,319,690	6,227,573	-	6,227,573	(6,227,573)	-
Special Ops	49	44	8,095,212	1,220,091	9,315,303	-	9,315,303	(9,315,303)	-
SPECIALIZED ENFORCEMENT DIVSN	27	23	4,314,753	672,295	4,987,048	-	4,987,048	(4,987,048)	-
COWCAP - Support Units			453,017	-	453,017	-	453,017	(453,017)	-
<b>Contract Cities &amp; Unincorporated Area</b>									
Contract Cities & Unincorporated Area	1,054	825	139,803,208	26,244,406	166,047,614	-	166,047,614	39,482,235	205,529,849
COWCAP - Cities & Unincorporated Area			<u>2,785,517</u>	<u>-</u>	<u>2,785,517</u>	<u>-</u>	<u>2,785,517</u>	<u>-</u>	<u>2,785,517</u>
	<u>3,308</u>	<u>1,839</u>	<u>445,117,420</u>	<u>-</u>	<u>445,117,420</u>	<u>(236,802,054)</u>	<u>208,315,366</u>	<u>-</u>	<u>208,315,366</u>
<b>Category (4)</b>									
Central Support	453	95	71,088,975						
General County	1,580	786	197,480,344						
Support Units	221	133	33,979,375						
Contract Cities & Unincorporated Area	<u>1,054</u>	<u>825</u>	<u>142,588,725</u>						
	<u>3,308</u>	<u>1,839</u>	<u>445,117,420</u>						

#### Notes

- <sup>1</sup> - Staff based on Regular Authorized positions per EMACS report SBPOS002
- <sup>2</sup> - All staff positions are used as a base to allocate "Centralized Support" costs.
- <sup>3</sup> - Sworn staff positions are used as a base to allocate "Specialized Law Enforcement Services" costs.

Appendix D--Org Code Analysis

Category	Orgs	Org Description	Sheriff's Agreement with Categorization
Centralized Support	001	EXECUTIVE STAFF	No
	003	CHIEF EXECUTIVE OFFICER	No
	004	PROFESSIONAL STANDARDS	No
	005	RESEARCH & PLANNING	No
	007	SPECIAL PROJECTS	No
	008	CIVIL LIABILITIES	No
	009	COUNTY GEN. CHGS	No
	010	BUREAU OF ADMINISTRATION	No
	012	DEPUTY CHIEF	No
	013	AUTOMOTIVE OPERATIONS	Yes
	015	NON-RECURRING EXPENDITURES	No
	016	SALE OF CARS	Yes
	017	UNASSIGNED VEHICLES	Yes
	030	RECORDS	No
	040	TRAINEE POSITIONS	No
	060	MEDIA RELATIONS	No
	063	COMMUNITY LIAISON	No
	064	COMMUNITY PROJECTS	No
	100	DEPUTY CHIEF HUMAN RESOURCES	No
	110	TRAINING ACADEMY	No
	111	RANGE	No
	112	ACADEMY/ADMINISTRATION	No
	113	ADVANCED OFFICERS	No
	120	EMERGENCY VEHICLE OP CTR(EVOC)	No
	121	CONTRACT TRAINING	No
	125	PUBLIC SAFETY INTERNSHIP ACADE	No
	130	SHERIFF DESERT COMM	Yes
	135	DESERT TRU	Yes
	150	SHERIFF COMMUNICATIONS	Yes
	151	VALLEY - TRU	Yes
	154	COMPUTER SERVICES	Yes
	155	CRIME ANALYSIS	No
	156	COMPUTER REPLACEMENT	Yes
180	EMPLOYEE SERVICES	No	
630	SHERIFF COMMUNICATIONS	Yes	
EVC	DRIVER TRAINING	Yes	
SHR	SHERIFF	Yes	
Specialized Law Enforcement Services	002	ADMIN INTELLIGENCE	No
	200	DEPUTY CHIEF INVESTIG SUPPORT	No
	220	SPECIALIZED DETECTIVES	No
	225	CRIMES AGAINST CHILDREN	No
	230	SCIENTIFIC INVESTIGATIONS	No
	235	SHERIFF'S WAREHOUSE	No
	236	AUCTION REVENUE ENHANCEMT PROG	No
	250	VICE/NARCOTICS/FENCING	No
	251	PAYROLL ORG	No
	253	C.L.I.T.F.	No
	280	SPECIALIZED ENFORCEMENT DIVSN	No
	281	BOMB ARSON	No
	282	GANG ENFORCEMENT TEAM	No
601	AVIATION	No	

Appendix D--Org Code Analysis

Category	Orgs	Org Description	Sheriff's Agreement with Categorization
General County	152	OFFICE OF COUNTY SECURITY	Yes
	153	SECURITY	Yes
	201	SHERIFF DIVE RESCUE TEAM	Yes
	240	CAL I.D. PAYROLL	Yes
	241	CAL DNA PAYROLL	Yes
	242	CRIME LAB GRANT 91/92	Yes
	254	MARIJUANA SUPPRESSION TASK FORC	Yes
	255	CO.WIDE AUTO THEFT TASK FORCE	Yes
	257	METH LAB - HIDTA GRANT	Yes
	258	CAL MET GRANT	Yes
	260	I.R.N.E.T.	Yes
	270	H.I.D.T.A. PAYROLL	Yes
	275	DEA RIVERSIDE TASK FORCE	Yes
	283	SED - USM FUNDING	Yes
	300	DEPUTY CHIEF REGION I	Yes
	311	CENTRAL SEARCH & RESCUE	Yes
	312	INDIAN GAMING GRANT	Yes
	321	FONTANA SEARCH & RESCUE	Yes
	341	TWIN PEAKS SEARCH/RESCUE	Yes
	361	YUCAIPA SEARCH & RESCUE	Yes
	400	DEPUTY CHIEF REGION II	Yes
	411	BARSTOW SEARCH/RESCUE	Yes
	413	BARSTOW JAIL	Yes
	421	BIG BEAR SEARCH & RESCUE	Yes
	423	BIG BEAR JAIL	Yes
	431	COLORADO RIVER SEARCH/RESCUE	Yes
	432	BUI TASK FORCE	Yes
	433	COLORADO JAIL	Yes
	441	MORONGO BASIN SEARCH/RESCUE	Yes
	443	MORONGO JAIL	Yes
	451	VCTR VLY SEARCH & RESCUE	Yes
	452	VICTOR VALLEY JAIL	Yes
	510	COURT SERVICES ADMINISTRATION	Yes
	511	CENT CT SVS(SANBDNO/TWINPEAKS)	Yes
	512	CHINO COURT SERVICES	Yes
	513	FONTANA COURT SERVICES	Yes
	515	RANCHO COURT SERVICE	Yes
	517	COURT SERVICES - CIVIL	Yes
	520	COURT SERVICES - EAST VALLEY	Yes
	521	BARSTOW/NEEDLES COURT SERVICES	Yes
	525	VICTORVILLE/BIG BEAR COURT SVS	Yes
	530	COURT SERVICES - WEST VALLEY	Yes
	540	COURT SERVICES-DESERT/MOUNTAIN	Yes
	620	VOLUNTEER SERVICES	Yes
	650	CORONER DIVISION	Yes
	651	CORONER-PUBLIC ADMINISTRATOR	Yes
	655	CORONER ADMINISTRATION	Yes
700	DEPUTY CHIEF DETENTIONS/CORR	Yes	
701	PAYROLL COST CENTER	Yes	
705	INMATE WELFARE EMPLOYEES	Yes	
710	CENTRAL DETENTION CENTER	Yes	
720	GLEN HELEN REHAB	Yes	
724	WORK RELEASE G.H.R.C.	Yes	
725	ELECTRONIC MONITORING PROGRAM	Yes	
730	FOOD SERVICES	Yes	

Appendix D--Org Code Analysis

Category	Orgs	Org Description	Sheriff's Agreement with Categorization
General County (continued)	731	PAYROLL COST CENTER	Yes
	732	PAYROLL COST CENTER	Yes
	733	PAYROLL COST CENTER	Yes
	735	FOOD SERVICE - ADC PAYROLL	Yes
	747	TRANSPORTATION SERVICES	Yes
	750	DETENTION BLDG MAINTENANCE	Yes
	751	DETEN & COR MAINT-CDC-PAYROLL	Yes
	752	DETEN & COR MAINT-GH-PAYROLL	Yes
	753	DETEN & COR MAINT-WV-PAYROLL	Yes
	755	DETEN & COR MAINT-ADC-PAYROLL	Yes
	760	FEMALE FACILITY G.H.R.C.	Yes
	765	AB 109 PROGRAM	Yes
	770	WEST VALLEY DETENTION CENTER	Yes
	772	WEST VALLEY - AB3229	Yes
	775	ADELANTO DETENTION CENTER	Yes
	780	DETENTION HEALTH SERVICES	Yes
	781	DETEN HEALTH SVCS-CDC-PAYROLL	Yes
	783	DETEN HEALTH SVCS-WV-PAYROLL	Yes
	785	DETEN HEALTH SVCS-ADC-PAYROLL	Yes
	788	M.I.O.C.R. GRANT	Yes
	810	POST	Yes
	821	HOMELAND SEC - ICE LETPP, SHSG	Yes
	822	HOMELAND SEC - BZPP, TRAINING	Yes
	825	HOMELAND SECURITY UASI	Yes
	831	ADA STREET ENFORCEMENT GRANT	Yes
	833	DEA CANNABIS ERADICATION/SUPPR	Yes
	834	USFS GRANT	Yes
	840	OHV TWIN PEAKS GRANT	Yes
	841	OHV BARSTOW GRANT	Yes
	842	OHV VICTORVILLE GRANT	Yes
	843	BOATING GRANT	Yes
	850	SOLVING COLD CASES WITH DNA	Yes
	851	DNA BACKLOG GRANT	Yes
	852	DNA ENHANCEMENT	Yes
	853	COVERDELL TRAINING & ED GRANT	Yes
	854	CAL ID COPS GRANT	Yes
	856	CAL-ID CNGRSSNLLY MNDTD-BYRNE	Yes
	861	COPS-SECURE OUR SCHOOLS GRANT	Yes
	863	COPS TECHNOLOGY GRANT PROGRAM	Yes
	870	IRNET-HIDTA GRANT	Yes
877	MISCELLANEOUS AGREEMENTS	Yes	
885	COUNTY - OTS AVOID THE 25	Yes	
899	LAB INFORMATN MNGMNT SYST-LIMS	Yes	
912	PAY CENTER ORG	Yes	
AR01	ARRA-LNJ FY09 JAG-BYRNE GRANT	Yes	
AR02	ARRA REGIONAL ANTI GANG INTEL	Yes	
AR03	ARRA ANTIDRUG ENFORCEMENT PROG	Yes	
Cities & Unincorporated Area	310	CENTRAL STATION	Yes
	315	GRAND TERRACE	Yes
	316	CITY OF HIGHLAND	Yes
	317	CITY OF LOMA LINDA	Yes
	318	CITY OF LOMA LINDA & GRAND TER	Yes
	320	FONTANA STATION	Yes
	330	RANCHO CUCAMONGA CITY	Yes

Appendix D--Org Code Analysis

Category	Orgs	Org Description	Sheriff's Agreement with Categorization
Cities & Unincorporated Area (continued)	340	TWIN PEAKS	Yes
	350	PAY CENTER ORG	Yes
	360	YUCAIPA STATION	Yes
	365	CITY OF YUCAIPA	Yes
	370	CHINO HILLS STATION	Yes
	375	CITY OF CHINO HILLS	Yes
	410	BARSTOW	Yes
	420	BIG BEAR STATION	Yes
	425	CTY BIG BEAR LAKE	Yes
	430	COLORADO RIVER STATION	Yes
	435	NEEDLES	Yes
	440	MORONGO BASIN	Yes
	445	TWENTY NINE PALMS	Yes
	446	PAY CENTER ORG	Yes
	450	VCTR VLY STATION	Yes
	455	CITY OF VICTORVILLE	Yes
	456	CITY OF HESPERIA	Yes
	457	TWN APPLE VALLEY	Yes
	465	CITY OF ADELANTO CONTRACT	Yes
	570	TWN PEAKS STATION	Yes

## Appendix F--Bibliography

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*Study of the Los Angeles County Sheriff's Department Budget Process & Performance*. Rep. County of Los Angeles: Department of Auditor-Controller, 2003. Print.

# INTEROFFICE MEMO

1853



County of San Bernardino

**DATE:** August 1, 2011

**PHONE:** 386-8877

**FROM:** JASON REDDEN, MSS Manager JR  
Auditor-Controller/Treasurer/Tax Collector

**TO:** DISTRIBUTION

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**SUBJECT: PRODUCTIVE HOURS ANALYSIS – FY 2011 ACTUAL DATA**

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Attached is our analysis of the productive hours for the County of San Bernardino for fiscal year 2010-2011. Our Study concludes that productive hours for full-time employees were 1,694. In other words, on average, each full-time employee contributed 1,694 productive hours during the fiscal year. This number is based on actual employee benefits and statistics for fiscal year 2010-2011. Please note, however, that 1,694 can be used for 2010-2011 or 2011-2012 billing purposes

Please call me at 386-8877 if you have any questions.

JR:YS:bp

## DISTRIBUTION

**Sonia Hermosillo**, Chief Deputy Controller  
**Mark Cousineau**, Chief Deputy Auditor  
**Mary Barber**, Internal Audits Manager  
**Vanessa Doyle**, Property Tax Manager  
**Wayne Shimabukuro**, Reimbursable Projects Manager  
**Joon Cho**, General Accounting Manager  
**Carol Montag**, County Fire Special Projects Analyst  
**Randy Booker**, Special Districts Budget Division Manager  
**Jeanette Hill**, Workforce Development Staff Analyst II

Attachments

Appendix E--Fiscal Year 2011/12 Productive Hours Analysis

County of San Bernardino  
Office of the Auditor-Controller/Recorder/Treasurer/Tax Collector  
Management Services Section  
SAPHRP/R2011/P4AVG2011.rsp/HR Main Sheet

Formula connected to "# of Employee By Union Code" worksheet.  
Formula connected to "PD\_HRS Maximizer" worksheet.  
Formula connected to "Avg Acc. Yec. Hrs" worksheet.  
Formula connected to "Selected Count for SFM Unit" worksheet.  
Date from MOLIS

2010-2011  
PRODUCTIVE HOURS ANALYSIS

	EXEMPT	SAFETY	SAFETY MGMT & SUPV	MGMT	SUPV	ATTORNEYS	SUPV NURSES	SPECIAL PEACE OFFICERS	All Others	All Others with Bank Hrs	WGTD. AVG. PROD. HRS.
Number of Employees (1)	1,652	1,719	1,677	1,634	1,634	1,658	1,658	1,592	1,666	1,710	16.098
Base Annual Hours	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080
Subtract non-productive hours:											
Holiday (2)	112	0	112	112	112	112	112	112	112	112	102
Vacation (3)	153	0	162	157	147	129	135	180	152	121	118
Annual Leave (4)	0	226	0	0	40	0	40	40	0	0	24
Administrative Leave (5)	80	0	48	80	40	0	40	40	0	0	7
Sick (6)	53	103	76	60	62	61	50	82	59	69	70
Jury Duty, Military Leave, Training, Blood Donations (7)	16	18	3	14	15	6	17	50	23	9	13
Leave w/o pay (8)	4	14	4	3	10	14	8	4	68	39	36
Attorney Leave (9)	0	0	0	0	0	80	0	0	0	0	2
Banked Leave Credit (10)	0	0	0	20	20	20	20	0	0	20	14
<b>TOTAL PRODUCTIVE HOURS</b>	<b>1,652</b>	<b>1,719</b>	<b>1,677</b>	<b>1,634</b>	<b>1,634</b>	<b>1,658</b>	<b>1,658</b>	<b>1,592</b>	<b>1,666</b>	<b>1,710</b>	<b>16.094</b>

NOTES:

- Sources:
- County of San Bernardino and Safety Employees Benefit Association Memorandum of Understanding (2009-2012) - Safety Unit
  - County of San Bernardino and Safety Employees Benefit Association Memorandum of Understanding (2009-2012) - Safety Management and Supervisory Unit
  - County of San Bernardino and Safety Employees Benefit Association Memorandum of Understanding (2008-2011) - Specialized Peace Officer & Specialized Peace Officer Supervisory Units
  - County of San Bernardino and San Bernardino Public Employees Association Consolidated Memorandum of Understanding (2008-2011)
  - County of San Bernardino and San Bernardino Public Employees Association Consolidated Memorandum of Understanding - Amendment #4 6/9/08 (Delayed Implementation of Salary Increase)
  - County of San Bernardino and Public Attorneys Association Memorandum of Understanding (2008-2011) - Attorney Unit
  - County of San Bernardino and Public Attorneys Association Memorandum of Understanding (2008-2011) - Attorney Unit Amendment #3 5/19/09 (Delayed Implementation of Salary Increase)
  - County of San Bernardino and California Nurses Association Memorandum of Understanding (2010-2012) - Nurses & Per Diem Nurses Units.
  - County of San Bernardino Exempt Compensation Plan (2008-2011)
  - Payroll reports SBPOS04 from the EMACS team.
  - EMACS queries PD\_HRS, PD\_HRS2, MSS\_ACCRUED\_VAC\_HRS, MSS\_EE\_COUNT\_FY\_3108000ES

Appendix E--Fiscal Year 2011/12 Productive Hours Analysis

County of San Bernardino  
 Office of the Auditor-Controller/Recorder/Treasurer/Tax Collector  
 Management Services Section  
 S:\PHR\HR2011\PHAV\G2011\MSPHR Main Sheet

**2010-2011  
 PRODUCTIVE HOURS ANALYSIS**

Formula connected to "# of Employee by Union Code" worksheet  
 Formula connected to "Avg Acc. Vac. Hrs" worksheet  
 Formula connected to "Avg Acc. Vac. Hrs" worksheet  
 Formula connected to "Selected Count for SM Unit" worksheet  
 Data from MOUs

(1) Number of Employees:  
 These numbers were taken from SBPOS004, "San Bernardino County-EMACS, Authorized vs. Assigned Position Totals by Union Code" report dated 12/31/10.

(2) Holiday leave:

All employees with the exception of Safety received 14 paid holidays. Safety accrues annual leave in lieu of holiday.

(3) Vacation:

These numbers were calculated by the following formula:

$$\text{Average Vacation Hrs} = \frac{\text{Total Accrued Vacation Hours by Union Code}^1}{\text{Total number of employees by Union Code}^2}$$

<sup>1</sup> MSS\_ACCRUED\_VAC\_HRS query

<sup>2</sup> SBPOS004 Authorized vs. Assigned Position Totals by Union Code

(4) Annual Leave:

Safety unit employees earn annual leave in lieu of vacation and holidays.  
 Supervisory unit employees received 40 hours of annual leave.  
 Management unit employees receive no annual leave.  
 Specialized Peace Officer - Supervisory unit employees received  
 No cash conversion is allowed for Management or Supervisory employees. 40 hours of annual leave\*  
 \* Classification breakdown of Specialized Peace Officer - Supervisory unit taken from "MSS\_EE\_COUNT\_FY\_310BCODES" EMACS query  
 See below for computation.

Job Title	Supv	All Other	Totals
Deputy Coroner			
Investigator II			
Job Code	19829		
# of employees	107	105.0	212.0
Hrs. for Admn. Leave	0	40	40
Total Hours	0	4200	4,200
Weighted Average			40

Appendix E--Fiscal Year 2011/12 Productive Hours Analysis

County of San Bernardino  
 Office of the Auditor-Controller/Recorder/Treasurer/Tax Collector  
 Management Services Section  
 S:\HR\HR2011\PD\AVG2011.xls\PHR Main Sheet

2010-2011  
**PRODUCTIVE HOURS ANALYSIS**

Formula connected to "# of Employee By Union Code" worksheet.  
 Formula connected to "PD\_HRS Manpower" worksheet.  
 Formula connected to "Avg Acc. Vac. Hrs" worksheet.  
 Formula connected to "Selected Count by SFY Unit" worksheet.  
 Data from HCOLs.

(5) Administrative Leave:  
 Administrative leave time is provided for exempt, safety management and supervisory, supervisory, management and specialized peace officer - supervisory employees. Such administrative leave may be cashed out at a prorated rate, used as time off or cashed out at calendar year end. The leave time available for the above employees is as follows:

Exempt	Safety Management & Supervisory *	Supervisory	Mgmt	Spotted Peace Offr - Supv *	Wgtd. Average
80	46	40	80	40	54

\* Classification breakdown of Safety Management and Supervisory unit and Specialized Peace Officer - Supervisory taken from "MISS\_EE\_COUNT\_FY\_3JOBCODES" EMACS query. See below for compilation.

Job Title	DA Supv. Investigator	Sheriff's Lieutenant	Sheriff's Sergeant	All Other Classifications	Totals
Job Code	4405	19515	4199&19535		
# of employees	82	447	184	7	224
Hrs. for Admin. Leave	40	80	40	0	160
Total Hours	327.6	3575.2	7,350	0	11,263
Weighted Average					45

Job Title	Supv Deputy Coroner Investigator II	All Other Classifications	Totals
Job Code	19829		
# of employees	10	165	175
Hrs. for Admin. Leave	80	40	120
Total Hours	80	4200	4,280
Weighted Average			40

(6) Sick leave:  
 Sick leave percentage used was calculated using EMACS queries (PD-HRS\_UNION\_CODE\_COMPANY and PD-HRS2\_UNION\_CODE\_COMPANY).



**2010-2011  
 PRODUCTIVE HOURS ANALYSIS**

(7) Jury Duty, Military, Training, Blood Donation:  
 We calculated the percentage for jury duty, etc. using EMACS queries (PD-HRS\_UNION\_CODE\_COMPANY and PD-HRS2\_UNION\_CODE\_COMPANY).

Base Annual Hours	Exempt 2080	Safety 2080	Safety Mgmt. & Supv. 2080	Management 2080	Supervisory 2080	Attorneys 2080	Supv. Nurses 2080	Spoted Peace Offr. - Supv 2080	All Other Units 2080	All Others with Bank Hrs 2080
% from PD-HRS queries	16	19	3	14	15	5	17	50	23	9

(8) Leave without pay:  
 Leave without pay percentage was calculated using EMACS queries (PD-HRS\_UNION\_CODE\_COMPANY and PD-HRS2\_UNION\_CODE\_COMPANY).

Base Annual Hours	Exempt 2080	Safety 2080	Safety Mgmt. & Supv. 2080	Management 2080	Supervisory 2080	Attorneys 2080	Supv. Nurses 2080	Spoted Peace Offr. - Supv 2080	All Other Units 2080	All Others with Bank Hrs 2080
% from PD-HRS query	4	14	4	3	10	14	8	4	68	39

(9) Attorney Leave:  
 Attorneys unit employees received 80 hours of Attorney leave.

(10) Banked Leave Credit:  
 For FY10/11 Public Attorneys and Public Employees Associations received 20 hours of deferred Bank of Leave Hours to be used in the same manner as vacation leave.

(11) Administrative/Meeting Time:  
 \*\* Effective FY 2006-2007 (Actual Year 2006-2006), administrative/meeting time is included as a component of Countywide productive hours. These hours were previously excluded along with annual leave, sick time, vacation, and etc.