



## Board Report

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**File #:** BC 17-179, **Version:** 1

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- a. Support amending the Sheriff's Office Fiscal Year (FY) 2017-18 Adopted Budget, 001-2300-SHE001-8224, to reallocate one (1.0) FTE Senior Accounting Clerk to one (1.0) FTE Accounting Technician;
- b. Support authorizing the Auditor-Controller to incorporate the approved changes in the Sheriff's Office FY 2017-18 Adopted Budget; and
- c. Support directing the Human Resources Department to implement the changes in the Advantage HRM system.

### **RECOMMENDATION:**

It is recommended that the Board of Supervisors' Budget Committee:

- a. Support amending the Sheriff's Office Fiscal Year (FY) 2017-18 Adopted Budget, 001-2300-SHE001-8224, to reallocate one (1.0) FTE Senior Accounting Clerk to one (1.0) FTE Accounting Technician;
- b. Support authorizing the Auditor-Controller to incorporate the approved changes in the Sheriff's Office FY 2017-18 Adopted Budget; and
- c. Support directing the Human Resources Department to implement the changes in the Advantage HRM system.

### **SUMMARY/DISCUSSION:**

The Sheriff's Office is requesting to reallocate one (1.0) FTE Senior Account Clerk, currently vacant position to one (1.0) FTE Accounting Technician. The Senior Account Clerk position became vacant due to retirement and the main responsibility of the position is to process alarm permits and false alarms pursuant to Monterey County Code of Ordinance Chapter 11.08. Due to staffing shortage in the Sheriff's Fiscal Division and in the anticipation of a new contract for inmate health care services which would require more manpower to process inmate medical bills, the Sheriff's Office is in the process of outsourcing the alarm permits and false alarm processes with the current alarm permit software vendor. The request for the outsourcing contract approval is forthcoming. The Department anticipates it will generate more revenue with the outsourcing. For the FY 2016-17, the net revenue associated with alarm was \$150,591. Based on a draft outsourcing proposal, the anticipated net annual revenue is \$175,720 which is \$25,000 more. The increase in revenue is due to less anticipated expenses and increased efficiency/collections to run the program. The anticipated cost is estimated at \$54,280 which includes administrative costs and 20% of revenues to the vendor. The cost for FY 2016-17 was \$76,976 and consisted primarily of salary and benefits for the Sr. Account Clerk and other administrative costs. The position being reallocated used to be a dedicated position for the program. However, during last a few years, the position has been utilized in accounts payable area due to increased workload and reduction in staffing at the Sheriff's Fiscal Division. The additional workload for the position prevented the staff from doing the follow up work which resulted in less revenue over the years. It is anticipated that outsourcing will provide greater collection efficiencies due to the incentive to the vendor.

The reallocation of the position to a higher classification is needed due to the nature of the main responsibility, processing inmate medical bills that includes but not limited to, verifying inmate was in custody at time of medical service, incident and booking number; sending medical invoices to cost-to-charge review provider for additional review and discounts; sending rejection notices to providers for invalid charges; and coordinating with corrections staff, accounting staff and senior staff to secure data necessary to compile reports. The reallocation of the position is critical to start collecting reimbursements on inmate hospital stays which would

partially offset the increased inmate medical costs.

**OTHER AGENCY INVOLVEMENT:**

The Human Resources Department has reviewed and approved the request.

**FINANCING:**

There is no General Fund Contribution increase as a result of the recommendation. The annual salary and related benefits' difference between the two positions is approximately \$8,000 and the estimated annual net increase in the revenues due to the outsourcing of the service is approximately \$25,000. The revenue does not have any restrictions. Therefore, the expected revenue increase will have a positive impact on the Sheriff's overall budget.

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