

<h1>Cost Allocation Plan Procedure</h1>	Document No.	
	Effective Date	June 2009
	Revision Date	June 2018
	Revision No.	8
	Page No.	
	Approval:	

1. Purpose

To inform County departments of:

- Cost Allocation Plan guidelines
- Required Cost Allocation Plan information from select County departments
- Timelines for submitting the required Cost Allocation Plan information to the Auditor-Controller's Office
- How to use fund/department Cost Allocation Plan charges

2. Revision History

Date	Rev. No.	Change	Reference Section(s)
6/30/2009	0	Original Procedure	All
3/30/2010	1	Added Section & Updated Calendar	Section 8.2
5/15/2011	2	Updated Calendar	Appendix A
5/11/2012	3	Updated Various Sections	Section 7.2, 7.3, 7.7, 8.3, Appendix A, Appendix B Section 6
5/27/14	4	Updated Various Sections	Section 7.7, Appendix A, Appendix B
7/1/15	5	Changed A-87 Cost Plan to Cost Allocation Plan, Updated Various Sections, Deleted Section, Updated Calendar	All, Section 4, 7.4, 7.7, Appendix A, Appendix B
6/8/2016	6	Updated Calendar	Appendix A
6/29/17	7	Update Various Sections and Appendixes	Section 4.2, 7.6, Appendix A, Appendix B
6/13/18	8	Update Various Sections and Appendixes	Section 4.2, 7.6, Appendix A

3. Departments Affected

All County Departments

4. Authority

4.1. 2-CFR-Part 200

Provides principles and standards for determining both direct and indirect costs applicable to Federal cost-based awards to governmental units.

4.2. Handbook of Cost Plan Procedures for California Counties

Assists California counties in the understanding and application of the cost principles established by the federal office of Management and Budget Rules and Regulations 2-CFR-Part 225 for state, local, and federally-recognized Indian tribal governments.

https://www.sco.ca.gov/Files-ARD-Local/manual_costplanhandbook.pdf

5. Policy

Accumulate total allowable costs for each service department to reasonably reflect the value of services provided by that department. Distribute and/or bill to each operating department equitable costs reflecting the value of services received by these departments based on the most reasonable allocation basis.

6. Definitions

6.1. Allocation Basis

A method used to distribute a given service cost based on statistical information that can be compiled without prohibitive cost and that provides a direct causal relationship between allocation methods used and the expenditures allocated.

6.2. Fixed (Estimated) with Carry-Forward

An allocation method whereby the fixed (estimated) amounts approved for the cost plan year are adjusted in a subsequent year when the actual cost of the year estimated becomes known.

6.3. Direct Cost

A cost that can be identified specifically with a particular final cost objective.

6.4. Indirect Cost

A cost incurred for a common or joint purpose benefiting more than one cost objective; and not readily assignable to the cost objectives specifically benefited without effort disproportionate to the results achieved.

6.5. Personnel Activity Reports

Tracks all time spent on projects of a specific nature as well as those activities that are continuous or ongoing by nature. A daily record that tracks all time spent.

7. Responsibilities

It is the responsibility of all departments to notify the Cost Plan Coordinator in writing when changes occur in the department that could affect the Cost Plan. It is also the responsibility of all departments to notify the Cost Plan Coordinator of the person responsible for submitting cost plan data in your department.

7.1. County Administrative Office and County Counsel

7.1.1. Submit Personnel Activity Reports for prior fiscal year to the Cost Plan Coordinator by the date indicated on the annual calendar in Appendix A.

7.2. Treasurer-Tax Collector's Office

7.2.1. Submit Personnel Activity Reports for prior fiscal year to the Cost Plan Coordinator by the date indicated on the annual calendar in Appendix A.

7.2.2. Submit Schedule of Treasury Fees for prior fiscal year to the Cost Plan Coordinator by the date indicated on the annual calendar in Appendix A.

7.3. Human Resources/Risk Management Departments

7.3.1. Submit Personnel Activity Reports for prior fiscal year to the Cost Plan Coordinator by the date indicated on the annual calendar in Appendix A.

7.3.2. Submit County of Sutter's Actuarial Review of the Self-Insured Liability Program for prior fiscal year to the Cost Plan Coordinator by the date indicated on the annual calendar in Appendix A.

7.3.3. Submit prior year program summary for Primary Workers' Compensation Program to the Cost Plan Coordinator by the date indicated on the annual calendar in Appendix A.

7.3.4. Submit prior year program summary for Excess Workers' Compensation Program to the Cost Plan Coordinator by the date indicated on the annual calendar in Appendix A.

7.4. General Services Department

7.4.1. Submit Personnel Activity Reports for prior fiscal year to the Cost Plan Coordinator by the date indicated on the annual calendar in Appendix A.

7.4.2. Submit Departmental Activity Allocations (report that states how many hours were spent per department per department function) for County departments for prior fiscal year to the Cost Plan Coordinator by the date indicated on the annual calendar in Appendix A.

7.4.3. Submit completed Locations by Department Report for prior fiscal year to the Cost Plan Coordinator by the date indicated on the annual calendar in Appendix A.

7.4.4. Submit Sutter Butte Flood Control Assessments Report to the Cost Plan Coordinator by the date indicated on the annual calendar in Appendix A.

7.5. Building Maintenance Department

7.5.1. Submit completed labor spreadsheet (personnel activity summaries for department), with updated project numbers for prior fiscal year electronically to the Cost Plan Coordinator by the date indicated on the annual calendar in Appendix A.

7.5.2. Submit completed Utility Charges schedule for prior fiscal year to the Cost Plan Coordinator by the date indicated on the annual calendar in Appendix A.

7.6. Information Technology Department

7.6.1. Submit Payroll Warrant Count (including direct deposits) by program for County, Elections, Special Districts, and Schools for prior fiscal year to the Cost Plan Coordinator by the date indicated on the annual calendar in Appendix A.

7.7. All Departments

Submit Sutter County Cost Allocation Plan Departmental Questionnaire for prior fiscal year to the Cost Plan Coordinator. See Appendix C.

8. Procedures

8.1. Personnel Activity Reports

Personnel Activity Reports track all time spent on projects of a specific nature as well as those activities that are continuous or ongoing by nature. Personnel activity reports may be maintained either electronically or manually. The Personnel Activity Report:

- Reflects an after-the-fact distribution of each employee's actual activity
- Accounts for the total activity for which each employee is compensated
- Provides full and complete substantiation of the distribution of effort and supports direct charges for services
- Is prepared monthly and fully accounts for the total monthly labor hours
- Is required to be signed and dated by the employee no later than the end of the pay period that follows the pay period covered by the report
- Documents, by signature or initials and date, after-the-fact supervisory review and approval of each activity report

Functional time categories can be found in Appendix B.

8.2. Uses of Fund/Department Cost Allocation Plan Charges

Fund/department Cost Allocation Plan charges are included in:

- Fund/department budgets
- Federal/State awards
- Fund/department rate calculations
- Various analytical procedures

8.3. Time Lines for Document(s) Submission

A time line will be published every year by July 1st. See Appendix A

8.4. Departmental Review of the Cost Plan

Departments will have an opportunity to review the draft Cost Plan before it is submitted to the State Controller's Office. Departments should submit any concerns in writing to the Cost Plan Coordinator by the date specified in the Cost Allocation Plan Calendar.

8.5. Contacting the Cost Plan Coordinator

All inquires related to the Cost Allocation Plan must be submitted in writing and addressed to the Cost Plan Coordinator.

Appendix A

Cost Allocation Plan Calendar

Fiscal Year 2017-2018	
Cost Allocation Plan Calendar for 2019-2020	
Scheduled Timetable	Description of Work to be Completed
July 27	Service Department Personnel Activity Reports need to be submitted to the Auditor-Controller's Office.
	Sutter County Cost Allocation Plan Departmental Questionnaire needs to be submitted to the Auditor-Controller's Office. Appendix C
	County of Sutter's Actuarial Review of Self-Insured Liability needs to be submitted to the Auditor-Controller's Office.
	Program summary for Primary Workers' Compensation Program needs to be submitted to the Auditor-Controller's Office.
	Program summary for Excess Workers' Compensation Program needs to be submitted to the Auditor-Controller's Office.
	Departmental Activity Allocations Report needs to be submitted to the Auditor-Controller's Office.
	Labor spreadsheet needs to be submitted to the Auditor-Controller's Office.
	Location by Department Report needs to be submitted to the Auditor-Controller's Office.
September 3	Schedule of Treasury Fees needs to be submitted to the Auditor-Controller's Office.
	Sutter Butte Flood Control Assessment Report to be submitted to the Auditor-Controller's Office.
	Utility Charges needs to be submitted to the Auditor-Controller's Office.
July 28 through November 15	Auditor-Controller Staff to review and verify data submitted by departments. Prepare draft of Cost Allocation Plan.
November 16	Cost Allocation Plan draft posted on the intranet.
November 19 through December 3	Cost Allocation Plan to be reviewed by departments. Any changes or inquiries need to be submitted in writing to the Auditor-Controller's Office.
December 4 through December 27	Auditor-Controller Staff to make any necessary changes and finalize the Cost Allocation Plan draft.
December 28	Auditor-Controller to submit Cost Allocation Plan Draft to the State Controller's Office.

Appendix B

**Descriptions for Functional Time Categories used by
Service Departments**

1. County Administrative Office
 - 1.1. Budget Preparation

Time spent by the County Administrative Office coordinating the annual fiscal budget effort.
 - 1.2. Departmental Assistance

Activities not related to budget preparation but benefit all County departments.
 - 1.3. Direct Identified Costs

Time spent on activities that benefit only one fund or department.
 - 1.4. General Government

General activities that are required to carry out the overall responsibilities of local governments but do not benefit any department directly.
 - 1.5. Administration

Time spent on departmental activities for a common or joint purpose benefiting more than one fund/department.
2. Auditor-Controller's Office
 - 2.1. Departmental Accounting

Includes compilation of the final budget, accounting for County payments and receipts, cost accounting, audit management of special districts, accounting for Courts, and preparation of various financial reports to State and Federal agencies.
 - 2.2. Payroll

Processes payroll and all related duties for the County.
 - 2.3. Claims

Issues warrants to vendors, welfare and child support recipients.
 - 2.4. Direct Identified Costs

Time spent on activities that benefit only one fund or department.
 - 2.5. Internal Auditor

Time spent on compliance audits and financial audits for outside agencies.

2.6. General Government

General activities that are required to carry out the overall responsibilities of local governments but do not benefit any department directly; this also includes property tax assessment roll maintenance, accounting for various types of benefit assessments, special assessments, bonds and performance audits.

2.7. Administration

Time spent on departmental activities for a common or joint purpose benefiting more than one fund/department.

3. Treasurer-Tax Collector

3.1. Treasury

Includes time spent on receipt, disbursement and investment of funds for the County, special districts, and school districts and warrant handling for payroll and vendors.

3.2. General Government

General activities that are required to carry out the overall responsibilities of local governments but do not benefit any department directly; this also includes the property tax collection system.

3.3. Administration

Time spent on departmental activities for a common or joint purpose benefiting more than one fund/department.

4. General Services

4.1. Purchasing

Time spent on purchasing general items for County departments. Time is tracked by department.

4.2. Telecommunications

Time spent on contracts for department phone lines. Time is tracked by department.

4.3. Vehicles

Time spent on the purchase or removal of vehicles. Time is tracked by department.

4.4. Mail Service

Mail services include collection of U.S. mail from the U.S. Post Office, sorting U.S. mail by department, and delivery of U.S. mail and interdepartmental correspondence to all County departments.

- 4.5. Printing Services
Printing Services includes receiving requests from departments and coordinating with an outside printing agency, obtaining proofs and final approval from departments and final delivery of products.
- 4.6. Copiers Services
Time spent on the County copier lease, payment of invoices, and journals to distribute copier lease costs to each department.
- 4.7. Direct Identified Costs
Time spent on activities that benefit only one fund or department.
- 4.8. Administration
Time spent on departmental activities for a common or joint purpose benefiting more than one fund/department.
- 5. County Counsel
 - 5.1. Legal Assistance
Provides legal opinions to County departments and special districts, attends all meetings of the Board of Supervisors, the County Planning Commission, the Local Agency Formation Commission and the Assessment Appeals Board. Represent the Public Guardian in establishing and renewing conservatorship and the child Protective Services Division of the Human Services Department in juvenile court proceedings.
 - 5.2. General Government
General activities that are required to carry out the overall responsibilities of local governments but do not benefit any department directly; this also includes County Liability services performed for the County.
 - 5.3. Administration
Time spent on departmental activities for a common or joint purpose benefiting more than one fund/department.
- 6. Human Resources
 - 6.1. Employee and Labor Relations
Time spent on labor relations review of compliance with non-discrimination laws, administration of personnel rules and regulations, deferred compensation administration, unemployment insurance administration, and other compliance programs relating to personnel which are mandated by law.
 - 6.2. Recruitment/Classification Non-MSS
Time spent on recruitment and certification for selection and classification and salary analysis. This section does not apply to employees within the Welfare &

Social Services Division and the Department of Child Support Services for whom most services are provided by Merit System Services.

6.3. Recruitment/Classification MSS

Time spent on recruitment and certification for selection and classification and salary analysis. This section applies only to employees within the Welfare & Social Services Division and the Department of Child Support Services for whom most services are provided by Merit System Services.

6.4. Direct Identified Costs

Time spent on activities that benefit only one fund or department.

6.5. Administration

Time spent on departmental activities for a common or joint purpose benefiting more than one fund/department

7. Building Maintenance

7.1. Maintenance

This function is responsible for repairs and alterations for County property and the general servicing of equipment. Time is tracked by project number.

7.2. Grounds

Care of landscaping and grounds for County buildings and parks. Time is tracked by project number.

7.3. Custodial

This function provides custodial services to County buildings. Time is tracked by project number.

7.4. Administration

Time spent on departmental activities for a common or joint purpose benefiting more than one fund/department and providing specialized administrative services to departments. Time is tracked by project number.

Appendix C

Sutter County Cost Allocation Plan

Departmental Questionnaire

For Fiscal Year Ended _____

How much did your department receive in federal grants? _____

How much did your department receive in state grants? _____

Please list the capital assets purchased with federal grant money and the amounts.

_____ \$ _____

_____ \$ _____

Attach additional pages if necessary.

Please list the capital assets purchased with state grant money and the amounts.

_____ \$ _____

_____ \$ _____

If your department is a non-general fund department or only a partial general fund department and your department transferred monies to the general fund to pay for any capital assets please list the capital assets purchased and the amounts. (This section does not apply to general fund departments).

_____ \$ _____

_____ \$ _____

If there are any outstanding issues regarding the Cost Allocation Plan charges for the year just ended you would like to discuss please list your concern(s).

If there are any concerns regarding the allocation of square footage of your department please list your concern(s).

Please list any changes in your fund/department that would affect the allocation basis of your fund/department (new programs or departments/functions moved).

If there are additional allowable costs that your fund/department can claim/charge that have not been claimed/charged in the past please list them.

Name Department Date