



MULTNOMAH COUNTY, OREGON

**INDIRECT COST RATES
and
COUNTYWIDE COST ALLOCATION PLAN**

FOR THE FISCAL YEAR ENDED JUNE 30, 2008
(Based on the Year Ending June 30, 2006)

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The rates contained in this document are applicable to grants in existence during the fiscal year beginning July 1, 2007 and ending June 30, 2008.

Questions regarding the contents of the proposal should be directed to Cara Fitzpatrick.

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INDIRECT COST RATES

EXPLANATION OF THE INDIRECT COST RATES

The Federal government recognizes that County Organizations incur identifiable overhead costs in support of grants and contracts.

Costs are categorized in two ways. The first establishes support costs internal to individual departments within the County and the other identifies countywide support costs.

Central Service Cost Allocation: The Central Service Cost Allocation Plan identifies and distributes the cost of services provided by County support organizations (i.e., Budget, Auditor) to those County departments (Health, Sheriff, etc.) awarded grants or contracts as a flat county-wide central service rate.

Departmental Indirect Cost Rates: Each department has a rate based on departmental administrative costs incurred within the organization. Only costs not charged directly to grants are included in the departmental rates.

Combined Indirect Cost Rates: These are the indirect rates that each department may charge to grants.

NOTE: In fiscal year 2005 and 2006 the County implemented a Shared Service Organization (County Business Services (CBS)) where the costs for Human Resources, Labor Relations, Affirmative Action along with Finance functions for Accounts Payable, Payroll, SAP Support, and Purchasing and Contracts were included in a County Business Services internal service fund and not part of the Central Indirect Cost Allocation Plan. In fiscal year 2007 management reorganized and the shared service organization no longer exists. The costs from CBS are now accounted for in the general fund and included in the calculation for the County's Central Service Indirect Cost Rate.

MULTNOMAH COUNTY
2007-2008 SUMMARY OF OMB A-87 INDIRECT COST RATES

RATES AS CALCULATED (USE FOR ALL GRANTS)

Grantee	Page #	Combined Indirect Cost Rates	Departmental Indirect Cost Rates	Central Service Indirect Cost Rate
County Human Services	3	4.35%	2.06%	2.29%
Community Justice	5	8.04%	5.75%	2.29%
Health Services	7	8.63%	6.34%	2.29%
District Attorney	9	6.24%	3.95%	2.29%
Sheriff's Office	11	7.16%	4.87%	2.29%
Community Services	13	3.55%	1.26%	2.29%
Other County	15	2.29%	0.00%	2.29%
Library Services	17	2.85%	0.56%	2.29%

COMPUTATION OF INDIRECT COST RATE

COUNTY HUMAN SERVICES

ORGANIZATIONAL COST CATEGORIES

Organizational Units	Not Allowable	Indirect	All Other	Total
Administration & Planning	\$ -	\$ 3,256,020	\$ -	\$ 3,256,020
All Other	4,265,735	961,036	205,118,331	210,345,101
Totals	\$ 4,265,735	\$ 4,217,056	\$ 205,118,331	\$ 213,601,121

RATE CALCULATION

Department

Indirect	<u>\$ 4,217,056</u>	=	2.06%
All Other	\$ 205,118,331		

Central Services Flat Rate

Indirect	<u>\$ 18,410,704</u>	=	2.29%
All Other	\$ 802,810,485		

Total Rate

<u><u>4.35%</u></u>

DETAIL OF DEPARTMENTAL INDIRECT

COUNTY HUMAN SERVICES

Total actual admin Personal Services: \$ 4,735,669

Total actual admin M&S less unallowable: \$ 962,601

Job Number	Position Description	Personal Services	Materials & Services	Admin & Planning	All Other
9006	Administrative Analyst	\$ 84,849	\$ 17,247	\$ 102,096	\$ -
6026	Budget Analyst	86,152	17,512	103,664	-
6015	Contract Specialist	430,585	87,523	518,108	-
6011	Contract Tech	16,647	3,384	-	20,031
9610	Department Director 1	221,283	44,979	266,262	-
9336	Finance Manager	26,349	5,356	31,705	-
6029	Finance Specialist 1	264,259	53,715	-	317,974
6030	Finance Specialist 2	274,805	55,859	330,664	-
6032	Finance Specialist Sr	112,681	22,904	135,585	-
9335	Finance Supervisor	26,398	5,366	31,764	-
9670	Human Resources Analyst 2	124,736	25,355	150,091	-
9748	Human Resources Analyst Sr	99,958	20,318	120,276	-
9715	Human Resources Manager 1	82,013	16,670	98,683	-
9621	Human Resources Manager 2	92,616	18,826	111,442	-
6101	Human Resources Tech	65,922	13,399	-	79,321
6001	Office Assistant 2	92,381	18,778	-	111,159
6002	Office Assistant Sr	206,802	42,036	-	248,838
9720	Operations Administrator	18,020	3,663	-	21,683
6021	Program Development Spec	88,260	17,940	106,200	-
6088	Program Development Spec Sr	82,394	16,748	99,142	-
9615	Program Manager 1	226,281	45,995	272,276	-
9360	Program Manager 2	266,363	54,142	320,505	-
9362	Program Manager Sr	164,196	33,375	197,571	-
9361	Program Supervisor	103,508	21,040	124,548	-
6063	Project Manager - Represented	1,387	282	1,669	-
9116	Public Affairs Coordinator	865	176	1,041	-
6085	Research/Eval Analyst 1	134,202	27,279	-	161,481
6086	Research/Eval Analyst 2	78,512	15,959	94,471	-
6087	Research/Eval Analyst Sr	880	179	1,059	-
9043	Research/Eval Analyst Sr NR	30,914	6,284	37,198	-
8000	Temporary Worker	456	93	-	549
Total		\$ 3,504,674	\$ 712,382	\$ 3,256,020	\$ 961,036

COMPUTATION OF INDIRECT COST RATE

COMMUNITY JUSTICE

ORGANIZATIONAL COST CATEGORIES

Organizational Units	Not Allowable	Indirect	All Other	Total
Administration & Planning	\$ -	\$ 3,002,548	\$ -	\$ 3,002,548
All Other	3,285,543	875,220	67,395,686	71,556,449
Totals	\$ 3,285,543	\$ 3,877,768	\$ 67,395,686	\$ 74,558,997

RATE CALCULATION

Department

Indirect	<u>\$ 3,877,768</u>	=	5.75%
All Other	\$ 67,395,686		

Central Services Flat Rate

Indirect	<u>\$ 18,410,704</u>	=	2.29%
All Other	\$ 802,810,485		

Total Rate			<u><u>8.04%</u></u>
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DETAIL OF DEPARTMENTAL INDIRECT

COMMUNITY JUSTICE

Total actual admin Personal Services: \$ 3,634,694

Total actual admin M&S less unallowable: \$ 1,214,046

Job Number	Position Description	Personal Services	Materials & Services	Admin & Planning	All Other
6054	Administrative Assistant	\$ 104,472	\$ 34,895	\$ -	\$ 139,367
6005	Administrative Secretary	24,456	8,169	-	32,625
6026	Budget Analyst	182,189	60,854	243,043	-
6112	Buyer 1	59,688	19,937	-	79,625
9620	Community Justice Manager	19,755	6,599	26,354	-
6015	Contract Specialist	165,019	55,119	220,138	-
6073	Data Analyst	50,464	16,856	-	67,320
9610	Department Director 1	181,460	60,611	242,071	-
6029	Finance Specialist 1	185,525	61,968	-	247,493
6030	Finance Specialist 2	145,324	48,540	193,864	-
9335	Finance Supervisor	104,503	34,906	139,409	-
9670	Human Resources Analyst 2	180,336	60,235	240,571	-
9748	Human Resources Analyst Sr	96,514	32,236	128,750	-
9621	Human Resources Manager 2	111,086	37,104	148,190	-
6101	Human Resources Tech	98,237	32,813	-	131,050
9710	Management Assistant	110,877	37,035	147,912	-
6001	Office Assistant 2	79,399	26,520	-	105,919
6021	Program Development Spec	165,589	55,309	220,898	-
6020	Program Development Tech	41,746	13,944	-	55,690
9360	Program Manager 2	131,959	44,077	176,036	-
9362	Program Manager Sr	445,369	148,760	594,129	-
6085	Research/Eval Analyst 1	12,092	4,039	-	16,131
6086	Research/Eval Analyst 2	114,629	38,288	152,917	-
9041	Research/Eval Supervisor	96,150	32,116	128,266	-
Total		\$ 2,906,838	\$ 970,930	\$ 3,002,548	\$ 875,220

COMPUTATION OF INDIRECT COST RATE

HEALTH SERVICES

ORGANIZATIONAL COST CATEGORIES

Organizational Units	Not Allowable	Indirect	All Other	Total
Administration & Planning	\$ -	\$ 4,424,461	\$ -	\$ 4,424,461
All Other	8,233,529	2,095,498	102,854,382	113,183,409
Totals	\$ 8,233,529	\$ 6,519,959	\$ 102,854,382	\$ 117,607,870

RATE CALCULATION

Department

Indirect	<u>\$ 6,519,959</u>	=	6.34%
All Other	\$ 102,854,382		

Central Services Flat Rate

Indirect	<u>\$ 18,410,704</u>	=	2.29%
All Other	\$ 802,810,485		

Total Rate

<u><u>8.63%</u></u>

DETAIL OF DEPARTMENTAL INDIRECT**HEALTH SERVICES**

Total actual admin Personal Services: \$ 5,146,849

Total actual admin M&S less unallowable: \$ 1,395,871

Job Number	Position Description	Personal Services	Materials & Services	Admin & Planning	All Other
9005	Administrative Analyst Sr	\$ 42,074	\$ 11,411	\$ 53,485	\$ -
6005	Administrative Secretary	216,249	58,649	-	274,898
6026	Budget Analyst	88,997	24,137	113,134	-
6112	Buyer 1	126,179	34,221	-	160,400
6015	Contract Specialist	187,867	50,951	238,818	-
9610	Department Director 1	178,856	48,507	227,363	-
9619	Deputy Director	144,427	39,170	183,597	-
6016	Facilities Specialist 3	5,327	1,445	6,772	-
9336	Finance Manager	115,903	31,434	147,337	-
6029	Finance Specialist 1	155,641	42,211	-	197,852
6030	Finance Specialist 2	287,769	78,046	365,815	-
9335	Finance Supervisor	433,143	117,472	550,615	-
6027	Finance Technician	633,495	171,809	-	805,304
9550	Health Officer	205,390.52	55,704.00	261,094.52	-
9692	Health Operations Supervisor	54,464	14,771	-	69,235
9693	Health Services Administrator	224,010	60,754	284,764	-
9695	Health Services Manager Sr	340,331	92,301	432,632	-
9696	Health Services Specialist	226,157	61,336	-	287,493
9080	Human Resources Analyst 1	147,242	39,933	187,175	-
9670	Human Resources Analyst 2	84,139	22,819	106,958	-
9748	Human Resources Analyst Sr	271,099	73,524	344,623	-
9621	Human Resources Manager 2	126,447	34,293	160,740	-
6001	Office Assistant 2	142,369	38,612	-	180,981
6002	Office Assistant Sr	54,591	14,806	-	69,397
9798	Principal Investigator	13,827	3,750	17,577	-
7232	Production/Graphic Design	25,527	6,923	32,450	-
6200	Program Comm & Web Design	75,807	20,560	96,367	-
9361	Program Supervisor	116,784	31,673	148,457	-
6086	Research/Eval Analyst 2	202,746	54,986	257,732	-
6087	Research/Eval Analyst Sr	47,654	12,924	60,578	-
9041	Research/Eval Supervisor	115,148	31,229	146,377	-
8000	Temporary Worker	39,284	10,654	-	49,938
Total		\$ 5,128,944	\$ 1,391,015	\$ 4,424,461	\$ 2,095,498

COMPUTATION OF INDIRECT COST RATE

DISTRICT ATTORNEY

ORGANIZATIONAL COST CATEGORIES

Organizational Units	Not Allowable	Indirect	All Other	Total
Administration & Planning	\$ -	\$ 652,391	\$ -	\$ 652,391
All Other	818,830	171,005	20,841,678	21,831,513
Totals	\$ 818,830	\$ 823,396	\$ 20,841,678	\$ 22,483,904

RATE CALCULATION

Department

Indirect	<u>\$ 823,396</u>	=	3.95%
All Other	\$ 20,841,678		

Central Services Flat Rate

Indirect	<u>\$ 18,410,704</u>	=	2.29%
All Other	\$ 802,810,485		

Total Rate

<u><u>6.24%</u></u>

DETAIL OF DEPARTMENTAL INDIRECT

DISTRICT ATTORNEY

Total actual admin Personal Services: \$ 1,251,615

Total actual admin M&S less unallowable: \$ 626,270

Job Number	Position Description	Personal Services	Materials & Services	Admin & Planning	All Other
6112	Buyer 1	\$ 61,720	\$ 30,883	\$ -	\$ 92,603
9450	Chief Deputy DA	176,971	88,551	265,522	-
6029	Finance Specialist 1	52,255	26,147	-	78,402
6030	Finance Specialist 2	56,974	28,508	85,482	-
9335	Finance Supervisor	96,063	48,066	144,129	-
9452	IT Manager	104,813	52,445	157,258	-
Total		\$ 548,796	\$ 274,600	\$ 652,391	\$ 171,005

COMPUTATION OF INDIRECT COST RATE

SHERIFF'S OFFICE

ORGANIZATIONAL COST CATEGORIES

Organizational Units	Not Allowable	Indirect	All Other	Total
Administration & Planning	\$ -	\$ 3,046,899	\$ -	\$ 3,046,899
All Other	2,715,331	1,522,859	93,757,709	97,995,899
Totals	\$ 2,715,331	\$ 4,569,758	\$ 93,757,709	\$ 101,042,798

RATE CALCULATION

Department

Indirect	<u>\$ 4,569,758</u>	=	4.87%
All Other	\$ 93,757,709		

Central Services Flat Rate

Indirect	<u>\$ 18,410,704</u>	=	2.29%
All Other	\$ 802,810,485		

Total Rate

<u><u>7.16%</u></u>

DETAIL OF DEPARTMENTAL INDIRECT

SHERIFF'S OFFICE

Total actual admin Personal Services: 6,276,316.58

Total actual admin M&S less unallowable: 1,473,788.11

Job Number	Position Description	Personal Services	Materials & Services	Admin & Planning	All Other
6033	Administrative Analyst	\$ 173,677	\$ 40,782	\$ 214,459	\$ -
6005	Administrative Secretary	67,720	15,902	-	83,622
6112	Buyer 1	67,503	15,851	-	83,354
9627	Captain	278,767	65,459	344,226	-
9625	Chief Deputy	281,519	66,106	347,625	-
2029	Corrections Officer	58,698	13,783	-	72,481
4055	Corrections Sgt	252,394	59,267	-	311,661
1136	Deputy Sheriff 3 LG14	54,601	12,821	-	67,422
9460	Executive Assistant	122,756	28,825	151,581	-
9336	Finance Manager	92,087	21,624	113,711	-
6029	Finance Specialist 1	135,790	31,886	-	167,676
6032	Finance Specialist Sr	81,901	19,232	101,133	-
6027	Finance Technician	110,270	25,893	-	136,163
9080	Human Resources Analyst 1	65,820	15,457.00	81,277	-
9670	Human Resources Analyst 2	80,102	18,809	98,911	-
9621	Human Resources Manager 2	110,429	25,931	136,360	-
9452	IT Manager	116,699	27,403	144,102	-
9451	IT Supervisor	103,149	24,221	127,370	-
9647	Lieutenant/Corrections	146,421	34,382	180,803	-
9710	Management Assistant	94,501	22,190	116,691	-
6001	Office Assistant 2	192,781	45,268	-	238,049
9360	Program Manager 2	262,914	61,737	324,651	-
9362	Program Manager Sr	153,157	35,964	189,121	-
9043	Research/Eval Analyst Sr NR	303,590	71,288	374,878	-
1146	Sergeant 3 LG14	37,963	8,914	-	46,877
1131	Sergeant 3*	255,547	60,007	-	315,554
Total		\$ 3,700,756	\$ 869,002	\$ 3,046,899	\$ 1,522,859

COMPUTATION OF INDIRECT COST RATE

COMMUNITY SERVICES

ORGANIZATIONAL COST CATEGORIES

Organizational Units	Not Allowable	Indirect	All Other	Total
Administration & Planning	\$ -	\$ 625,267	\$ -	\$ 625,267
All Other	18,458,574	113	49,553,028	68,011,715
Totals	\$ 18,458,574	\$ 625,380	\$ 49,553,028	\$ 68,636,982

RATE CALCULATION

Department

Indirect	<u>\$ 625,380</u>	=	1.26%
All Other	\$ 49,553,028		

Central Services Flat Rate

Indirect	<u>\$ 18,410,704</u>	=	2.29%
All Other	\$ 802,810,485		

Total Rate

<u><u>3.55%</u></u>

DETAIL OF DEPARTMENTAL INDIRECT

COMMUNITY SERVICES

Total actual admin Personal Services: \$ 449,799

Total actual admin M&S less unallowable: \$ 175,987

Job Number	Position Description	Personal Services	Materials & Services	Admin & Planning	All Other
9006	Administrative Analyst	\$ 78,973	\$ 30,899	\$ 109,872	\$ -
9610	Department Director 1	178,731	69,930	248,661	-
9619	Deputy Director	24,729	9,675	34,404	-
6029	Finance Specialist 1	81	32	-	113
9335	Finance Supervisor	141	55	196	-
9748	Human Resources Analyst Sr	23,234	9,091	32,325	-
9621	Human Resources Manager 2	57,885	22,648	80,533	-
9710	Management Assistant	66,026	25,833	91,859	-
9615	Program Manager 1	3,490	1,365	4,855	-
9360	Program Manager 2	16,217	6,345	22,562	-
Total		\$ 449,507	\$ 175,873	\$ 625,267	\$ 113

COMPUTATION OF INDIRECT COST RATE

OTHER COUNTY *

ORGANIZATIONAL COST CATEGORIES

Organizational Units	Not Allowable	Indirect	All Other	Total
Administration & Planning	\$ -	\$ -	\$ -	\$ -
All Other	114,997,997	-	270,873,068	385,871,065
Totals	\$ 114,997,997	\$ -	\$ 270,873,068	\$ 385,871,065

RATE CALCULATION

Department

Indirect	<u>\$ -</u>	=	0.00%
All Other	\$ 270,873,068		

Central Services Flat Rate

Indirect	<u>\$ 18,410,704</u>	=	2.29%
All Other	\$ 802,810,485		

Total Rate

<u><u>2.29%</u></u>

* All Other County department costs are charged directly

DETAIL OF DEPARTMENTAL INDIRECT

OTHER COUNTY *

Total actual admin Personal Services: \$ -

Total actual admin M&S less unallowable: \$ -

Job Number	Position Description	Personal Services	Materials & Services	Admin & Planning	All Other
Total		\$ -	\$ -	\$ -	\$ -

* All Other County department costs are charged directly

COMPUTATION OF INDIRECT COST RATE

LIBRARY SERVICES

Organizational Cost Categories

Organizational Units	Not Allowable	Indirect	All Other	Total
Administration & Planning	\$ -	\$ 203,676	\$ -	\$ 203,676
All Other	8,527,431	14,308	38,631,003	47,172,742
Totals	\$ 8,527,431	\$ 217,984	\$ 38,631,003	\$ 47,376,418

Rate Calculation

Department

Indirect	<u>\$ 217,984</u>	=	0.56%
All Other	\$ 38,631,003		

Central Services Flat Rate

Indirect	<u>\$ 18,410,704</u>	=	2.29%
All Other	\$ 802,810,485		

Total Rate

<u><u>2.85%</u></u>

DETAIL OF DEPARTMENTAL INDIRECT

LIBRARY SERVICES

Total actual admin Personal Services: \$ 1,660,445

Total actual admin M&S less unallowable: \$ 219,443

Job Number	Position Description	Personal Services	Materials & Services	Admin & Planning	All Other
6111	Buyer 2	\$ 23,960	\$ 3,167	\$ 27,127	\$ -
9613	Department Director 2	60,041	\$ 7,935	67,976	-
6030	Finance Specialist 2	45,201	\$ 5,974	51,175	-
9335	Finance Supervisor	27,618	\$ 3,650	31,268	-
9080	Human Resources Analyst 1	23,080	\$ 3,050	26,130	-
6101	Human Resources Tech	12,638	\$ 1,670	-	14,308
Total		\$ 192,538	\$ 25,446	\$ 203,676	\$ 14,308

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**CONSOLIDATED COUNTYWIDE
COST ALLOCATION PLAN**

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MULTNOMAH COUNTY
2007-2008 Cost Allocation Plan
Central Service Allocation - Summary

Central Service	Total
Auditor	\$ 547,474
Budget Services	904,195
* Finance	8,479,589
* Human Resources	3,473,603
Equipment Use	6,365,843
Over/Under ISF Charges	(1,360,000)
Total Allocation	\$ 18,410,704

Central Service Costs \$ 18,410,704 = 2.29%
 Departmental Allowable Costs \$802,810,485

* Denotes a division or a part of a division of the Central Service allocation that was included in the County Business Services Internal Service Fund for fiscal year 2006. County Business Services is back in the General Fund and the Central Service allocation for fiscal year 2007 forward.

Description of Services

AUDITOR

The Auditor conducts performance and fiscal audits in conformance with the US GAO Government Auditing Standards. The annual audit schedule is based upon a risk analysis of County services, with the majority of office resources focused on performance audits to increase efficiency, effectiveness, and accountability. Activities of the Auditor may include examination of expenditure reports for discrepancies or variances, reviews of internal controls, and testing transactions for compliance with state and federal regulations.

In keeping with the standards, the Auditor emphasizes a coordinated audit approach with the external auditors, and with state and federal agencies. County audits are complementary and never duplicate the audit efforts of the other organizations. The Auditor's efforts help insure that County financial and administrative policies are being followed throughout the organization, including federal programs and are, therefore, deemed allowable.

Normal costs of County government have been eliminated from the allocation.

AUDITOR

ACTUAL EXPENDITURES FY06

Expenditure Category	Total Cost	Not Allowable	Allowable
Personal Services	\$ 716,164	\$ 311,603	\$ 404,561
Material & Services	217,890	136,225	81,665
Capital Outlay	3,500	3,500	-
Organization Total	\$ 937,554	\$ 451,328	\$ 486,226

CENTRAL SERVICE ROLL FORWARD COMPUTATION

	Actual 6/30/2004	Actual 6/30/2006	Adj. Roll Forward	Fixed FY 2008
Allowable Costs	\$ 424,978	\$ 486,226	\$ 61,248	\$ 547,474

Description of Services

BUDGET SERVICES

Budget Services is responsible for preparation of the County's budget and the monitoring of the budget once adopted. Included among the division's activities is the review of County programs to ensure compliance with local budget law in addition to independent evaluations of County programs, policies, and initiatives in various service areas.

Since all grant programs must comply with local budget law and Budget Services provides oversight necessary for the successful operation of federal programs, the Budget Services allocation is deemed allowable.

Normal costs of County government have been eliminated from the allocation.

BUDGET SERVICES

ACTUAL EXPENDITURES FY06

Expenditure Category	Total Cost	Not Allowable	Allowable
Personal Services	\$ 959,536	\$ 237,833	\$ 721,703
Material & Services	199,773	50,546	149,227
Capital Outlay	5,500	5,500	-
Organization Total	\$ 1,164,809	\$ 293,879	\$ 870,930

CENTRAL SERVICE ROLL FORWARD COMPUTATION

	Actual 6/30/2004	Actual 6/30/2006	Adj. Roll Forward	Fixed FY 2008
Allowable Costs	\$ 837,665	\$ 870,930	\$ 33,265	\$ 904,195

Description of Services

FINANCE

In fiscal years 2005 and 2006 the County Business Services Fund (an internal service fund) directly charged County Departments for the costs of Accounts Payable, Payroll, SAP Support, and Purchasing and Contracts. In fiscal year 2007 the cost of these functions returned to the general fund and is again included in the Central Services Indirect rate.

The Finance Division is responsible for assuring that the County's financial activities are accurately reflected in the accounting records and that the County's cash is properly managed.

Activities of this organization include providing administrative support for federal grants, performing centralized payroll functions, paying vendors, and providing Countywide SAP support. Accounting and Treasury perform banking services and manage County cash; Purchasing and Contracts provides central purchasing and supply services to all County organizations, procuring all supplies, materials, equipment, labor, and contractual services for the performance of professional, technical, or expert services. In addition, Purchasing and Contracts oversees the solicitation and processing of bids for services and products of a specialized nature needed by the County.

Purchasing and Contracts directly benefits federal programs to the extent that it procures supplies and services for use in those programs; Accounting and Treasury services are deemed necessary for the successful conduct of federal programs and are, therefore, also allowable.

The portion of Finance considered normal cost of County government has been eliminated from this allocation.

FINANCE *

ACTUAL EXPENDITURES FY06 (looking forward -- including CBS)

Expenditure Category	Total Cost	Not Allowable	Allowable
Personal Services	\$ 4,948,852	\$ 76,173	\$ 4,872,679
Material & Services	5,194,745	2,097,102	3,097,643
Capital Outlay	1,337,335	1,337,335	-
Organization Total	\$ 11,480,932	\$ 3,510,610	\$ 7,970,322

ACTUAL EXPENDITURES FY06 (looking back -- no CBS)

Expenditure Category	Total Cost	Not Allowable	Allowable
Personal Services	\$ 1,614,818	\$ 76,173	\$ 1,538,645
Material & Services	2,482,104	2,038,595	443,509
Capital Outlay	25,000	25,000	-
Organization Total	\$ 4,121,922	\$ 2,139,768	\$ 1,982,154

CENTRAL SERVICE ROLL FORWARD COMPUTATION

	Actual 6/30/2004	Actual 6/30/2006	Adj. Roll Forward	Fixed FY 2008
Allowable Costs	\$ 1,472,887	\$ 1,982,154	\$ 509,267	\$ 8,479,589

* Accounts Payable, Payroll, Purchasing and SAP Support all moved to the County Business Services Fund in fiscal year 2005, so were not a part of the Central Services Indirect rate for fiscal year 2006. The County Business Services Fund is not being used after fiscal year 2006; those functions are back in the General Fund and the Central Services Indirect rate in fiscal year 2007.

Description of Services

HUMAN RESOURCES

In fiscal years 2005 and 2006, the County Business Services Fund (an internal service fund) directly charged County Departments for the costs of Human Resources. In fiscal year 2007 the cost of Human Resources returned to the general fund and is again included in the Central Services Indirect rate.

The Human Resources Division is responsible for classification of County positions, overall County personnel policy administration, and maintenance of personnel records. Affirmative Action assures that Multnomah County conforms to regulatory requirements for monitoring, reporting, planning and implementing programs and strategies that provide creative solutions to workforce and service program diversity. The Labor Relations Division is responsible for negotiating and administering labor contracts, representing the County in civil service hearings and advising managers on disciplinary action.

Human Resources utilizes various communication media to advertise for suitable candidates, in addition to directly contacting prospective candidates. Examinations are conducted, administered, and scored by Human Resources. Reliability and validation studies of tests are undertaken regularly.

Human Resources classifies all job positions in the County as to educational and experience requirements together with on-job performance duties and maintains personnel history records reflecting data pertaining to employees' work.

The Affirmative Action program helps assure compliance with various equal opportunity laws. The need for such services has increased due to new federal regulations, equal opportunity and ADA requirements contained in federal grant regulations and ongoing interpretation of regulatory requirements.

Labor Relations directly benefits grant programs through its work with employees and managers within those programs.

The variety of personnel services performed by Human Resources, Affirmative Action, and Labor Relations are judged allowable since the services benefit all organizations of the County. They benefit federal programs to the extent that County employees are used to carry out program activities.

HUMAN RESOURCES *

ACTUAL EXPENDITURES FY06 (looking forward -- including CBS)

Expenditure Category	Total Cost	Not Allowable	Allowable
Personal Services	\$ 2,716,584	\$ -	\$ 2,716,584
Material & Services	778,191	21,173	757,018
Capital Outlay	17,000	17,000	-
Organization Total	\$ 3,511,776	\$ 38,173	\$ 3,473,603

ACTUAL EXPENDITURES FY06 (looking back -- no CBS)

Expenditure Category	Total Cost	Not Allowable	Allowable
Personal Services	\$ -	\$ -	\$ -
Material & Services	-	-	-
Capital Outlay	-	-	-
Organization Total	\$ -	\$ -	\$ -

CENTRAL SERVICE ROLL FORWARD COMPUTATION

	Actual 6/30/2004	Actual 6/30/2006	Adj. Roll Forward	Fixed FY 2008
Allowable Costs	\$ -	\$ -	\$ -	\$ 3,473,603

* Human Resources, Affirmative Action, and Labor Relations all moved to the County Business Services Fund in fiscal year 2005, so were not a part of the Central Services Indirect rate for fiscal year 2006. The County Business Services Fund is not being used after fiscal year 2006; those functions are back in the General Fund and the Central Services Indirect rate in fiscal year 2007.

Description of Services

EQUIPMENT USE

Multnomah County has no depreciation schedule for equipment. As per the Office of Management and Budget (OMB) circular A-87, the County allocates 6.67% of each department's equipment as a use charge. The charges are based on purchase price of all equipment used, according to the County's asset records. Equipment purchased with grant funds is not included in the total cost of equipment.

EQUIPMENT USE

ACTUAL EXPENDITURES FY06

	Total Cost	Not Allowable	Allowable
Equipment Use	\$ 126,573,506	\$ 36,901,318	\$ 89,672,188

ALLOCATION OF ALLOWABLE COSTS

	Basis of Allocation	Rate *	Allocation
Allowable Use	\$ 89,672,188	6.67%	\$ 5,981,135

CENTRAL SERVICE ROLL FORWARD COMPUTATION

	Actual 6/30/2004	Actual 6/30/2006	Adj. Roll Forward	Fixed FY 2008
Allowable Use	\$5,596,427	\$ 5,981,135	\$ 384,708	\$ 6,365,843

* Rate is the flat % rate as established and approved by the Federal government.

APPENDICES



DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of the
Regional Director

Region X
MS RX -04
2201 Sixth Avenue
Seattle, WA 98121

March 9, 1990

Ben Buisman
Financial Systems Manager
Department of General Services
Multnomah County
1430 Portland Building
1120 S.W. Fifth Avenue
Portland, Oregon 97204

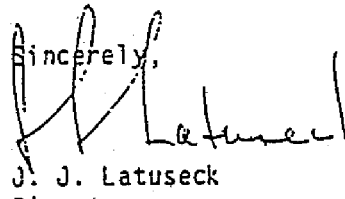
Dear Mr. Buisman:

As the cognizant Federal Agency, this is to inform you that pursuant to the Office of Management and Budget Circular A-87, Attachment A, Section J.5.a., current and future central services cost allocation plans and departmental/divisional indirect cost proposals will not have to be submitted for review by this office.

You are advised, however, that central services cost allocation plans and departmental/divisional indirect cost proposals must be prepared in accordance with the appropriate Federal cost principles and be available as of the time a claim is made against a Federal award. The documentation in support of the claim must be retained for a period of three years.

This policy will remain in effect until advised otherwise by this office or a newly designated cognizant Federal Agency.

We remain available to answer technical questions or otherwise provide information consistent with the functions of this office.
Thank you for your cooperation.

Sincerely,

J. J. Latuseck
Director
Division of Cost Allocation


CERTIFICATE OF INDIRECT COSTS

This is to certify that I have reviewed the indirect cost rate proposal submitted herewith and to the best of my knowledge and belief:

1. All costs included in this proposal for the fiscal year ended June 30, 2006 to establish billing or final indirect cost rates for the fiscal year July 1, 2007 through June 30, 2008 are allowable in accordance with the requirements of the Federal award to which they apply and OMB Circular A-87, "Cost Principles for State and Local Governments." Unallowable costs have been adjusted for in allocating costs as indicated in the cost allocation plan.

2. All costs included in this proposal are properly allocable to the Federal awards on the basis of a beneficial or causal relationship between expenses incurred and the agreements to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently and the Federal Government will be notified of any accounting changes that would affect the predetermined rate.

I declare that the foregoing is true and correct.

Government Unit:	Multnomah County
Signature:	
Name of Official:	Mindy L Harris
Title:	Chief Financial Officer
Date of Execution:	December 29, 2006

CERTIFICATE OF COST ALLOCATION PLAN

This is to certify that I have reviewed the cost allocation plan submitted herewith and to the best of my knowledge and belief:

1. All costs included in this proposal for the fiscal year ended June 30, 2006 to establish cost allocations or billings for the fiscal year July 1, 2007 through June 30, 2008 are allowable in accordance with the requirements of OMB Circular A-87, "Cost Principles for State and Local Governments," and the Federal award to which they apply. Unallowable costs have been adjusted for in allocating costs as indicated in the cost allocation plan.

2. All costs included in this proposal are properly allocable to the Federal awards on the basis of a beneficial or causal relationship between expenses incurred and the awards to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently.

I declare that the foregoing is true and correct.

Government Unit:	Multnomah County
Signature:	<u>Mindy Harris</u>
Name of Official:	Mindy L Harris
Title:	Chief Financial Officer
Date of Execution:	December 29, 2006