

California Cemetery and Funeral Bureau— Fee Audit



Mission

The Cemetery and Funeral Bureau advocates consumer protection and licensee compliance through proactive education and consistent interpretation and application of the laws governing the death care industry.

Capital Accounting Partners, LLC
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INTRODUCTION AND SCOPE

The mission of the Cemetery and Funeral Bureau (Bureau) is to advocate for consumer protection and licensee compliance through proactive education and consistent interpretation and application of the laws governing the death care industry. The Bureau exists to empower California consumers and allow them to make informed end-of-life decisions in a fair and ethical marketplace. As such, it provides an important public safety function. This project aligns with the mission of the Bureau by developing the resources so that this mission can be fully executed. Without adequate financial resources, the Bureau cannot meet this important role of consumer protection.

This report summarizes the processes, procedures, and findings of the Bureau's fee audit. It details the analysis that resulted in calculations of cost for individual and institutional licenses issued by the Bureau for licensees operating in the State of California.

As part of a plan to maintain its fiscal integrity, the Bureau engaged Capital Accounting Partners to prepare a detailed cost analysis of its fees. The Bureau's objectives for the study were to ensure that the Bureau is fully accounting for all of its costs and recovering adequate revenues to be reimbursed for its expenses. The Bureau's only sources of revenue are fees charged for each of the various licenses and reports. Thus, the Bureau is fully self-supporting so it is vital that the fees charged to licensees fully recover the costs of the program.

The scope of this study included the following objectives:

- Calculate full cost of licenses;
- Determine a fair and equitable method of allocating non-fee expenses, such as enforcement, to each license type;
- Develop revenue projections for 10 years out to set the cap; and
- Review performance of core business processes.

The process used for collecting and analyzing the data required active participation by the Bureau's management and staff. We want to take this opportunity to recognize their participation, time, and effort to collect the data and discuss the analysis, results, and recommendations.

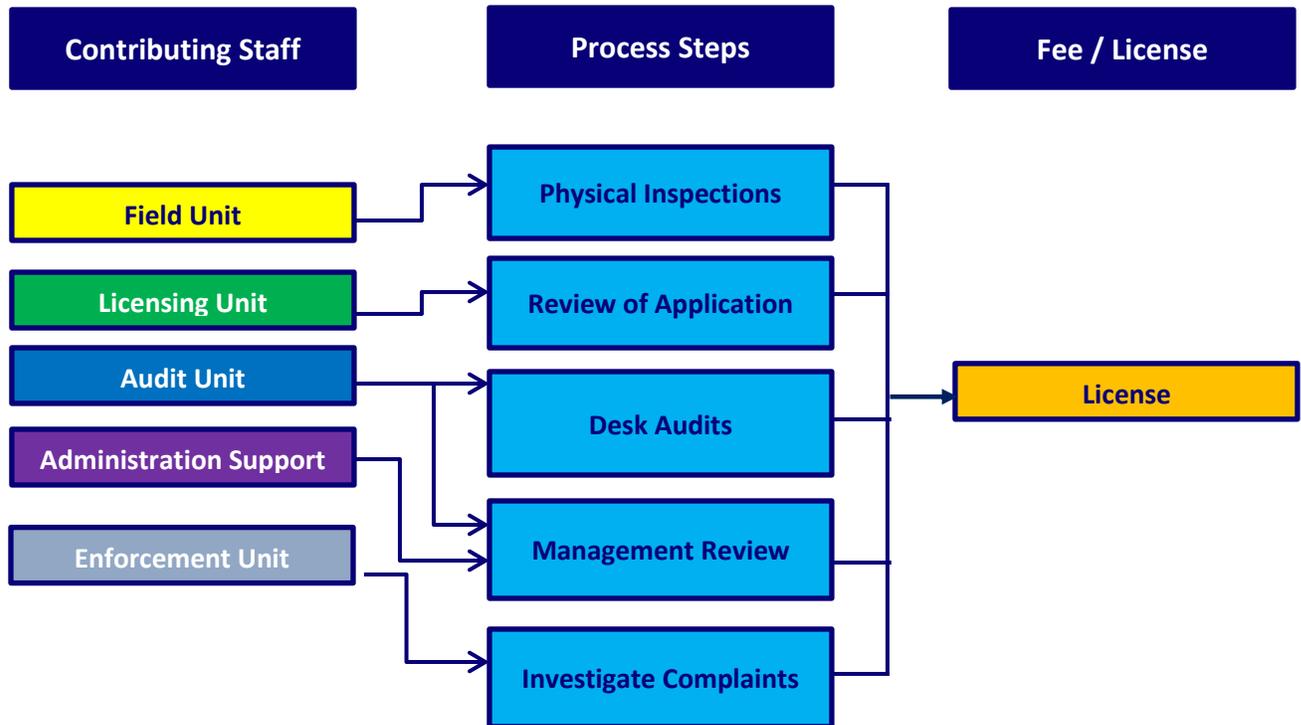
SUMMARY OF COSTING METHODOLOGIES

DRIVER-BASED COSTING MODELS

Developing a driver-based costing model is a detailed and robust method of calculating the cost of a specific service. It is based on the principles of activity-based costing so it seeks to understand cost at an operational level. This means it relies on understanding the time staff invests in core business processes to process licenses and certificates well as enforcement and administrative services. Graphically, the following figure illustrates this methodology.



Hypothetical Illustration of a Driver-based Costing Model



Step 1: Collect Data – This first step involves discussions with staff to identify those positions within each work unit that provide and support direct services. It also involves collecting program budget and expenditure data, identifying the salary and benefits for each position, and identifying non-personnel expenditures, as well as any program and Bureau overhead. Specifically, the steps involve the following:

- **Identifying staff positions** – This includes identifying both position titles and names.
- **Calculating the number of productive hours** – Frequently we will calculate the actual number of productive hours available on an annual basis. However, in this project we used the DCA pre-calculated number of 1,776 hours.
- **Identifying and allocating non-personnel costs** – Costs for materials and supplies are allocated to the salary and benefits for each position.
- **Assigning any other expenses that are budgeted in other areas** – There are often expenses that should be included with the total cost of services. Examples of such costs might include amortized capital expenses for vehicles and technology.
- **Identifying core business processes or activities** – This step also involves discussions with staff to understand, at an operational level, the work of the operating unit. Core business processes used to provide services are identified and then defined by the tasks that are involved. Processes are also organized by direct and indirect categories.



- **Direct processes and activities** – Those processes that directly contribute to the processing of an application are first identified. Evaluation of the license application is the most notable example.
- **Indirect processes and activities** – Those processes that support, but do not directly apply to the processing of a specific license. An example of an indirect activity is customer service and cashiering.

Step 2: Building cost structures – This second step involves significant interaction with staff and the development of time estimates for both direct and indirect processes in each program area. Specifically, this step is at the core of the analysis. There are four processes that comprise this step:

- **Gathering time estimates for direct processes** – By interviewing staff in individual and group meetings, an estimate of time was assigned to each service by the process that is indicated. The sum of all the process steps is the total time that is required to provide that specific service.
- **Assigning indirect time** – An annual time estimate is gathered from staff for those indirect or support processes in which they are involved. These include Bureau as well as program administration, customer service, and subject matter experts.
- **Calculating fully loaded hourly rates and the cost of service** – Once the total time for each direct and indirect service is estimated, the cost of service is calculated by using the fully loaded hourly rates for each staff member or position that is involved with the service. The fully loaded hourly rate for each employee is based on the employee's salary and benefit costs plus a share of non-personnel and Bureau overhead costs divided by the employee's available work hours (i.e. 2,080 hours minus all leave hours). Thus, the direct and indirect cost by activity also includes work unit and Bureau overhead as well as non-labor costs.
- **Gathering activity or volume data** – A critical element in the analysis is the number of times a given license or certificate is provided on an annual basis. This is critical data for three reasons:
 - It allows a calculated projection of current revenue based on current prices. This is compared with actual revenue to see if there is a close match as the data should match.
 - It allows for a calculated projection of revenue at full cost. This is compared to actual expenditures to see if there is a close match as the data should match.
 - It allows for a calculation of total hours consumed. Hours consumed must closely match actual hours available.

If any of the three calculations do not approximate actual numbers, then time estimates and/or volume data need to be re-evaluated. These are critical quality checks for costing accuracy.

Step 3: Allocating enforcement and other support activities – This third step allocates enforcement activities to arrive at the full cost of service for each direct license or certificate. Thus, the final cost layers are brought together to establish the full cost of service. For the Bureau, this is a significant step as a high percentage of its costs are centered in enforcement and investigation activities.

Step 4: Set cost recovery policy – Depending on Bureau policies and other considerations, the level of cost recovery is a decision that should be made for each type or group of licenses. For example, the Bureau may want to subsidize some types of licenses with revenue from others.



Step 5: Set fees

Fees should be based on any cost recovery policy and at a price that will fully recover the Bureau's cost and provide a sustainable future.



SUMMARY OF FINDINGS – FISCAL YEAR 2016-2017

PRIMARY DATA SOURCES

For this project, there are three primary sources of data that have driven the analysis:

1. Budgeted expense data (2016/17), which includes:
 - a. Salaries and benefit expenditures;
 - b. Services and supplies;
 - c. Overhead, including both Department and State pro rata allocations; and
 - d. External enforcement costs from the Office of the Attorney General (AG), the Office of Administrative Hearings, and evidence / witness fees.
2. Time estimates for staff to process each license type, broken down by core processes or activities. These included such activities as:
 - a. Physical inspections of establishments;
 - b. First review of an application;
 - c. Second review if deficiency letters have been sent out; and
 - d. Audit review.
3. Activity data such as the annual number of licenses issued/processed by type is an important data source. The following table is an example of these data (fiscal year 2015-2016).

FUNERAL ESTABLISHMENT (FD)	Licenses Issued/Processed Annually
Original Funeral Establishment	30
Assignment License Application	18
Annual renewal fee	1,033
Delinquent renewal fee	79
Change of Name	48
Change of Location	64

QUALITY ASSURANCE

Assuring the accuracy and quality of results is an important function of the analysis. Our approach builds on the concept that a quality process assures a quality outcome. Besides focusing on a quality process we also incorporate quantitative checks of our results. These quantitative checks include:

1. Are the total costs that we have coming into the model (the budget) equal to the total costs coming out of the model (projected revenues)?
2. Are the total number of staff hours available fully accounted for in the model?



- 3. Does the projection of annual revenues (current) built into the cost model reasonably match actual or projected revenues by the DCA budget office?

When our results fall into reasonable ranges, we are assured of quality results. The following graphic reflects the results of our quality assurance checks.

Resource - Cost and Revenue Summary	
Resources Available (Budget)	\$ 4,520,000
Resources Assigned (Projected Revenues at Full Cost)	\$ 4,520,000
Examination Development	\$ 65,557
Total Cost	\$ 4,585,557
Difference	\$ (0)
Total Hours Available	41,558
Total Hours Assigned	41,558
Difference	(0.00)
Revenue Projected From Fees at Current Prices	\$ 3,671,428
Actual Fiscal Year 15-16 Revenue From Fees (and misc. income, citations, etc)	\$ 3,806,276
Difference	\$ (134,848)
Percentage Difference (acceptable = plus or minus 5%-10%)	-4%
Target: Pricing Model	\$ 4,591,590
Difference from Target *	\$ 6,033

Note: Revenue projected from the pricing model is slightly higher than actual or budgeted costs

ASSUMPTIONS USED IN THE COSTING MODEL

EXPENSE DATA – CURRENT BUDGET

In all cases, fiscal year 2016-2017 budget data has been used. Therefore, the results are based on the assumption that all of the budget will be consumed in the services of the Bureau. It should be noted, that the Bureau has a history of not spending all its available budget. Therefore, while the analysis assumes the full budget will be consumed, the pricing scenario established by staff may, in some cases, be lower than actual (budgeted) cost. However, this still represents a net increase in fees and revenue generated by fees.

There is one additional factor to consider. Costs for exam development have been included. Because this is an expense that does not occur every year, we have prorated an annual amount of \$65,557. The inclusion of this additional cost will support the process of developing new exams as necessary.

REVENUES – CONSISTENT ACTIVITY DATA

A significant component of the analysis is dependent upon annual activity data. Specifically, the number of times each license is processed on an annual basis. This is important to the analysis for two reasons:



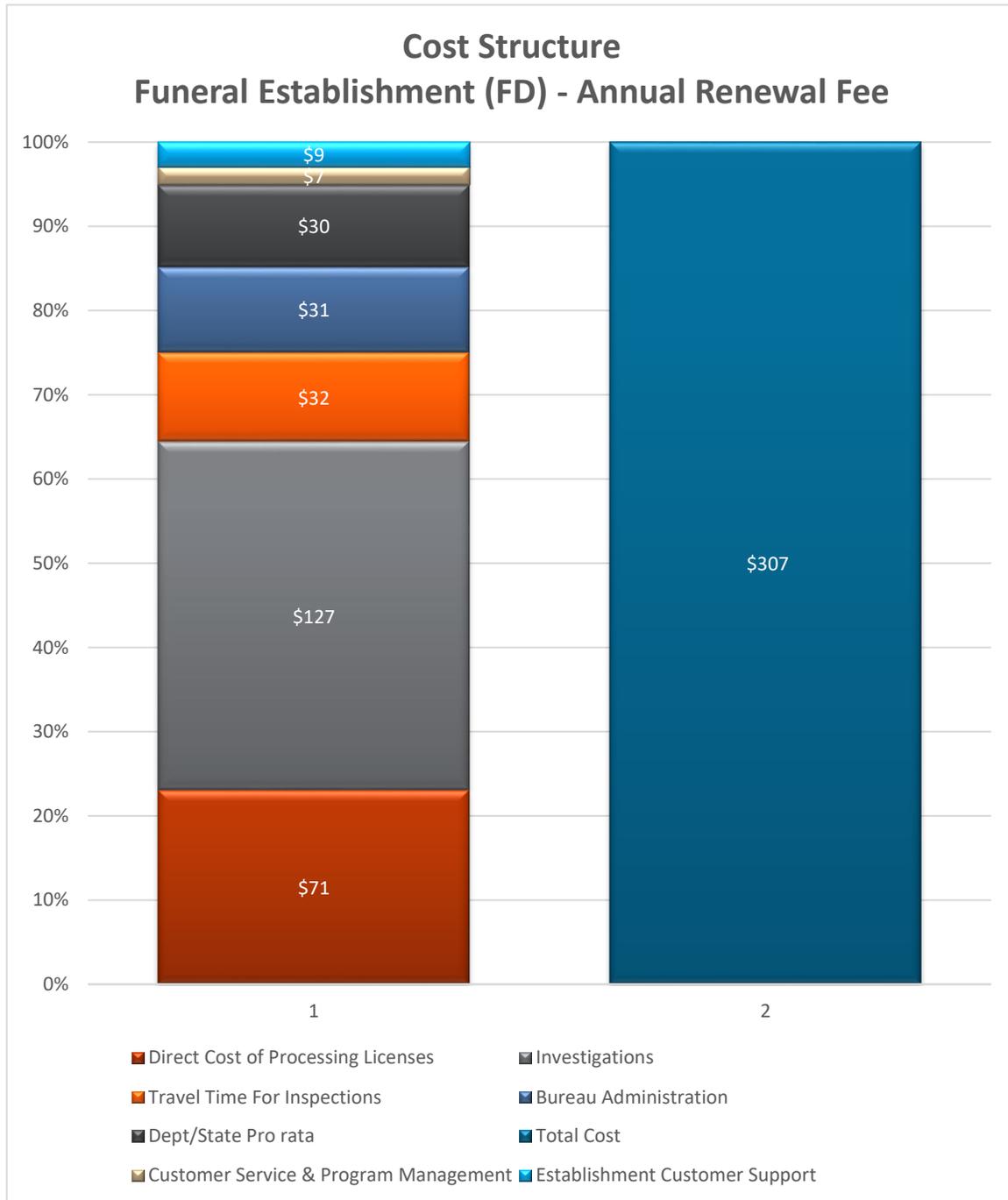
- Activity data drives the total consumption of staff hours. If the activity data is not correct it will either over assign staff time or under estimate staff time relative to the total time that is available.
- Projecting revenue. If the number of applications for licenses vary wildly on an annual basis, projecting revenue will be challenging. However, if the number of applications for licenses is stable, then revenues will be stable.

DIRECT VS. INDIRECT ALLOCATED COSTS

For this analysis, direct costs are being defined as the direct time required to process a specific application type. This is driven off a calculation of a productive hourly rate for each staff position. This rate includes salaries, benefits, and a prorated amount for services and supplies. Then indirect costs are layered on top of the direct costs to establish the full cost of issuing the license. The following is an example:

Example - Cost Calculation			
License Type	Processing Requirement (in hours)	Average Productive Hourly Rate	Direct Cost Assignment
FUNERAL ESTABLISHMENT (FD) - Annual Renewal Fee	1.20	\$59.36	\$71
Sources of Indirect Costs			Total Indirect Cost Assignment
Investigations	} Cost Assignment = Direct Cost		\$ 127
Travel Time for Inspections			\$ 32
Establishment Customer Support			\$ 9
Customer Service & Program Management			\$ 7
Bureau Administration			\$ 31
Dept/State Pro rata			\$ 30
Total Cost			\$ 307

This same data is displayed visually in the following graphic. It illustrates the layering of activities that drive cost.



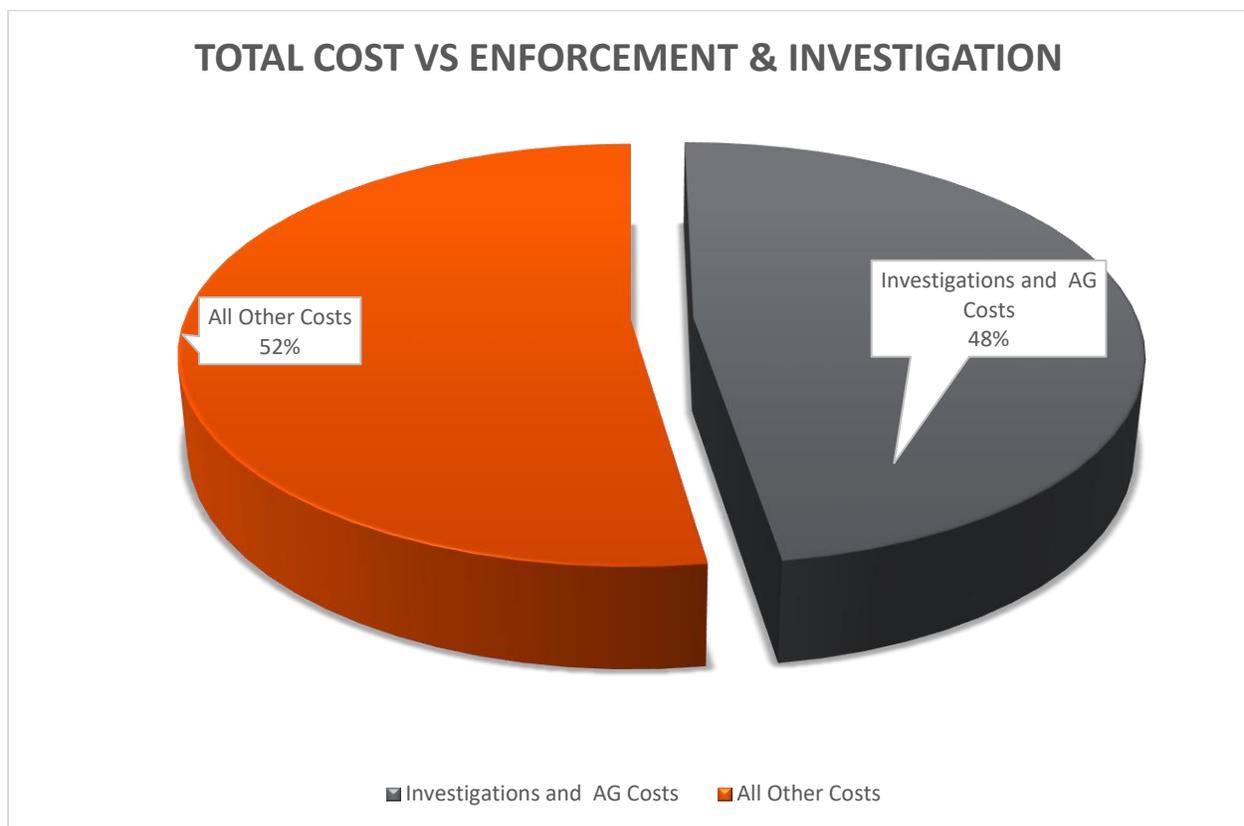


ALLOCATING COSTS OF ENFORCEMENT

Enforcement costs are a significant cost of total Bureau expenditures. Enforcement costs come in two primary types:

1. Internal costs associated with investigations; and
2. External costs associated with the AG, Office of Administrative Hearings, and evidence / witness fees.

In total, enforcement (with all overhead and supports costs allocated), accounts for 48 percent of total budgeted costs as the following graph will illustrate.



This ratio of enforcement costs to total costs is consistent among the Boards and Bureaus of DCA that we have reviewed. Because enforcement activities are such a large component of total cost, the method of allocating these costs is important.

There are several potential methods of allocating these costs. Among these are:

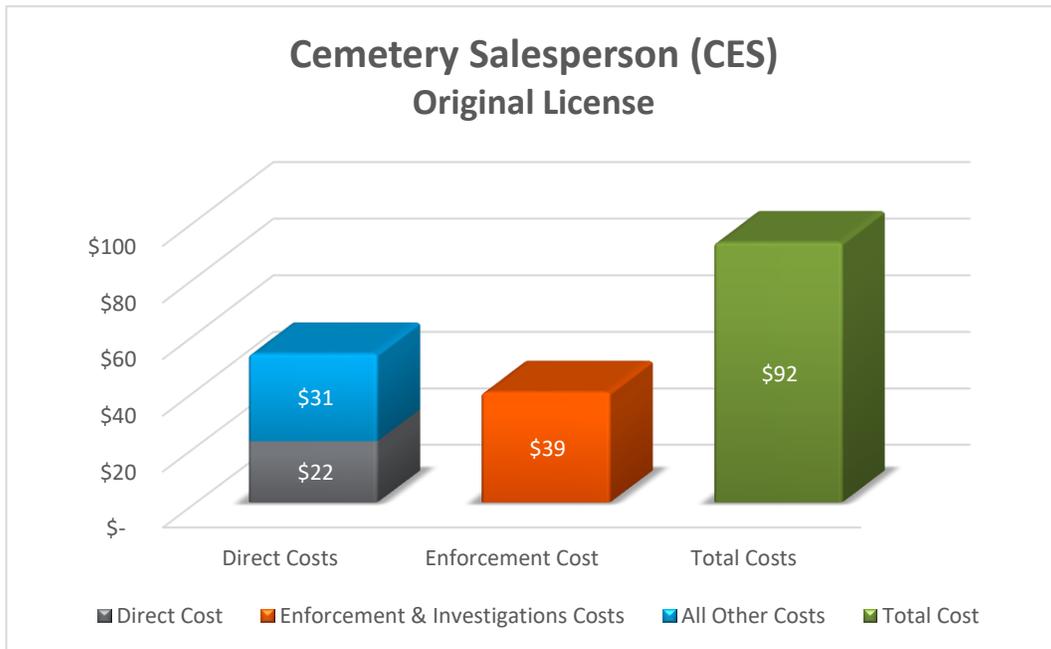
1. Allocating enforcement costs on the basis of direct cost of each license; and
2. Calculating a flat cost per license.



After reviewing the results, we determined that the best way of allocating enforcement costs was to assign cost on the basis of the direct cost of processing each license type.

EXAMPLE OF IMPACT OF ENFORCEMENT ALLOCATION

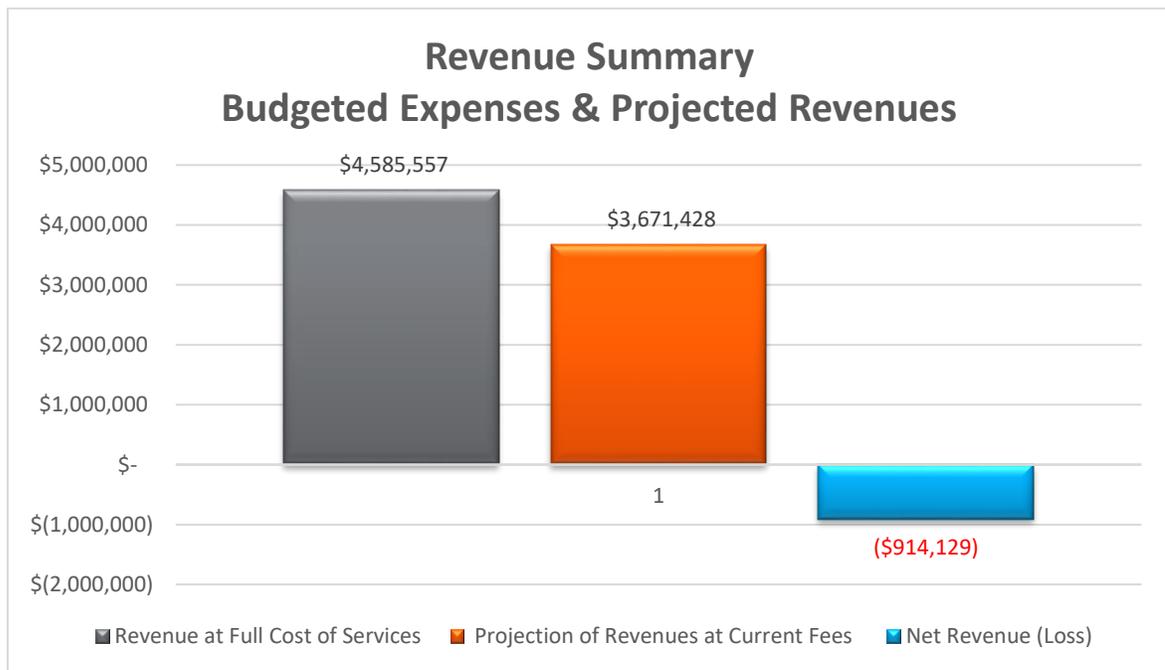
The impact of this allocation model can best be seen in the original license for a Cemetery Salesperson. Of the total cost, 42 percent is consumed in enforcement and investigation costs.





REVENUE SUMMARY

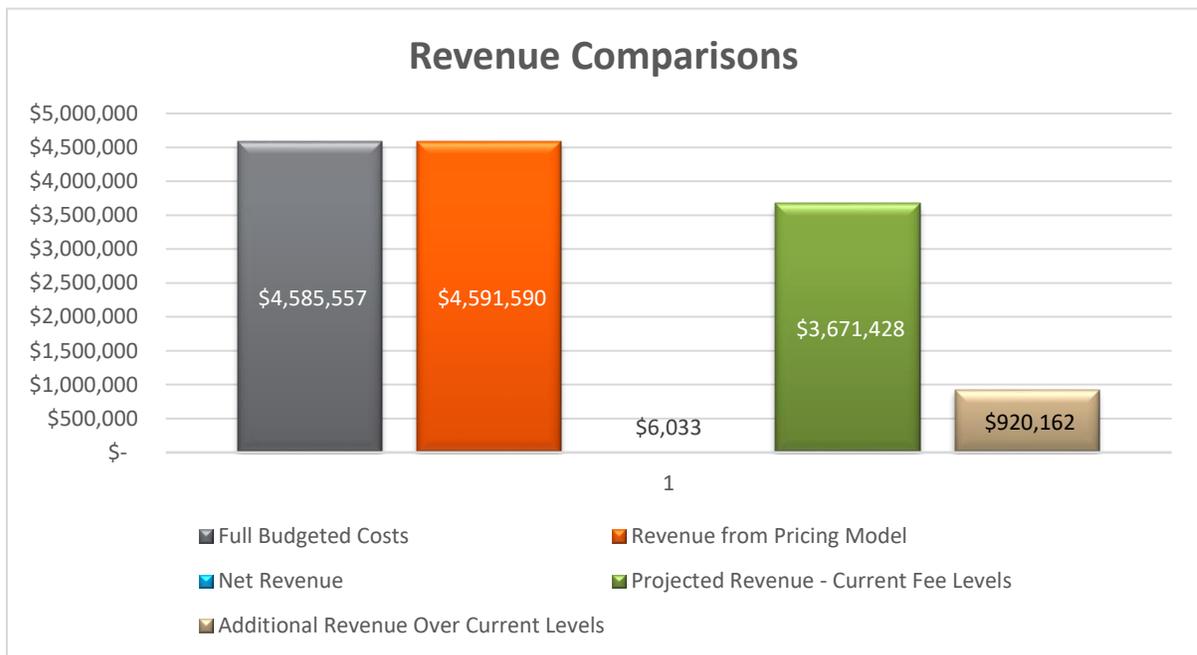
Based on budgeted expenses and a prorated amount for exam development, we project a net deficit in revenues for fiscal year 2016-2017 if the Bureau were to spend its entire appropriation. The following graphic summarizes these results.





PROPOSED PRICING MODEL

After calculating the full cost of each specific license, Bureau management established a pricing scenario that better reflects the true cost of fees to perform its functions and help ensure a sustainable regulatory program. This pricing model raises prices on some licenses and keeps others at the current fee. Because of this, Bureau management finds the level of cost recovery from their pricing model to be appropriate. However, it should be noted that this pricing model still results in a net increase of fee revenue of \$920,162. The following graphic summarizes these results.





OBSERVATIONS AND RECOMMENDATIONS

GENERAL OBSERVATIONS

The primary observation is that the Bureau has a history of conservative financial management and is taking a proactive step in this regard. By assessing its fees before a financial emergency, the Bureau is assuring its long-term sustainability and strengthening its ability to provide a high level of service to its constituents for the future.

SPECIFIC RECOMMENDATIONS

SET CAP AND ADJUST FEES REGULARLY

In our view, one of the most important outcomes of a study of fees is a policy to adjust fees regularly. Staff generally receive regular cost of living adjustments, cemetery and funeral establishments adjust their prices based on inflationary and market forces, and fees should be adjusted regularly as well.

We have provided a 10 year forward projection of fees based on an annual increase of 3 percent. We would recommend working with the State Legislature to set the cap at the 10 year projected maximum. Then adjusting fees annually or at least bi-annually to maintain alignment of revenues and expenditures. We would also recommend a formal audit of fees at the 5 year mark as processing and regulatory requirements can change dramatically within this time frame.



APPENDICES

Cost and Pricing Report Table

- Pages 1-3 shows the analysis of cost for each individual fee item and the comparison of revenues at full cost and at current prices;
- Pages 4-6 shows the results of applying a 3 percent annual escalator to the current fee. These can be used to set the cap for individual licenses.

California Cemetery and Funeral Bureau

Licensing & Misc Fees / Current Cost Structure



No.	Fee Name	Actual Work Volume	Recovered Revenue Volume	Unit Cost Summary						Annual Cost Calculations (At Actual Costs Calculated)			Results Pricing Model	
				Direct Unit Cost	Allocated Support Costs	Other Exam Development	Total Cost Assigned	Current Fee / Revenue	Unit Surcharge or (Subsidy)	Revenue at Full Cost of Services	Projection of Revenues at Current Fees	Annual Surplus (subsidy)	Pricing Scenerio	Annual Revenue Pricing Model
EMBALMER (EMB)														
	Application & Examination	65	65	\$ 15	\$48	\$ 275.07	\$338	\$ 150	(\$188)	\$ 21,963.63	\$9,750	(\$12,214)	\$ 300	\$ 19,500
	Annual renewal fee	1,627	1,627	\$ 15	\$48		\$63	\$ 100	\$37	\$ 102,231.49	\$162,700	\$60,469	\$ 150	\$ 244,050
	Delinquent renewal fee		152	\$ -				\$ 50	\$50	\$ -	\$7,600	\$7,600	\$ 75	\$ 11,400
				\$ -						\$ -				\$ -
				\$ -						\$ -				\$ -
				\$ -						\$ -				\$ -
APPRENTICE EMBALMER (AE)														
	Apprentice Embalmer	68	68	\$ 30	\$96		\$126	\$ 60	(\$66)	\$ 8,545.47	\$4,080	(\$4,465)	\$ 150	\$ 10,200
	Approval to Train (FD)	118	118	\$ 30	\$96		\$126	\$ 100	(\$26)	\$ 14,828.91	\$11,800	(\$3,029)	\$ 150	\$ 17,700
				\$ -						\$ -				\$ -
				\$ -						\$ -				\$ -
				\$ -						\$ -				\$ -
FUNERAL ESTABLISHMENT (FD)														
	Original Funeral Establishment	30	30	\$ 178	\$594		\$772	\$ 400	(\$372)	\$ 23,166.23	\$12,000	(\$11,166)	\$ 800	\$ 24,000
	Assignment License Application	18	18	\$ 63	\$210		\$273	\$ 300	\$27	\$ 4,917.82	\$5,400	\$482	\$ 300	\$ 5,400
	Annual renewal fee	1,033	1,033	\$ 71	\$237		\$308	\$ 400	\$92	\$ 317,794.51	\$413,200	\$95,405	\$ 400	\$ 413,200
	Delinquent renewal fee		79	\$ -				\$ 200	\$200	\$ -	\$15,800	\$15,800	\$ 200	\$ 15,800
	Change of Name	48	48	\$ 24	\$80		\$104	\$ 200	\$96	\$ 4,971.91	\$9,600	\$4,628	\$ 200	\$ 9,600
	Change of Location	64	64	\$ 40	\$133		\$173	\$ 250	\$77	\$ 11,054.21	\$16,000	\$4,946	\$ 250	\$ 16,000
	Annual Preneed Trust Fund Report	997	109	\$ 219	\$729		\$948	\$ 200	(\$748)	\$ 945,123.93	\$21,800	(\$923,324)	\$ 400	\$ 398,800
	Late Fee Preneed Trust Fund Report		29	\$ -				\$ 100	\$100	\$ -	\$2,900	\$2,900	\$ 200	\$ -
				\$ -						\$ -				\$ -
				\$ -						\$ -				\$ -
				\$ -						\$ -				\$ -
FUNERAL DIRECTOR (FDR)														
	Examination	246	246	\$ 15	\$48	\$ 36.67	\$100	\$ 100	\$0	\$ 24,478.13	\$24,600	\$122	\$ 200	\$ 49,200
	Application	160	160	\$ 30	\$96		\$126	\$ 200	\$74	\$ 20,106.99	\$32,000	\$11,893	\$ 200	\$ 32,000
	Annual renewal fee	2,218	2,218	\$ 15	\$48		\$63	\$ 200	\$137	\$ 139,366.60	\$443,600	\$304,233	\$ 200	\$ 443,600
	Delinquent renewal fee		168	\$ -				\$ 100	\$100	\$ -	\$16,800	\$16,800	\$ 100	\$ 16,800
				\$ -						\$ -				\$ -
				\$ -						\$ -				\$ -
				\$ -						\$ -				\$ -
NOTIFICATION OF CHANGE														
	Change of Officer(s), Trustee(s), or Managing Funeral Director	172	172	\$ 10	\$32		\$42	\$ 50	\$8	\$ 7,219.42	\$8,600	\$1,381	\$ 50	\$ 8,600
				\$ -						\$ -				\$ -
				\$ -						\$ -				\$ -
				\$ -						\$ -				\$ -
MISCELLANEOUS FEE														
	Duplicate or Replacement License	579	579	\$ 10	\$32		\$42	\$ 40		\$ 24,254.06	\$23,160	(\$1,094)	\$ 50	\$ 28,950
				\$ -						\$ -				\$ -
				\$ -						\$ -				\$ -
				\$ -						\$ -				\$ -
FINGERPRINT PROCESSING FEES*														
	Department of Justice			\$ -				\$ 32	\$32	\$ -			\$ 32	\$ -
	Federal			\$ -				\$ 17	\$17	\$ -			\$ 17	\$ -
				\$ -						\$ -				\$ -
				\$ -						\$ -				\$ -
CERTIFICATE OF AUTHORITY (COA)														
	Initial Filing fee	2	2	\$ 453	\$2,148		\$2,601	\$ 400	(\$2,201)	\$ 5,202.90	\$800	(\$4,403)	\$ 1,000	\$ 2,000
	Additional Filing fee (additional cost to defray investigation expenses not to exceed a total sum of \$900)			\$ -				\$ 100	\$100	\$ -			\$ 100	\$ -

California Cemetery and Funeral Bureau

Licensing & Misc Fees / Current Cost Structure



No.	Fee Name	Actual Work Volume	Recovered Revenue Volume	Unit Cost Summary						Annual Cost Calculations (At Actual Costs Calculated)			Results Pricing Model	
				Direct Unit Cost	Allocated Support Costs	Other Exam Development	Total Cost Assigned	Current Fee / Revenue	Unit Surcharge or (Subsidy)	Revenue at Full Cost of Services	Projection of Revenues at Current Fees	Annual Surplus (subsidy)	Pricing Scenerio	Annual Revenue Pricing Model
	Annual regulatory fee	196	196	\$ 123	\$583		\$706	\$ 400	(\$306)	\$ 138,415.43	\$78,400	(\$60,015)	\$ 700	\$ 137,200
	Delinquent renewal fee		7	\$ -				\$ 200	\$200	\$ -	\$1,400	\$1,400	\$ 350	\$ 2,450
	Quarterly fee per interment	62,498	62,498	\$ 1.12	\$8.28		\$9.40	\$ 8.50	(\$0.90)	\$ 587,466.10	\$531,233	(\$56,233)	\$ 8.50	\$ 531,233
	ECF/SCF annual report	192	192	\$ 328	\$1,555		\$1,883		(\$1,883)	\$ 361,540.55		(\$361,541)	\$ 400	\$ 76,800
	CREMATORY (CR)			\$ -						\$ -			\$ -	\$ -
	Initial Filing fee	7	7	\$ 215	\$689		\$904	\$ 400	(\$504)	\$ 6,330.45	\$2,800	(\$3,530)	\$ 800	\$ 5,600
	Additional Filing fee (additional cost to defray investigation expenses not to exceed at total sum of \$900)			\$ -				\$ 100	\$100	\$ -			\$ 100	\$ -
	Annual regulatory fee	224	224	\$ 64	\$205		\$269	\$ 400	\$131	\$ 60,316.84	\$89,600	\$29,283	\$ 400	\$ 89,600
	Delinquent renewal fee		11	\$ -				\$ 200	\$200	\$ -	\$2,200	\$2,200	\$ 200	\$ 2,200
	Quarterly fee per cremation	162,350	162,350	\$ 1.12	\$6.55		\$7.68	\$ 8.50	\$0.82	\$ 1,246,342	\$1,379,975	\$133,633	\$ 8.50	\$ 1,379,975
	CEMETERY MANAGER (CEM)			\$ -						\$ -			\$ -	\$ -
	Examination/Reexamination	20	20	\$ 10	\$32	\$ 524.48	\$566	\$ 800	\$234	\$ 11,329	\$16,000	\$4,671	\$ 800	\$ 16,000
	Original License	25	25	\$ 10	\$32		\$42	\$ 80	\$38	\$ 1,049	\$2,000	\$951	\$ 100	\$ 2,500
	Annual renewal fee	289	289	\$ 10	\$32		\$42	\$ 80	\$38	\$ 12,130	\$23,120	\$10,990	\$ 100	\$ 28,900
	Delinquent renewal fee		9	\$ -				\$ 40	\$40	\$ -	\$360	\$360	\$ 50	\$ 450
	CREMATORY MANAGER (CRM)			\$ -						\$ -			\$ -	\$ -
	Examination/Reexamination	33	33	\$ 10	\$32	\$ 457.79	\$500	\$ 450	(\$50)	\$ 16,492	\$14,850	(\$1,642)	\$ 500	\$ 16,500
	Original License	21	21	\$ 10	\$32		\$42	\$ 80	\$38	\$ 881	\$1,680	\$799	\$ 100	\$ 2,100
	Annual renewal fee	496	496	\$ 10	\$32		\$42	\$ 80	\$38	\$ 20,819	\$39,680	\$18,861	\$ 100	\$ 49,600
	Delinquent renewal fee		37	\$ -				\$ 40	\$40	\$ -	\$1,480	\$1,480	\$ 50	\$ 1,850
	CEMETERY BROKER (CEB)			\$ -						\$ -			\$ -	\$ -
	Original license/examination	14	14	\$ 10	\$32	\$ 932.85	\$975	\$ 400	(\$575)	\$ 13,647	\$5,600	(\$8,047)	\$ 500	\$ 7,000
	Reexamination	3	3	\$ 10	\$32		\$42	\$ 100	\$58	\$ 126	\$300	\$174	\$ 100	\$ 300
	Annual renewal fee	179	179	\$ 10	\$32		\$42	\$ 300	\$258	\$ 7,513	\$53,700	\$46,187	\$ 300	\$ 7
	Delinquent renewal fee Reinstatement		4	\$ -				\$ 150	\$150	\$ -	\$600	\$600	\$ 150	\$ 600
	CEMETERY BROKER ADT'L (CBA)			\$ -						\$ -			\$ -	\$ -
	Annual renewal fee	12	12	\$ 10	\$14		\$24	\$ 100	\$76	\$ 289	\$1,200	\$911	\$ 100	\$ 1,200
	Delinquent renewal fee		1	\$ -				\$ 50	\$50	\$ -	\$50	\$50	\$ 50	\$ 50
	CEMETERY BROKER BRANCH (CBB)			\$ -						\$ -			\$ -	\$ -
	License fee	3	3	\$ 22	\$31		\$53	\$ 100	\$47	\$ 159	\$300	\$141	\$ 100	\$ 300
	Annual renewal fee	66	66	\$ 10	\$14		\$24	\$ 100	\$76	\$ 1,589	\$6,600	\$5,011	\$ 100	\$ 6,600
	Delinquent renewal fee		6	\$ -				\$ 50	\$50	\$ -	\$300	\$300	\$ 50	\$ 300
	CEMETERY SALESPERSON (CES)			\$ -						\$ -			\$ -	\$ -

California Cemetery and Funeral Bureau

Licensing & Misc Fees / Current Cost Structure



No.	Fee Name	Actual Work Volume	Recovered Revenue Volume
	Original license	2,532	2,532
	Transfer fee	375	375
	Reinstatement	3	3
	Annual renewal fee	3,136	3,136
	Delinquent renewal fee		44
	CREMATED REMAINS DISPOSER (CRD)		
	Registration	15	15
	Annual renewal fee	137	137
	Delinquent renewal fee		
	MISCELLANEOUS FEES		
	Change of name or address	1	1
	Duplicate license	101	101
	FINGERPRINT PROCESSING FEES*		
	Department of Justice		
	Federal		

Unit Cost Summary					
Direct Unit Cost	Allocated Support Costs	Other Exam Development	Total Cost Assigned	Current Fee / Revenue	Unit Surcharge or (Subsidy)
\$ 22	\$70		\$92	\$ 30	(\$62)
\$ 10	\$32		\$42	\$ 25	(\$17)
\$ 10	\$32		\$42	\$ 25	(\$17)
\$ 10	\$32		\$42	\$ 25	(\$17)
\$ -				\$ 25	\$25
\$ -					
\$ -					
\$ -					
\$ 10	\$32		\$42	\$ 100	\$58
\$ 70	\$223		\$293	\$ 50	(\$243)
\$ -				\$ 25	\$25
\$ -					
\$ -					
\$ 5	\$16		\$21	\$ 25	\$4
\$ 5	\$16		\$21	\$ 25	\$4
\$ -					
\$ -					
\$ -					
\$ -				\$ 32	\$32
\$ -				\$ 17	\$17
\$ -					
\$ -					

Annual Cost Calculations (At Actual Costs Calculated)		
Revenue at Full Cost of Services	Projection of Revenues at Current Fees	Annual Surplus (subsidy)
\$ 233,554	\$75,960	(\$157,594)
\$ 15,740	\$9,375	(\$6,365)
\$ 126	\$75	(\$51)
\$ 131,628	\$78,400	(\$53,228)
\$ -	\$1,100	\$1,100
\$ -		
\$ -		
\$ -		
\$ 630	\$1,500	\$870
\$ 40,081	\$6,850	(\$33,231)
\$ -		
\$ -		
\$ -		
\$ 21	\$25	\$4
\$ 2,115	\$2,525	\$410
\$ -		
\$ -		
\$ -		
\$ -		
\$ -		
\$ -		
\$ -		
\$ -		
\$ -		

Results Pricing Model	
Pricing Scenerio	Annual Revenue Pricing Model
\$ 100	\$ 253,200
\$ 50	\$ 18,750
\$ 50	\$ 150
\$ 50	\$ 156,800
\$ 25	\$ 1,100
\$ -	\$ -
\$ -	\$ -
\$ -	\$ -
\$ 200	\$ 3,000
\$ 200	\$ 27,400
\$ 100	\$ -
\$ -	\$ -
\$ -	\$ -
\$ 25	\$ 25
\$ 50	\$ 5,050
\$ -	\$ -
\$ -	\$ -
\$ -	\$ -
\$ 32	\$ -
\$ 17	\$ -
\$ -	\$ -
\$ -	\$ -

Annual Revenue Impacts		
Revenue at Full Cost of Services	Projection of Revenues at Current Fees	Annual Surplus (subsidy)
\$ 4,585,557	\$ 3,671,428	(\$914,129)

Annual Revenue	
	Annual Revenue Pricing Model
	\$ 4,591,590

California Cemetery and Funeral Bureau

Licensing & Misc Fees / Current Cost Structure



Ten Year Projection of Fee Requirements

No.	Fee Name	Actual Work Volume	Ten Year Projection of Fee Requirements									
			Year #1	Year #2	Year #3	Year #4	Year #5	Year #6	Year #7	Year #8	Year #9	Year #10
EMBALMER (EMB)			3.0% Annual Increase									
	Application & Examination	65	\$309	\$318	\$328	\$338	\$348	\$358	\$369	\$380	\$391	\$403
	Annual renewal fee	1,627	\$155	\$159	\$164	\$169	\$174	\$179	\$184	\$190	\$196	\$202
	Delinquent renewal fee		\$77	\$80	\$82	\$84	\$87	\$90	\$92	\$95	\$98	\$101
APPRENTICE EMBALMER (AE)												
	Apprentice Embalmer	68	\$155	\$159	\$164	\$169	\$174	\$179	\$184	\$190	\$196	\$202
	Approval to Train (FD)	118	\$155	\$159	\$164	\$169	\$174	\$179	\$184	\$190	\$196	\$202
FUNERAL ESTABLISHMENT (FD)												
	Original Funeral Establishment	30	\$824	\$849	\$874	\$900	\$927	\$955	\$984	\$1,013	\$1,044	\$1,075
	Assignment License Application	18	\$309	\$318	\$328	\$338	\$348	\$358	\$369	\$380	\$391	\$403
	Annual renewal fee	1,033	\$412	\$424	\$437	\$450	\$464	\$478	\$492	\$507	\$522	\$538
	Delinquent renewal fee		\$206	\$212	\$219	\$225	\$232	\$239	\$246	\$253	\$261	\$269
	Change of Name	48	\$206	\$212	\$219	\$225	\$232	\$239	\$246	\$253	\$261	\$269
	Change of Location	64	\$258	\$265	\$273	\$281	\$290	\$299	\$307	\$317	\$326	\$336
	Annual Preneed Trust Fund Report	997	\$412	\$424	\$437	\$450	\$464	\$478	\$492	\$507	\$522	\$538
	Late Fee Preneed Trust Fund Report		\$206	\$212	\$219	\$225	\$232	\$239	\$246	\$253	\$261	\$269
FUNERAL DIRECTOR (FDR)												
	Examination	246	\$206	\$212	\$219	\$225	\$232	\$239	\$246	\$253	\$261	\$269
	Application	160	\$206	\$212	\$219	\$225	\$232	\$239	\$246	\$253	\$261	\$269
	Annual renewal fee	2,218	\$206	\$212	\$219	\$225	\$232	\$239	\$246	\$253	\$261	\$269
	Delinquent renewal fee		\$103	\$106	\$109	\$113	\$116	\$119	\$123	\$127	\$130	\$134
NOTIFICATION OF CHANGE												
	Change of Officer(s), Trustee(s), or Managing Funeral Director	172	\$52	\$53	\$55	\$56	\$58	\$60	\$61	\$63	\$65	\$67
MISCELLANEOUS FEE												
	Duplicate or Replacement License	579	\$52	\$53	\$55	\$56	\$58	\$60	\$61	\$63	\$65	\$67
FINGERPRINT PROCESSING FEES*												
	Department of Justice		\$33	\$34	\$35	\$36	\$37	\$38	\$39	\$41	\$42	\$43
	Federal		\$18	\$18	\$19	\$19	\$20	\$20	\$21	\$22	\$22	\$23
CERTIFICATE OF AUTHORITY (COA)												
	Initial Filing fee	2	\$1,030	\$1,061	\$1,093	\$1,126	\$1,159	\$1,194	\$1,230	\$1,267	\$1,305	\$1,344
	Additional Filing fee (additional cost to defray investigation expenses not to exceed a total sum of \$900)		\$103	\$106	\$109	\$113	\$116	\$119	\$123	\$127	\$130	\$134

California Cemetery and Funeral Bureau

Licensing & Misc Fees / Current Cost Structure



Ten Year Projection of Fee Requirements

No.	Fee Name	Actual Work Volume	Year #1	Year #2	Year #3	Year #4	Year #5	Year #6	Year #7	Year #8	Year #9	Year #10
	Annual regulatory fee	196	\$721	\$743	\$765	\$788	\$811	\$836	\$861	\$887	\$913	\$941
	Delinquent renewal fee		\$361	\$371	\$382	\$394	\$406	\$418	\$430	\$443	\$457	\$470
	Quarterly fee per interment	62,498	\$9	\$9	\$9	\$10	\$10	\$10	\$10	\$11	\$11	\$11
	ECF/SCF annual report	192	\$412	\$424	\$437	\$450	\$464	\$478	\$492	\$507	\$522	\$538
	CREMATORY (CR)											
	Initial Filing fee	7	\$824	\$849	\$874	\$900	\$927	\$955	\$984	\$1,013	\$1,044	\$1,075
	Additional Filing fee (additional cost to defray investigation expenses not to exceed at total sum of \$900)		\$103	\$106	\$109	\$113	\$116	\$119	\$123	\$127	\$130	\$134
	Annual regulatory fee	224	\$412	\$424	\$437	\$450	\$464	\$478	\$492	\$507	\$522	\$538
	Delinquent renewal fee		\$206	\$212	\$219	\$225	\$232	\$239	\$246	\$253	\$261	\$269
	Quarterly fee per cremation	162,350	\$9	\$9	\$9	\$10	\$10	\$10	\$10	\$11	\$11	\$11
	CEMETERY MANAGER (CEM)											
	Examination/Reexamination	20	\$824	\$849	\$874	\$900	\$927	\$955	\$984	\$1,013	\$1,044	\$1,075
	Original License	25	\$103	\$106	\$109	\$113	\$116	\$119	\$123	\$127	\$130	\$134
	Annual renewal fee	289	\$103	\$106	\$109	\$113	\$116	\$119	\$123	\$127	\$130	\$134
	Delinquent renewal fee		\$52	\$53	\$55	\$56	\$58	\$60	\$61	\$63	\$65	\$67
	CREMATORY MANAGER (CRM)											
	Examination/Reexamination	33	\$515	\$530	\$546	\$563	\$580	\$597	\$615	\$633	\$652	\$672
	Original License	21	\$103	\$106	\$109	\$113	\$116	\$119	\$123	\$127	\$130	\$134
	Annual renewal fee	496	\$103	\$106	\$109	\$113	\$116	\$119	\$123	\$127	\$130	\$134
	Delinquent renewal fee		\$52	\$53	\$55	\$56	\$58	\$60	\$61	\$63	\$65	\$67
	CEMETERY BROKER (CEB)											
	Original license/examination	14	\$515	\$530	\$546	\$563	\$580	\$597	\$615	\$633	\$652	\$672
	Reexamination	3	\$103	\$106	\$109	\$113	\$116	\$119	\$123	\$127	\$130	\$134
	Annual renewal fee	179	\$309	\$318	\$328	\$338	\$348	\$358	\$369	\$380	\$391	\$403
	Delinquent renewal fee Reinstatement		\$155	\$159	\$164	\$169	\$174	\$179	\$184	\$190	\$196	\$202
	CEMETERY BROKER ADT'L (CBA)											
	Annual renewal fee	12	\$103	\$106	\$109	\$113	\$116	\$119	\$123	\$127	\$130	\$134
	Delinquent renewal fee		\$52	\$53	\$55	\$56	\$58	\$60	\$61	\$63	\$65	\$67
	CEMETERY BROKER BRANCH (CBB)											
	License fee	3	\$103	\$106	\$109	\$113	\$116	\$119	\$123	\$127	\$130	\$134
	Annual renewal fee	66	\$103	\$106	\$109	\$113	\$116	\$119	\$123	\$127	\$130	\$134
	Delinquent renewal fee		\$52	\$53	\$55	\$56	\$58	\$60	\$61	\$63	\$65	\$67
	CEMETERY SALESPERSON (CES)											

California Cemetery and Funeral Bureau

Licensing & Misc Fees / Current Cost Structure



Ten Year Projection of Fee Requirements

No.	Fee Name	Actual Work Volume	Year #1	Year #2	Year #3	Year #4	Year #5	Year #6	Year #7	Year #8	Year #9	Year #10
	Original license	2,532	\$103	\$106	\$109	\$113	\$116	\$119	\$123	\$127	\$130	\$134
	Transfer fee	375	\$52	\$53	\$55	\$56	\$58	\$60	\$61	\$63	\$65	\$67
	Reinstatement	3	\$52	\$53	\$55	\$56	\$58	\$60	\$61	\$63	\$65	\$67
	Annual renewal fee	3,136	\$52	\$53	\$55	\$56	\$58	\$60	\$61	\$63	\$65	\$67
	Delinquent renewal fee		\$26	\$27	\$27	\$28	\$29	\$30	\$31	\$32	\$33	\$34
	CREMATED REMAINS DISPOSER (CRD)											
	Registration	15	\$206	\$212	\$219	\$225	\$232	\$239	\$246	\$253	\$261	\$269
	Annual renewal fee	137	\$206	\$212	\$219	\$225	\$232	\$239	\$246	\$253	\$261	\$269
	Delinquent renewal fee		\$103	\$106	\$109	\$113	\$116	\$119	\$123	\$127	\$130	\$134
	MISCELLANEOUS FEES											
	Change of name or address	1	\$26	\$27	\$27	\$28	\$29	\$30	\$31	\$32	\$33	\$34
	Duplicate license	101	\$52	\$53	\$55	\$56	\$58	\$60	\$61	\$63	\$65	\$67
	FINGERPRINT PROCESSING FEES*											
	Department of Justice		\$33	\$34	\$35	\$36	\$37	\$38	\$39	\$41	\$42	\$43
	Federal		\$18	\$18	\$19	\$19	\$20	\$20	\$21	\$22	\$22	\$23

Annual Revenues (Projected)

Year #1	Year #2	Year #3	Year #4	Year #5	Year #6	Year #7	Year #8	Year #9	Year #10
\$ 4,730,051	\$ 4,871,953	\$ 5,018,112	\$ 5,168,655	\$ 5,323,715	\$ 5,483,426	\$ 5,647,929	\$ 5,817,367	\$ 5,991,888	\$ 6,171,644