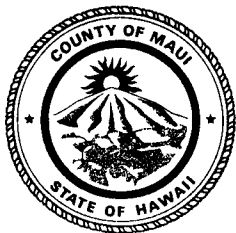


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MEMO TO: Sandy Baz, Budget Director

FROM: Jeffrey Ueoka, Deputy Corporation Counsel *JU*

DATE: April 6, 2016

SUBJECT: **USE OF SELF-INSURANCE FUNDS IN THE DEPARTMENT OF FINANCE, COUNTYWIDE COSTS**

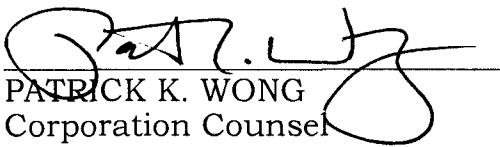
We are in receipt of your request for clarification that funds appropriated for the operation of the Insurance/Self-Insurance Program can be expended for claims in any of the following categories of use: (a) salaries, premium pay, or reallocation pay, (b) operations or services, and (c) equipment. Although the appropriation for the Insurance/Self-Insurance Program is located in the "B" category of the County's annual budget ordinance, the use of the Program funds is not limited to only the "B" category. The Program's primary function is to serve as insurance for the County and therefore it is often required to make payments that fall into any of the budget use categories, "A", "B", or "C", depending on the specifics of the claim. We are not aware of any limitation or prohibition of this use of the Insurance/Self-Insurance Program fund contained in the budget ordinance, therefore we can recommend that the Program's funds be used make payments for claims that could be placed in any of the categories of use.

Sandy Baz, Budget Director
April 6, 2016
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If you have any further questions or require additional assistance please feel free to contact me.

JTU:lk

APPROVED FOR TRANSMITTAL:


PATRICK K. WONG
Corporation Counsel
2016-0384