

Adopted: September 30, 1999
Amended: March 26, 2010

Amended Parameters and Guidelines

Education Code Sections 48204.5 and 48204.6
Revenue and Taxation Code Section 97.3

Section 5 of Statutes 1995, Chapter 309
as amended by Statutes 1995, Chapter 309

Pupil Residency Verification and Appeals
05-PGA-64 (CSM 96-348-01)

This amendment is effective beginning with claims filed for the
July 1, 2005 through June 30, 2006 period of reimbursement

I. Summary and Source of the Mandate

Statutes 1995, chapter 309, declares that any school district that is adjacent to an international border district shall make reasonable efforts to determine that the pupil actually meets the residency requirements if an employee of that district reasonably believes that the parent or guardian of a pupil has provided false or unreliable evidence of residency. It further provides that County Superintendents of Schools of Imperial and San Diego Counties are not to allocate funds to any school district that has not adopted an appeals procedure for pupils who fail to adequately verify residency.

On June 24, 1999, the Commission found that the test claim legislation constitutes a reimbursable state mandated program within the meaning of article XIII B, section 6 of the California Constitution for the following reimbursable state mandated activities:

- Any “reasonable efforts” to determine a pupil’s residency *if* the verification occurs at a time other than the annual residency verification that is required under Title 5, California Code of Regulations, section 432.
- The one-time activity of adopting an appeals procedure substantially similar to Mountain Empire Unified School District’s for pupils who fail to adequately verify residency.

II. Eligible Claimants

Any “school district,” as defined in Government Code section 17519, except for community colleges, that is adjacent to the international border and incurs increased costs as a result of this mandate is eligible to claim reimbursement.

III. Period of Reimbursement

This amendment is effective beginning with claims filed for the July 1, 2005 through June 30, 2006 period of reimbursement.

At the time this test claim was filed, Government Code section 17557 stated that a test claim must be submitted on or before December 31 following a given fiscal year to establish eligibility for reimbursement for that fiscal year. The test claim for this mandate was filed by the claimants

on November 19, 1996. Statutes of 1995, Chapter 309, had an urgency clause making it effective August 3, 1995. Therefore, all costs incurred on or after August 3, 1995, for Statutes of 1995, Chapter 309, are eligible for reimbursement pursuant to these parameters and guidelines.

Actual costs for one fiscal year shall be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to Government Code section 17561, subdivision (d)(1), all claims for reimbursement of initial years' costs shall be submitted within 120 days of notification by the State Controller of the issuance of claiming instructions.

If total costs for a given year do not exceed \$200, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

IV. Reimbursable Activities

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct based upon personal knowledge." Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

The claimant is only allowed to claim and be reimbursed for increased costs for reimbursable activities identified below. Increased cost is limited to the cost of an activity that the claimant is required to incur as a result of the mandate.

The direct and indirect costs of labor, materials and supplies, contracted services, fixed assets, and travel incurred for the following mandate components are reimbursable:

- Any "reasonable efforts" to determine a pupil's residency *if* the verification occurs at a time other than the annual residency verification that is required under Title 5, California Code of Regulations, section 432.
- The one-time activity of adopting an appeals procedure substantially similar to Mountain Empire Unified School District's for pupils who fail to adequately verify residency.

V. Claim Preparation and Submission

Claims for reimbursement must be timely filed and identify each cost element for which reimbursement is claimed under this mandate. Claimed costs must be identified each reimbursable activity identified in Section IV of this document.

SUPPORTING DOCUMENTATION

Claimed costs shall be supported by the following cost element information:

A. Direct Costs

Direct Costs are defined as costs that can be traced to specific goods, services, units, programs, activities, or functions.

Claimed costs shall be supported by the following cost element information:

1. Salaries and Benefits

Identify the employee(s), and/or show the classification of the employee(s) involved. Describe the reimbursable activities performed and specify the actual time devoted to each reimbursable activity by each employee, the productive hourly rate, and the related employee benefits.

Reimbursement includes compensation paid for salaries, wages, and employee benefits. Employee benefits include regular compensation paid to an employee during periods of authorized absences (e.g., annual leave, sick leave) and the employer's contributions to social security, pension plans, insurance, and worker's compensation insurance. Employee benefits are eligible for reimbursement when distributed equitably to all job activities performed by the employee.

2. Materials and Supplies

Only expenditures that can be identified as a direct cost of this mandate may be claimed. List the cost of the materials and supplies consumed specifically for the purposes of this mandate. Purchases shall be claimed at the actual price after deducting cash discounts, rebates and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged based on a recognized method of costing, consistently applied.

3. Contract Services

Provide the name(s) of the contractor(s) who performed the service(s), including any fixed contracts for services. Describe the reimbursable activity(ies) performed by each named contractor and give the number of actual hours spent on the activities, if applicable. Show the inclusive dates when services were performed and itemize all costs for those services. Attach consultant invoices to the claim.

4. Fixed Assets

List the purchase price paid for equipment and other fixed assets acquired for this mandate. Purchase price includes taxes, delivery costs, and installation costs. If the equipment or other capital asset is used for purposes other than this mandate, only the pro rata purchase price can be claimed.

4. Travel

Travel expenses for mileage, per diem, lodging, and other employee entitlements are eligible for reimbursement in accordance with the rules of the local jurisdiction. Provide the name(s) of the traveler(s), purpose of the travel, inclusive dates and times of travel, destination points, and travel costs.

5. Training

The cost of training an employee to perform the mandated activities is eligible for reimbursement. Identify the employee(s) by name and job classification. Provide the title and subject of the training session, the date(s) attended, and the location. Reimbursable costs may include salaries and benefits, registration fees, transportation, lodging, and per diem.

B. Indirect Costs

Indirect costs are defined as costs which are incurred for a common or joint purpose, benefiting more than one program and are not directly assignable to a particular department or program without efforts disproportionate to the result achieved. Indirect costs may include both (1) overhead costs of the unit performing the mandate; and (2) the costs of central government services distributed to other departments based on a systematic and rational basis through a cost allocation plan.

1. School districts must use the J-380 (or subsequent replacement) non-restrictive indirect cost rate provisionally approved by the California Department of Education.
2. County offices of education must use the J-580 (or subsequent replacement) non-restrictive indirect cost rate provisionally approved by the State Department of Education.

VI. RECORD RETENTION

Pursuant to Government Code section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter¹ is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed not later than two years after the date that the audit is commenced. All documents used to support the reimbursable activities, as described in Section IV, must be retained during the period subject to audit. If the Controller has initiated an audit during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

VII. Offsetting Savings and Other Reimbursement

Any offsetting savings the claimant experiences as a direct result of the subject mandate shall be deducted from the costs claimed. In addition, reimbursement for this mandate received from any source, including but not limited to, service fees collected under the Public Records Act (Gov. Code, § 6250 et al.), federal funds and other state funds shall be identified and deducted from this claim.

The test claim legislation appropriated \$147,575 from the General Fund to the Superintendent of Public Instruction to be allocated to the County Superintendent of Schools of Imperial and San Diego Counties, for the purpose of assisting school districts that are adjacent to the international border with pupil residency verification. Any portion of this additional allocation received by international border school districts shall be treated as an offset. Also, funds

¹ This refers to Title 2, division 4, part 7, chapter 4 of the Government Code

appropriated in the Budget Act in subsequent fiscal years for this purpose shall be treated as an offset.²

VIII. State Controller's Office Required Certification

An authorized representative of the claimant shall be required to provide a certification of the claim, as specified in the State Controller's claiming instructions, for those costs mandated by the State contained herein.

² Statutes of 1995, Chapter 309, section 6. Subdivision (a) allocates \$26,950 to the County Superintendent of Schools of Imperial County and \$120,625 to the County Superintendent of Schools of San Diego County. Subdivision (b) authorized an annual appropriation in the Budget Act for subsequent fiscal years for this purpose.