

$$PP_{\$/t} = (NHFR_{\$/t} + RR) - SV_{\$/t}$$



Department of Resources Recycling and Recovery

$$HF_{\$/c} = HFR_{\$/c} - NHFR_{\$/c}$$

Processing Fee/Handling Fee Cost Survey

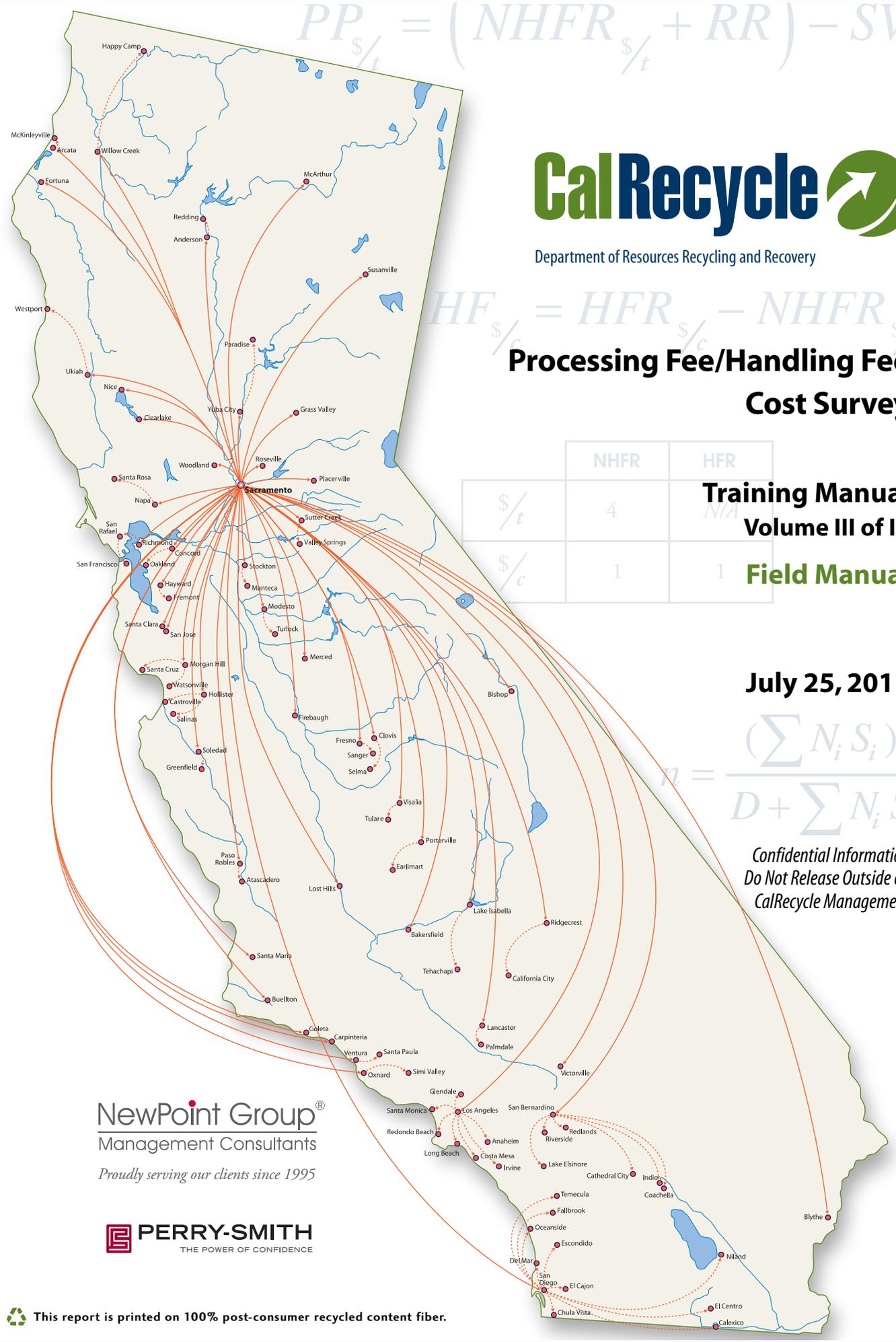
	NHFR	HFR
$\$/t$	4	N/A
$\$/c$	1	1

Training Manual
Volume III of III
Field Manual

July 25, 2011

$$n = \frac{(\sum N_i S_i)^2}{D + \sum N_i S_i^2}$$

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Management Consultants
Proudly serving our clients since 1995



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COST SURVEY SITE PROCEDURES

RC: _____ PR: _____ Name: _____
 Site Visit Date: _____

Initials Date

ON-SITE

GENERAL

1. Conduct introductions, exchange business cards, and provide brief background of cost surveys		
2. Tour the facility and document observations, customer transactions, material flows, and sales to processors, and complete the <i>Site Equipment List</i>		
3. Note any changes in the operation from the previous calendar year		
4. Confirm contact person(s), including name title, address, voice, and FAX telephone numbers, and email		

FINANCIAL

5. Obtain and review financial documentation with site manager, including depreciation schedule		
6. Identify direct costs for material type or BCI, where possible		
7. Determine use of fixed assets (e.g., balers, trucks) for CRV materials, including mileage to/from processor		

LABOR

8. Obtain and review labor hours and wages information (payroll register or equivalent)		
9. Conduct labor allocation interviews with site management using labor allocation worksheet		
10. Reconcile labor costs reported on financial statements to labor costs reported on payroll documentation		

PRIOR TO DEPARTURE

11. Ensure that all operational, financial, and labor information has been obtained		
12. Confirm a date and method to obtain the information, if financial and labor information is incomplete		
13. Obtain signed affidavit		

OFF-SITE

FINANCIAL

14. Input costs from financial statements		
15. Determine allowable costs from cost category directory		

LABOR

16. Enter labor information on the Labor Input Sheet of the automated cost survey model		
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SITE MEMORANDUM

17. Complete Sections A, B, and E using notes and checklists from site tour		
18. Document source of labor/payroll information (location, type, dates, and nature of source) (Section C)		
19. Document source of financial information (location, type, dates, and nature of source) (Section D)		
20. Document problems encountered and solutions provided (Section F). ANY DOCUMENTED PROBLEM <u>MUST</u> HAVE A DOCUMENTED SOLUTION.		

SITE DOCUMENTATION

21. Incorporate any supporting labor and financial calculations and/or assumptions as one or more new worksheets in the cost model		
22. Prepare, review, and finalize site file, with all required workpaper cross-references and tickmarks		
23. Ensure that cost model, <i>Site Memorandum</i> , <i>Equipment List</i> have been backed up to the backup location established for all site surveys		

COST SURVEY SITE PROCEDURES

Reviewed by:

Date:

Prepared by:

Date:

Index #

A.1

Cost Category Directory

ALLOWABLE:

Recycler and Processor:

<p>1 <u>Direct Labor</u> Contract (or outside) labor Direct labor Officer's salary Overtime, holiday, vacation pay Owner's net income Safety incentive program Temporary service (contract, office, site) Vacation/holidays (paid) Wages (administration, field supervisors, site, truck drivers)</p> <p>1b <u>Other Labor/Overhead</u> Accrued vacation and holidays Employee benefits (pension (401k), profit sharing, union) Employee welfare Group insurance Insurance (dental, health, legal, vision, life) Payroll taxes (FICA, Medicare, FUTA) Retirement Unemployment tax Union benefits Workers compensation insurance</p> <p>2 <u>General Business Overhead</u> Accounting, bookkeeping, and audit fees Advertising/promotion Automobile (fuel, payments) Auto fuel Automobile Bad debt accrual Bank charges and fees Business meals Cash over/short City franchise tax Computer expense Consulting fees Credit card fees Dues/subscriptions Laundry Legal and professional services Licenses/permits Meals/entertainment/meetings Miscellaneous Office expense Outside services (other than contract labor) Payroll processing fees Pension administrative fees Physical exam Postage/courier Printing Professional fees Reproduction (faxes, printing, Xerox) Safety awards Security (alarms, dogs) Service (exterminator, janitorial, lab analysis, laundry) Site mileage – auto Taxes/licenses/permits (business) Telephone/fax Training/recruiting expenses Travel/relocation expenses Voucher redemption fees</p>	<p>3 <u>Transportation</u> Auto/Truck expense Auto/Truck fuel Freight In-recycler Freight Out (excluding scrap value deduction) Fuel Gas, diesel, oil, and tires Hauling Insurance (auto, truck) Lease Mileage Permits/registration/license/taxes (auto, truck) Road expense (truck driver) Service (outside maintenance) Tolls Truck (maintenance/repair, outside service, registration) Weight fees</p> <p>4 <u>Rent</u> Building Equipment Facilities Property/site Vehicles (trucks, autos, forklifts)</p> <p>5 <u>Depreciation</u> Amortization Depreciation expense Schedule 179 deduction</p> <p>6 <u>Property Taxes</u> Property tax Unsecured property tax</p> <p>7 <u>Utilities</u> Gas Electricity Refuse collection (trash, garbage, waste, disposal) Sewer Water</p> <p>8 <u>Supplies</u> Baling and packing supplies Parts Printing and stationary Office Safety equipment and items Shop supplies Site Small equipment Small tools Uniforms Yard supplies</p> <p>9 <u>Fuel</u> Fluids, gas, oil, and lubricants Gasses Propane Yard fuel</p> <p>10 <u>Insurance</u> Business Fire Group Liability Property</p> <p>11 <u>Interest</u> Interest (loan, mortgage, notes payable)</p> <p>12 <u>Maintenance</u> Building, facility, and property Equipment Painting Radio maintenance Repairs Repairs and maintenance Scale expense – repairs</p>
<hr/> <p>Processor Only:</p> <p>13 <u>Security</u></p> <p>14 <u>Disposal</u> Landfill fee (beverage container material)</p> <hr/>	

Cost Category Directory

NONALLOWABLE:

- | | |
|---|---|
| 1. Brokering activities/commissions | 9. Royalty expense |
| 2. Charitable contributions/donations | 10. Scrap value deduction |
| 3. Corporate overhead allocation
(officer's salary and administration) | 11. Scrap value paid to the consumer |
| 4. Exclusivity payments (or administration fee) –
(supermarket contract) | 12. Settlements |
| 5. Litigation | 13. Shipping/handling (incurred by processors for shipping/
hauling beverage containers to the end user - these are
deducted from site's total allowable costs) |
| 6. Lobbying | 14. Shrink (also called shrinkage, moisture short, inventory
change – refers to difference in CRV payments recycler makes
to customer, and processor makes to recycler) |
| 7. Penalties (imposed by government/business) | 15. Taxes (income and sales) |
| 8. Promotion items increasing scrap value, and other incentives | |
-

Cost Survey Quality Control Ranges Reference Chart

Proprietary Information - Do Not Release Outside of CalRecycle

Unall. Hours % of Total	< 3%	Labor Reconciliation (%ULD)	< 5%
Unall. Wages % of Total	< 3%	Overall Wage Per Hour	Between \$8.00 and \$32.00
Wages Per Hour			
Recycler	DYL	AOL	Total
	Between \$8.00 and \$20.00	Between \$8.00 and \$60.00	Between \$8.00 and \$32.00
Processing Fee Recycler Costs			
Stratum 1 per Ton S1 Total per Material	Aluminum	Glass	PET Plastic
	Between \$250 and \$625	Between \$30 and \$115	Between \$210 and \$600
Stratum 1 Red Flag Levels*	Between \$27,000 and \$300,000	Between \$27,000 and \$130,000	Between \$30,000 and \$220,000
Stratum 2 per Ton S2 Total per Material	Aluminum	Glass	PET Plastic
	Between \$200 and \$800	Between \$40 and \$135	Between \$200 and \$715
Stratum 2 Red Flag Levels*	Between \$16,000 and \$120,000	Between \$15,000 and \$65,000	Between \$20,000 and \$110,000
Stratum 3 per Ton S3 Total per Material	Aluminum	Glass	PET Plastic
	Between \$250 and \$1,000	Between \$50 and \$220	Between \$200 and \$1,200
Stratum 3 Red Flag Levels*	Between \$8,000 and \$38,000	Between \$47,000 and \$17,000	Between \$4,000 and \$25,000
Cost per Container			
Stratum 1 per Container Stratum 1 total CRV	Processing Fee Recyclers	Handling Fee Recyclers	
	Between 0.5 and 1.7 cents	Between 0.9 and 2.0 cents	
Stratum 1 Red Flag Levels*	Between \$300,000 and \$800,000	Between \$70,000 and \$200,000	
Stratum 2 per Container Stratum 2 total CRV	Processing Fee Recyclers	Handling Fee Recyclers	
	Between 0.7 and 1.8 cents	Between 1.0 and 3.0 cents	
Stratum 2 Red Flag Levels*	Between \$150,000 and \$300,000	Between \$55,000 and \$115,000	
Stratum 3 per Container Stratum 3 total CRV	Processing Fee Recyclers	Handling Fee Recyclers	
	Between 0.6 and 4.0 cents	Between 1.6 and 5.1 cents	
Stratum 3 Red Flag Levels*	Between \$20,000 and \$150,000	Between \$40,000 and \$80,000	
Percentage of Total Aluminum, Glass, and PET Plastic			
Absolute Diff. Between % of Containers and Hours	Aluminum	Glass	PET Plastic
	<40	<25	<25
Recycler Allowable Cost Category Expected Ranges (from Cost Summary worksheet)		Recycler CRV Line Items as a Percent of Total Recycler CRV Costs (from Review Sheet worksheet)	
Description	Expected Ranges (as % of Total Allowable Costs less Other Business Wages)	Description	Red Flag Levels*
1. Labor			
a. Per Labor Input Sheet	Between 20% and 65%		
b. All Other Labor	Equal to or Less than 16%	b. All Other Labor	Greater than 30%
2. General Business Overhead	Equal to or Less than 17%	2. General Business Overhead	Greater than 30%
a. Supermarket Site Contract			
3. Transportation	Equal to or Less than 24%	3. Transportation	Greater than 30% (35% for HF sites)
4. Rent	Equal to or Less than 20%	4. Rent	Greater than 30%
5. Depreciation	Equal to or Less than 10%	5. Depreciation	Greater than 20%
6. Property Taxes	Equal to or Less than 5%	6. Property Taxes	Greater than 15%
7. Utilities	Equal to or Less than 5%	7. Utilities	Greater than 15%
8. Supplies	Equal to or Less than 9%	8. Supplies	Greater than 15%
9. Fuel	Equal to or Less than 5%	9. Fuel	Greater than 15%
10. Insurance	Equal to or Less than 5%	10. Insurance	Greater than 15%
11. Interest	Equal to or Less than 5%	11. Interest	Greater than 15%
12. Maintenance	Equal to or Less than 10%	12. Maintenance	Greater than 15%

* Any site that exceeds a Red Flag Level for the (1) combined cost per ton and total cost by strata category, (2) combined cost per container and total cost by strata category, and/or (3) Recycler CRV Line Items category, will not be approved unless there is reasonable, defensible, and justifiable explanation for those costs.

Common Site File Problems (and How to Avoid Them)

1. Not asking enough questions

Be inquisitive – your job is to determine accurate costs for each material type at each recycling center. Each recycling center is unique. Each cost category is unique. Transportation costs at one facility may need to be handled differently from transportation costs at another facility – you need to understand the details of each cost category to know how to allocate costs. The only way to do this is to question the site operator about each line item shown in the recycling center’s financial statements.

2. Not direct costing enough, particularly to other business or non-CRV

A goal of a review of a site’s financials is to directly allocate as many cost items as possible. This is more important for large sites and dual sites (which are often large sites). You should determine what is included in each cost category, particularly items such as supplies, equipment, depreciation, fuel, transportation, travel, commissions, taxes, and auto and truck expenses. You should query the site manager about each line item. For example:

- If you see a line item named “supplies”, ask “What are these supplies for? Were any used for CRV materials?” If the supplies line item was for baling wire, then it needs to be direct costed to those materials at the site that are baled (or, if it is a dual site, the baling supplies are direct costed to the PR).
- If you see a line item named “travel”, ask “What makes up these travel costs. What is the \$120,000 in travel for?” Is this for CRV materials?” (Probably not!) We want our CRV costs to reflect only CRV costs, not costs related to other business activities, or the recycler’s personal expenses.

3. Not direct costing correctly

When you determine that an item should be direct costed but not necessarily for a single material or all for other business, and you have specific information about the cost, use the BCI and AMI percentages to allocate between material types as the first step. Always start with BCI and AMI percentages, unless you have documentation from the recycler. For example, if the recycler says the transportation line item is for glass and aluminum, and he says he ships aluminum once a week and glass twice, still use the relative BCI percentages for glass and aluminum. That is, unless he provides documentation of specific shipping costs for each material.

- Use the BCI to allocate a CRV-only cost among the CRV materials. An example of such a cost would be the depreciation of a baler that is used only for CRV aluminum and plastic.
- Use the AMI to allocate a CRV and non-CRV cost among CRV materials and non-CRV (other business) activities. An example is the depreciation for a baler that is used for paper, aluminum, and plastic.

If a cost can be directly allocated to plastic (e.g., for a baler that is used for aluminum, PET, and HDPE), you must take an additional step to allocate the plastic share determined from the BCI or AMI between PET and HDPE. For this step, you need to use the relative weights of these two materials at the site. Here is an example:

A recycler has glass picked up by a processor for a scrap value deduction. Therefore, the \$4,800 in fuel for gas to self-deliver materials to the processor should be allocated between aluminum, PET, and HDPE. This is a two step process: (1) use the BCI to split costs between aluminum and plastic, then (2) use the relative weights of PET and HDPE to split plastic’s share of costs between PET and HDPE.

\$ 4,800.00	BCI	Relative BCI	Allocation
Aluminum	60.5%	75.6%	\$ 3,628.80
Plastic	19.5%	24.4%	\$ 1,171.20
	80.0%	100.0%	\$ 4,800.00

	Tons	Relative Tons	Allocation
PET	17,874	94.2%	\$ 1,103.27
HDPE	1,106	5.8%	\$ 67.93
	18,980	100.0%	\$ 1,171.20

4. Categorizing a cost as non-allowable when it is an allowable cost

Only use the non-allowable cost category for those items that are classified as non-allowable (see item #5, below). If an allowable cost item (e.g., supplies) is for non-CRV activities, enter and categorize the item on the cost input sheet as “supplies”, then use the **Recycler Direct Costs** worksheet to directly allocate the cost to non-CRV materials.

5. Not categorizing costs as non-allowable when they are

Do not categorize a cost as non-allowable cost when applicable. You probably will need to question the site manager in order to determine whether or not certain costs are non-allowable. Please review the Cost Category Directory (in both Volumes I and III of the Training Manual). There are some nuances to understand:

- *Corporate overhead allocation* – for handling fee sites, corporate overhead is an allowable cost because the entire corporate function of the company (NexCycle, TOMRA, Earth Wise) is operating recycling centers. For a waste company, such as Waste Management, Inc., corporate overhead is often not allowable because it consists of activities not directly related to recycling operations. The key consideration is whether or not the corporate costs are directly related to operating or supporting recycling centers.
- *Exclusivity payments, administration fees, incentive fees* – these are terms used by handling fee recycling centers to describe payments made to supermarket sites for the “privilege” of operating a recycling center at the grocery store. They are considered profit sharing, and thus are not allowable costs. However, there are payments made by the handling fee site to a supermarket that are allowable.
 - ♦ Rent, if it is actual rent for the space, is allowable.
 - ♦ Voucher administration fees, if they are to reimburse the supermarket for the cost of redeeming vouchers (e.g. cashiering), are allowable.

You need to question handling fee operators to determine how these similar line items should be categorized, and if necessary split the costs to isolate allowable and non-allowable expenses. Make sure you document these expense categories in the Site Memo for all handling fee sites. For the larger handling fee operators, the project team will clarify these line items when we meet with financial officers at the company headquarters. Each company uses their own terminology. The project team must check and verify the terminology and definitions for the current survey because a category that was non-allowable in 2007 might be allowable in 2009. For example, during the 2007 cost surveys:

- ♦ TOMRA used the term “voucher admin fees” at some sites, which the project team determined was non-allowable
- ♦ NexCycle used “conversion fees” and “incentive payments” at some sites, which were non-allowable, and “administrative fees”, which were allowable
- ♦ Earthwize had “RVM Store Site Payments” which were non-allowable, and “contract extensions”, which were allowable.
- *Brokering, commissions, litigation, lobbying, penalties, royalties, settlements, taxes (income, sales)* – these are all non-allowable. If there is a line item for any one of these items, ask the site operator about the specific purpose of the item. If there is a large line-item for something generic, such as “outside consultant” or “legal fees”, ask the site operator to clarify the item because the cost may actually be for one of the non-allowable activities. Legal fees are another cost that must be clarified. Litigation costs are non-allowable, but there may be other valid legal expenses.
- *Promotional items, including scrap value paid to customers* – if the recycler used coupons, special products, or scrap value payment incentives to attract customers, the costs for these activities are non-allowable. This contrasts with the cost of simply placing an ad in the paper or online, which is an allowable cost. Scrap values for aluminum have been high, so many recyclers may have used incentives to attract more customers. Question site operators about advertising and promotion line items to determine whether they are allowable.
- *Shrink* – also called shrinkage, moisture short, or inventory change, the term refers to the loss a recycler incurs because the processor does not typically pay recyclers for the same amount of material that recyclers pay consumers. This shrink can be caused by contamination or water weight. For example, a recycler pays the consumers for 100 pounds but only receives payment from a processor for 98 pounds. This is a non-allowable cost.

6. Not asking enough questions related to labor allocations

The labor allocations are a major driver of the costs allocated to each CRV material and non-CRV material. Determining how each employee spent their time in the prior calendar year is difficult for a site operator to determine. You should find a balance between letting the site operator figure out what the labor allocations are and helping them to identify what the labor allocations are. In most cases, site operators do not think of their employees in terms of what percent of time they spend on different materials. While you must not suggest labor allocations, you can help a site operator understand how to allocate each employee’s time.

Before you go to the site, look at the two new rows at lower portion of the **Site ID and Volumes worksheet** in the Excel cost model to identify the percent of CRV containers for each material type, and the percent of volume (tons) for each CRV material type. The overall site labor allocation is typically somewhere in between these two sets of numbers (although the allocation for any individual may be very different). Relying on one or the other sets of percentages to allocate labor hours usually results in unreasonable costs for at least one material type. For example, a site operator may tell you that because 50 percent of the site’s tonnage is glass, then 50 percent of every employee’s time is for glass. This type of blanket allocation usually results in

inaccurate cost allocations. Because glass is heavier, the glass tonnage represents relatively few containers. In this case, use your knowledge to query the site operator, saying “I know that glass is about one-half of your tonnage, but it is only 10 percent of the total containers. Should you reconsider the percent of time the employee spent last year handling CRV glass?”

You can help the site operator to figure out the percentages for each employee by asking questions about what that employee did last year. A cashier may spend about the same amount of time on each material if most customers bring in all three materials. If most customers bring in aluminum or plastic, maybe the cashier spent more time last year on those two materials, and less on glass. A fork lift operator may spend more time on glass if that is the primary material they move around the site. To the extent that you talk with the site operator about the specific activities that each employee or category of employees undertakes, you should get more accurate labor allocation estimates.

For dual sites, or sites with significant non-CRV or other business activities, make sure you are clear with the site operator about what percent of an employee’s time should be allocated between the recycling center, the processor, and other business, and then between CRV and non-CRV materials. Often in a large scrap metal yard, CRV recycling is only a small fraction of total site activity. The labor allocation should reflect this.

7. Not handling transportation costs correctly

There are several nuances related to transportation costs. In the Site Memo, describe how the material is hauled, who it is hauled by (the recycler, a third-party trucker, the processor), payment method (including scrap value deduction), and distance, for each material. This will help the reviewer determine whether transportation is allocated correctly.

Scrap value deductions are non-allowable. A scrap value deduction occurs when the processor subtracts the transportation costs from the scrap value payment. For example, a processor may pay the recycler \$50 to pick up each load of glass, less a scrap value deduction of \$15 per load. The processor deducts the transportation costs from the amount of scrap value that they pay the recycler. Such deductions are not an allowable cost because CalRecycle already captures these in a separate scrap value survey. When a material is picked up by a processor, clarify whether or not there is a scrap value deduction, and how, if at all, it is shown in the financials.

Payments by a recycler for shipping to a processor are an allowable cost. The recycler may use their own trucks, in which case there could be allowable truck depreciation, maintenance, and fuel costs associated with transportation. Sometimes the recycler uses a different shipping method for each material. For example, a recycler may use their own trucks to ship aluminum and plastic, but pay a third-party trucker (or the processor) to transport glass. In this case, there should be specific costs for the recycler’s own truck that you would directly cost to aluminum and plastic, and specific line-items in the financial statements for the third party trucker that you can directly allocate to glass.

At a dual site (a recycler and processor), shipping activities are processor costs. Such costs are non-allowable. However, in the case of handling fee site operators (e.g., TOMRA or NexCycle) that operate multiple recycling centers that ship to a few affiliated processors, the cost of shipping from the RC to the PR is allowable. For these same HF operators, processing costs or costs of shipping from the PR to an end user are not allowable, and should not be included as an RC costs.

8. Not handling equipment costs correctly

The site survey team must understand what type of equipment is on-site, and what the equipment was used for in the prior year. A baler is never used for glass. A glass crusher is not used for aluminum. A roll-off bin may be used for all materials. Ask the site operator how, and for what materials, each piece of equipment is used and direct cost accordingly.

9. Not handling depreciation costs correctly

This item is basically the same as item #8. When reviewing the depreciation schedule with the site operator, clarify how each item was used in the prior year, and for what material types. Often, large pieces of equipment like cranes are not part of the CRV recycling operations. Make sure you verify this. Closely examine and clarify the use of automobiles that are on the depreciation schedule. A new car is probably not used for CRV recycling, and should be direct costed to “other business”, if appropriate.

10. Not providing enough detail on the Site Memo

After the project team completes a few site visits, completing the Site Memo may start to seem pretty tedious. Do not just cut and paste generic responses. While overly creative and flowery writing is not necessary, do be inclusive and descriptive. We have three levels of project team management that read every Site Memo to understand the recycling site. Provide sufficient detail so that the reviewer can figure out why you completed the file the way you did. For example:

- Why did you allocate transportation costs to aluminum and plastic?
- Why is the aluminum cost per ton so high?
- Why is the total cost of equipment so high relative to other cost categories?

The site survey team should explain items that the team clarified in the site interview or that might raise a review question. For example, if you write that a promotional line item was only used for newspaper ads, then each person reviewing the site fill will know that the site survey team inquired about this item. If the site survey team does not include a comment in the Site Memo, the reviewers may have to follow-up with the site team to determine whether the cost should be non-allowable.

Explain any items that are not self-explanatory or that might be considered non-allowable (e.g., consulting fees, legal expenses). If you use the Site Memo to explain why you handled a cost in a particular way, or what the problems were and how they were addressed, the quality control reviewers are more likely to understand your reasoning, and less likely to return the site to you for clarification or corrections.

When in doubt – ask! Do not be shy about asking an experienced site survey team member or one of the reviewers about how to deal with a site. There are many unique and unusual situations, and we cannot address every one of them in training. Therefore, if you’re not sure, ask for a second (or third) opinion.

Summary of Typical Problems Encountered and Solutions (Page 1 of 3)

Problems Encountered	Solutions
Financial Information	
1. Financial data are available for fiscal year only	<p>1. Verify with owner that fiscal year is representative for calendar year and then use fiscal year data. Use parts of each FY report to create 2008. Example, CY 2008 costs could be estimated by obtaining FY 6/30/08, then subtract 6-month costs from internally prepared statements ending 12/31/07, and add 6-month costs from internally prepared statements ending 12/31/08.</p> <p>2. If fiscal year is not representative, use latest 12 months that are available, even if you need to use monthly reports. Verify with owner that the selected months are representative for calendar year 2008. Recycling volumes used must match the months used. Each step in this process must be documented so that there's no doubt what you did and why.</p>
2. No financial records are available	Calculate costs by using check disbursements, purchase orders, vendor payment files, and any other documentation. Important – information must come from some kind of documentation; not from owner's estimates.
3. Not all costs are included in the financial statement	Ask site representative to provide documentation for all additional costs not reported in the financial statement (i.e. summary of cost of goods sold and schedules)
4. Financial statements are presented at a level that does not allow survey team to identify some cost categories, such as salaries, wages, benefits, and payroll taxes	Obtain detailed financial reports from the company that support the financial statement. Determine how close net income shown on these detailed statements is to the net income shown in the financial statement. If difference is less than 3 percent, use detailed reports to provide detail to categorize costs and distinguish labor 1 and 1b costs.
5. Financial statement provided is actually a cost center report and contains allocations for the local corporation and the parent corporation	If this is the only available source of financial information, use it. However, if the site manager cannot determine whether these corporate allocations include services for the site being surveyed, or other direct support, do not allow these allocations. Some of the costs could be direct costs of the RC, not a corporate allocation, so use them.
6. Negative costs appear in the company's financial statements	Obtain explanation from site manager or company representative. These could be the result of coding costs, then reclassifying some of them.
7. No financial data provided by the site manager before or on the day of site team visit.	Obtain financial data from the parent company or the site's CPA. Question data contained in these financials. It could be that the RC had not been a unique business reporting unit prior to July 1, 2010.
8. Some costs on FY 2010 financial statement are solely calendar year 2011 costs	Use the costs provided. Do not adjust the costs.

Summary of Typical Problems Encountered and Solutions (Page 2 of 3)

Problems Encountered	Solutions
Wages and Hours	
9. Salaries and wages provided on company income statement did not agree with payroll record wages.	Request that owner or financial officer resolve the difference. For example, it could be that payroll records are not correct because employees were reclassified in mid-year. Also, company could have made errors in payroll records sent to EDD.
10. Owner did not know 2010 hours for employees	Estimate hours for each employee from available records, such as EDD DE-6 quarterly reports, quarterly payroll reports produced by owner's PC, bi-weekly payroll reports produced by owner's PC, and/or hourly rates shown on the company's payroll reports. Confirm with owner what scale employees were paid for overtime (need this rate to estimate the OT hours from OT wages in those cases where OT hours not provided). Ask owner to estimate their hours at site. Assumed wages for owner are the net profit of the company during 2010. Confirmed with owner what labor rate is paid for outside and contract labor (shown as costs on company's Schedule C), and apply this rate to outside and contract labor expenses to determine hours worked.
11. All laborers paid in cash and not included on payroll records	Perform more interviewing as necessary (get to the root of where the information is documented).
12. No information for regular hours worked or overtime hours	Perform more interviewing as necessary. For each employee, determine hours from annual wages and hourly rates, and apply overtime formula (if necessary).
13. A full 12 months of hour and wage data are not available	<ol style="list-style-type: none"> 1. Make all effort to obtain 2010 wages (at least get totals from W-2's). 2. Get latest 12 months of actual wages. 3. Extrapolate partial year data (e.g., 9 months) of wages and hours to a full calendar year.
14. Employee wages and hours for CY 2010 are not available, and data are not available to calculate CY wages and hours (as well as costs)	Used actual FY wages provided by company, and estimate FY hours based on actual CY wages and hours data provided by company. To do this, must have site manager or representative determine that no material change in operations occurred during final x months of 2010 from final x months of 2009
15. No employee names and wages for laborers	Again, make all efforts to get documentation. However, if only one employee is at the site at one time, but many work the site performing the same task, classify all employee wages as one laborer. If this is not true, still classify all employees by position types, and make sure each position reflects the correct number of persons and their total hours performing like tasks. Document problems and solutions concerning missing labor documents
16. Large portion of labor is from temporary agency employee(s)	<ol style="list-style-type: none"> 1. Have the owner contact the temporary agency and obtain summary invoices of labor wage and hour information (regular/OT). 2. Alternatively, use contract expense as wages and extrapolate. 3. Do not have owner/operator estimate number of hours. You should be able to calculate regular and overtime hours from the information given.
17. No labor at site (e.g., at a reverse vending machine)	Make every effort to determine how material at site is collected and transported. If a driver collects material, determine wages and house for this driver, and ask what portion of the driver's time is spent driving to and servicing the site.
18. Worker's compensation insurance not included in financial statements	Confirm paid invoice and paid checks from their documented records for worker's compensation insurance
19. Owner did not have salary	<p>This has to be determined by reviewing company's profit and loss statement. Profit of company is considered the owner's salary. Do not ask owner what hourly rate she would pay herself to do her job, and do not impute a salary. Obtain what percent of full-time she managed/worked the site. Hours are important.</p> <ol style="list-style-type: none"> 2. Review checks or disbursement records to the owner.
20. Excessive owner's salary	Use what is documented. Do not adjust owner's salary to be reasonable. Interview owner to verify payment(s) received.
21. Owner takes net income after expenses out at end of year	You may use year-end income from tax return as owner's salary. Verify this with owner and by looking at and recording the vehicle used to remove the funds.

Summary of Typical Problems Encountered and Solutions (Page 3 of 3)

Problems Encountered	Solutions
Other Expenses	
22. Many “administrative costs” of the RC are allocations of corporate overhead costs	Disallow corporate costs not directly or indirectly related to the RC. Costs which can be indirectly tied to the RC because of services provided (e.g., accounting, legal, payroll, etc.) are allowed.
23. Some ocean freight charges to ship processed goods to end users exist on financial statement even though the site is a recycler	Cost for transportation from a recycler is allowable if the recycler delivers CRV material to an end user. Disallow these costs if they are being reimbursed by another entity through scrap value deduction or because the materials are non-CRV.
24. Owner rents property to business at unreasonably low cost	Accept actual cost as recorded. Do not impute any additional rent if it was not actually paid.
25. No depreciation expense, however, interviewer noted assets on site	Verify with owner that all assets are fully depreciated, leased, rented, or donated and ask accountant for a depreciation schedule (this cost is not always listed in the expenses).
26. Depreciation schedule does not match financial statement depreciation	Ask site manager to explain why they do not match and to reconcile the two statements. Decide on which schedule to use, which may be the schedule shown in tax return.
27. No property tax or rent expense	Document the reason. Appropriate if non-profit organization. If not, document the reason. Do not impute any additional property taxes or rent if these were not actually paid.
28. Property taxes not shown separately, but rather included in general accounts	Review paid invoices to determine appropriate property taxes paid (show breakout in workpapers)
29. Math errors found in tax return	Use numbers as reported on tax return (do not correct math errors).
30. No truck insurance, property tax, or utilities paid	Verify with owner/operator that the recycler/processor did not incur these expenses (the property or trucks might be rented [no property taxes], and the rental charge might include utilities). Ask the accountant for a breakdown if expenses are lumped together.
31. Owner could not directly allocate any financial statement line-item costs to a particular material or between the recycler/processor at a dual site	Use labor allocation methodology as basis for allocating all costs (which is what the automated cost survey model does)
32. Some financial statement line item costs could be allocated to more than one cost category	Ask the owner to estimate the percent of these costs applicable to the different cost categories. However, this is not absolutely required for completing a valid cost survey properly

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	County	City	Cerf. Number	Facility Name	Facility Address	Zip	Phone Number	Effective Date	AL	GL	PL	BiM
1.	Alameda	Fremont	PR0434	Fremont Recycling and Transfer Station	41149 Boyce Rd.	94538	(510) 252-0500	06/30/2006	Y	Y	Y	Y
2.	Alameda	Fremont	PR0515	Recycling Service Alliance Fremont	40595 Albrae St.	94538	(714) 713-0087	05/01/2010	Y	Y	Y	Y
3.	Alameda	Hayward	PR0490	Western Strategic Materials Inc.	31775 Hayman St.	94544	(510) 259-0470	01/01/2009	N	Y	N	N
4.	Alameda	Hayward	PR0521	Nexcycle	3505 Breakwater Ave.	94545	(909) 796-2210	05/21/2010	Y	Y	Y	Y
5.	Alameda	Hayward	PR0524	Anheuser Busch Recycling Corp.	3495 Breakwater Ct.	94545	(510) 670-0198	07/01/2010	Y	Y	Y	Y
6.	Alameda	Hayward	PR140977.001	Aaron Metals Company Hayward Inc.	25101 Clawiter Rd.	94545	(510) 732-1200	04/29/2011	Y	N	Y	N
7.	Alameda	Newark	PR0508	Elite Recycling Services	6640 Redeker Pl.	94560	(510) 713-9500	11/05/2009	Y	Y	Y	Y
8.	Alameda	Newark	PR138390.001	AHG Recycling	38503 Cherry St., Ste. R	94560	(510) 742-5800	02/11/2011	Y	Y	Y	Y
9.	Alameda	Oakland	PR0021	CASS Inc.	2730 Peralta St.	94607	(510) 893-6476	08/31/1987	Y	N	Y	N
10.	Alameda	Oakland	PR0023	Lakeside Non Ferrous Metals	412 Madison St.	94607	(510) 444-5466	09/11/1987	Y	Y	Y	N
11.	Alameda	Oakland	PR0026	Aaron Metals Company Inc.	750 105th Ave.	94603	(510) 569-6767	09/18/1987	Y	N	N	N
12.	Alameda	Oakland	PR0066	Schnitzer Steel Industries Inc.	1101 Embarcadero W.	94607	(510) 444-3919	11/03/1987	Y	N	N	Y
13.	Alameda	Oakland	PR0285	Alliance Metals	3426 Peralta St.	94608	(510) 547-2408	11/18/1998	Y	N	Y	Y
14.	Alameda	Oakland	PR0313	National Recycling Corp.	1312 Kirkham St.	94607	(510) 268-1022	04/01/2000	Y	Y	Y	N
15.	Alameda	Oakland	PR0328	California Waste Solutions Inc.	1820 10th St.	94607	(408) 292-0830	09/15/2000	Y	Y	Y	Y
16.	Alameda	Oakland	PR0375	Goalson Development Corp.	851 81st Ave., Ste. G	94621	(510) 569-4955	11/10/2003	N	N	Y	N
17.	Alameda	Oakland	PR0397	Golden Link Plastic Inc.	888 92nd Ave.	94603	(510) 568-1086	02/01/2005	N	N	Y	N
18.	Alameda	Oakland	PR0412	Smurfit Recycling Co	800 77th Ave.	94621	(510) 635-9383	09/01/2005	Y	Y	Y	N
19.	Alameda	Oakland	PR0448	eCullet Inc.	9957 Medford Ave., Ste. 6B	94603	(650) 233-6670	03/12/2007	N	Y	N	N
20.	Alameda	San Leandro	PR0217	Western Strategic Materials Inc.	1932 Fairway Dr.	94577	(510) 357-0531	12/01/1995	N	Y	N	N
21.	Alameda	San Leandro	PR0299	Alco Iron & Metal Co.	2366 Davis St.	94577	(510) 562-1107	05/10/1999	Y	Y	Y	Y
22.	Alameda	San Leandro	PR0362	Davis Street Recycling	2615 Davis St.	94577	(510) 563-4241	11/20/2002	Y	Y	Y	Y
23.	Butte	Chico	PR0366	North Valley Waste Management	2569 Scott Ave.	95928	(530) 893-0333	02/01/2003	Y	Y	Y	Y
24.	Butte	Oroville	PR137441.001	Highway 70 Recycling	4801 Feather River Blvd., Bldg. 18	95965	(916) 844-5345	05/25/2011	Y	Y	Y	Y
25.	Contra Costa	Concord	PR0332	Pleasant Hill Recycling Center	1320 Galaxy Way	94520	(925) 689-3900	11/01/2000	Y	Y	Y	Y
26.	Contra Costa	Danville	PR0171	WeisCo Recycling	318 Del Amigo Rd.	94526	(925) 743-8193	11/01/1993	Y	N	Y	N
27.	Contra Costa	Pittsburg	PR0505	Mt Diablo Recycling	1300 Loveridge Rd.	94565	(925) 682-4518	08/20/2009	Y	Y	Y	Y
28.	Contra Costa	Richmond	PR0347	Summertime Farms Inc.	11 Parr Blvd.	94801	(510) 237-8012	11/01/2001	Y	Y	Y	N
29.	El Dorado	Placerville	PR0439	El Dorado Disposal Service	4100 Throwita Way	95667	(530) 626-4141	10/12/2006	Y	Y	Y	Y
30.	Fresno	Biola	PR0218	Western Strategic Materials Inc.	12010 West H Ave.	93606	(559) 454-8500	12/01/1995	N	Y	N	N
31.	Fresno	Coalinga	PR0232	Do Cycle Inc.	1225 W. Elm St.	93210	(559) 935-3772	10/07/1996	Y	Y	Y	Y

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	County	City	Cert. Number	Facility Name	Facility Address	Zip	Phone Number	Effective Date	AL	GL	PL	BiM
32.	Fresno	Fresno	PR0004	Allan Co.	2607 E. Woodward St.	93721	(559) 264-4804	08/07/1987	Y	Y	Y	Y
33.	Fresno	Fresno	PR0272	ReCyCo Inc. Recycling	4585 E. Olive Ave.	93702	(209) 255-9500	05/01/1998	N	Y	N	N
34.	Fresno	Fresno	PR0384	Brunos Iron & Metal LP	3211 S. Golden State Blvd.	93725	(559) 233-6543	07/01/2004	Y	Y	Y	Y
35.	Fresno	Fresno	PR0417	Smurfit Recycling Co.	24 S. Thorne Ave.	93706	(559) 441-1166	11/01/2005	Y	Y	Y	Y
36.	Fresno	Fresno	PR0480	Cedar Avenue Recycling and Transfer Station LP	3457 S. Cedar Ave.	93725	(559) 233-1158	10/06/2008	Y	Y	Y	Y
37.	Fresno	Fresno	PR0526	Allan Co.	2525 S. Sunland Ave.	93725	(559) 264-4804	10/04/2010	Y	Y	Y	Y
38.	Fresno	Kerman	PR0453	Mid Valley Disposal Inc.	15300 W. Jensen Ave.	93630	(559) 843-2467	08/27/2007	Y	Y	Y	Y
39.	Fresno	Selma	PR0479	Pruner Enterprises Inc.	1645 Dockery Ave.	93662	(559) 323-7689	10/10/2008	Y	Y	Y	Y
40.	Fresno	Selma	PR0493	Bulldog Recycling	9075 S. De Wolf Ave.	93662	(559) 647-1930	04/02/2009	N	Y	N	N
41.	Fresno	Selma	PR132504.001	Dockery Recycling Inc.	1645 Dockery Ave.	93662	(559) 891-1885	05/27/2011	Y	Y	Y	Y
42.	Humboldt	Fortuna	PR0357	Eel River Disposal	965 Riverwalk Dr	95540	(707) 725-5156	06/10/2002	Y	Y	Y	N
43.	Humboldt	Samoa	PR0459	Samoa Processing Facility	555 Vance Ave.	95564	(707) 822-4542	11/19/2007	Y	Y	Y	Y
44.	Imperial	Calexico	PR130749.001	Ace Recycling Inc.	502 W. Grant St. #8	92231	(760) 427-2695	10/11/2010	Y	Y	Y	Y
45.	Imperial	El Centro	PR0525	Best Recyclers	370 Commercial St.	92243	(619) 654-0295	07/01/2010	Y	Y	Y	Y
46.	Imperial	El Centro	PR55085.001	Top Dollar Recycling	970 S. 2nd St.	92243	(760) 427-2695	10/01/2010	Y	Y	Y	Y
47.	Imperial	Imperial	PR136850.001	Tucker Recycling	463 West Aten	92251	(760) 370-9412	01/28/2011	Y	Y	Y	Y
48.	Kern	Bakersfield	PR0003	Bakersfield Association for Retarded Citizens Inc.	2240 S. Union Ave.	93307	(661) 834-2272	08/04/1987	Y	Y	Y	Y
49.	Kern	Bakersfield	PR0387	Sierra Recycling & Demoliton	1620 E. Brundage Ln.	93307	(661) 327-7073	09/17/2004	Y	Y	Y	Y
50.	Kern	Bakersfield	PR0418	Smurfit Recycling Co.	2710 O St.	93301	(661) 327-3841	11/01/2005	Y	Y	Y	Y
51.	Los Angeles	Baldwin Park	PR0005	Allan Co.	14618 Arrow Hwy	91706	(626) 962-4047	08/07/1987	Y	Y	Y	Y
52.	Los Angeles	Burbank	PR0391	Burbank Recycling Inc.	500 S. Flower St.	91502	(818) 841-9700	09/07/2004	Y	Y	Y	Y
53.	Los Angeles	Carson	PR0215	Corridor Recycling	22500 S. Alameda St.	90810	(310) 835-9109	12/01/1995	Y	Y	Y	Y
54.	Los Angeles	Cerritos	PR0433	CRV Recovery Inc.	18410 Alexander Ave.	90703	(562) 762-7181	08/01/2006	Y	N	Y	N
55.	Los Angeles	City of Commerce	PR0216	Western Strategic Materials Inc.	7000 Bandini Blvd.	90040	(323) 887-6831	12/01/1995	N	Y	N	N
56.	Los Angeles	Commerce	PR0466	Tzeng Long USA Inc.	2801 S. Vail Ave.	90040	(323) 722-5353	04/29/2008	Y	Y	Y	Y
57.	Los Angeles	Commerce	PR0482	TOMRA Pacific Inc.	5603 Randolph St.	90040	(951) 520-1700	11/13/2008	Y	Y	Y	Y
58.	Los Angeles	Compton	PR0268	Lu Mar Industrial Metals Co. Ltd.	2120 N. Alameda St.	90222	(323) 636-0156	01/02/1998	Y	Y	Y	Y
59.	Los Angeles	Gardena	PR0403	WM Recycle America LLC	19204 S. Figueroa St.	90248	(310) 327-1362	04/16/2005	Y	Y	Y	Y
60.	Los Angeles	La Mirada	PR0028	Star Scrap Metal Company Inc.	14372 E. Firestone Blvd.	90638	(562) 921-9442	09/21/1987	Y	N	N	N
61.	Los Angeles	Long Beach	PR0318	Talco Plastics Inc.	3270 E. 70th St.	90805	(562) 630-1224	04/06/2000	N	N	Y	N
62.	Los Angeles	Long Beach	PR0395	Alpert & Alpert Iron and Metal	2350 W. 16th St.	90813	(562) 624-8833	11/17/2004	Y	N	Y	N
63.	Los Angeles	Long Beach	PR0425	Guangyi Group (USA) Inc.	4051 Via Oro Ave.	90810	(310) 233-3888	01/23/2006	N	N	Y	N
64.	Los Angeles	Los Angeles	PR0015	Basic Fibres Inc.	6019 S. Manhattan Pl.	90047	(323) 753-3491	08/21/1987	Y	Y	Y	Y
65.	Los Angeles	Los Angeles	PR0016	City Fibers Inc.	2525 E. 25th St.	90058	(323) 583-1013	09/03/1987	Y	Y	Y	Y
66.	Los Angeles	Los Angeles	PR0029	Alpert & Alpert Inc.	1820 S. Soto St.	90023	(323) 265-4040	09/23/1987	Y	N	Y	N
67.	Los Angeles	Los Angeles	PR0131	Bestway Recycling Co. Inc.	2268 E. Firestone Blvd.	90002	(323) 588-8157	01/09/1992	Y	Y	Y	Y

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68.	Los Angeles	Los Angeles	PR0401	WM Recycle America LLC	701 E. Florence Ave.	90001	(562) 948-3888	04/16/2005	Y	Y	Y	Y
69.	Los Angeles	Los Angeles	PR0462	Berg Mill Supply Co Inc.	5900 Wilshire Blvd., Ste. 2350	90036	(323) 939-4300	02/01/2008	Y	Y	Y	N
70.	Los Angeles	Los Angeles	PR0489	Western Strategic Materials Inc.	3211 E. 26th St.	90023	(323) 415-0166	01/01/2009	N	Y	N	N
71.	Los Angeles	Manhattan Beach	PR0207	Pacific	2213 Valley Dr.	90266	(310) 545-4972	09/25/1995	Y	Y	Y	Y
72.	Los Angeles	Montebello	PR0013	Belmont Fibers Inc.	1736 Chapin Rd.	90640	(323) 727-9232	08/19/1987	Y	Y	Y	N
73.	Los Angeles	Montebello	PR0469	General Metal Recycling Co.	1541 W. Washington Blvd.	90640	(323) 722-9995	06/02/2008	Y	N	Y	N
74.	Los Angeles	North Hills	PR0257	City Fibers Inc.	16714 Schoenborn St.	91343	(818) 895-7203	10/01/1997	Y	Y	Y	Y
75.	Los Angeles	Norwalk	PR0500	RecycleWise	12851 Alondra Blvd.	90650	(951) 781-8810	08/14/2009	Y	Y	Y	Y
76.	Los Angeles	Paramount	PR0264	Paramount Resource Recycling Inc.	7230 Petterson Ln.	90723	(562) 602-6505	11/01/1997	Y	Y	Y	Y
77.	Los Angeles	Pico Rivera	PR0400	WM Recycle America LLC	8405 Loch Lomond Dr.	90660	(562) 948-3888	04/16/2005	Y	Y	Y	Y
78.	Los Angeles	Pomona	PR0367	Mission Recycling	1341 E. Mission Blvd.	91766	(909) 620-4688	02/04/2003	Y	Y	Y	Y
79.	Los Angeles	Pomona	PR0390	Jetway International	1801 Mt. Vernon Ave.	91768	(909) 865-8963	10/04/2004	N	N	Y	N
80.	Los Angeles	Pomona	PR0445	Mission Recycling	1326 E. 9th St.	91766	(909) 620-4688	01/24/2007	Y	Y	Y	Y
81.	Los Angeles	San Marino	PR0355	M and L Plastics Inc.	2350 Huntington Dr. S.	91108	(626) 287-8899	05/23/2002	N	N	Y	N
82.	Los Angeles	Santa Monica	PR0177	Allan Co.	2411 Delaware Ave.	90404	(310) 453-9677	02/23/1994	Y	Y	Y	Y
83.	Los Angeles	South Gate	PR0256	California Metals Recycling	9309 Rayo Ave.	90280	(323) 567-7767	08/01/1997	Y	Y	Y	Y
84.	Los Angeles	Sun Valley	PR0007	Sun Valley Paper Stock Inc.	11166 Pendleton St.	91352	(818) 767-8984	08/10/1987	Y	Y	Y	Y
85.	Los Angeles	Sun Valley	PR0271	Sun Valley Paper Stock	8701 San Fernando Rd.	91352	(818) 767-8984	01/17/1998	Y	Y	Y	Y
86.	Los Angeles	Torrance	PR0455	Smurfit Recycling Co.	20502 S. Denker Ave.	90501	(310) 533-0333	09/14/2007	Y	Y	Y	Y
87.	Los Angeles	Van Nuys	PR0339	West Valley Fibres Inc.	14811 Keswick St.	91405	(818) 782-7988	06/30/2001	Y	Y	Y	Y
88.	Los Angeles	Walnut	PR0443	Pralumex Inc.	20450 E. Walnut Dr. N.	91789	(909) 594-7070	12/01/2006	Y	Y	Y	N
89.	Los Angeles	West Covina	PR0452	KC International - West	1520 W. Cameron Ave., Ste. 257	91790	(626) 732-4505	07/27/2007	Y	N	Y	N
90.	Los Angeles	Wilmington	PR0108	Potential Industries Inc.	922 East E St.	90744	(310) 549-5901	09/25/1990	Y	Y	Y	Y
91.	Los Angeles	Wilmington	PR0310	ACN Recycling Industries LLC	936 Mahar Ave.	90744	(951) 830-0396	04/03/2000	Y	Y	Y	N
92.	Madera	Madera	PR0488	Western Strategic Materials Inc.	12200 Road 24 1/2	93637	(559) 675-8781	01/01/2009	N	Y	N	N
93.	Mendocino	Ukiah	PR0487	Pacific Recycling Solutions Inc.	4260 N. State St.	95482	(707) 234-6401	01/21/2009	Y	Y	Y	Y
94.	Mendocino	Willits	PR0502	Willits Solid Waste Material Processing Facility	351 Franklin Ave.	95490	(707) 459-4845x113	08/24/2009	Y	Y	Y	Y
95.	Merced	Merced	PR18688.001	Universal Service Recycling Merced Inc.	450 N. Tower Rd.	95340	(209) 944-9555	09/01/2010	Y	Y	Y	Y
96.	Monterey	Castroville	PR0185	Western Strategic Materials Inc.	11340 Commercial Pkwy.	95012	(831) 633-3379	08/01/1994	N	Y	N	N
97.	Monterey	Castroville	PR0379	Carmel Marina Corp.	11260 Commercial Pkwy.	95012	(831) 633-7878	03/08/2004	Y	Y	Y	Y
98.	Monterey	Castroville	PR0506	Recycling Recovery Enterprises Inc.	11340 Commercial Pkwy.	95012	(831) 633-3379	10/23/2009	Y	N	Y	N
99.	Napa	Napa	PR0446	Napa Recycling	820 Levitin Way	94558	(707) 255-5200	02/01/2007	Y	Y	Y	Y

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100.	Orange	Anaheim	PR0145	DBW Associates Inc.	3250 E. Frontera St.	92806	(714) 630-8551	11/05/1992	Y	Y	Y	Y
101.	Orange	Fountain Valley	PR0494	Dubitec America Inc.	10231 Slater Ave., Ste. 202	92708	(714) 369-8104	07/30/2009	N	N	Y	N
102.	Orange	Huntington Beach	PR0211	Rainbow Transfer Recycling Co Inc.	17121 Nichols St.	92647	(714) 847-3581	12/01/1995	Y	Y	Y	Y
103.	Orange	Irvine	PR0481	Harmon Associates LLC	2010 Main St., Ste 215	92614	(800) 927-3200	09/15/2008	Y	N	Y	N
104.	Orange	Santa Ana	PR0175	Men Cal	941 E. 4th St.	92701	(714) 547-7585	02/11/1994	Y	Y	Y	Y
105.	Orange	Santa Ana	PR0346	Allan Co.	2540 S. Main St.	92707	(714) 641-8891	11/02/2001	Y	Y	Y	Y
106.	Orange	Stanton	PR0043	CR and R Inc.	11292 Western Ave.	90680	(714) 826-9049	09/30/1987	Y	Y	Y	Y
107.	Placer	Roseville	PR0222	Nortech Waste LLC	3033 Fiddymnt Rd.	95747	(916) 645-4230	03/11/1996	Y	Y	Y	Y
108.	Riverside	Corona	PR0295	Six Pac Recycling Corp.	1430 E. 6th St.	92879	(951) 734-2910	03/31/1999	Y	Y	Y	N
109.	Riverside	Corona	PR0420	TOMRA Pacific Inc.	150 Klug Cir.	92880	(951) 520-1700	10/01/2005	Y	Y	Y	Y
110.	RIVERSIDE	Indio	PR137449.001	Greenday LLC	43180 Sunburst St	92201	(760) 250-2918	04/18/2011	Y	Y	Y	Y
111.	Riverside	Perris	PR0444	Global Pet Inc.	353 E. Ellis Ave.	92570	(951) 657-5466	01/02/2007	N	N	Y	N
112.	Riverside	Perris	PR139099.001	RecycleWise	200 Sinclair St., Bldg. 4	92571	(951) 781-8810	03/01/2011	Y	Y	Y	Y
113.	Riverside	Riverside	PR0082	Riverside Scrap Iron and Metal Corp.	2993 6th St.	92507	(951) 686-2129	11/01/1988	Y	N	Y	Y
114.	Riverside	Riverside	PR0399	Agua Mansa MRF LLC	1830 Agua Mansa Rd.	92509	(951) 786-0544	03/01/2005	Y	Y	Y	Y
115.	Sacramento	North Highlands	PR0519	Recycling Industries Inc.	4741 Watt Ave.	95660	(916) 452-3961	05/07/2010	Y	Y	Y	Y
116.	Sacramento	Sacramento	PR0278	Western Strategic Materials Inc.	5850 88th St.	95828	(916) 388-1076	08/01/1998	N	Y	Y	N
117.	Sacramento	Sacramento	PR0305	Sacramento Regional Recycling & Transfer Station	8491 Fruitridge Rd.	95826	(916) 379-0500	10/30/1999	Y	Y	Y	Y
118.	Sacramento	Sacramento	PR0413	Smurfit Recycling Co.	4800 Florin Perkins Rd.	95826	(916) 381-3340	08/16/2005	Y	Y	Y	Y
119.	Sacramento	Sacramento	PR0414	Smurfit Recycling Co.	325 N. 7th St.	95814	(916) 441-0150	08/16/2005	Y	Y	Y	Y
120.	Sacramento	Sacramento	PR0491	Recycling Industries Inc.	3300 Power Inn Rd.	95826	(916) 452-3961	02/02/2009	Y	Y	Y	Y
121.	Sacramento	Sacramento	PR0513	Mings Resource Co.	3316 47th Ave.	95824	(916) 421-5054x208	03/18/2010	Y	N	Y	Y
122.	Sacramento	Sacramento	PR0516	Recycling Service Alliance Sacramento	8100 Signal Ct.	95824	(714) 713-0087	05/01/2010	Y	Y	Y	Y
123.	San Benito	Hollister	PR0368	Eagle Recycling	2400 San Juan Hollister Rd.	95023	(831) 637-1743	02/24/2003	Y	Y	Y	Y
124.	San Bernardino	Bloomington	PR0118	Atlas Pacific Corp.	2803 Industrial Dr.	92316	(909) 421-1200	04/18/1991	Y	N	Y	N
125.	San Bernardino	Chino	PR0408	Envision Plastics Chino	14312 Central Ave.	91710	(909) 590-7334	05/01/2005	N	N	Y	N
126.	San Bernardino	Chino	PR0527	Yes Depot Inc.	4540 Eucalyptus Ave.	91710	(909) 606-2918	08/17/2010	N	N	Y	N
127.	San Bernardino	Chino	PR134351.001	Repet Incorporated	14207 Monte Vista Ave.	91710	(909) 594-5333	03/07/2011	N	N	Y	N
128.	San Bernardino	Fontana	PR0312	West Valley MRF	13373 Napa St.	92335	(909) 899-5501	03/06/2000	Y	Y	Y	Y
129.	San Bernardino	Lucerne Valley	PR0470	Eco 1 Recycling	31825 Gibraltar St.	92356	(760) 920-9603	05/01/2008	Y	Y	Y	Y
130.	San Bernardino	Ontario	PR0011	Main Street Fibers Inc.	608 E. Main St.	91761	(909) 986-6310	08/18/1987	Y	Y	Y	Y
131.	San Bernardino	Rancho Cucamonga	PR0283	TOMRA Pacific Inc.	9910 E. 6th St.	91730	(909) 980-1203	07/01/1998	Y	Y	Y	N
132.	San Bernardino	Rancho Cucamonga	PR0303	Allstate Paper and Metal Recycling Co. Inc.	8889 Etiwanda Ave.	91739	(909) 899-3613	09/20/1999	Y	Y	Y	Y
133.	San Bernardino	Redlands	PR0373	NexCycle	26021 Business Center Dr.	92374	(909) 796-2210	07/16/2003	Y	Y	Y	Y
134.	San Bernardino	Twentynine Palms	PR0388	Material Recycling	6833 1/2 Pine Ave.	92277	(760) 367-7230	09/27/2004	Y	Y	Y	Y
135.	San Bernardino	Victorville	PR0415	Victor Valley Materials Recovery Facility	17000 Abbey Ln.	92392	(760) 241-1284	09/10/2005	Y	Y	Y	Y

Certified Operational Processors (Page 5 of 6)

	County	City	Cerf. Number	Facility Name	Facility Address	Zip	Phone Number	Effective Date	AL	GL	PL	BiM
136.	San Diego	Chula Vista	PR0427	Main Street Recycling	1751 4th Ave.	91911		03/09/2006	Y	N	Y	N
137.	San Diego	Chula Vista	PR0511	Main St. Recycling Inc.	1751 4th Ave.	91911	(619) 585-4870	01/18/2010	Y	N	Y	N
138.	San Diego	El Cajon	PR0048	California Metals Inc.	297 S. Marshall Ave.	92020	(619) 444-3111	10/01/1987	Y	Y	Y	N
139.	San Diego	El Cajon	PR0402	American Recycling	210 El Cajon Blvd.	92020	(619) 593-0089	04/20/2005	Y	Y	Y	Y
140.	San Diego	Escondido	PR0378	SANCO Services LLC	1044 W. Washington Ave.	92025	(760) 744-5615	12/31/2003	Y	Y	Y	Y
141.	San Diego	Escondido	PR0496	California Metal Services Inc.	1428 Mission Rd.	92029	(760) 741-6300	04/14/2009	Y	Y	Y	Y
142.	San Diego	Lemon Grove	PR0353	EDCO Recycling	6700 Federal Blvd.	91945	(619) 287-7555	02/01/2002	Y	Y	Y	Y
143.	San Diego	San Diego	PR0024	IMS Recycling Services Inc.	1345 S. 27th St.	92113	(619) 231-2521	09/09/1987	Y	Y	Y	Y
144.	San Diego	San Diego	PR0308	Allan Co.	5165 Convoy St.	92111	(619) 573-1420	02/23/2000	Y	Y	Y	Y
145.	San Diego	San Diego	PR0323	Allan Co.	6733 Consolidated Way	92121	(858) 578-9300	07/31/2000	Y	Y	Y	Y
146.	San Diego	San Diego	PR0361	American Recycling	4070 Home Ave.	92105	(619) 669-3939	09/18/2002	Y	Y	Y	Y
147.	San Diego	San Diego	PR0438	San Diego Fibers Corp.	4040 Lockridge St.	92102	(619) 262-8090	11/11/2006	Y	Y	Y	Y
148.	San Diego	San Diego	PR0461	Cactus Recycling	8710 Avenida de la Fuente	92154	(619) 661-1283	12/14/2007	Y	Y	Y	Y
149.	San Diego	San Diego	PR0463	RLS Holdings Inc.	1705 Palm Ave.	92154	(619) 479-8728	03/03/2008	Y	Y	Y	Y
150.	San Francisco	San Francisco	PR0372	Pier 96	Pier 96 Foot of Cargo and Jennings	94188	(415) 621-6200	08/01/2003	N	N	Y	N
151.	San Joaquin	Lodi	PR0398	Epic Plastics	104 E. Turner Rd	95240	(209) 333-6161	01/27/2005	N	N	Y	N
152.	San Joaquin	Lodi	PR0504	Tokay Valley Recycling Inc.	60 S. Cluff Ave.	95240	(209) 339-4990	09/28/2009	Y	N	Y	Y
153.	San Joaquin	Lodi	PR18886.001	Central Valley Waste Services	1333 E. Turner Rd., Gate 2	95240	(209) 333-5611	05/01/2011	Y	Y	Y	Y
154.	San Joaquin	Stockton	PR0144	Sims Metal	1000 S. Aurora St.	95206	(209) 948-4000	10/22/1992	Y	N	N	N
155.	San Joaquin	Stockton	PR0251	Universal Service Recycling	3200 S. El Dorado St.	95206	(209) 944-9555	05/29/1997	Y	Y	Y	Y
156.	San Joaquin	Stockton	PR0331	Stockton Recycling Center	1533 Waterloo Rd	95205	(209) 942-2267	09/29/2000	Y	Y	Y	Y
157.	San Joaquin	Stockton	PR34059.001	Go Green Recycling	2214 Robindale Ave.	95205	(209) 462-8473	01/01/2011	Y	Y	Y	Y
158.	San Joaquin	Tracy	PR0523	Tracy Material Recovery and Solid Waste Transfer Inc.	30703 S. Macarthur Dr.	95304	(209) 832-2355	08/11/2010	Y	Y	Y	N
159.	San Luis Obispo	Arroyo Grande	PR0435	Chippers Industries Associate Inc.	890 Sheridan Rd.	93420	(805) 343-0201	09/20/2006	Y	Y	Y	N
160.	San Luis Obispo	Arroyo Grande	PR0514	Associated Processors	915 Sheridan Rd.	93420	(805) 723-4494	04/01/2010	Y	Y	Y	N
161.	San Luis Obispo	Paso Robles	PR0457	Paso Robles Recycling Center	3350 Riverside Ave.	93446	(805) 238-4678	11/01/2007	Y	Y	Y	Y
162.	San Luis Obispo	Paso Robles	PR0483	Buckeye Enterprises LLC	6625 Benton Rd.	93446	(805) 467-9283	12/09/2008	Y	Y	Y	Y
163.	San Luis Obispo	San Luis Obispo	PR0336	Cold Canyon Processing	2112 Carpenter Canyon Rd.	93401	(805) 543-0280	02/16/2001	Y	Y	Y	Y
164.	San Luis Obispo	Templeton	PR0381	North SLO County Recycling	3360 La Cruz Way	93465	(805) 434-0043	02/24/2004	Y	Y	Y	Y
165.	San Mateo	San Carlos	PR137352.001	Shoreway Environmental Center	333 Shoreway Rd.	94070	(650) 802-8355	01/01/2011	Y	Y	Y	Y
166.	Santa Barbara	Santa Maria	PR0058	Larrabee Brothers Recycling Center	815 S. Blosser Rd.	93456	(805) 922-2108	10/09/1987	Y	N	N	N
167.	Santa Barbara	Santa Maria	PR0136	Health Sanitation Service	1850 W. Betteravia Rd.	93455	(805) 614-1130	05/21/1992	Y	Y	Y	Y

Certified Operational Processors (Page 6 of 6)

	County	City	Cerf. Number	Facility Name	Facility Address	Zip	Phone Number	Effective Date	AL	GL	PL	BiM
168.	Santa Clara	Milpitas	PR0150	Browning Ferris Industries, The Recyclery	1601 Dixon Landing Rd.	95035	(408) 945-2801	01/01/1993	Y	Y	Y	Y
169.	Santa Clara	San Jose	PR0039	Sims Metal	1800 Monterey Hwy,	95112	(408) 494-4200	09/30/1987	Y	Y	Y	Y
170.	Santa Clara	San Jose	PR0411	Smurfit Recycling Co.	205 E. Alma Ave.	95112	(408) 975-1306	09/01/2005	Y	Y	Y	N
171.	Santa Clara	San Jose	PR0499	Tung Tai Group	1726 Rogers Ave.	95112	(415) 999-7388	06/18/2009	Y	Y	Y	Y
172.	Santa Clara	San Jose	PR0517	American Metal Group	11665 Berryessa Rd,	95133	(408) 452-0777	04/13/2010	Y	Y	Y	Y
173.	Shasta	Anderson	PR0246	Big Foot Recycling	6719 Eastside Rd,	96007	(530) 365-6458	02/12/1997	Y	Y	Y	N
174.	Shasta	Redding	PR0330	Northstate Recycling	2041 Girvan Rd,	96001	(530) 243-4780	09/20/2000	Y	Y	Y	Y
175.	Solano	Benicia	PR0393	Pacific Rim Recycling	3690 Sprig Dr., Ste. A	94510	(707) 746-6067	11/12/2004	Y	Y	Y	Y
176.	Solano	Fairfield	PR0421	Recycling Zone Inc.	4989-B Peabody Rd,	94533	(925) 525-3709	11/01/2005	Y	Y	Y	Y
177.	Solano	Vallejo	PR0333	Vallejo Garbage Service Inc.	2001 N. Broadway St.	94589	(707) 551-2621	12/18/2000	Y	Y	Y	Y
178.	Sonoma	Petaluma	PR0244	Timber Cove Recycling Inc.	2543 Petaluma Blvd. S	94952	(707) 586-5533	03/01/1997	Y	Y	Y	Y
179.	Sonoma	Santa Rosa	PR0245	West Sonoma County Disposal Service Inc.	3417 Standish Ave.	95407	(707) 586-5533	03/01/1997	Y	Y	Y	Y
180.	Stanislaus	Modesto	PR0110	Gilton Resource Recovery Transfer Facility Inc.	800 S. McClure Rd,	95354	(209) 527-3781	12/18/1990	Y	Y	Y	Y
181.	Stanislaus	Riverbank	PR0428	Eco2 Plastics Inc.	5300 Claus Rd.	95367	(209) 863-6200	04/26/2006	N	N	Y	N
182.	Stanislaus	Turlock	PR0072	Turlock Recycling	1020 S. Walnut Rd.	95380	(209) 668-6060	12/10/1987	Y	Y	Y	N
183.	Stanislaus	Turlock	PR0503	Cal-Premo Plastics	1223 Cahill St.	95380	(209) 988-8600	07/23/2009	N	N	Y	N
184.	Stanislaus	Turlock	PR0512	Peninsula Plastics Recycling	530 S. Tegner Rd.	95380	(209) 669-6779	03/01/2010	N	N	Y	N
185.	Sutter	Yuba City	PR0498	Recycling Industries Inc.	140 Epley Dr.	95991	(530) 671-2215	04/01/2009	Y	Y	Y	Y
186.	Tehama	Corning	PR0449	Specialized Fibers	22985 South Ave.	96021	(530) 838-6003	05/27/2007	Y	N	Y	N
187.	Tulare	Cutler	PR0450	Penas Material Recovery Facility Inc.	12094 Avenue 408	93615	(559) 528-3909	07/16/2007	Y	Y	Y	Y
188.	Tulare	Visalia	PR0392	Tulare County Recycling	26951 Road 140	93292	(559) 741-1766	09/01/2004	Y	Y	Y	Y
189.	Tulare	Visalia	PR23744.001	BC Recycling	1043 E. Houston Ave.	93292	(559) 280-2626	11/01/2010	Y	Y	Y	Y
190.	Tuolumne	Sonora	PR0315	Cal Sierra Recycling	14959 Camage Ave.	95370	(209) 533-0445	05/01/2000	Y	Y	Y	Y
191.	Ventura	Oxnard	PR0233	Del Norte Regional Recycling and Transfer Station	111 S Del Norte Blvd.	93030	(805) 278-8200	10/01/1996	Y	Y	Y	Y
192.	Ventura	Ventura	PR0259	Gold Coast Recycling and Transfer Station Inc.	5275 Colt St.	93003	(805) 642-9236	10/06/1997	Y	Y	Y	Y
193.	Ventura	Ventura	PR0424	Standard Industries	1905 Lirio Ave.	93004	(805) 643-6669	12/15/2005	Y	Y	Y	Y
194.	Yolo	West Sacramento	PR0492	International Paper Co.	1714 Cebrian St.	95691	(916) 371-4634	02/02/2009	Y	Y	Y	N
195.	Yolo	Woodland	PR0477	Recycling Solutions Inc.	225 Industrial Way, Ste. 3	95776	(530) 661-6800	10/08/2008	Y	Y	Y	Y
196.	Yuba	Olivehurst	PR0485	Century Nationwide Inc.	1401 Melody Rd.	95961	(530) 315-0151	02/06/2009	Y	Y	Y	Y

Tips for Assembling Site Files

1. Use pencil, not pen, for tick marks and cross-references, in case reviews require changing them.
2. If you add any extra worksheets (tabs) in the cost model to support data in the model, insert these additional worksheets to the LEFT of the destination worksheet that uses the data. For example, your workup of labor wages and/or hours should be inserted in the cost model to the LEFT of the **Labor Input Sheet**. Another example: interim calculations and/or development of site costs should be inserted to the LEFT of the **Cost Input Sheet**.
3. If you create and chose to file hard copies of any extra calculations and assumptions, file them on the Right Side of the site file only (not the Left Side embedded in the cost model printout). The cost model automatically page numbers all required pages for the Left Side so that the site team does not have to page number these.
4. Use commas in all numbers presented on worksheets developed by the site team and inserted in the cost model.
5. Reviewers found a number of instances where the site team marked a cost as a “non-CRV” cost on source financial statements, then entered it as “Non-Allowable” on the **Cost Input Sheet**. These are allowable costs, and should be categorized as such, then input these amounts on the **Recycler Direct Costs** worksheet as other business (“Recycler Non-CRV Materials”). The cost category directory contains a short list of truly non-allowable costs that should be recorded on the **Cost Input Sheet** as Non-Allowable.
6. A value that is cross-referenced from a source page must match the value shown on the destination page. Do not bracket or circle a group of values (especially those of different cost categories, such as maintenance, rent, property taxes), and provide just a single reference to the destination page (e.g., “C-6”). Instead, total the amounts for a single cost category on the source page, and write the cross reference to the right or below the total that then appears on the destination page (e.g., the **Recycler Direct Costs** worksheet). Use your judgment on this rule: For example, if the site team developed a clear listing of employees, their hours, and their wages, and this information is clearly used in the **Labor Input Sheet**, then the group of employee information can be cross-referenced to the **Labor Input Sheet** with a single, bracketed cross-reference.
7. Once the file is completed, do not file any extraneous materials, such as company brochures, maps, and Google Earth images, in the site file.
8. Both members of the site visit team must sign the *Site File Final Review Sheet*
9. Pages printed landscape should always be placed in the recycling center’s completed site file so that the top of the page is to the left.
10. Five sheets of paper should be attached to the inside of the site file’s front cover, in the following order (top to bottom):
 - Site File Final Review Sheet
 - File Activity Sheet
 - Confidential Cost Survey Affidavit
 - Recycling Center Background Information
 - Notification Letter.
11. The syntax for naming the Excel cost model is: **12RCnnnnn – RC name**, where “RCnnnnn” is the certification number, and “RC name” is, well, the RC’s name.

Tips for Reviewing Costs (Page 1 of 3)

1. Direct Costs: Allocate direct costs whenever possible:
 - a. Depreciation, transportation, maintenance, and supplies expenses
 - b. Large costs of equipment associated with other businesses or other material
 - c. Large advertising expenses – Is it for just aluminum or for all three CRV materials?
 - d. Travel costs – These are rarely for CRV activities
 - e. RC purchases from other programs (another recycling program, a city’s curbside recycling program, a collection or drop-off program). These materials are not included in the weight used to calculate the RC’s \$/ton, so exclude these costs. The RC may categorize these purchases as “cost of goods sold” (COGS) on their financial statements.

2. Direct Costs: Allocate direct costs whenever possible to the activity causing the cost (e.g., the depreciation taken on an aluminum can crusher should be allocated to CRV aluminum). Costs that the team is unable to directly allocate remain as an indirect cost. The cost model then allocates indirect costs based on results of your labor hour interviews. Follow the hierarchy below to directly cost an item:
 - a. If you physically view an item and how it is being used, or management provides you specific documentation that makes it clearly evident that the cost item (for example, depreciation associated with a fixed asset) is directly attributable to handling CRV materials (including individual CRV materials), non-CRV materials, or other businesses, then enter the cost on the **Recycler Direct Cost Sheet**.
 - b. If site management (assuming a sufficient level of management responsible for interpretation of the results of operations) is able to convey during interviews, with certainty and specificity, their representations concerning the allocation of costs to CRV activities (including individual CRV materials), non-CRV activities, or other businesses, then enter the cost on the **Recycler Direct Cost Sheet**.
 - c. Absent the prior two conditions, but still having information about a cost that should be a direct cost, use the AMI and BCI percentages calculated by the cost model to allocate a cost among CRV materials and other businesses, and then enter these allocated costs you calculate on the **Recycler Direct Cost Sheet**.

3. Transportation Costs:
 - a. Do not use the site manager’s estimate of how transportation costs should be allocated among material types and other businesses (e.g., using their estimates of loads handled by material type). Let the cost model allocate these indirect costs. Do not use site manager estimates of how indirect costs are allocated, unless it can be clearly documented by the manager with supporting evidence. For example, in some cases, a particular transportation line item will only be for hauling one material type. This line item should be direct costed to that material type, using the **Recycler Direct Cost Sheet**.
 - b. Get sufficient information about transportation activities to determine how transportation costs should be treated. For example:
 1. Identify the company that receives the RC’s materials. Typically, an RC ships their materials to a processor (PR). Even if the PR is an affiliated company, the RC costs to ship the material to the PR are an allowable cost.
 2. Determine if the buyer (e.g., the processor) paid the RC a lower than market scrap value for the material shipped (i.e., a “scrap value deduction”). The SVD is not an allowable cost, and if there is a SVD line item on the financial statement, the survey team should categorize it non-allowable (category “0”) on the cost model’s **Cost Input Sheet**.

Tips for Reviewing Costs (Page 2 of 3)

3. Determine who owns the vehicles used to transport materials from the site. For example, if the recycler owns a truck that is used only to transport glass, all costs associated with that truck should be directly allocated to glass. There are some grey areas. The truck depreciation should be directly costed to glass. If there was a truck maintenance line item associated with that particular truck, it would be directly costed to glass. If there was a fuel line item that included all fuel used at the site, including the truck, use the model to allocate the fuel costs.
4. Determine number of miles traveled round trip.
5. Estimate mix of CRV materials transported for any given transportation method (e.g., what proportion of trips were for aluminum, glass, plastic, and non-CRV materials). This information should be included in the Site Memo, but you may not necessarily use this mix of trips by material type information to allocate costs.
6. For each transportation-related line item on the financial statement, identify to which materials that line item applies. Many times the recycler will use different transportation methods for each material type. A third-party hauler or processor may pick up glass. A different processor may pick up aluminum. The recycler may use their own truck to haul plastics. Here are some examples of how to handle different scenarios:
 - a. If the item applies to all CRV materials (aluminum, glass, plastic) and non-CRV materials, let the model allocate the item's cost
 - b. If the item applies to only CRV materials (aluminum, glass, plastic), key enter the item's cost in the "Recycler BCI" column on the **Recycler Direct Cost Sheet**. The model then will allocate the cost you type here among the three materials
 - c. If the line item applies to two CRV materials (e.g., glass and aluminum), and non-CRV materials, use the AMI percentages to determine the split between the three materials, and key enter the resulting amounts in the CRV material columns and the "Recycler Non CRV Materials" column on the **Recycler Direct Cost Sheet**
 - d. If the line item applies to two CRV materials (e.g., a baler used only for aluminum and plastic (PET and HDPE)), use the BCI percentages to determine the split between aluminum and plastic, and the relative weights of plastics at the site to split the plastic portion between PET and HDPE (see f, below), and then key enter the resulting amounts for aluminum, PET, and HDPE in the CRV material columns on the **Recycler Direct Cost Sheet**
 - e. If the line item applies to one CRV material, or to only non-CRV materials, enter the full amount on the appropriate column (either one of the CRV materials or "Recycler Non CRV Materials) on the **Recycler Direct Cost Sheet**
 - f. If the line item applies to plastic and is used for more than one resin type (e.g., PET and HDPE), use the relative weights of PET and HDPE at that site to allocate between the resin types, and enter the resulting amounts in the "PET #1" and "HDPE #2" columns on the **Recycler Direct Cost Sheet**.

Tips for Reviewing Costs (Page 3 of 3)

4. Owners Draws: These are not to be counted as either compensation or an expense on a profit and loss statement (P&L) or on a tax return. You may see a draw shown as an expense on a P&L, but you hopefully will never see a draw treated as an expense on a tax return (because, well, it's not an expense). Owners' draws are not an expense and they are not compensation. Do not record them as compensation or an expense. If you find a draw treated as an expense in the calculation of net profit for a sole proprietorship or S-Corp (as has happened on prior sites), and you will be using net profit as compensation, you must add the draw to net profit to determine the correct net profit.
5. S-Corp and Sole Proprietorships: Use net profit as owners' wages.
6. Partnerships: You must determine the percent of the partnership owned by the partners that work at the site. You multiply this percentage by the net profit of the partnership to determine the total compensation of the partners that work at the site. You then can inquire about the proportional share of the partnership owned by the partners that work at the site (with the total = 100% for the on-site partners) in order to determine the compensation of each on-site partner.

Tips for Travel Expense Claims (Page 1 of 2)

- Sign and date form
- One line per day of travel – even if you do a round trip
- Enter only the day (i.e. “11”) in the date column
- Use military time and record both the beginning and end times of the trip (on separate lines for a two day trip, and on one line for a one day trip) in the Time column
- Leave the “Time” column blank on the middle-days of a multi-day trip
- Provide receipts for lodging, rental car/fuel, air travel, any other expense over \$25
- Please tape all of your original receipts to white 8 1/2 x 11 paper, and number the pages (i.e., Page 1 of N)
- Avoid the “business expense” category, and if you do use it, provide an explanation and a receipt. You may charge Internet access fees in this category, however explain the purpose of the fee in the space provided (Under Purpose of Trip)
- On a multi-day trip, put the destination in the “Location” column on the day you leave, and on the days in the middle of the trip. On the day you return, put “return” in the “Location” column
- For location, indicate the city in which your lodging is located, not where the site visits occurred
- Put the travel codes in the Transportation (B) Type Used column (see second page of TEC for abbreviations). When you use your own car, put your vehicle license number on the form (item 13)
- For parking at the Sacramento International Airport (SMF), you can only claim “Economy Lot” parking fees (\$9 per day). Even if you park in other lots at SMF, you can only claim to this State client \$9 per day. Put the total airport parking on the last day of the trip
- If you park at a different airport, you must also use the lowest cost parking option, whatever that may be
- On a single-day round trip, put the destination/return in the “Location” column (i.e. Oakland/return)
- On a multi-day air travel trip, put the airfare on the first day, and the rental car on the last day. You may add fuel to the rental car total. If you use a taxi or shuttle service to get to the airport on the first day, you may add that amount to the airfare total, and explain in the Purpose of Trip section
- When traveling with your own car, mileage is reimbursed at \$.555 per mile – the TEC automatically calculates the amount from the miles entered, if the mileage rate is entered in the Mileage Rate Claimed in item #3. Enter your vehicle license plate number in item #13
- You do need a receipt for lodging. Phone calls, movies, etc., are not reimbursed. Lodging is reimbursed as follows:
 - Actual expenses up to \$84 plus tax, statewide, except below:
 - ◆ Actual expenses up to \$110 plus tax, Los Angeles and San Diego counties
 - ◆ Actual expenses up to \$140 plus tax, Alameda, San Francisco, San Mateo, and Santa Clara counties
 - ◆ No reimbursement if you stay with friends
- If your lodging rate exceeds the amount specified above, you may only expense the maximum lodging rate, but you may expense all of the taxes. For example, if you paid a \$170 room rate plus \$25 tax for a room in Alameda County, you would expense \$165 (\$140 + \$25) for that night of lodging
- The room rates do not include Priceline or travel agent service fees. You must provide the hotel receipt with the room rate and applicable local taxes, not a Priceline receipt with combined local taxes and service fees
- For a trip that extends over two months, you may combine the expenses on one TEC form, and explain in the comments section.

Tips for Travel Expense Claims (Page 2 of 2)

- Meals are reimbursed as follows, you do not need receipts:
 - ◆ Breakfast \$6
 - ◆ Lunch \$10
 - ◆ Dinner \$18
 - ◆ Incidentals \$6
- Only charge for one Incidental every 24 hours of a multi-day trip
- Only charge for Incidentals on the first day of a 2-day trip
- On a trip of less than 24 hours, do not charge for lunch or incidentals
- Meal reimbursement depends on how many days you travel (less than 24 hours, or 24 hours or more), and when you leave and return
- Pay close attention to the start and end times for trips to determine which meals you may include. The rules are as follows:

TRIPS OF 24 HOURS OR MORE

A. For continuous short-term travel of 24 hours, or MORE, but less than 31 days, the employee will be reimbursed for actual costs up to the maximum for each meal, incidental, and lodging expense for each completed 24 hours of travel, beginning with the traveler's time of departure and return as follows:

1. On the first day of travel at the beginning of a trip of more than 24 hours:

- | | |
|----------------------------------|----------------------------|
| Trip begins at or before 6 a.m. | - Breakfast may be claimed |
| Trip begins at or before 11 a.m. | - Lunch may be claimed |
| Trip begins at or before 5 p.m. | - Dinner may be claimed |

2. On the fractional day of travel at the end of a trip of more than 24 hours:

- | | |
|------------------------------|----------------------------|
| Trip ends at or after 8 a.m. | - Breakfast may be claimed |
| Trip ends at or after 2 p.m. | - Lunch may be claimed |
| Trip ends at or after 7 p.m. | - Dinner may be claimed |

If the fractional day includes an overnight stay, receipted lodging may be claimed. No meal or lodging expenses may be claimed or reimbursed more than once on any given date or during any 24-hour period.

TRIPS OF LESS THAN 24 HOURS

B. For continuous travel of LESS than 24 hours, the employee will be reimbursed for actual expenses up to the maximum as follows:

- | | |
|---|----------------------------|
| Travel begins at or before 6 a.m. and ends at or after 9 a.m. | - Breakfast may be claimed |
| Travel begins at or before 4 p.m. and ends at or after 7 p.m. | - Dinner may be claimed |

If the trip extends overnight, receipted lodging may be claimed. **No lunch or incidentals may be claimed on a trip of less than 24 hours.**

How to connect to the NewPoint Group 2011 Cost Survey folder by FTP

(page 1 of 4)

All files for the 2011 Cost Survey project will be located on a network-attached storage (NAS) unit located in the NewPoint Group office. Project members outside the office can access the Cost Survey folder through the Internet by File Transfer Protocol (FTP), utilizing the FTP utility within Windows. Using and connecting with FTP may seem daunting for first-time users, but this visual guide will provide you with easy step-by-step instructions. (You must have Windows 2000, Windows XP, Windows Vista or Windows 7.)

1. Bring up the My Computer window by either clicking the My Computer icon on your desktop or from the Start menu. On Windows Vista, this is called Computer.

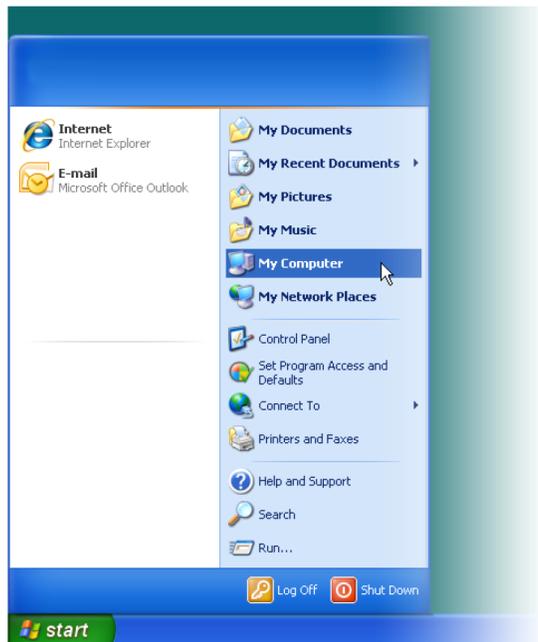
Windows 2000/XP



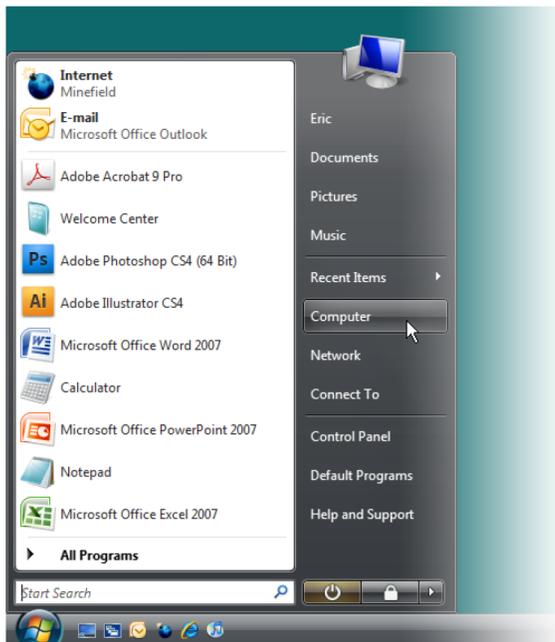
Windows Vista/7



Windows 2000/XP



Windows Vista/7



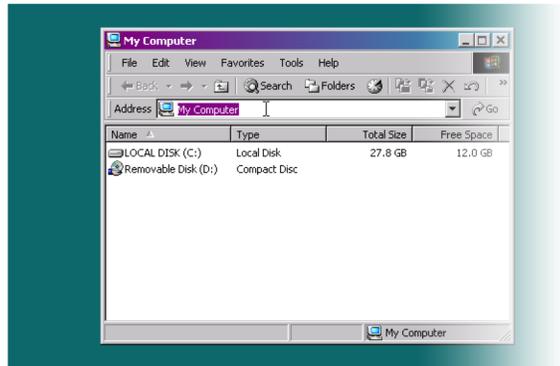
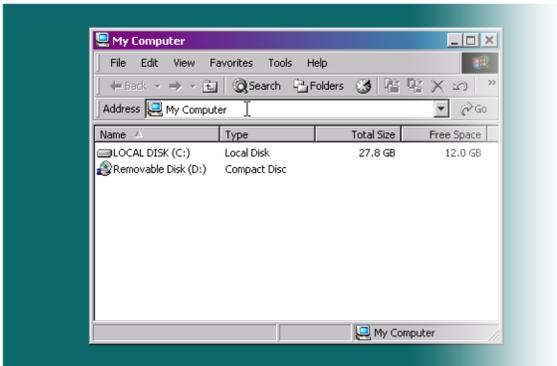
(Please note: any window will do, but we are using My Computer as an easy starting point.)

How to connect to the NewPoint Group 2011 Cost Survey folder by FTP

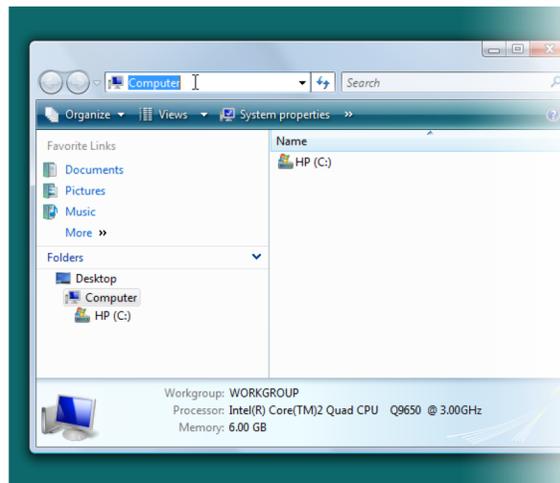
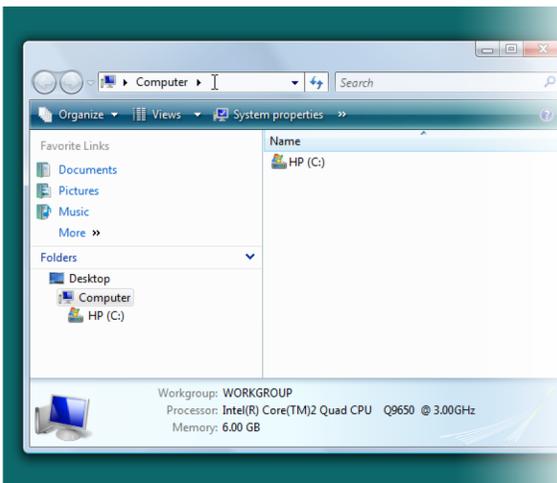
(page 2 of 4)

2. Click in the address bar in the area to the right of My Computer and highlight the text.

Windows 2000/XP

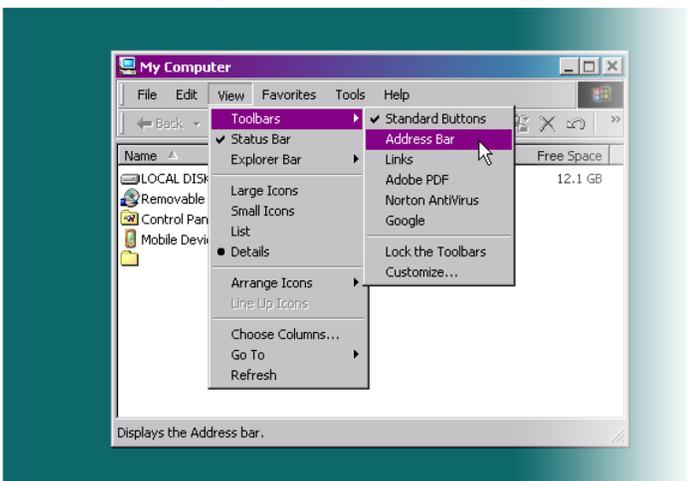


Windows Vista/7



If you do not have an address bar, just click on View > Toolbars, then click on the Address Bar.

Windows 2000/XP only

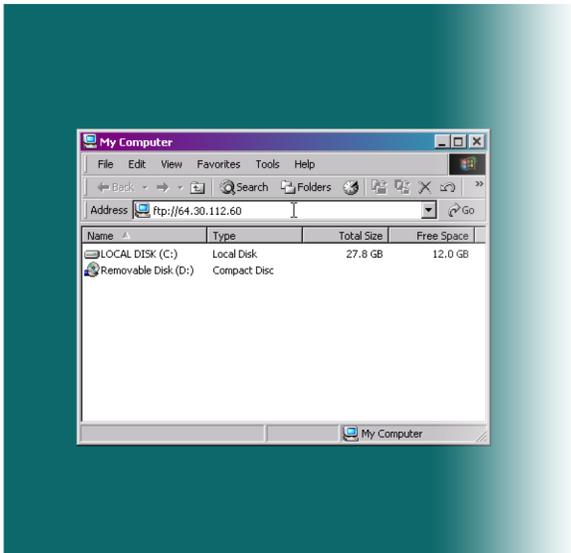


How to connect to the NewPoint Group 2011 Cost Survey folder by FTP

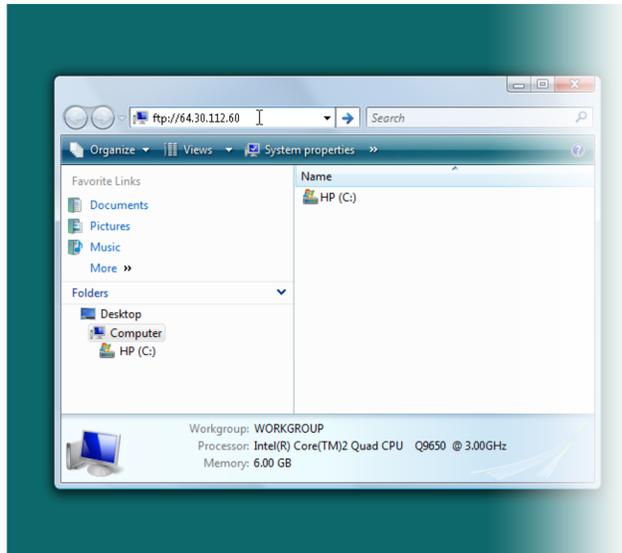
(page 3 of 4)

3. Once you have highlighted the text, type the following: `ftp://64.30.112.60` and hit the ENTER key.

Windows 2000/XP



Windows Vista

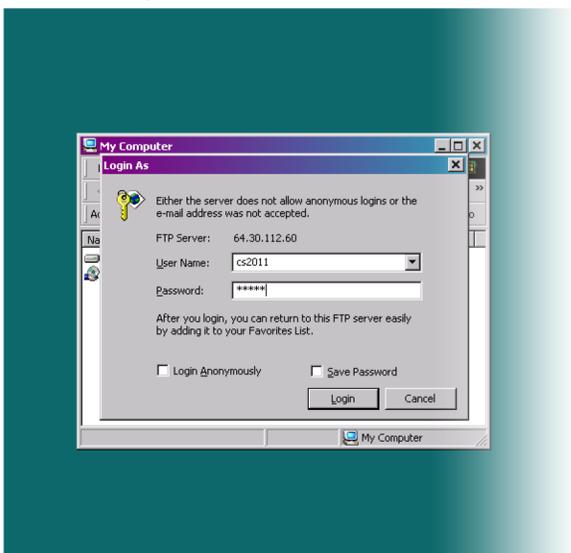


4. You should now be prompted for a user name and password.

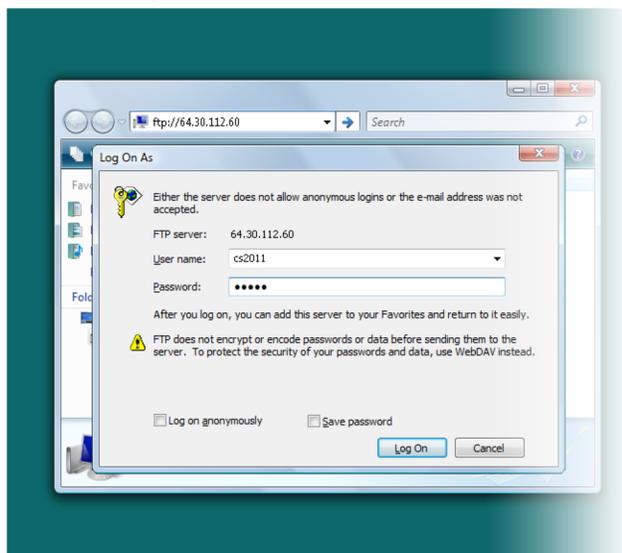
The user name is: `cs2011`

The password is: `doccs`

Windows 2000/XP



Windows Vista/7



After entering the login information, hit the ENTER key or click the "Login" or "Log On" button.

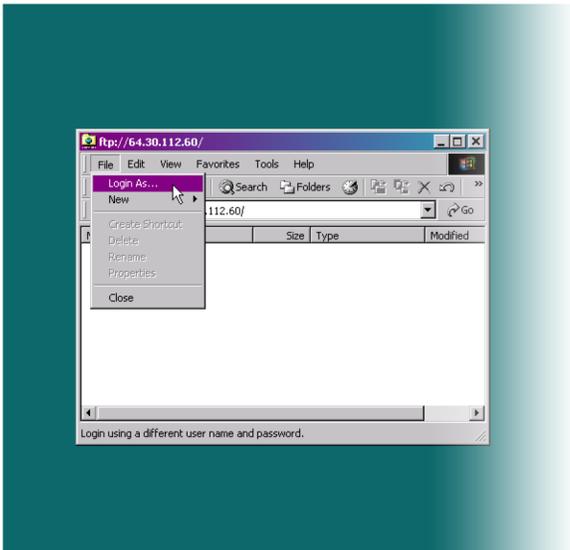
How to connect to the NewPoint Group 2011 Cost Survey folder by FTP

(page 4 of 4)

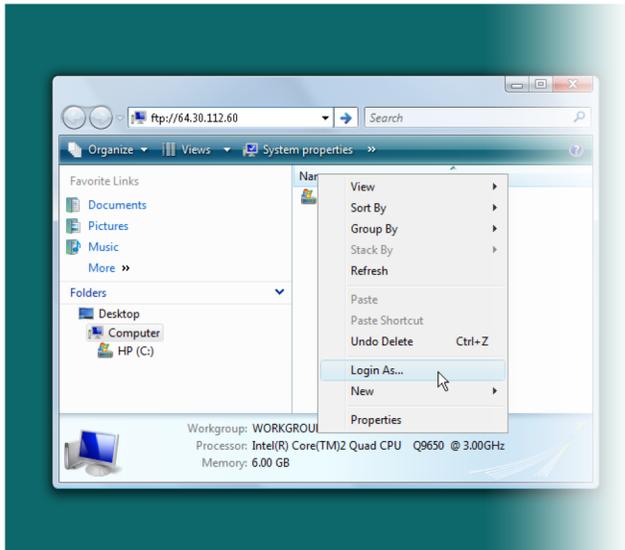
If you are not prompted for a user name and password, you will either see a blank window or receive an error message, which you can ignore.

You can force the login window to appear by going to File > Login As... (in Windows 2000 and XP only), or by right-clicking in the window field and selecting "Login As..." from the menu.

Windows 2000/XP

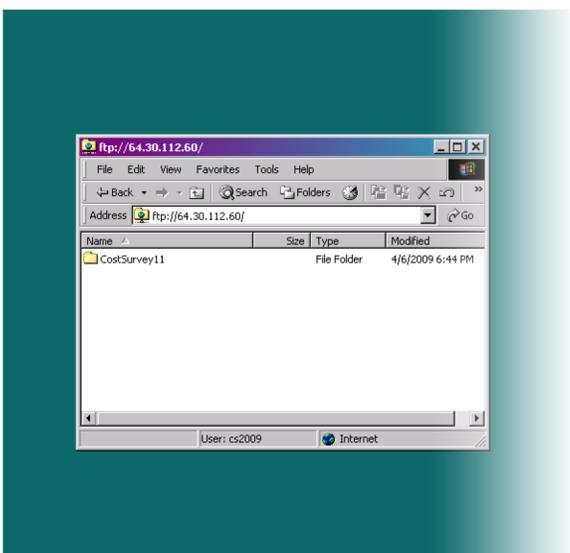


Windows Vista/7

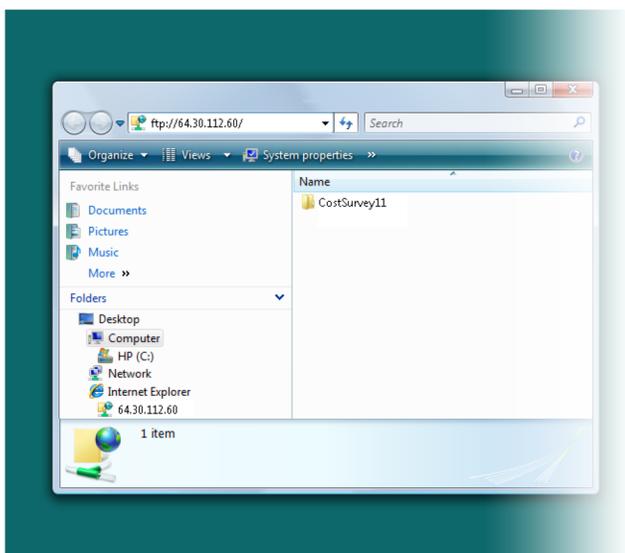


5. You should now see the CostSurvey11 folder, which means that you have successfully connected to the NewPoint Group NAS. Double-click on the folder to see the items inside. You can now transfer files to and from the folder using drag-and-drop, as you would on your computer.

Windows 2000/XP



Windows Vista/7



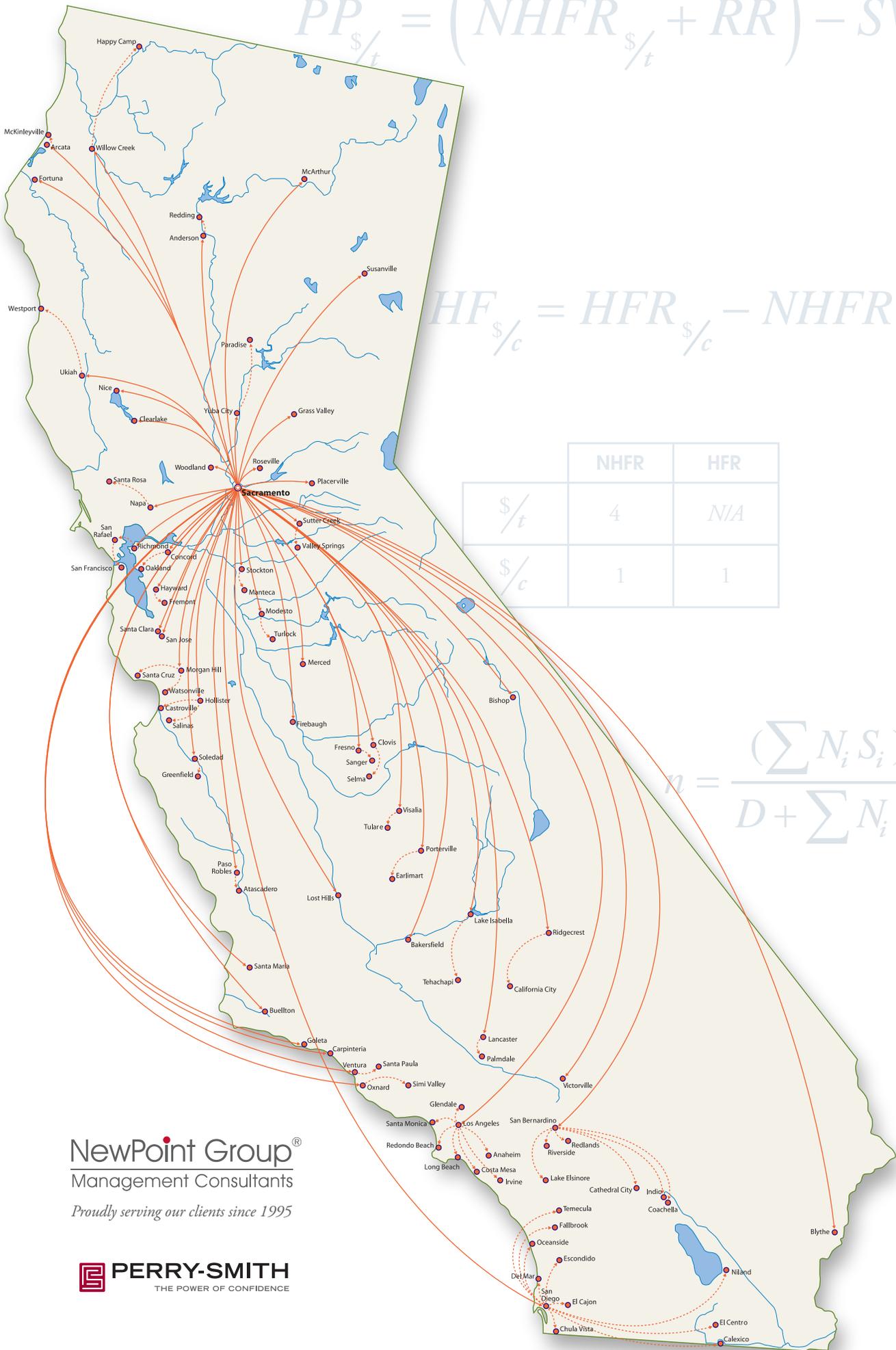
Please note that while the FTP window may look like a typical window on your computer, it is simply a tool to facilitate a data stream connection. You should **NOT** double-click on a file to view it, as it will only download the data to your computer, resulting in a local copy being created. You should copy a file to your own computer to view it.

$$PP_{\$/t} = (NHFR_{\$/t} + RR) - SV_{\$/t}$$

$$HF_{\$/c} = HFR_{\$/c} - NHFR_{\$/c}$$

	NHFR	HFR
$\$/t$	4	N/A
$\$/c$	1	1

$$n = \frac{(\sum N_i S_i)^2}{D + \sum N_i S_i^2}$$



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