

LOS ANGELES POLICE COMMISSION

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POLICE COMMISSIONERS**

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INSPECTOR GENERAL

EXECUTIVE OFFICE
POLICE ADMINISTRATION BUILDING
100 WEST FIRST STREET, SUITE 134
LOS ANGELES, CA 90012-4112

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September 22, 2023

BPC #23-185

The Honorable Karen Bass
Mayor, City of Los Angeles
City Hall, Room 303
Los Angeles, CA 90012

The Honorable City Council
City of Los Angeles, Room 395
c/o City Clerk's Office

Dear Honorable Members:

RE: 2021 CONNECT AND PROTECT: LAW ENFORCEMENT BEHAVIORAL HEALTH
RESPONSE PROGRAM, CITY COUNCIL FILE NO. 22-0282.

At the regular meeting of the Board of Police Commissioners held Tuesday, September 19, 2023, the Board APPROVED the Department's report relative to the above matter.

Respectfully,

BOARD OF POLICE COMMISSIONERS


REBECCA MUNOZ
Commission Executive Assistant

Attachment

c: Chief of Police

INTRADEPARTMENTAL CORRESPONDENCE

23-185
 RICHARD M. TEJANK
 EXECUTIVE DIRECTOR
 DATE 9/13/23

September 13, 2023
 1.14

TO: The Honorable Board of Police Commissioners

FROM: Chief of Police

SUBJECT: 2021 CONNECT AND PROTECT: LAW ENFORCEMENT BEHAVIORAL HEALTH RESPONSE PROGRAM – BUDGET MODIFICATION (COUNCIL FILE #22-0282)

RECOMMENDED ACTIONS

1. That the Board of Police Commissioners (Board) REVIEW and APPROVE this report.
2. That the Board TRANSMIT the attached grant modification, pursuant to Administrative Code Section 14.6(a), to the Mayor, Office of the City Administrative Officer (CAO), Office of the Chief Legislative Analyst and to the City Clerk for Committee and City Council reference.
3. That the Board REQUEST the Mayor and City Council to:
 - A. AUTHORIZE the Los Angeles Police Department (LAPD) to transfer funds within the 2021 Connect and Protect: Law Enforcement Behavioral Health Response Program grant, approved by the United States Department of Justice, Office of Justice Programs as follows:

Federal Share:

Category	Current Budget	Change	New Budget
Sworn Overtime	\$ 170,000.00	\$ 101,045.50	\$ 271,045.50
Civilian Overtime	00.00	18,999.00	18,999.00
Travel	70,556.00	(19,833.00)	50,723.00
Equipment	10,000.00	(10,000.00)	0.00
Supplies	59,444.00	(15,149.50)	44,294.50
Subawards	150,000.00	0.00	150,000.00
Procurement	60,000.00	(60,000.00)	0.00
Other	30,000.00	(15,062.00)	14,938.00
Total	\$ 550,000.00	\$ -	\$ 550,000.00

Match:

Category	Current Budget		Change		New Budget
Salaries	\$	111,304.20	\$	(9,618.52)	\$ 101,685.68
Fringe Benefits		84,379.65		18,154.52	102,534.17
Other		0.00		3,000	3,000.00
Total	\$	195,683.85	\$	11,536.00	\$ 207,219.85

B. AUTHORIZE the LAPD to prepare Controller instructions for any technical adjustments as necessary to implement Mayor and Council intentions, subject to the approval of the CAO, and AUTHORIZE the Controller to implement the instructions; and

C. AUTHORIZE the Controller to transfer appropriations as follows:

TRANSFER FROM:

<u>Fund/Dept. No.</u>	<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
339/70	70W574	2021 Connect & Protect	\$120,044.50

TRANSFER TO:

<u>Fund/Dept. No.</u>	<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
100/70	001090	Civilian Overtime	\$ 18,999.00
	001092	Sworn Overtime	\$101,045.50

DISCUSSION

The LAPD is seeking approval to reprogram 2021 Connect and Protect: Law Enforcement Behavioral Health Response Program grant funds from the United States Department of Justice (DOJ), Office of Justice Programs. The grantor has approved the budget modification, which included changes to the federal share of expenditures and match requirement. The grant requires 20 percent matching funds for the first and second years and 40 percent for the third year. The LAPD will be using salaries and fringe benefits for the match. The Los Angeles Police Foundation donated \$3,000 worth of outreach items such as blankets, socks, etc. that will be added to the Department's match contribution.

The 2021 Connect and Protect Program provides funding to support law enforcement-behavioral health cross-system collaboration and to improve public safety responses and outcomes for individuals with mental illness (MI) or co-occurring mental illness and substance abuse (CMISA) who come into contact with the criminal justice system. The increase in overtime will allow the LAPD to conduct more outreach and engagement with individuals with MI or CMISA.

The Honorable Board of Police Commissioners

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1.14

If you have any questions, please contact Senior Management Analyst II Stella Larracas, Grants Section, Office of Constitutional Policing and Policy, at (213) 486-0380.

Respectfully,



MICHEL R. MOORE
Chief of Police

Attachments

BOARD OF
POLICE COMMISSIONERS
Approved *September 19, 2023*
Secretary *Rebecca Muñoz*

LOS ANGELES POLICE DEPARTMENT



MICHEL R. MOORE
Chief of Police

KAREN BASS
Mayor

P.O. Box 30158
Los Angeles, CA 90030
Telephone: (213) 486-8590
TTY: (877) 275-5273
Ref #: 1.14

BJA FY21 Connect and Protect: Law Enforcement Behavioral Health Responses 15PBJA-21-GG-04317-MENT Grant Award Modification

The Los Angeles Police Department (LAPD) is submitting a budget modification request to increase allocation to Personnel, Fringe Benefits, and Supplies.

	Approved Budget	Change	Revised Budget
Personnel	\$ 281,304.20	\$ 110,425.98	\$ 391,730.18
Fringe	\$ 84,379.65	\$ 18,154.52	\$ 102,534.17
Travel	\$ 70,556.00	\$ (19,833.00)	\$ 50,723.00
Equipment	\$ 9,999.99	\$ (9,999.99)	\$ -
Supplies	\$ 23,663.92	\$ 20,630.58	\$ 44,294.50
Construction	\$ -	\$ -	\$ -
Subawards	\$ 150,000.00	\$ -	\$ 150,000.00
Contracts	\$ 60,000.00	\$ (60,000.00)	\$ -
Other Costs	\$ 65,780.00	\$ (47,842.00)	\$ 17,938.00
TOTAL	\$ 745,683.76	\$ 11,536.09	\$ 757,219.85

The LAPD requests to allocate an additional \$110,425.98 to Personnel. This will include adding a new budget line for civilian overtime in the amount of \$18,999 to assist in administrative tasks such as preparing requisition documents, maintenance of grant program files, timekeeping, etc. The additional \$101,045.41 in sworn overtime will allow Mental Evaluation Unit (MEU) personnel to conduct more outreach in the field and collaboration work with JSS, Department of Mental Health and other community partners. The Salary match will also be reduced by \$9,618.43 due to other match items that will be requested to be approved.

The LAPD is requesting to include a new fringe benefit line item for overtime. The City of Los Angeles requires that related costs for overtime be added to overtime expenditures. These are based on the approved CAP 41. The approved related costs that will be applied to overtime are the following:

5.11% for civilian overtime includes Medicare (1.33%), Worker's Comp (3.76%), and Unemployment Claims (.02%).

9.03% for sworn overtime includes Medicare (1.38%), Worker's Comp (7.64%), and Unemployment Claims (.01%).

The increase of \$18,154.52 in Fringe Benefits is to cover the fringe benefit expenses incurred by the City of Los Angeles while civilian and sworn employees work on grant-funded overtime.

Supply will also be increased by \$20,630.58 to allow for purchase of necessary office items to equip the work areas needed for the collaboration.

The fund increases in Personnel, Fringe Benefits and Supplies will be transferred from the following budget categories:

1. \$19,833 from Travel. Because of the delayed start of the program, MEU staff will not be presenting in the originally scheduled policing conference regarding this grant. Also, the number of staff traveling in the first year was reduced from 3 to 2.
2. \$9,999.99 from Equipment. There is no longer a need to purchase a social analysis software. MEU already has a network in place to link and implement services.
3. \$60,000 from Procurement Contracts. The software development contractor is no longer needed. The database system needed for the program has already been developed internally by LAPD programmers. Also, the LAPD will no longer procure vendors to conduct training for staff. Instead, MEU staff will attend training courses that will be funded by other sources.
4. \$47,842 from Other Costs. There is no longer a need to develop a co-located area and purchase office furniture and workstations. The existing MEU work area will be used by the Task Force and will just expand and upgrade some of the office equipment.

The LAPD is requesting the following line items to be approved as a match:

1. Fringe benefits for overtime (\$25,446.26). Instead of charging the fringe benefits to the grant, the City will cover these to comply with match requirements. Approved CAP 41 for salaries and overtime are provided in a separate attachment.
2. Donation in the amount of \$3,000 from the Los Angeles Police Foundation for supplies, clothing, blankets and other items to be used while engaging with individuals needing mental health services.

Due to the increase in overtime allocation in the third year, which requires a higher match requirement, the LAPD has included an additional \$11,536.09 in its match obligation.

COST ALLOCATION PLAN 41
INDIRECT OR ADMINISTRATIVE COST FACTORS – POLICE DEPARTMENT
Effective 7/1/2018 through 6/30/2019

COST ALLOCATION PLAN (CAP) 41
APPROVED BY THE FEDERAL GOVERNMENT

SWORN EMPLOYEES STRAIGHT TIME:

Fringe Benefits	
Pension	46.83%
L.A. Well Health & Dental Plans	13.93
Employee Assistance	0.10
Medicare	1.53
Part Time/Seasonal/Temporary Pension.....	0.04
Unused Sick/Vacation Payout	1.49
Unemployment Claims	0.00
Workers Compensation	8.47
Carry Forward, Positive	3.41
Total Fringe Benefits	75.81%
Department Administrative Rate	34.92%
General City Overhead	17.16
	52.08%
Total Sworn Overhead	127.89%

Department Field Support **43.39%**

Note: This indirect cost rate is added to the other rates, when the function or grant includes services provided by sworn employees assigned to the field, and is to be applied only to that portion of the function or grant. The rate represents Five Department divisions that support field operations: Records and Identification, Forensic Science, Communications, Property and Jail.

CIVILIAN EMPLOYEES STRAIGHT TIME:

Fringe Benefits	
Retirement	26.76%
L.A. Well Health & Dental Plans.....	17.04
Employee Assistance	0.01
Ordinance Life Insurance	0.00
Medicare	1.37
Union-Sponsored Benefits	0.29
Unused Sick/Vacation Payout	0.78
Unemployment Claims	0.03
Workers' Compensation	3.88
Carry Forward, Negative	- 0.89
Total Fringe Benefits	49.28%
Department Administrative Rate	118.44%
General City Overhead	13.94
	132.38%
Total Civilian Overhead	181.66%

NOTE: CAP rates are not applied to overtime charges. If extensive overtime is charged to a grant (more than 50% of straight-time charges), or for more information about applying CAP rates, call Fiscal Group at (213) 486-8550.

CITY OF LOS ANGELES, CALIFORNIA

**Cost Allocation Plan 41
For Central Services and Fringe Benefits**

(With Independent Auditor's Report)

For the Fiscal Year Ended June 30, 2017



**Certified
Public
Accountants**

CITY OF LOS ANGELES, CALIFORNIA
Cost Allocation Plan 41
For Central Services and Fringe Benefits
For the Fiscal Year Ended June 30, 2017

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Certified
Public
Accountants

Independent Auditor's Report

Honorable Members of the City Council
City of Los Angeles, California

We have audited the accompanying Central Services and Fringe Benefits Schedules of Salary Base, Allocated Costs and Rates by Department and Schedules of Salary Base, Allocated Costs and Rates Including Overtime by Department (Schedules) of the City of Los Angeles, California (City) Cost Allocation Plan 41 for the fiscal year ended June 30, 2017, and the related notes to the Schedules as listed in the table of contents.

Management's Responsibility for the Schedules

Management is responsible for the preparation and fair presentation of the Schedules in accordance with Title 2 in the Code of Federal Regulations (CFR), Subtitle A, Chapter II, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedules. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Schedules, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Schedules in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Schedules referred to above present fairly, in all material respects, the Central Services and Fringe Benefits Salary Base, Allocated Costs, and Rates by Department and Salary Base, Allocated Costs, and Rates Including Overtime by Department, for the City Cost Allocation Plan 41 for the fiscal year ended June 30, 2017, in accordance with the basis of accounting described in Note 1.

Emphasis of Matter

Basis of Accounting

Note 1 to the Schedules describes the basis of accounting. The Schedules were prepared by the City on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Changes in Cost Centers and Cost Categories

Note 4 to the Schedules describes certain cost centers and cost categories were updated from the prior year's Cost Allocation Plan 40 to more accurately reflect the allocation of costs to the proper organizational units and to accommodate the inclusion of allowable, but previously unrecovered costs. Our opinion is not modified with respect to that matter.

Restriction on Use

This report is intended solely for the information and use of City management, City Council, others within the City, and the U.S. Department of Housing and Urban Development, and is not intended to be and should not be used by anyone other than these specified parties.

Macias Gini & O'Connell LLP

Los Angeles, California
January 23, 2019

CITY OF LOS ANGELES, CALIFORNIA
Central Services Cost Allocation Plan 41
Schedule of Salary Base,
Allocated Costs, and Rates by Department
Based on the Fiscal Year Ended June 30, 2017
To Be Applied in Fiscal Year 2018-2019

<u>DEPARTMENT/Cost Center</u>	<u>Salary Base</u>	<u>Allocated Costs</u>	<u>Rates</u>
AGING			
Balance of Department	\$ 3,075,509	\$ 922,943	30.01%
Special Fund (Title V)	1,823,677	82,395	4.52%
ANIMAL SERVICES	19,824,833	11,303,760	57.02%
BUILDING and SAFETY	82,969,633	12,393,738	14.94%
CITY ADMINISTRATIVE OFFICER			
Proprietary, Capital Projects (Physical Plant)	1,556,253	700,162	44.99%
Disaster Grants Coordination	239,267	145,090	60.64%
CITY ATTORNEY			
Criminal	48,642,693	6,127,861	12.60%
Direct, at User's Site	15,009,833	759,033	5.06%
Direct, in City Space	4,706,224	651,822	13.85%
CITY CLERK			
Elections	4,811,323	2,197,188	45.67%
Special Assessment Section	1,091,410	873,340	80.02%
CONTROLLER			
Direct, at User's Site	810,149	69,144	8.53%
Direct, in City Space	919,197	1,668,165	181.48%
CULTURAL AFFAIRS	5,837,453	1,453,365	24.90%
DEPARTMENT on DISABILITY	1,499,370	472,153	31.49%
ECONOMIC and WORKFORCE DEVELOPMENT			
Balance of Department	12,271,614	2,282,934	18.60%
As Needed Employees	203,052	2,487	1.22%
EL PUEBLO de LOS ANGELES	1,298,950	4,486,061	345.36%
EMERGENCY MANAGEMENT			
Emergency Preparedness Policy & Public Information	991,653	713,432	71.94%

The accompanying notes are an integral part of this schedule.

CITY OF LOS ANGELES, CALIFORNIA
Central Services Cost Allocation Plan 41
Schedule of Salary Base,
Allocated Costs, and Rates by Department
Based on the Fiscal Year Ended June 30, 2017
To Be Applied in Fiscal Year 2018-2019

<u>DEPARTMENT/Cost Center</u>	<u>Salary Base</u>	<u>Allocated Costs</u>	<u>Rates</u>
FINANCE			
Revenue Collections	\$ 20,330,551	\$ 13,888,637	68.31%
Cash Management and Investment	964,018	196,872	20.42%
FIRE			
Civilian	29,715,065	6,146,607	20.69%
Sworn	357,089,681	84,122,277	23.56%
GENERAL SERVICES			
Materials Testing	7,089,412	2,062,710	29.10%
Print Shop	2,405,838	1,171,921	48.71%
HOUSING + COMMUNITY			
INVESTMENT DEPARTMENT			
Grant Funded & Special Programs	18,585,822	4,292,684	23.10%
Enforcement	24,578,673	7,468,078	30.38%
Internal Administration	7,658,310	913,982	11.93%
LIBRARY	64,697,657	14,996,605	23.18%
CONVENTION & TOURISM			
DEVELOPMENT	1,241,028	621,545	50.08%
MAYOR			
Executive Policy	8,076,895	3,875,470	47.98%
Grant Funded & Special Programs	6,862,912	3,306,179	48.17%
NEIGHBORHOOD EMPOWERMENT	1,830,190	2,754,424	150.50%
PERSONNEL			
Custody Care (Jails)	4,820,239	3,649,831	75.72%
Grant Funded & Special Programs	599,571	184,721	30.81%
PLANNING	29,483,768	7,184,177	24.37%
POLICE			
Civilian	152,949,995	21,315,752	13.94%
Sworn	915,778,780	157,115,120	17.16%

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CITY OF LOS ANGELES, CALIFORNIA
Central Services Cost Allocation Plan 41
Schedule of Salary Base,
Allocated Costs, and Rates by Department
Based on the Fiscal Year Ended June 30, 2017
To Be Applied in Fiscal Year 2018-2019

<u>DEPARTMENT/Cost Center</u>	<u>Salary Base</u>	<u>Allocated Costs</u>	<u>Rates</u>
PUBLIC WORKS			
Board			
Public Services	\$ 965,088	\$ 1,002,453	103.87%
Contract Administration			
Construction Inspection	20,619,046	4,133,603	20.05%
Engineering			
Clean Water Infrastructure	32,403,373	6,304,342	19.46%
Development Services	11,420,557	2,739,161	23.98%
Mobility	17,363,217	3,528,069	20.32%
Public Buildings & Open Spaces	13,773,930	2,516,638	18.27%
Sanitation			
Solid Waste Program	96,330,278	61,926,086	64.29%
Cleanwater and Stormwater	110,202,660	58,418,553	53.01%
Street Lighting	22,728,375	1,933,000	8.50%
Street Services	72,076,041	56,474,058	78.35%
RECREATION AND PARKS	124,074,332	46,303,674	37.32%
TRANSPORTATION	111,297,771	32,445,410	29.15%
ZOO	15,845,793	2,357,760	14.88%

The accompanying notes are an integral part of this schedule.

CITY OF LOS ANGELES, CALIFORNIA
Central Services Cost Allocation Plan 41
Schedule of Salary Base, Allocated Costs
And Rates Including Overtime by Department
Based on the Fiscal Year Ended June 30, 2017
To Be Applied in Fiscal Year 2018-2019

<u>DEPARTMENT/Cost Center</u>	<u>Salary Base</u>	<u>Overtime Salaries</u>	<u>Salary Base Including Overtime</u>	<u>Allocated Costs</u>	<u>Rates</u>
AGING					
Balance of Department	\$ 3,075,509	\$ 5,768	\$ 3,081,277	\$ 20,469	0.66%
Special Fund (Title V)	1,823,677	-	1,823,677	-	0.00%
ANIMAL SERVICES	19,824,833	216,346	20,041,179	1,221,271	6.09%
BUILDING and SAFETY	82,969,633	11,340,416	94,310,049	823,773	0.87%
CITY ADMINISTRATIVE OFFICER					
Proprietary, Capital Projects (Physical Plant)	1,556,253	1,464	1,557,717	64,204	4.12%
Disaster Grants Coordination	239,267	2,864	242,131	4,218	1.74%
CITY ATTORNEY					
Criminal	48,642,693	14,227	48,656,920	348,953	0.72%
Direct, at User's Site	15,009,833	80	15,009,913	-	0.00%
Direct, in City Space	4,706,224	-	4,706,224	45,035	0.96%
CITY CLERK					
Elections	4,811,323	423,696	5,235,019	180,616	3.45%
Special Assessment Section	1,091,410	2,569	1,093,979	237,355	21.70%
CONTROLLER					
Direct, at User's Site	810,149	2,399	812,548	-	0.00%
Direct, in City Space	919,197	5,720	924,917	26,453	2.86%
CULTURAL AFFAIRS	5,837,453	7,976	5,845,429	52,556	0.90%
DEPARTMENT on DISABILITY	1,499,370	9,178	1,508,548	7,731	0.51%
ECONOMIC and WORKFORCE DEVELOPMENT					
Balance of Department	12,271,614	77,096	12,348,710	132,241	1.07%
As Needed Employees	203,052	-	203,052	-	0.00%
EL PUEBLO de LOS ANGELES	1,298,950	11,364	1,310,314	18,084	1.38%
EMERGENCY MANAGEMENT					
Emergency Preparedness Policy & Public Information	991,653	24,314	1,015,967	53,282	5.24%

The accompanying notes are an integral part of this schedule.

CITY OF LOS ANGELES, CALIFORNIA
Central Services Cost Allocation Plan 41
Schedule of Salary Base, Allocated Costs
And Rates Including Overtime by Department
Based on the Fiscal Year Ended June 30, 2017
To Be Applied in Fiscal Year 2018-2019

DEPARTMENT/Cost Center	Salary Base	Overtime Salaries	Salary Base Including Overtime	Allocated Costs	Rates
FINANCE					
Revenue Collections	\$20,330,551	\$ 127,638	\$ 20,458,189	\$ 128,924	0.63%
Cash Management and Investment	964,018	-	964,018	7,390	0.77%
FIRE					
Civilian	29,715,065	1,671,854	31,386,919	543,262	1.73%
Sworn	357,089,681	190,161,478	547,251,159	15,004,817	2.74%
GENERAL SERVICES					
Materials Testing	7,089,412	866,550	7,955,962	219,897	2.76%
Print Shop	2,405,838	192,696	2,598,534	88,179	3.39%
HOUSING + COMMUNITY INVESTMENT DEPARTMENT					
Grant Funded & Special Programs	18,585,822	25,776	18,611,598	24,053	0.13%
Enforcement	24,578,673	24,305	24,602,978	37,525	0.15%
Internal Administration	7,658,310	6,347	7,664,657	4,334	0.06%
LIBRARY	64,697,657	120,140	64,817,797	5,638,546	8.70%
CONVENTION & TOURISM DEVELOPMENT	1,241,028	-	1,241,028	21,511	1.73%
MAYOR					
Executive Policy	8,076,895	-	8,076,895	145,685	1.80%
Grant Funded & Special Programs	6,862,912	-	6,862,912	115,847	1.69%
NEIGHBORHOOD EMPOWERMENT	1,830,190	6,335	1,836,525	40,616	2.21%
PERSONNEL					
Custody Care (Jails)	4,820,239	151,145	4,971,384	19,422	0.39%
Grant Funded & Special Programs	599,571	-	599,571	11,790	1.97%
PLANNING	29,483,768	626,387	30,110,155	782,126	2.60%
POLICE					
Civilian	152,949,995	5,051,704	158,001,699	1,962,345	1.24%
Sworn	915,778,780	98,741,397	1,014,520,177	20,256,525	2.00%

The accompanying notes are an integral part of this schedule.

CITY OF LOS ANGELES, CALIFORNIA
Central Services Cost Allocation Plan 41
Schedule of Salary Base, Allocated Costs
And Rates Including Overtime by Department
Based on the Fiscal Year Ended June 30, 2017
To Be Applied in Fiscal Year 2018-2019

<u>DEPARTMENT/Cost Center</u>	<u>Salary Base</u>	<u>Overtime Salaries</u>	<u>Salary Base Including Overtime</u>	<u>Allocated Costs</u>	<u>Rates</u>
PUBLIC WORKS					
Board					
Public Services	\$ 965,088	\$ 4,371	\$ 969,459	\$ 43,825	4.52%
Contract Administration					
Construction Inspection	20,619,046	1,029,144	21,648,190	70,783	0.33%
Engineering					
Clean Water Infrastructure	32,403,373	108,177	32,511,550	287,201	0.88%
Development Services	11,420,557	295,908	11,716,465	135,971	1.16%
Mobility	17,363,217	287,976	17,651,193	384,836	2.18%
Public Buildings & Open Spaces	13,773,930	16,984	13,790,914	102,575	0.74%
Sanitation					
Solid Waste Program	96,330,278	12,039,813	108,370,091	11,909,347	10.99%
Cleanwater and Stormwater	110,202,660	4,621,114	114,823,774	4,243,276	3.70%
Street Lighting	22,728,375	1,217,087	23,945,462	76,114	0.32%
Street Services	72,076,041	11,394,924	83,470,965	16,158,661	19.36%
RECREATION AND PARKS	124,074,332	1,719,688	125,794,020	6,962,448	5.53%
TRANSPORTATION	111,297,771	16,563,755	127,861,526	3,539,881	2.77%
ZOO	15,845,793	148,783	15,994,576	232,446	1.45%

The accompanying notes are an integral part of this schedule.

CITY OF LOS ANGELES, CALIFORNIA
Fringe Benefits Cost Allocation Plan 41
Schedule of Salary Base,
Allocated Costs, and Rates by Department
Based on the Fiscal Year Ended June 30, 2017
To Be Applied in Fiscal Year 2018-2019

DEPARTMENT/Cost Center	Salary Base (Standard)	Salary Base (Special)	Allocated Costs	Rates
AGING				
Balance of Department	\$ 2,960,600	\$ 3,075,509	\$ 1,752,465	49.05%
Special Fund (Title V)	1,823,677	1,823,677	85,224	4.67%
ANIMAL SERVICES	19,301,841	19,824,833	12,330,910	59.99%
BUILDING and SAFETY	81,759,786	82,969,633	43,559,173	47.61%
CITY ADMINISTRATIVE OFFICER				
Proprietary, Capital Projects (Physical Plant)	1,556,253	1,556,253	710,118	39.13%
Disaster Grants Coordination	239,267	239,267	106,142	37.86%
CITY ATTORNEY				
Criminal	48,642,693	48,642,693	23,025,841	43.58%
Direct, at User's Site	15,009,833	15,009,833	6,690,997	40.82%
Direct, in City Space	4,706,224	4,706,224	2,081,527	40.48%
CITY CLERK				
Elections	3,599,897	4,811,323	2,439,827	68.10%
Special Assessment Section	1,091,410	1,091,410	605,839	57.00%
CONTROLLER				
Direct, at User's Site	810,149	810,149	459,401	49.86%
Direct, in City Space	919,197	919,197	499,843	47.53%
CULTURAL AFFAIRS	4,128,650	5,837,453	3,207,966	65.64%
DEPARTMENT on DISABILITY	1,499,370	1,499,370	859,696	48.62%
ECONOMIC and WORKFORCE DEVELOPMENT				
Balance of Department	12,271,614	12,271,614	6,547,991	45.31%
As Needed Employees	203,052	203,052		0.00%
EL PUEBLO de LOS ANGELES	1,029,050	1,298,950	841,054	81.74%
EMERGENCY MANAGEMENT				
Emergency Preparedness Policy & Public Information	991,653	991,653	484,543	46.47%

The accompanying notes are an integral part of this schedule.

CITY OF LOS ANGELES, CALIFORNIA
Fringe Benefits Cost Allocation Plan 41
Schedule of Salary Base,
Allocated Costs, and Rates by Department
Based on the Fiscal Year Ended June 30, 2017
To Be Applied in Fiscal Year 2018-2019

DEPARTMENT/Cost Center	Salary Base (Standard)	Salary Base (Special)	Allocated Costs	Rates
FINANCE				
Revenue Collections	\$ 19,855,039	\$ 20,330,551	\$ 11,224,284	52.29%
Cash Management and Investment	964,018	964,018	405,185	37.89%
FIRE				
Civilian	29,535,932	29,715,065	16,944,847	53.12%
Sworn	357,089,681	357,089,681	300,326,217	78.71%
GENERAL SERVICES				
Materials Testing	7,089,412	7,089,412	3,308,991	45.95%
Print Shop	2,405,838	2,405,838	1,341,428	55.03%
HOUSING + COMMUNITY INVESTMENT DEPARTMENT				
Grant Funded & Special Programs	18,425,581	18,585,822	9,473,672	44.05%
Enforcement	24,448,345	24,578,673	14,029,212	50.02%
Internal Administration	7,574,747	7,658,310	3,972,542	45.07%
LIBRARY	61,998,927	64,697,657	37,895,675	55.57%
CONVENTION & TOURISM DEVELOPMENT	1,241,028	1,241,028	939,253	68.38%
MAYOR				
Executive Policy	8,039,519	8,039,519	2,286,769	44.83%
Grant Funded & Special Programs	6,862,912	6,862,912	1,665,789	40.65%
NEIGHBORHOOD EMPOWERMENT	1,770,823	1,830,190	1,152,381	53.50%
PERSONNEL				
Custody Care (Jails)	3,889,688	4,820,239	2,388,874	57.39%
Grant-Funded & Special Programs	529,644	599,571	339,264	60.37%
PLANNING	29,171,043	29,483,768	15,770,309	45.03%
POLICE				
Civilian	152,514,942	152,514,942	78,084,165	49.28%
Sworn	903,836,898	915,778,780	704,792,090	75.81%

The accompanying notes are an integral part of this schedule.

CITY OF LOS ANGELES, CALIFORNIA
Fringe Benefits Cost Allocation Plan 41
Schedule of Salary Base,
Allocated Costs, and Rates by Department
Based on the Fiscal Year Ended June 30, 2017
To Be Applied in Fiscal Year 2018-2019

DEPARTMENT/Cost Center	Salary Base (Standard)	Salary Base (Special)	Allocated Costs	Rates
PUBLIC WORKS				
Board				
Public Services	\$ 965,088	\$ 965,088	\$ 485,954	47.41%
Contract Administration				
Construction Inspection	20,088,049	20,619,046	11,817,804	49.83%
Engineering				
Clean Water Infrastructure	32,322,571	32,322,571	15,159,745	44.31%
Development Services	11,383,201	11,383,201	5,402,843	44.88%
Mobility	17,174,457	17,363,217	7,921,423	43.52%
Public Buildings & Open Spaces	13,733,579	13,733,579	6,364,411	43.75%
Sanitation				
Solid Waste Program	90,741,955	96,330,278	57,284,351	56.59%
Cleanwater and Stormwater	108,799,685	110,202,660	60,263,970	49.17%
Street Lighting	20,873,093	22,728,375	11,820,835	48.56%
Street Services	70,517,514	72,076,041	42,310,350	55.09%
RECREATION AND PARKS	87,868,717	124,074,332	56,352,322	58.93%
TRANSPORTATION	107,039,746	111,297,771	65,745,229	55.92%
ZOO	14,225,533	15,845,793	9,384,803	60.85%

The accompanying notes are an integral part of this schedule.

CITY OF LOS ANGELES, CALIFORNIA
Fringe Benefits Cost Allocation Plan 41
Schedule of Salary Base, Allocated Costs,
And Rates Including Overtime by Department
Based on the Fiscal Year Ended June 30, 2017
To Be Applied in Fiscal Year 2018-2019

DEPARTMENT/Cost Center	Salary Base (Special)	Overtime	Salary Base Including Overtime	Allocated Costs	Rates
AGING					
Balance of Department	\$ 3,075,509	\$ 5,768	\$ 3,081,277	\$ 81,970	2.66%
Special Fund (Title V)	1,823,677	-	1,823,677	27,638	1.52%
ANIMAL SERVICES	19,824,833	216,346	20,041,179	1,364,820	6.81%
BUILDING and SAFETY	82,969,633	11,340,416	94,310,049	2,543,717	2.70%
CITY ADMINISTRATIVE OFFICER					
Proprietary, Capital Projects (Physical Plant)	1,556,253	1,464	1,557,717	24,389	1.57%
Disaster Grants Coordination	239,267	2,864	242,131	3,618	1.49%
CITY ATTORNEY					
Criminal	48,642,693	14,227	48,656,920	1,386,155	2.85%
Direct, at User's Site	15,009,833	80	15,009,913	403,902	2.69%
Direct, in City Space	4,706,224		4,706,224	119,593	2.54%
CITY CLERK					
Elections	4,811,323	423,696	5,235,019	181,630	3.47%
Special Assessment Section	1,091,410	2,569	1,093,979	22,630	2.07%
CONTROLLER					
Direct, at User's Site	810,149	2,399	812,548	15,777	1.94%
Direct, in City Space	919,197	5,720	924,917	17,260	1.87%
CULTURAL AFFAIRS	5,837,453	7,976	5,845,429	244,982	4.19%
DEPARTMENT on DISABILITY	1,499,370	9,178	1,508,548	24,119	1.60%
ECONOMIC and WORKFORCE DEVELOPMENT					
Balance of Department	12,271,614	77,096	12,348,710	390,523	3.16%
As Needed Employees	203,052	-	203,052	-	0.00%
EL PUEBLO de LOS ANGELES	1,298,950	11,364	1,310,314	31,875	2.43%
EMERGENCY MANAGEMENT					
Emergency Preparedness Policy & Public Information	991,653	24,314	1,015,967	32,159	3.17%

The accompanying notes are an integral part of this schedule.

CITY OF LOS ANGELES, CALIFORNIA
Fringe Benefits Cost Allocation Plan 41
Schedule of Salary Base, Allocated Costs,
And Rates Including Overtime by Department
Based on the Fiscal Year Ended June 30, 2017
To Be Applied in Fiscal Year 2018-2019

DEPARTMENT/Cost Center	Salary Base (Special)	Overtime	Salary Base Including Overtime	Allocated Costs	Rates
FINANCE					
Revenue Collections	\$ 20,330,551	\$ 127,638	\$ 20,458,189	\$ 880,081	4.30%
Cash Management and Investment	964,018	-	964,018	15,211	1.58%
FIRE					
Civilian	29,715,065	1,671,854	31,386,919	1,535,701	4.89%
Sworn	357,089,681	190,161,478	547,251,159	46,101,967	8.42%
GENERAL SERVICES					
Materials Testing	7,089,412	866,550	7,955,962	102,292	1.29%
Print Shop	2,405,838	192,696	2,598,534	113,123	4.35%
HOUSING + COMMUNITY INVESTMENT DEPARTMENT					
Grant Funded & Special Programs	18,585,822	25,776	18,611,598	295,996	1.59%
Enforcement	24,578,673	24,305	24,602,978	738,606	3.00%
Internal Administration	7,658,310	6,347	7,664,657	209,052	2.73%
LIBRARY	64,697,657	120,140	64,817,797	1,862,302	2.87%
CONVENTION & TOURISM DEVELOPMENT	1,241,028	-	1,241,028	263,882	21.26%
MAYOR					
Executive Policy	8,039,519	-	8,039,519	166,905	2.08%
Grant Funded & Special Programs	6,862,912	-	6,862,912	3,161	0.05%
NEIGHBORHOOD EMPOWERMENT	1,830,190	6,335	1,836,525	118,904	6.47%
PERSONNEL					
Custody Care (Jails)	4,820,239	151,145	4,971,384	171,874	3.46%
Grant Funded & Special Programs	599,571	-	599,571	23,223	3.87%
PLANNING	29,483,768	626,387	30,110,155	647,340	2.15%
POLICE					
Civilian	152,514,942	5,051,704	157,566,646	7,916,539	5.02%
Sworn	915,778,780	98,741,397	1,014,520,177	95,774,983	9.44%

The accompanying notes are an integral part of this schedule.

CITY OF LOS ANGELES, CALIFORNIA

Fringe Benefits Cost Allocation Plan 41
Schedule of Salary Base, Allocated Costs,
And Rates Including Overtime by Department
Based on the Fiscal Year Ended June 30, 2017
To Be Applied in Fiscal Year 2018-2019

DEPARTMENT/Cost Center	Salary Base (Special)	Overtime	Salary Base Including Overtime	Allocated Costs	Rates
PUBLIC WORKS					
Board					
Public Services	\$ 965,088	\$ 4,371	\$ 969,459	\$ 26,781	2.76%
Contract Administration					
Construction Inspection	20,619,046	1,029,144	21,648,190	712,521	3.29%
Engineering					
Clean Water Infrastructure	32,322,571	108,177	32,430,748	602,195	1.86%
Development Services	11,383,201	295,908	11,679,109	214,562	1.84%
Mobility	17,363,217	287,976	17,651,193	316,826	1.79%
Public Buildings & Open Spaces	13,733,579	16,984	13,750,563	253,396	1.84%
Sanitation					
Solid Waste Program	96,330,278	12,039,813	108,370,091	5,982,650	5.52%
Cleanwater and Stormwater	110,202,660	4,621,114	114,823,774	4,137,932	3.60%
Street Lighting	22,728,375	1,217,087	23,945,462	554,511	2.32%
Street Services	72,076,041	11,394,924	83,470,965	4,422,289	5.30%
RECREATION AND PARKS	124,074,332	1,719,688	125,794,020	7,804,748	6.20%
TRANSPORTATION	111,297,771	16,563,755	127,861,526	7,736,227	6.05%
ZOO	15,845,793	148,783	15,994,576	554,464	3.47%

The accompanying notes are an integral part of this schedule.

CITY OF LOS ANGELES, CALIFORNIA
Cost Allocation Plan 41
For Central Services and Fringe Benefits
Notes to Schedules
For the Fiscal Year Ended June 30, 2017

Note 1 - Accounting Policies

The City of Los Angeles (City) prepares its Cost Allocation Plan (CAP) in accordance with Title 2 in the Code of Federal Regulations (CFR), Subtitle A, Chapter II, Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards". The costs allocated in the Central Services and Fringe Benefits CAPs, except for pension and retirement costs (See Note 3), represent the actual costs incurred in fiscal year ended June 30, 2017 as reported in the City's accounting system, Financial Management System (FMS), adjusted by the "carryforward" amounts as described below. Costs reported in FMS are accounted for on the cash basis method of accounting. Actual costs incurred during fiscal year ended June 30, 2017 are then added to "carryforward" amounts, which represent the difference between the costs theoretically recovered in fiscal year ended June 30, 2017 and the costs entitled to be recovered in fiscal year ended June 30, 2017. The sum of the actual and carryforward costs (i.e., total allocated costs) is divided by departmental salary bases (see Notes 2 and 3) to calculate overhead rates for each department's cost center (see Note 4). Overhead rates are calculated for "direct" departments, which are departments that do not provide services to other City departments, and for "support" departments with direct cost objectives. Overhead rates of support departments are only calculated for the "direct" component of such departments.

Overhead rates presented in the accompanying schedules will be negotiated with the U.S. Department of Housing and Urban Development (HUD), the City's CAP cognizant agency. Final overhead rates to be applied in fiscal year ending June 30, 2019 will be developed, and approved by HUD based upon this negotiation process. During the fiscal year ended June 30, 2018, HUD contracted with the U.S. Department of Health and Human Services (HHS) to negotiate the overhead rates. It is expected HHS will continue to perform the negotiation of the City's CAP for fiscal year ending June 30, 2019.

Note 2 - Central Services CAP – Salary Bases and Overhead Rates

The Central Services overhead rates are calculated and presented under two different methods:

- The first method utilizes a denominator of total salaries excluding overtime.
- The second method uses a denominator of total salaries including overtime.

Total salaries include salaries for all City employees included in each department's respective cost centers. The overhead rates determined using total salaries excluding overtime are utilized for a majority of grant projects. For certain Federal and/or State projects, overhead rates using total salaries including overtime are allowed. Overtime rates were created with overtime costs in the salary base; costs allocated included gas (natural gas utility), petroleum products, water & electricity, and communication lease.

Note 3 - Fringe Benefits CAP - Salary Bases and Overhead Rates

The Fringe Benefits overhead rates are calculated and presented under two different methods:

- The first method utilizes three salary bases:
 - 1) The standard Fringe Benefits salary base, which does not include overtime, represents total salaries subject to retirement. Salaries subject to retirement equal total salaries less part-time and temporary employees' salaries.

CITY OF LOS ANGELES, CALIFORNIA
Cost Allocation Plan 41
For Central Services and Fringe Benefits
Notes to Schedules
For the Fiscal Year Ended June 30, 2017
(Continued)

Note 3 - Fringe Benefits CAP - Salary Bases and Overhead Rates (Continued)

- 2) The special salary base is equal to the standard Fringe Benefits salary base unless the amount of part-time and temporary employees' salaries exceed 0.5% of the total salary base, in which case the salary base is then adjusted to include salaries for all employees (total salaries), including part-time and temporary employees.
 - 3) The fringe benefit salary base for Retirement Benefits for civilian employees is arrived at differently from all other cost elements. The information source used for that cost pool is the latest Budget Estimate for the coming fiscal year. To calculate the Retirement portion of the Fringe Benefit rate, the salary base (denominator of rate formula) must be from the same time period as the cost information (i.e. the upcoming fiscal year). Since all other salaries are based on actual payroll from the previous fiscal year, the salary base for Retirement must be prepared separately. The source of those civilian salaries is the Budget Estimate information provided by the City Administrative Officer.
- The second method uses a denominator of the special salary base plus overtime.

The overhead rates determined using the standard salary base, special salary base, and the fiscal year ending June 30, 2019, proposed salary base are utilized for a majority of grants projects. For certain Federal and/or State projects, overhead rates using a salary base including overtime are allowed. Overtime rates were created with overtime costs in the salary base. Costs allocated included Workers' Compensation, Medicare, and Unemployment.

The Fringe Benefits overhead rates computed with salary bases, which do not include overtime, are determined by calculating the Fringe Benefits rates for each individual cost pool (i.e., retirement, pensions, health insurance, etc.) and aggregating such rates to determine the final Fringe Benefits overhead rate for each department/cost center presented in the accompanying schedule. These individual cost pool rates, except for those relating to Medicare, Workers' Compensation, and Unemployment, are calculated by dividing the individually allocated cost pool costs by the standard Fringe Benefits salary base. The Medicare, Workers' Compensation, and Unemployment individual cost pool rates are calculated by dividing the allocated Medicare, Workers' Compensation, and Unemployment costs by the special salary base.

As in the prior year's CAP, Fire and Police Pension System costs are based on estimated rather than actual amounts. The Fire and Police Pension System is the City's pension system for all sworn police, fire, and paramedic employees. The City contributes to the Fire and Police Pension System in conformance with the requirements of the City Charter, Articles 17, 18 and 35. This estimate represents the pension costs in the City's fiscal year ending June 30, 2019, budget. Historically, actual expenditures have approximated the budgeted amount.

A budget-based estimate is used rather than using actual costs from the two-year fiscal year, because the method of determining the amount of pension contribution to be paid by the City is based on actuarial computations and investment performance results, which may vary dramatically from year to year. Therefore, this cost is not at all well predicted by the actual costs from the prior fiscal periods.

CITY OF LOS ANGELES, CALIFORNIA
Cost Allocation Plan 41
For Central Services and Fringe Benefits
Notes to Schedules
For the Fiscal Year Ended June 30, 2017
(Continued)

Note 3 - Fringe Benefits CAP - Salary Bases and Overhead Rates (Continued)

To be consistent with the estimate used for the pension costs, the City used an estimate for the Police and Fire sworn salary rate base for the Pension cost pool in the Fringe Benefits rate computation. This salary estimate is based on the salaries in the City's fiscal year ending June 30, 2019, budget.

Note 4 - Cost Centers and Cost Categories

Cost centers and cost categories are constantly reviewed for changes and updates in order to more accurately allocate costs to the proper organizational units, and to accommodate the inclusion of allowable but heretofore unrecovered costs.

The following are changes from CAP 40 to CAP 41.

1. The Flex Benefit Program has been renamed **LAWELL**.
2. The Emergency Preparedness Department is re-named the **Emergency Management Department**.
3. The **General Services Department (GSD)** renamed one of their programs from Supply Services to Supply Management. The cost center name is now **Supply Management**.
4. In the **Information Technology Agency (ITA)**, various programs have undergone name changes in the past few years. CAP cost pool names are revised to reflect the most current names.
 - a. **IT Services** remains an appropriate summary name for the various programs operating in this group.
 - b. The Communications Division is renamed **Communication Services**, as it is more descriptive of the service nature of this group, and it is the name that already exists in most of the CAP files. This group manages communication devices such as telephones and radio, and the Communication Services budgetary account. This account covers the City's telephone bill, along with various other leased communication systems, and is allocated separately in the CAP via the **Communication Leases** cost pool.
 - c. The Telecommunications Division is renamed **Channel 35**. ITA has reorganized their divisions and no longer uses the Telecommunications name. **Channel 35** is the City's cable television channel, and staff produces and airs City Council meetings and other Civic events. A portion of this cost pool provides direct services to the public. The direct portion (as reported by ITA) continues to be allocated to Other to avoid allocation to City departments.
5. A separate cost pool named **Audit Contracts, Controller**, for Internal Audit contracts in the Controller's Office was established. It is similar to Depreciation and Leases, as these costs should not be allocated any supporting costs from indirect cost pools. This cost pool was established at the request of the federal negotiator.
6. The **Emergency Operations Board (EOB)** is restored as an indirect cost pool in CAP 41, as we now have data to support allocations of their costs to benefitting cost centers. This City entity does not have any staff. It consists of representatives of various City departments, chaired by the Chief of Police, which direct the approximately \$1,000,000 expenditures out of the Emergency Operations Fund. The

CITY OF LOS ANGELES, CALIFORNIA
Cost Allocation Plan 41
For Central Services and Fringe Benefits
Notes to Schedules
For the Fiscal Year Ended June 30, 2017
(Continued)

Note 4 - Cost Centers and Cost Categories (Continued)

City's Emergency Management Department duties include coordinating the responsibilities of the EOB and the departments affiliated with the EOB. As such, the Emergency Management Department's report of staff time and effort is applicable and would be a reasonable basis to allocate the EOB costs. The carry forward is adjusted to account for this change.

7. **City Attorney Employee Relations** costs are now allocated based on the time attributed to each cost center instead of by hours per cost center, as their work order system is a better indicator of the time spent with each cost center. The carryforward is adjusted to account for this change.

Note 5 – Central Services CAP – Cost Allocation Bases

The City developed a Central Services CAP to allocate indirect City overhead costs to City departments. The bases used to allocate these costs are as follows:

<u>COST CATEGORY</u>	<u>COST ALLOCATION BASIS</u>
Audit Contracts, Controller	Report of contract expenditures for outside auditors from the Office of the City Controller.
Building Lease	Report of expenditures from the Department of General Services (GSD) Property Management account, plus Public Works Financial Management and Personnel Services report of lease payments from special funds by department.
Building Depreciation	Based on GAAP Depreciation expenses net of federal funding and allocated to departments based on square feet occupied. Library, Recreation & Parks, and Zoo allocations have been reduced to include only that portion of building which are used for administrative purpose.
Communications Lease	Information Technology Agency's report by department of leased services costs.
Computer Assets Depreciation	Based on GAAP Depreciation expenses net of federal funding by department. In CAP 40, the threshold was lowered to \$5,000 from \$250,000.
Equipment Expense Under \$5,000	Actual expenditures from department equipment accounts.
Equipment Depreciation	GAAP depreciation expenses net of federal funding by department.

CITY OF LOS ANGELES, CALIFORNIA
Cost Allocation Plan 41
For Central Services and Fringe Benefits
Notes to Schedules
For the Fiscal Year Ended June 30, 2017
(Continued)

Note 5 – Central Services CAP – Cost Allocation Bases (Continued)

<u>COST CATEGORY</u>	<u>COST ALLOCATION BASIS</u>
Gas (Utilities Expenditures)	Based on gas company billings itemized by building, then allocated by square footage occupied by each department.
General City Purposes	Equivalent personnel, all departments, reduced for proprietary departments who do not benefit from annual City audit.
Insurance	Occupancy by each department in insured space, and assignment of insured equipment.
Internal Service Units (ISU) Fringe Benefits	Cost of Fringe Benefits for indirect cost pools, determined by the Fringe Benefit Plan step-down report.
Liability Claims	Based on actual payments authorized by the City Attorney.
Petroleum Products	GSD's record of usage by each department.
Vehicle Depreciation	GAAP depreciation expenses net of federal funding by department.
Water and Electricity	Report of GSD's payments itemized by building, then allocated by square footage occupied by each department.
Emergency Operations Board	Emergency Management Department's report of staff time and effort.
City Administrative Officer (CAO)	
Budget	CAO report of staff time and effort. Five percent (5%) is allocated to "Council, City Administration."
Employee Relations	CAO timekeeping records, remainder by equivalent personnel, to all departments except Department of Water & Power (DWP).
General Support	Equivalent personnel, excluding the proprietary Departments.
Management & Policy Analysis and Department Liaison	CAO timekeeping records.
Municipal Facilities	Average of Building Depreciation for single and multiple department uses.
Internal Admin.	Departmental analysis of administrative support provided to each cost center.

CITY OF LOS ANGELES, CALIFORNIA
Cost Allocation Plan 41
For Central Services and Fringe Benefits
Notes to Schedules
For the Fiscal Year Ended June 30, 2017
(Continued)

Note 5 – Central Services CAP – Cost Allocation Bases (Continued)

<u>COST CATEGORY</u>	<u>COST ALLOCATION BASIS</u>
City Attorney	
Civil Litigation & Workers' Compensation	City Attorney report of staff time and effort for the Civil Liability Section combined with the report of Workers' Compensation claims paid.
Employee Relations	City Attorney report of staff time and effort, excluding the Airports, Harbor and Water and Power.
Municipal Counsel & Legislative Services	City Attorney report of staff time and effort.
Land Use	City Attorney report of staff time and effort.
Police Division	Allocated entirely to Police Department.
Internal Admin.	Departmental analysis of administrative support provided to each cost center.
City Clerk	
Council & Public Services	Allowable portion is allocated to the Council, the Mayor, and to all departments, based on the City Clerk's report on staff time and effort. Portion serving departments are allocated based on equivalent personnel. Direct portion is allocated to "Other."
Records Management	Count of boxes stored in the records center, which represents the amount of space occupied by each department's records.
Internal Admin.	Departmental analysis of administrative support provided to each cost center.
City Ethics Commission	Ethics Commission report of staff time and effort.
Controller	
Accounts Payable	Weighted average of Payment Voucher (PV) line items, PV Receivers and Revenue Refund Line Items.
Budget and General Accounting	Average of transactions count distributed among all departments.
Cost Allocation Plan	Cost pool is allocated evenly among all cost centers.
FMS	Count of documents keyed into FMS.

CITY OF LOS ANGELES, CALIFORNIA
Cost Allocation Plan 41
For Central Services and Fringe Benefits
Notes to Schedules
For the Fiscal Year Ended June 30, 2017
(Continued)

Note 5 – Central Services CAP – Cost Allocation Bases (Continued)

<u>COST CATEGORY</u>	<u>COST ALLOCATION BASIS</u>
Controller (Continued)	
Internal Audit	Department record of audit hours, adjusted to exclude Internal Audit costs disallowed under the revised Code of Federal Regulations, starting in CAP 40.
Payroll/Fiscal Systems	Equivalent personnel, with no allocation to DWP.
Single Audit	Cost pool is allocated in two parts. One portion is allocated by actual grant funds received by departments as stated in the "Schedule of Grant Receipts and Recovered Indirect Costs." The remainder is allocated to other Controller cost centers. The split between these two portions is based on the actual documented work done by the section.
Internal Admin.	Departmental analysis of administrative support provided to each cost center.
Emergency Management	
City Dept. Emergency Management Coordination	Emergency Management Department report of staff time and effort.
Internal Admin.	Departmental analysis of administrative support provided to each cost center.
Employee Relations Board	Equivalent personnel, all departments.
Finance	
Citywide Collections	Based on number of active and completed accounts in each department as reported by the Office of Finance.
Cash & Debt Administration	The Cash Administration cost pool is allocated to the City departments based on work orders, number of cash receipts processed, number of outgoing wires issued, number of ACHs issued, and actual bank fees by department. The Debt Administration cost pool is allocated based on bond value and number of coupons/bonds issued by department.
Internal Admin.	Departmental analysis of administrative support provided to each cost center.
General Services (GSD)	
Assets Management & Leasing	An average of three statistics: Building Depreciation - Single, Building Depreciation - Multiple, and Building Leases.

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Cost Allocation Plan 41
For Central Services and Fringe Benefits
Notes to Schedules
For the Fiscal Year Ended June 30, 2017
(Continued)

Note 5 – Central Services CAP – Cost Allocation Bases (Continued)

<u>COST CATEGORY</u>	<u>COST ALLOCATION BASIS</u>
General Services (GSD) (Continued)	Based on actual costs incurred, split out by building and benefiting department.
Building Services	
Construction Projects	Report of maintenance project costs from GSD Construction Division.
Fleet Services	GSD Vehicle Management System records of service provided.
Mail and Messenger Services	Report of postage costs maintained by General Services.
Parking Services	Square footage of space occupancy in City buildings having nearby City parking lots.
Supply Management	Proportional cost reports from GSD combining purchasing order amounts and warehousing costs.
Internal Admin.	Departmental analysis of administrative support provided to each cost center.
Information Technology Agency (ITA)	
IT Services	Work order report of costs by department.
Communications Services	Work order report of costs by department.
Channel 35	ITA records of staff time and effort.
Internal Admin.	Departmental analysis of administrative support provided to each cost center.
Mayor	
Internal Admin.	Departmental analysis of administrative support provided to each cost center.
Personnel	
Support Services	Equivalent personnel, all departments with weights assigned to civilian and sworn, and allocations to DWP reduced to acknowledge that DWP provides certain support services in-house.

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Cost Allocation Plan 41
For Central Services and Fringe Benefits
Notes to Schedules
For the Fiscal Year Ended June 30, 2017
(Continued)

Note 5 – Central Services CAP – Cost Allocation Bases (Continued)

<u>COST CATEGORY</u>	<u>COST ALLOCATION BASIS</u>
Personnel (Continued)	
Workers' Comp. & Safety	Report of Workers' Compensation awards provided by Personnel Department with weights assigned to civilian and sworn.
Internal Admin.	Departmental analysis of administrative support provided to each cost center.
Police	
Security Services, Sworn & Civilian	Report from Police Department detailing staffing and contract payments for security services at City buildings. Allocated to departments based on square footage occupied in these buildings.
Internal Admin.	Departmental analysis of administrative support provided to each cost center.
Public Works, Board Office	
Commission & Department Management	Equivalent Personnel allocated to Public Works Bureaus and offices only.
Financial Mgt. & Personnel Services	Equivalent Personnel allocated to Public Works Bureaus and offices only.
Board Office, Internal Admin.	Board Office analysis of administrative support provided to each cost center.
Public Works, Contract Administration	
Office of Contract Compliance	Contract Administration report of staff time and effort.
Con. Admin., Internal Admin.	Bureau analysis of administrative support provided to each cost center.
Pensions, Police and Fire, Overhead	Full-time equivalent personnel for Fire Sworn and Police Sworn. This cost pool contains only the overhead costs allocated to Pensions. Pensions' costs are in Fringe Benefits.
City Employees Retirement System (CERS) Overhead	Full-time equivalent personnel excluding Police and Fire, Sworn, Airports, Harbor, and DWP. This cost pool contains only the overhead costs allocated to CERS. Retirement costs are in Fringe Benefits.

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Cost Allocation Plan 41
For Central Services and Fringe Benefits
Notes to Schedules
For the Fiscal Year Ended June 30, 2017
(Continued)

Note 6 – Fringe Benefits CAP – Cost Allocation Bases

<u>COST CATEGORY</u>	<u>COST ALLOCATION BASIS</u>
Retirement	"Salaries Subject to Retirement" as included in the Budget Estimate for all civilian employees.
Pensions	"Salaries Subject to Pensions" as included in the Budget Estimate for sworn Police and Fire personnel.
LAWELL Program	Allocated to departments based on full time equivalent personnel by department of personnel receiving these benefits (formerly Flex Benefits program prior to CAP 41).
Employee Assistance	Allocated to Police and Fire Sworn cost centers based on amounts provided by Personnel. Allocated to all civilian employees based on total full time equivalent personnel.
Ordinance Life Insurance	Allocated to departments based on the amount of premiums paid.
Medicare	Allocated to departments based on payroll records of Medicare payments by department.
Social Security	Allocated to departments based on payroll records of Social Security payments by department. Direct departments are excluded from the allocation, except Aging Title V, EWDD As Needed, and Fire and Police Sworn employees.
Part Time, Seasonal Temporary (PST)	Allocated to departments based on payroll records of PST payments by department. Direct departments are excluded from the allocation, except Aging Title V, EWDD As Needed, and Fire and Police Sworn employees.
Union Sponsored Benefits	Allocated to departments based on Personnel Department records of payments by Memorandum of Understanding groups. Allocations to cost centers in multiple cost center departments are based on bargaining unit membership.
Unused Sick/Vacation	Allocated to departments based on payroll records of payments by department.
Unemployment Insurance	Allocation is based on Personnel Department records of claim payments.

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Cost Allocation Plan 41
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Notes to Schedules
For the Fiscal Year Ended June 30, 2017
(Continued)

Note 6 – Fringe Benefits CAP – Cost Allocation Bases (Continued)

<u>COST CATEGORY</u>	<u>COST ALLOCATION BASIS</u>
Workers' Compensation	Personnel Department database report of claim payments per department. Allocations to cost centers in multiple cost center departments are based on equivalent personnel in office-work type cost centers. For departments with field workers, departments identify the cost center involved.
Hiring Hall Fringe Benefits	Allocated to departments based on expenditures in departmental Hiring Hall Fringe Benefits Accounts. Direct departments are excluded from the allocation.