



Legislation Text

File #: 08-1786, **Version:** 1

Chief Administrative Office recommending the Board suspend Board of Supervisors Policy B-8, "Intra-County Service Charges Policy" and direct the Chief Administrative Officer and Auditor-Controller to implement a centralized process for the review and approval of intra-county service charges under the responsibility of the Auditor-Controller.

RECOMMENDED ACTION: Approve.

Fiscal Impact/Change to Net County Cost: None

Background/Reason for Recommendation:

The stated purpose of Policy B-8 is to set forth "procedures for an annual review, coordinated by a steering committee, of intra-county charges (direct and A-87) to be used in the development of the annual budget."

To that end, the Policy established a committee, chaired by the Chief Administrative Office and comprised of staff from the Auditor-Controller's Office and other County departments. The committee's duties include determining whether services should be direct charged or allocated via the A-87 cost allocation process, reviewing and recommending methodologies for direct charging between departments, conducting cost analyses for changes in service levels, and advising departments on fee development.

After a review of Policy B-8, the Chief Administrative Officer and Auditor-Controller have determined that it would be more efficient to centralize the activities outlined in Policy B-8 in the office of the Auditor-Controller. The A-87 cost allocation process is already centralized in the Auditor's Office, and the Auditor's staff possesses the cost accounting expertise necessary to evaluate rate proposals. In addition, a centralized process would conserve the time of the other committee members.

It is recommended that the Board suspend Policy B-8 to allow for a trial and evaluation period for a centralized process. Rate proposals for the current fiscal year and FY 2009-10 will be prepared by departments for review and approval by the Auditor-Controller. The CAO and the Auditor will evaluate the process and return with further recommendations, which may include repealing Policy B-8 and replacing it with a new policy reflecting the new process.

Action to be taken following Board approval:

The CAO will work with the Auditor to define a process for FY 09/10 and communicate the process to departments. The CAO will return to the Board early in FY 2009-10 with an evaluation of the process and any recommendations.

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