

Animal Services is apparently losing its butt on AVID Microchips according to information sent to me anonymously. Where is the extra money going?

In Fiscal Year 2006-07, the Department spent \$204,973 on purchasing microchips.

Approximately 17,000 dogs/cats year adopted got chips and 6,000 New Hope animals get chips, 23,000 cats/dogs got chips, not including chips the public requested. Animal Services pays \$8.90/chip. Another estimate put the cost at \$8.00 per chip if a thousand more were sold to the public directly.

However, this same source says the wholesale price for ships directly from AVID is \$3 per chip, for a cost of \$72,000. Somewhere, someone is making \$133,000 for 2006-2007 off of the department.

Assuming the department was thinking ahead and bought two years of chips for \$144,000, that still leaves \$61,000 that went to someone else's pocket.

Or, as I heard elsewhere, it bought, 40,000 chips for \$205,000, but received only the \$91,000 mentioned by Laura Chick in that special fund.. In this case, \$114,000 is missing.

Therefore, somewhere between \$72,000 and \$114,000 is "missing."

Where did that "profit" go? Does AS purchase directly from AVID, or from a distributor who make a killing by buying wholesale and selling above retail?

In addition, Animal Services charges the public \$6.25/chip, and therefore is losing \$1.75 on each chip sale to the public.

In addition, the AVID website says to buyers of 500 or more will be given a special discount. I wonder what the cost per chip would be if you bought 40,000?

Beside the chips, their are costs for the installation kits and scanners.

I have no independent validation for these prices or chip numbers, but a request for public records would reveal details of the deal.

All of these figures may be off, except purchase cost and the \$91,000 paid to the public. LA's accounting system shunts money around in so many ways it is difficult to distinguish between a valid transaction and something smelly.

Laura Chick ought to check into this.

